

ALEC v. Kids

ALEC's Assault On Public Education



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Introduction

The American Legislative Exchange Council, or “ALEC” is a Washington, DC, based group funded almost entirely by corporations, corporate linked foundations, big business associations, insurance companies, and the super-rich. ALEC was formed in 1973 by a group of conservative activists who came together to advance a national right-wing agenda in state legislatures across the country.

ALEC is nominally a 501(c)3 educational organization which serves to coordinate and connect corporate special interests, lobbyists, right wing think tanks, and conservative state legislators. Corporate members pay \$7,000 to \$25,000 to join, and have opportunities for greater sponsorship, and even ‘scholarship’ donations directly to legislators.¹ ALEC provides research and legislative assistance, while maintaining it does not lobby.² ALEC is organized into nine task forces, each deal with a broad issue seeking new ways to promote right-wing corporate interests. The task forces are co-chaired by both a ‘public sector’ legislator and a ‘private sector’ corporation or think tank. Both public sector legislators, and private sector entities must approve a model bill before ALEC has officially adopted it.

ALEC’s dual nature is both the reason for its success, and its greatest flaw. Giving corporate interests voting power on model bills and influence over hundreds of state legislators is a financial boon. Koch Industries, Exxon Mobil, Eli Lilly, Pfizer, AT&T, State Farm, and Altria are given extraordinary influence in exchange for their financial contributions to ALEC.

Because ALEC’s task forces are under such influence from corporate interests, ALEC’s model legislation is predictable in its effect to benefit corporate bottom lines. Because ALEC’s task force dealing with energy and environmental issues includes oil giants Exxon Mobil, BP, Shell, and Chevron, ALEC unsurprisingly promulgates legislation to allow for fracking, and opposes environmental regulations on greenhouse gasses. ALEC’s Health and Human Services Task Force can count on pharmaceutical giants GlaxoSmithKline, Celgene, Pfizer, and Eli Lilly to support legislation to prevent pharmaceutical cost controls.³

ALEC’s Education Task Force combined companies profiting, or seeking profits from public education, and radical think tanks seeking to slash funding for public education, or privatize it altogether. There will always be a market for goods and services related to education, and there will always be a need to enact policy changes to improve education. The policies of ALEC’s Education Task Force prioritize profit over results, secrecy over accountability, and cuts over kids.

The model legislation and policies promulgated by ALEC’s Education Task Force are often advanced and enacted in states across the nation with little or no alteration. With the advancement of ALEC’s cookie cutter bills, often come cookie cutter results. This report seeks to analyze of the effect of ALEC’s Education policy effects in selected states and to shed light on the conflicts of interest, coordinated efforts, and simply bad education policy ALEC disseminates.

¹ CMD, [October, 2012](#)

² ALEC.org, accessed [05/31/13](#)

³ ALECEXposed.org, accessed [06/04/13](#)

Corporate Education Task Force Members

Amplify.

In July, 2012, Wireless Generation was rebranded as Amplify.⁴ Amplify is a New York City based independent subsidiary of News Corp (the parent company of Fox News), which is also an ALEC member.⁵ Amplify produces educational support materials with an emphasis on technology.⁶ Amplify's predecessor corporation, Wireless Generation was announced as a new member of ALEC's Education Task force at the May, 2012 ALEC convention, where ALEC debated the model bill, "Online Course Choice For Students."⁷



Bridgepoint Education, Inc. is a for-profit online higher education provider based in San Diego, California. Bridgepoint operates two brands, Ashford University based in Iowa, and the University of the Rockies based in Colorado. While Bridgepoint's campuses have physical locations, 99 percent of students attend class exclusively online, and Bridgepoint has claimed students in every state. As of March, 2012 the company enrolled 95,000 students.⁸

Bridgepoint Education's campuses answered questions before Congress regarding its abysmal retention rates, with 84.4% of students seeking an associates degree withdrawing from school, and 66.8% of students seeking a bachelor degree withdrawing. This was in excess of the industry average, and among the worst of its competitors.⁹

⁴ Amplify.com, accessed [05/14/13](#)

⁵ Amplify.com, accessed [05/14/13](#)

⁶ Press Release, NewsCorp, [07/23/12](#)

⁷ ALEC [04/06/12](#)

⁸ senate.gov, accessed [05/13/13](#)

⁹ senate.gov, accessed [05/13/13](#)



K12 Inc. is a for-profit education management organization, enrolling more students than any other private education management organization.¹⁰ Based in Herndon, Virginia, K12 Inc. is primarily a provider of online education. Studies question the efficacy of the education provided by K12 Inc.: notably only 27.7% of K12 Inc. schools make adequate yearly progress—a national metric of measuring student achievement—and this figure is merely half nearly half the rate achieved by public face-to-face schools. The on-time graduation rate for K12 Inc. schools is 49.1%, compared to 79.4% for all students in the states in which K12 Inc. operates. While K12 Inc. schools are far behind traditional schools in performance, they also have fewer students qualifying for free-or-reduced-lunch, fewer students with disabilities, fewer ELL students, and fewer minority students. K12 Inc. is, however, very profitable; in 2012 K12 Inc. experienced a 35% increase in revenue to more than \$700million.¹¹

In addition to issues related to sub-par academic performance, and in addition to issues pertaining to specific bills and states discussed in other areas of this report, K12 Inc. has come under scrutiny for various issues including:

- In Colorado, state auditors found that the K12 Inc. affiliate Colorado Virtual Academy had counted 120 students for state reimbursements, some of which did not meet Colorado residency qualifications, or had never logged in. The state required the school reimburse more than \$800,000 for their actions.¹²
- K12 Inc. was sued for allegedly making false statements on student academic performance after the New York Times investigated and found a mismatch between student achievement and company statements.¹³ The New York Times found that in Pennsylvania students had performed far worse than students statewide while the K12 Inc. CEO claimed they were doing “as well or better than the average child in a brick-and-mortar school.”¹⁴ K12 Inc. settled this class action lawsuit for \$6.75million.¹⁵
- At the K12 Inc. run Agora Cyber Charter School in Pennsylvania, a policy stated that if students did not turn in an assignment, they would receive a “50” rather than a zero. Teachers at this school reported that single teachers were supervising more than 250 students.¹⁶

¹⁰ National Education Policy Center, [July, 2012](#)

¹¹ K12 Inc. Annual Report [2012](#)

¹² New York Times, [12/12/11](#)

¹³ Washington Post [01/31/12](#)

¹⁴ New York Times, [12/12/11](#)

¹⁵ Businesswire, [03/05/13](#)

¹⁶ New York Times, [12/12/11](#)



National Heritage Academies (NHA) is a for-profit corporation that runs charter schools. Based out of Grand Rapids, Michigan, NHA has an enrollment of more than 48,000, operating 75 schools in 9 states, with the bulk of the schools being in Michigan.¹⁷ Of all charter schools in Michigan in 2012, NHA schools comprised more than half of those labeled by the Michigan Department of Education as ‘focus schools’ for significant gaps in student achievement were operated by NHA.¹⁸ NHA’s founder, J.C. Huizenga, has said his involvement with charter schools was spurred by realizing that “privatizing public education was not only practical but also desperately needed.”¹⁹



Corinthian Colleges Inc. is a publically traded for-profit secondary education provider based in Santa Ana California. CCI has 116 schools throughout the US and Canada, serving 91,000 students.²⁰ CCI offers both exclusively-online and blended learning courses, serving approximately 31,000 online-only students.²¹ Corinthian’s students have an extremely high rate of default on their student loans, of 40.3% compared to the for-profit college average of 25%, and only 60% of students complete their coursework.²²

¹⁷ NHAschools.com, accessed [05/13/13](#)

¹⁸ mlive, [08/06/12](#)

¹⁹ Heartland.org, [04/01/05](#)

²⁰ Corinthian Colleges Inc. Annual Report, [2012](#)

²¹ Reuters.com, accessed [05/14/13](#)

²² LA Times, [02/06/11](#)

Advocacy Organization Education Task Force Members



The Alliance for School Choice is a national advocacy group for vouchers. It attempts to disseminate research, and assistance for voucher bills. The Alliance for School Choice even lists model bills on its website, identical to those ALEC advocates.²³ This similarity is likely due to the fact that, according to ALEC, the Alliance for School Choice was an inaugural member of ALEC's Education reform subcommittee, and participated in crafting the ALEC models.²⁴



The Friedman Foundation for Educational Choice is the legacy foundation of the late Milton and Rose Friedman. The foundation was established in 1996 to advocate for vouchers.²⁵ The foundation provides research and support for vouchers in various states.²⁶



The Foundation for Excellence in Education (FEE) was founded by Former Florida Governor Jeb Bush in 2008, intended to reform education.²⁷ FEE has promoted Florida, and the policies Governor Bush enacted.^{28 29} ALEC listed FEE as a member in 2011.³⁰

²³ allianceforschoolchoice.org, accessed [05/31/13](#)

²⁴ ALEC.org, archived by archive.org, [02/04/05](#)

²⁵ edchoice.org, accessed [05/31/13](#)

²⁶ [Washington Times](http://WashingtonTimes.com), [03/11/07](#)

²⁷ excelined.org, accessed [06/03/13](#)

²⁸ excelined.org, accessed [06/03/13](#)

²⁹ excelined.org, accessed [06/03/13](#)

³⁰ ALEC 35 Day Mailing, [03/31/11](#)

Both FEE and ALEC share funders, including ALEC members K12 Inc., Amplify,³¹ State Farm Insurance, and Microsoft, as well as former members Connections Academy, and Intel. FEE's board and staff have deep ties to ALEC as well.³²

- FEE's research received an award from the National Education Policy Center for consistently using false and deceptive 'research' work to promote Former Governor Bush's policies.³³
- FEE has been criticized for advancing the policies to specifically benefit FEE's funders.³⁴ In Maine, FEE came under criticism for writing executive orders issued by Governor LePage, and aiding in the advancement of ALEC model legislation to open virtual schools benefitting K12 Inc.³⁵



The Heartland Institute was founded in Chicago, in 1984. This Koch-funded think tank advocates a wide array of positions on the far right.³⁶ On education, the Heartland Institute takes stances almost identical to the ALEC line, opposing Common Core Standards, supporting vouchers, and the Parent Trigger.³⁷ As a member, the Heartland Institute even introduced the Parent Trigger in ALEC, and sponsored its passage through the task force.³⁸ The Heartland Institute's political activities go further than ALEC, with leaked documents noting that the Heartland Institute sought to spend \$612,000 to defend Wisconsin Governor Scott Walker in 2012.³⁹



The Institute for Justice is a libertarian advocacy organization, advocating libertarian policies in both political areas and taking fights to the courts.⁴⁰ The Institute for Justice is funded by the

³¹ Washington Post, [01/30/13](#)

³² prwatch.org, [11/28/12](#)

³³ NEPC, [2011](#)

³⁴ inthepublicinterest.org, accessed [06/03/13](#)

³⁵ Portland Press Herald, [09/02/12](#)

³⁶ Sourcewatch.org, accessed [05/31/13](#)

³⁷ heartland.org, accessed [05/31/13](#)

³⁸ ALEC 35 Day Mailing, as obtained by Common Cause, [10/28/10](#)

³⁹ Heartland Institute, as hosted by desmogblog, [2012](#)

⁴⁰ ij.org, accessed [06/04/13](#)

Koch, DeVos, Bradley, and Walton families.⁴¹ The organization advocates for vouchers, both in court and through legislative efforts.

- The Institute for Justice advocated for vouchers in the landmark Supreme Court case *Zelman v. Simmons-Harris*, upholding the constitutionality of a Cleveland voucher program.⁴²
- The Institute for Justice advocated for a ALEC tuition tax credit before a federal court in *Winn v. Garriot*.⁴³

SPN STATE POLICY NETWORK

The State Policy Network (SPN) is parent organization for 59 state-based right-wing think tanks.⁴⁴ SPN has demonstrated a remarkable control over the funding of its franchises, and a highly coordinated, controlled and homogenous agenda.⁴⁵ While SPN itself is a member of ALEC's Education Task Force, and at least 11 SPN affiliates have acted as members of the Education Task Force, allowing SPN incredible influence over ALEC's education policies;^{46 47 48} as well as the added power of the SPN affiliate Goldwater Institute being the private-sector chair of the task force.⁴⁹

SPN and affiliates receive large amounts of funding from the Koch Brothers and their associated entities, as well as Michael Grebe's Bradley Foundation, the Michigan DeVos family, and a wide array of dark-money conduit organizations.⁵⁰ While often operating under the guise of non-partisan research organizations, SPN and its affiliates rely on funding, and support policies of the extreme right, and are aligned with Tea Party groups, the Ayn Rand Center, and Grover Norquist's ATR.⁵¹

⁴¹ [bridgeproject.com](#), accessed [06/04/13](#)

⁴² [IJ.org](#), accessed [06/04/13](#)

⁴³ [ij.org](#), accessed [06/04/13](#)

⁴⁴ [spn.org](#), accessed [05/14/13](#)

⁴⁵ [prwatch](#), [04/04/13](#)

⁴⁶ ALEC, [03/31/11](#)

⁴⁷ ALEC, [07/01/11](#)

⁴⁸ ALEC, [04/06/12](#)

⁴⁹ [ALEC.org](#), accessed [05/14/13](#)

⁵⁰ [prwatch](#), [04/04/13](#)

⁵¹ [spn.org](#), accessed [05/14/13](#)

Select Former Education Task Force Members

Former members are listed here as they have had an impact on ALEC's policies and thus an impact on education policies enacted in states around the country. These entities are included to provide historical understanding of ALEC. The entities listed in this are no longer members. For a full list of corporations that have left ALEC, please see alecexposed.org



Connections Education LLC was the corporate chair of ALEC's Education Task Force in 2012, when it announced it would be ending its membership with ALEC. Connections operates virtual schools, and participated in the development of ALEC policies advancing those goals.⁵²



Kaplan Education runs for profit colleges, both online and face-to-face, with more than 45,000 students.⁵³ Kaplan claimed that a division was a member for one year, and is no longer associated with ALEC, ending in August, 2011.⁵⁴



The National Association of Charter School Authorizers is dedicated to the policies and practices of charter school authorization processes.⁵⁵ NACSA has ties to the Walton Foundation, and the advocates behind California's 'Parent Trigger' law.⁵⁶ NACSA voted for the Parent Trigger Act in ALEC.⁵⁷ NACSA left ALEC in June, 2012.⁵⁸

⁵² PRWatch, [07/20/12](#)

⁵³ Kaplanuniversity.com, accessed [06/04/13](#)

⁵⁴ Republic Report, [04/26/12](#)

⁵⁵ qualitycharters.org, accessed [06/17/13](#)

⁵⁶ qualitycharters.org, accessed [06/17/13](#)

⁵⁷ ALEC, 35 Day Mailing, [03/31/11](#)

⁵⁸ ALECExposed.org, accessed [06/17/13](#)



Scantron is the well known for-profit standardized testing company, and online tutoring company. Scantron left ALEC in May, 2012.⁵⁹

⁵⁹ PRWatch, [05/22/12](#)

The Irrelevant Report Card

In 1993 ALEC began a series of ‘Report Cards’ on American Education.⁶⁰ The original report card was eight pages long, and included information only on standardized test scores, state education spending, and economic statistics. The 1993 report concluded, “America’s heavy investments in education have not paid off... There is no direct correlation between higher spending and student performance.”⁶¹

Between 1993 and 2008 the report card remained fairly static. Like the 1993 version, the 2008 version of the report card included data on student testing, education spending, and economic stats; though the 2008 version included brief overviews of Charter Schools, which barely existed in 1993.⁶² In this period, the reports focused on little more than opposing funding increases to education.

The 2008 report marked a transformation of ALEC’s Report Card from irrelevant sets of data against education funding, to a report card on education privatization. It became a marquee publication of the Education Task Force, having forewords written by Former Governor Jeb Bush, Governor Mitch Daniels, and Governor Mary Fallin. The report card began to grade states not simply on measures of academic achievement, but present grades on education policies, and have begun to garner significant media attention.⁶³ ⁶⁴ States were graded on “Private School Choice”, a euphemism for voucher programs, Alternative Teacher Certification, charter school laws, and open enrollment.⁶⁵ All the newer grading categories correspond directly to ALEC bills.

The policy grades themselves make little sense, and do not correlate to higher academic performance. For their 2008 version, the state with the best performing schools according to ALEC was Vermont, who they gave a ‘D’ for education reforms. In the most recent, 2013 version of the ‘Report Card’ ALEC rates the policies of states with high performing schools lower than those with poorer academic performances. The top ten performing states average policy ranking is lower than the bottom ten, just as the top 25 are ranked lower than the bottom 25.

The National Education Policy Center examined the academic integrity of ALEC’s Report Card and concluded:

The 18th edition of the American Legislative Exchange Council’s (ALEC) Report Card on American Education: Ranking State K-12 Performance, Progress, and Reform draws on ratings from market-oriented advocacy groups to grade states in areas such as support for charter schools, availability of vouchers, and permissiveness for homeschooling. The authors contend that these grades are based on “high quality” research demonstrating that the policies for which they award high grades will improve education for all students. This review finds that, contrary to these claims, ALEC’s

⁶⁰ ALEC, Report Card on American Education, 2004

⁶¹ ALEC, Report Card on American Education, 1993

⁶² ALEC, Report Card on American Education, 2008

⁶³ ALEC, Report Card on American Education, 2011

⁶⁴ NEPC, [May 2013](#)

⁶⁵ ALEC, Report Card on American Education, 2008

grades draw selectively from these advocacy groups to make claims that are not supported in the wider, peer-reviewed literature. In fact, the research ALEC highlights is quite shoddy and is unsuitable for supporting its recommendations. The authors' claims of "a growing body of research" lacks citations; their grading system contradicts the testing data that they report; and their data on alternative teacher research is simply wrong. Overall, ALEC's Report Card is grounded less in research than in ideological tenets, as reflected in the high grades it assigns to states with unproven and even disproven market-based policies. The report's purpose appears to be more about shifting control of education to private interests than in improving education.⁶⁶

At best ALEC's reform rankings seem to be irrelevant, while at worst there is a negative correlation with actual academic performance. However, the rankings are not arbitrary. As an example, the data ALEC uses to grade virtual-schools comes from the Foundation for Excellence in Education, which is funded by K12 Inc. and has worked for policies to allow K12 Inc. to profit from that market. ALEC is using the data from its associates; the table below denotes the sources of the data ALEC used for its 2013 Report Card:

Data Category⁶⁷	Data Source⁶⁸	ALEC Association?
Academic Standards	Fordham Institute	YES ⁶⁹
Charter School Law	Center for Education Reform	YES ⁷⁰
Homeschooling Regulation Burden Level	Home School Legal Defense Association	No
Private School Choice	Friedman Foundation for Educational Choice	YES ⁷¹
Private School Choice	Alliance for School Choice	YES ⁷²
Teacher Quality Policies	National Council on Teacher Quality	YES ⁷³
Digital Learning	"Keeping Pace with K-12 Online Learning: An Annual Review of Policy and Practice"	YES ⁷⁴
Digital Learning	Digital Learning Now! (A part of the Foundation for Excellence in Education)	YES ^{75 76 77}

Seven of the eight sources for data have documented associations with ALEC. The reliance on data from sympathetic sources in some cases defies all logic; the NEPC points out "The authors praise Governor Jindal's choice agenda in Louisiana, for instance, giving the state's charter schools a "B" grade, even though the state itself gives charter schools in the reform crown jewel

⁶⁶ National Education Policy Center, [May, 2013](#)

⁶⁷ ALEC, Report Card on American Education, 2013

⁶⁸ ALEC, Report Card on American Education, 2013

⁶⁹ ALEC, 35 Day mailing, Obtained by Common Cause, [10/28/10](#)

⁷⁰ ALEC, 35 Day Mailing, Obtained by Common Cause, [07/01/11](#)

⁷¹ ALEC, 35 Day Mailing, Obtained by Common Cause, [07/01/11](#)

⁷² ALEC, 35 Day Mailing, Obtained by Common Cause, [07/01/11](#)

⁷³ NCTQ is the parent company of the ABCTE, [sourcewatch.org, accessed [06/17/13](#)] ABCTE has been an ALEC member, [Press Release, ABCTE, [06/19/07](#)]

⁷⁴ ALEC, 35 Day Mailing, Obtained by Common Cause, [07/01/11](#)

⁷⁵ ALEC 35 Day Mailing, [03/31/11](#)

⁷⁶ excellined.org, accessed [05/21/13](#)

⁷⁷ Inside ALEC, [Jan/Feb 2013](#)

of the Recovery School District a D average. Similarly, Ohio is graded “B” on its charter schools, while 72% of the state’s charters are projected to earn an F under the state’s grading system.”⁷⁸

While it does not make academic sense, it does make business sense; by using data from its associates, members, and donors, ALEC creates a circular logic. ALEC promotes negative grading in order to create a problem, and sells the solution in the form of its model legislation.

⁷⁸ National Education Policy Center, [May, 2013](#)

ALEC's Voucher Bills

State	Year	Bill	Result	Author
Florida	1999	S 116	Enacted, Predecessor bill to the ALEC model	Sen. Sullivan
Florida	2001	S 1180	Enacted, Predecessor bill to the ALEC model	Sen. Pruitt
Georgia	2007	SB 10	Enacted	Sen. E. Johnson (ALEC)
Missouri	2013	HB 458	Passed the House	Rep. Scharnhorst
Nevada	2007	SB 158	Passed Senate, Died in House	Sen. Cegavske (ALEC)
Nevada	2007	SB 400	Radically changed by amendment, Enacted	Sen. Cegavske (ALEC)
Nevada	2007	AB 130	Failed in committee	Asm. Weber
Texas	2013	SB 1575	Failed in committee	Sen. Campbell
Utah	2005	HB 249	Enacted	Rep. Newbold (ALEC)
Utah	2007	HB 148	Enacted, Repealed by popular referendum	Rep. Urquhart (ALEC)
Virginia	2009	HB2014	Passed House, Failed in Senate	Del. Janis (ALEC)
Virginia	2010	HB238	Failed in committee	Del. Janis (ALEC)

Analysis of ALEC's Model Bills

ALEC established a "School Choice Subcommittee" in 2004, headed by several legislators and K12 Inc., Connections Academy, The Friedman Foundation, the Alliance for School Choice, and the Institute of Justice. The subcommittee's first bills included four bills establishing direct vouchers.⁷⁹ This subcommittee started a new era of promulgation of homogenous voucher bills throughout the states.

Currently ALEC promotes two categories of direct voucher bills, each category is composed of a slight variations of the primary bill. The categories this report designates for the direct voucher bills are general population voucher bills, and niche voucher bills.

ALEC supports three general population voucher bills. ALEC's school choice subcommittee wrote two of the bills in 2004, the Parental Choice Scholarship Program Act (Universal Eligibility) and the Parental Choice Scholarship Program Act (Means-Tested Eligibility).⁸⁰ The third, the Parental Choice Scholarship Program Act (Universal Eligibility, Means-Tested Scholarship Amount), was a 2007 mutation of the other versions of the act.⁸¹ As the bills' names

⁷⁹ ALEC.org, archived by archive.org, [02/04/05](#)

⁸⁰ ALEC.org, archived by archive.org, [02/04/05](#)

⁸¹ alecexposed.org, accessed [05/14/13](#)

suggest, these are variations of each other, differing in the extent in which they use public funds to pay for private schools.

The School Choice Subcommittee in 2004 wrote the “Special Needs Scholarship Program Act,”⁸² the mother bill from which four other ALEC voucher bills have been derived. ALEC’s niche voucher bills are:

The Special Needs Scholarship Program Act
The Autism Scholarship Program Act
The Foster Child Scholarship Program Act
The Military Family Scholarship Program Act
The Smart Start Scholarship Program

The Special Needs Scholarship bill would provide vouchers for students with defined disabilities. The Autism Scholarship bill would limit vouchers to those with autism-spectrum disorders. The Foster Child bill would provide vouchers for foster children to attend private schools. The Military Family bill would provide vouchers for children of veterans or active military personnel. And the Smart Start Scholarship program is a means tested voucher program for 4 and 5 year olds. These bills can be and have been mixed and matched to adjust to the political realities of a legislator’s state. Other tactics have included introducing multiple model bills at the same time in an effort to pass at least one to establish a foot in the door, opening the possibilities of greater or universal privatization.

The niche voucher bills suggest a gradualist option of advancing an agenda of privatization, as opposed to a more overarching option presented by the general population bills. ALEC’s bill encompass the entire spectrum, even developing the ‘Student-Centered Funding Act’ because it, “compliments efforts to expand private-school choice,” with the effect of priming the school finance system for vouchers.⁸³ All eight ALEC voucher bills siphon public education dollars to use for private schools, and erode public education.

State Story: Florida

ALEC’s ties to Florida are reinforced by the connection with Former Governor Jeb Bush and his ALEC member Foundation for Excellence in Education. ALEC has taken model policies from FEE, and FEE has promoted policies taken from ALEC. Matthew Ladner, working at the time for the Goldwater Institute, introduced the ‘A-Plus literacy Act’ as an ALEC model bill based off the education policies, including vouchers, Former Governor Bush spearheaded in his tenure in Florida.⁸⁴ Ladner then began working for FEE, where he works today.⁸⁵ FEE’s digital learning statistics are used by ALEC for their report card, and Florida has enacted an ALEC model Virtual Public Schools Act. FEE supported the ALEC ‘Parent Trigger’ legislation that failed in Florida, voted down by the Senate 20-20.⁸⁶

⁸² ALEC.org, archived by archive.org, [02/04/05](https://archive.org/02/04/05)

⁸³ ALEC.org, accessed [06/14/13](https://www.alec.org/06/14/13)

⁸⁴ ALEC, 35 Day Mailing, as obtained by Common Cause, [10/28/10](https://www.commoncause.org/10/28/10)

⁸⁵ linkedin.com, accessed [06/13/13](https://www.linkedin.com/06/13/13)

⁸⁶ Tampa Bay Times, [02/13/13](https://www.tampabay.com/02/13/13)

ALEC's education policies have been intertwined with Florida for more than a decade. In 1999 the Florida Legislature passed a bill as part of Governor Jeb Bush's signature education reforms establishing the McKay Scholarship Program. The program is a voucher system to allow for disabled students to attend private schools. This program was the first of its kind.⁸⁷ ALEC's model 'Special Needs Scholarship Program Act' is based on the Florida McKay scholarships.⁸⁸ Now, at least seven states have enacted similar programs.⁹⁰ Although it was the first of its kind, Florida's McKay scholarships are wrought with problems.

There is no mechanism in Florida law to measure the academic achievement of students using the scholarships.⁹¹ It is impossible to know if the program is improving or harming academic performance. For more than a decade, Florida has spent millions on the scholarships, without any mechanism to assess the efficacy of the program. Not for lack of trying, the Manhattan Institute, a State Policy Network Affiliate with ties to ALEC,⁹² has attempted to assess results by conducting a surveys, in 2003 and 2008.^{93 94} Not surprisingly these surveys mirror the ALEC model legislation, attempting to assess satisfaction, but not truly assessing student performance. In 2011, still with no credible assessment of the Florida program, the state expanded the McKay scholarships to encompass more students.⁹⁵

As the program has grown in size to 26,000 students,⁹⁶ with the state paying more than a billion dollars, rampant fraud has followed.⁹⁷ In a thorough investigation, the *Miami New Times* investigated the McKay scholarships and found appalling fraud. While schools were required to have a physical location, no verification was required, and the *New Times* found that funds were being spent on schools that did not exist, existed in condemned buildings, or simply existed in public parks. Schools had virtually zero regulation of curriculum, and no requirement for accreditation, to the extent that many 'schools' let children wander in parks, and in an appalling case had children panhandling as a 'business management class.' Even corporal punishments, banned in Miami-Dade public schools, made a resurgence in McKay funded private 'schools.'⁹⁸ Between the program's implementation and 2011, the Florida Department of Education had investigated 38 schools, and substantiated claims of fraud in 25 of them; many of the schools committing fraud continued to receive McKay funding.⁹⁹ According to the *Miami New Times*, many of the schools committing fraud are merely asked to repay the stolen funds, and continued to receive McKay payments.¹⁰⁰

This is not surprising, as the law, at the time, stated that the Florida Department of Education could make no more than three random site visits each year; three visits covering the more than a

⁸⁷ ncs1.org, accessed [05/20/13](#)

⁸⁸ alec.org, accessed [05/20/13](#)

⁸⁹ alec.org, accessed [05/20/13](#)

⁹⁰ educationnext.org, accessed [05/20/13](#)

⁹¹ NPR.org, [03/26/13](#)

⁹² sourcewatch.org, accessed [05/21/13](#)

⁹³ Manhattan Institute, [June, 2003](#)

⁹⁴ Manhattan Institute, [April, 2008](#)

⁹⁵ Saint Petersburg Times, [06/27/11](#)

⁹⁶ Florida Department of Education, [February, 2013](#)

⁹⁷ Miami New Times, [12/08/11](#)

⁹⁸ Miami New Times, [06/23/11](#)

⁹⁹ Miami New Times, [12/08/11](#)

¹⁰⁰ Miami New Times, [06/23/11](#)

thousand schools who were in the program.¹⁰¹ The *Miami New Times* investigation prompted legislators to enact measures to combat fraud, 12 years into the program.¹⁰² ALEC's model bill has not changed, and continues to advance in states.

For more information on ALEC in Florida, please see [ALEC In Florida](#).

State Story: Utah

Utah was ALEC's test case on vouchers. As previously noted, ALEC established a "School Choice Subcommittee" in 2004, headed by several legislators and K12 Inc., Connections Academy, The Friedman Foundation, the Alliance for School Choice, and the Institute of Justice. The subcommittee's first bills included the Special Needs Scholarship Program, and the Parental Choice Scholarship Program, and ALEC gave special thanks to Robert Enlow of the Friedman Foundation for his work on the model bills.¹⁰³

In January 2005, the first session after ALEC's Education Task Force had passed the voucher bills, two tuition tax credit bills based off ALEC models,¹⁰⁴ and ALEC member Rep. Merlynn Newbold¹⁰⁵ authored a bill to enact the Carson Smith Scholarship program, a nearly verbatim version of the ALEC model. Newbold's bill passed, and remains in Utah law.¹⁰⁶

Success with voucher bills hinged on elections, and in 2004 and 2006, the Chairman of the Friedman Foundation, Patrick Byrne,¹⁰⁷ became the number one political donor in the state between 2003 and 2006.¹⁰⁸ Pro-voucher groups including Byrne, spent hundreds of thousands in efforts to elect pro-voucher legislators.¹⁰⁹ Byrne had even gone so far as to assess Gubernatorial candidate Jon Huntsman's enthusiasm for vouchers, before personally donating \$75,000 to his campaign.¹¹⁰

Buoyed by the passage of the Carson Smith program, and by the 2006 elections, the voucher advocates took to enact universal vouchers. ALEC member Rep. Urquhart¹¹¹ introduced HB 148, adapted from the ALEC model. The bill passed the Utah House by a single vote, 38-37, and was signed into law by Governor Huntsman.¹¹² In this push, the Friedman Foundation assisted with policy and publicity, releasing a 'study' that a universal voucher program could cut education costs per pupil by more than half.¹¹³ Utah was already last in the nation for per pupil spending on education.¹¹⁴

¹⁰¹ Miami New Times, [07/20/11](#)

¹⁰² Miami New Times, [12/08/11](#)

¹⁰³ ALEC.org, archived by archive.org, [02/04/05](#)

¹⁰⁴ HB 39 [2005](#), HB 254 [2005](#)

¹⁰⁵ ALEC 35 Day Mailing, as obtained by Common Cause, [10/28/10](#)

¹⁰⁶ HB 249, [2005](#)

¹⁰⁷ edchoice.org, accessed [05/30/13](#)

¹⁰⁸ Deseret News, [05/22/06](#)

¹⁰⁹ Fox News, [11/07/07](#)

¹¹⁰ Patrick Byrne, [08/04/11](#)

¹¹¹ ALEC 35 Day Mailing, as obtained by Common Cause, [06/30/11](#)

¹¹² le.utah.gov, accessed [05/30/13](#)

¹¹³ Milton and Rose D. Friedman Foundation, [January, 2007](#)

¹¹⁴ Salt Lake Tribune, [11/07/07](#)

After the bill's passage, opponents secured sufficient signatures on a petition to place the issue as a referendum to Utah voters.¹¹⁵ Subsequently, the true extent of the Friedman Foundation's influence on the process of vouchers became apparent. Patrick Byrne, the Friedman Foundation's chairman provided nearly three quarters of the funding for the campaign in support of the law.¹¹⁶ Byrne appeared in debates on behalf of the pro-voucher side, and was enraged that Governor Huntsman, who Byrne had personally screened, was not sufficiently supportive of vouchers.¹¹⁷ The Friedman Foundation had helped craft the bill, and provide policy help, utilizing ALEC as a nexus to do so. The Friedman Foundation and its Chairman had screened the Governor, helped elect the legislators to pass the bill, and provided the face and monetary support for the campaign to keep the law.

In November, 2007, 62 percent of Utah voters rejected the Friedman Foundation's vouchers.¹¹⁸ The Chair of the Friedman Foundation reacted to Utah voters, "They don't care enough about their kids. They care an awful lot about this system, this bureaucracy, but they don't care enough about their kids to think outside the box."¹¹⁹

For more information on ALEC in Utah, please see [ALEC In Utah](#).

State Story: Nevada

In the past, ALEC frequently touted its ability to advance a legislator's political career. In its 2000 Annual Report, ALEC noted that its founders, including Robert Kasten, Tommy Thompson, John Engler, Terry Branstad, and John Kasich all had become members of Congress or Governors.¹²⁰ In the past, ALEC had issued reports detailing congressional and gubernatorial alumni.¹²¹ ALEC's Alumni lists enhanced ALEC's standing among legislators by providing the possibility of advancement, while ALEC advertises its alumni to corporate sponsors,¹²² and has proclaimed ALEC alumni as among ALEC's most valuable assets.¹²³

Among ALEC's alumni assets is former Nevada Governor Jim Gibbons.^{124 125} Gibbons had advanced through the State Assembly, through the House of Representatives, and was elected Governor in 2006. In Governor Gibbons' first session, four voucher bills were introduced, AB 130, SB 158, SB 400, and AB 472, respectively mirroring ALEC's model Autism, Special Needs, and Foster Child, and Universal Parental Choice scholarship program bills.^{126 127} ALEC's multitude of different voucher bills seem tailor made to flood a state-house with bills to create voucher programs as wide as possible, and this tactic seems to be what occurred in Nevada's 2007 session.

¹¹⁵ Education Reporter, [July, 2007](#)

¹¹⁶ Salt Lake Tribune, [11/07/07](#)

¹¹⁷ Patrick Byrne, [08/04/11](#)

¹¹⁸ Fox News, [11/07/07](#)

¹¹⁹ Salt Lake Tribune, [11/07/07](#)

¹²⁰ ALEC, [2000](#)

¹²¹ ALEC, [2005](#)

¹²² ALEC.org, accessed [06/03/13](#)

¹²³ ALEC.org, archived by archive.org, [02/25/06](#)

¹²⁴ ALEC Sourcebook, 1995

¹²⁵ [presidency.ucsb.edu](#), accessed [06/03/13](#)

¹²⁶ ProgresNow Nevada, [May 2012](#)

¹²⁷ AB 472, [2007](#)

In 2010, Governor Gibbons issued an Education plan, and announced his intent to introduce a package of education ‘reforms.’ Governor Gibbons exclaimed “The cookie cutter approach has not worked in K-12 education,” and announced an education plan paralleled ALEC’s priorities to the letter. The Governor called for cuts to schools, eliminating teachers’ collective bargaining, a governor appointed statewide education board, and universal education vouchers.¹²⁸ Because Governor Gibbons introduced bills before he left office, we know the proposals were ALEC models.^{129 130}

SPN’s Nevada affiliate, the Nevada Policy Research Institute, echoed Gibbons’ plans, and advanced more ALEC policies at a legislative meeting.¹³¹ Senator Cegavske, currently on ALEC’s national board, serves on ALEC’s Education Task Force and has led the efforts for many of the voucher bills.^{132 133} Even Gubernatorial candidate Brian Sandoval’s education plan was the essentials of the ALEC model omnibus A+ Literacy Act, including vouchers, having been briefed by the Foundation for Excellence in Education.¹³⁴

Governor Gibbons’ proposals did not succeed in voucherizing Nevada’s public education system, but succeeded in unifying the right’s education agenda. ALEC’s Education Agenda has become synonymous with the education agenda of the far right in Nevada.

For more information on ALEC in Nevada, please see [ProgressNow Nevada’s Report](#).

¹²⁸ Governor Gibbons, [01/06/10](#)

¹²⁹ SB 71, [2011](#)

¹³⁰ SB 70, [2011](#)

¹³¹ [leg.state.nv.us](#), accessed [06/03/13](#)

¹³² [ALEC.org](#), accessed [06/04/13](#)

¹³³ ALEC 35 Day Mailing, as obtained by Common Cause, [07/01/11](#)

¹³⁴ Sandoval for Governor, [2010](#)

ALEC's Indirect Voucher Bills

State	Year	Bill	Result	Author
Florida	2001	H21	Enacted, Predecessor bill	Rep. Fasano (ALEC)
Georgia	2008	HB 1133	Enacted	Rep. Casas (ALEC)
Iowa	2006	SF 2409	Enacted	Ways and Means Committee
Missouri	2006	SB 962	Failed in committee	Sen. Ridgeway (ALEC)
Missouri	2008	HB 2458	Failed in committee	Rep. Jones (ALEC)
Missouri	2010	HB 2427	Failed in committee	Rep. Jones (ALEC)
Missouri	2013	HB 458	Passed the House	Rep. Scharnhorst
Missouri	2013	HB 907	Failed in committee	Rep. Butler
Nevada	2013	SB 241	Failed in committee	Sen. Cegavske (ALEC)
Texas	2013	SB 23	Failed in committee	Sen. Patrick
Utah	2005	HB 39	Failed on the House Floor	Rep. Ferrin
Virginia	2011	HB 2314	Passed the House	Del. Massie (ALEC)
Virginia	2011	HB 312	Enacted	Del. Massie (ALEC)

ALEC established a “School Choice Subcommittee” in 2004, headed by several legislators and K12 Inc., Connections Academy, The Friedman Foundation, the Alliance for School Choice, and the Institute of Justice. The subcommittee passed the ‘Great Schools Tax Credit Program’ and the ‘Family Education Tax Credit Program,’ both bills establish tax credits for private school tuition. ALEC explicitly thanked Robert Enlow of the Friedman Foundation for Educational Choice for his vision and work crafting the model bills.¹³⁵

The ‘Family Education Tax Credit Program’ (FETC) and the ‘Great Schools Tax Credit Program Act’ (GSTC) both attempt to indirectly use state tax subsidies to finance private education. The FETC Model gives tax credits directly to parents for their expenses for educational expenses for private or home schooling, and allows those parents to even transfer the credit benefits to schools.¹³⁶ The GSTC model establishes a tax credit for parents or corporations that donate to an organization that provide scholarships to students to attend private schools. Instead of directly subsidizing private education at the expense of public education, the GSTC would do so indirectly.

Both models have similar and lengthy drafting notes, in the GSTC model ALEC declares:

In general, legislators and the public seek greater state regulation of programs directly funded by the government than of tax credit programs... The definition for an eligible student in this model legislation includes students presently enrolled in a private school. Drafted this way, the tax credit will necessarily reward many families who are already financing their child’s education at a non-resident public school or a private school.¹³⁷

¹³⁵ ALEC.org, archived by archive.org, [02/04/05](#)

¹³⁶ ALECEXposed, accessed [05/30/13](#)

¹³⁷ ALEC.org, accessed [05/30/13](#)

These notes indicate that the authors deliberately wrote the ALEC models to be less accountable than state voucher programs, and acknowledge that the bills are likely to be a tax-giveaway to those already attending private schools, rather than allowing new students to attend private schools; and the models do so by depleting resources that could have funded public education.

State Story: Georgia

Georgia Representative David Casas was named ALEC's Legislator of the Year in 2008, for his successful sponsorship of the Georgia Tuition Tax Credit.¹³⁸ HB 1133 was a virtually verbatim copy of ALEC's Great Schools Tax Credit. Representative Casas teamed up with ALEC member Representatives Earl Ehrhart, Ed Lindsey, Jeff Lewis, John Lundsford, pass the bill.¹³⁹¹⁴⁰¹⁴¹ As the bill was heard in committee, Rep. Casas claimed that this bill was not considered a voucher bill, and did not detract from public funds.¹⁴² The intent of the bill, legislators argued, was to provide opportunity to children in Georgia to escape struggling public schools.¹⁴³

The reality, of course, was quite different. The bill is a \$50million expenditure for the state of Georgia, seemingly to allow new students to attend private schools.¹⁴⁴ Yet, according to a study by the Southern Education Foundation, between 2007 and 2009 enrollment at Georgia's private schools between 2007 and 2009 increased by one third of one percent. The credit was enacted, and costs the state of Georgia millions, yet there has been negligible impact on enrollment. Rep. Casas was warned. The ALEC model notes:

*The definition for an eligible student in this model legislation includes students presently enrolled in a private school. Drafted this way, the tax credit will necessarily reward many families who are already financing their child's education at a non-resident public school or a private school. For this reason some states with a scholarship tax credit program have chosen to place a cap on the total dollar amount of scholarships eligible for the tax credit. Alternatively, legislators wishing to draft a bill with a more modest fiscal impact may want to limit eligibility to students who attended a public school in the last year or are starting school in their state for the first time. In this case, there may actually be a savings for state taxpayers since a scholarship covering private school costs in many cases will be less than the cost of state support provided to students attending a public school.*¹⁴⁵

The ALEC model noted the precise problems Georgia is experiencing, and the model bill appropriately suggests that legislators not wishing to simply reward those already attending private school draft the bill a certain way. ALEC even suggests if the bill is drafted a certain way, it "may" result in savings to the state. Rep. Casas did not simply overlook these issues;

¹³⁸ Press Release, Rep. David Casas, [05/17/11](#)

¹³⁹ [sourcewatch.org](#), accessed [05/16/13](#)

¹⁴⁰ CMD, [Dec. 2012](#)

¹⁴¹ [legis.ga.gov](#), accessed [05/16/13](#)

¹⁴² Georgia Senate Finance Committee, [03/26/08](#)

¹⁴³ New York Times, [05/21/12](#)

¹⁴⁴ Georgia State Auditor, [12/12/11](#)

¹⁴⁵ [alec.org](#), accessed [05/16/13](#)

rather the bill was deliberately drafted this way. According to the New York Times, Rep. Casas deliberately drafted the bill using “enrolled” rather than “attending” to promote the credit among those already in private schools.¹⁴⁶ Georgians have been able to ‘enroll’ their child in a public school, without any intention to attend that school, in order to receive the tax credit.¹⁴⁷

Parents asked Rep. Casas, “Aren’t people going to say that’s a scam?” Rep. Casas responded, “feel fine about it.”¹⁴⁸

Rep. Casas received the ALEC Legislator of the Year award for burdening his state with a \$50million per year expenditure for which Georgia sees virtually zero benefit. And this was done deliberately. In February 2011, Rep. Casas and Rep. Ehrhart introduced HB 325, which passed on the last day of session, expanding the credit, and making it criminal to disclose any collected information regarding the credit, even an audit of a ‘scholarship’ provider.¹⁴⁹

In 2011 Rep. Casas was named the Chair of ALEC’s Education Task Force.

For more information on ALEC in Georgia, please see ALECExposed.org.

State Story: Missouri

Rex Sinquefield gained national notoriety for his famous quote caught by Progress Missouri, “I hope I don’t offend anyone. There was a published column by a man named Ralph Voss... He said, ‘A long time ago, decades ago, the Ku Klux Klan got together and said how can we really hurt the African-American children permanently? How can we ruin their lives? And what they designed was the public school system.’”¹⁵⁰¹⁵¹ Comparing the public school system to a plot by the Ku Klux Klan seems like the comments of an extremist opposing the institution of public education. And to most, Rex Sinquefield would seem like a firebrand partisan donor, using his wealth and clout to push radical changes to the Missouri education system.

Sinquefield founded and is the president of Missouri’s Show-Me Institute (SMI)¹⁵², a ‘non-partisan’¹⁵³ affiliate of the State Policy Network.¹⁵⁴ While maintaining the image of a nonpartisan think tank, SMI acts as a mouthpiece for ALEC, demonstrating a remarkable coordination promoting ALEC priorities. SMI works to advance ALEC priorities through press coverage, testimony, and even by providing polling data.¹⁵⁵ On education alone, SMI has worked to advocate the ALEC supported policies of:

Vouchers Generally¹⁵⁶

Autism Vouchers Specifically¹⁵⁷

¹⁴⁶ New York Times, [05/21/12](#)

¹⁴⁷ New York Times, [05/21/12](#)

¹⁴⁸ New York Times, [05/21/12](#)

¹⁴⁹ Southern Education Foundation, [2011](#)

¹⁵⁰ stlouis.cbslocal.com, accessed [06/23/13](#)

¹⁵¹ St. Louis Post-Dispatch, [02/11/12](#)

¹⁵² Showmeinstitute.org, accessed [05/28/13](#)

¹⁵³ showmeinstitute.org, accessed [05/28/13](#)

¹⁵⁴ spn.org, accessed [05/28/13](#)

¹⁵⁵ showmeinstitute.org, [05/07/07](#)

¹⁵⁶ showmeinstitute.org, [05/07/07](#)

Charter Schools¹⁵⁸
Cuts to Public Education^{160 161}
Alternative Certification¹⁶³
Scholarship Tax Credits¹⁶⁵
Early Graduation Incentives¹⁶⁷

Virtual Schools¹⁵⁹
Ending Tenure¹⁶²
Opposing Collective Bargaining¹⁶⁴
Opposing Common Core Standards¹⁶⁶
Redefining Teacher Pay Structures¹⁶⁸

It is difficult to find an ALEC policy that has not had a publicity effort spearheaded by SMI in Missouri, and frequently the publicity efforts coincide with a legislative effort by ALEC legislators to enact the agenda.

Tuition Tax Credits are a prime example of SMI's coordinated advocacy of the ALEC agenda. SMI advanced and publicized a poll suggesting that Missourians supported 'Tuition Tax Credits.'¹⁶⁹ This poll from a non-partisan think tank contained free messaging data, policy popularity, and even how likely voters would be to vote for a candidate who supports 'school choice.' The fact that this poll only asked questions to registered voters, and not the whole populace of Missouri shows the political nature of the effort. But SMI did not stop there, and released a 'policy study' of tuition tax credits on January 14th, 2008.¹⁷⁰ This study advocated for the tax credits as a way of saving money for Missouri. The author of the study, Dave Roland, even testified for the tax credits as a way of saving money when the bill was heard in committee, a starkly contrasting statement to the bill's fiscal note of a cost of \$40million.¹⁷¹

The Show-Me Institute's efforts to lay the groundwork for the bill paid off, and Representative Tim Jones introduced HB 2458, the "Children's Education Freedom Act" in March, 2008.¹⁷² When the bill was heard in April, it was a confluence of the bill's supporters. Rep. Jones and Rep. Cunningham testified in support, both were ALEC members, and Rep. Cunningham was ALEC's Education Task Force Chair in 2006,¹⁷³ both the Koch Brother's Americans For Prosperity, and SMI also testified on the bill.¹⁷⁴

Rep. Jones' bill did not become law in 2008. Rep. Jones has since become Speaker of the Missouri House, with both the Koch Brother's AFP, and SMI's Rex Sinquefield spending millions to make it possible.¹⁷⁵

For more information on ALEC in Missouri, please see [Progress Missouri's report](#).

¹⁵⁷ Show-Me Institute, [04/28/08](#)

¹⁵⁸ Show-Me Institute, [11/18/09](#)

¹⁵⁹ Show-Me Institute, [05/25/07](#)

¹⁶⁰ Show-Me Institute, [04/30/08](#)

¹⁶¹ Show-Me Institute, [04/30/08](#)

¹⁶² Show-Me Institute, [03/02/12](#)

¹⁶³ Show-Me Institute, [07/13/07](#)

¹⁶⁴ Show-Me Institute, [12/08/11](#)

¹⁶⁵ Show-Me Institute, [01/14/08](#)

¹⁶⁶ Show-Me Institute, [06/02/11](#)

¹⁶⁷ Show-Me Institute, [12/07/09](#)

¹⁶⁸ Show-Me Institute, [10/29/12](#)

¹⁶⁹ [showmeinstitute.org](#), [05/07/07](#)

¹⁷⁰ Show-Me Institute, [01/14/08](#)

¹⁷¹ [house.mo.gov](#), [10/15/08](#)

¹⁷² [house.mo.gov](#), accessed [05/28/13](#)

¹⁷³ [ALEC.org](#), as archived by [archive.org](#), [09/27/06](#)

¹⁷⁴ [house.mo.gov](#), [10/15/08](#)

¹⁷⁵ Saint Louis Business Journal, [10/09/12](#)

Virtual Public Schools

State	Year	Bill	Result	Author
Florida	2011	HB 7197	Enacted as part of SB 2120	Rep. Ford (ALEC)
Georgia	2005	SB 610	Enacted	Sen. Moody
Michigan	2012	SB 619	Enacted	Sen. Colbeck
Missouri	2006	SB 912	Enacted	Sen. Goodman
Texas	2007	SB1788	Enacted	Sen. Shapiro
Utah	2007	HB 172	Passed House	Rep. Ferry
Virginia	2010	HB1388/SB738	Enacted	Del. Bell, Sen. Newman (ALEC) on behalf of Gov. McDonnell (ALEC)

Analysis of ALEC’s model bill

ALEC established a “School Choice Subcommittee” in 2004, headed by several legislators and K12 Inc., Connections Academy, The Friedman Foundation, the Alliance for School Choice, and the Institute of Justice. One of the first bills the sub-committee drafted was the virtual public schools act. ALEC explicitly gave credit to Mickey Revenaugh of Connections Academy and Bryan Flood of K12 Inc. for helping write the Virtual Schools Act.¹⁷⁶

ALEC’s Virtual Public Schools Act is a vaguely written bill to allow virtual schools into states on equitable footing with public schools. The bill seems to provide for a charter-like arrangement for virtual schools, exempting them from certain requirements. Providing equitable funding without equitable responsibilities provides a financial advantage for virtual schools.

Numerous independent studies have cast doubt on the efficacy of virtual education, while industry led studies have shown some modest successes. The US department of education has lamented the lack of studies on virtual education, and noted that the greatest advantage in educational outcomes was greatest when face-to-face schools were augmented with the resources to utilize virtual resources.¹⁷⁷

State Story: Texas

In 2007, the virtual school wave prompted the passage of Senate Bill 1788 in Texas, creating the Virtual School Network. The network was originally created to facilitate online learning in Texas classrooms and support virtual schools across the state. The state of Texas sends taxpayer dollars to these schools, to keep them open and operated, even though the full-time virtual schools are run by for-profit companies.¹⁷⁸

¹⁷⁶ ALEC.org, archived by archive.org, [02/04/05](#)

¹⁷⁷ US Department of Education, [September, 2010](#)

¹⁷⁸ Progress Texas, [05/22/12](#)

For the 2012-2013 school year, three full-time online schools operated in Texas. Texarkana contracted with Calvert School, which serves 81 students, Houston school districts contracted with former ALEC member Connections Academy to serve 2,400 students, and Texas Virtual Academy –the state’s only virtual charter school– run by current-ALEC member K12 Inc., which serves 3,600 students.¹⁷⁹¹⁸⁰

K12’s Texas Virtual Academy claims to be public, but according to the Texas Observer:

Texas Virtual Academy is more private than public. Its curriculum is handled by the company K12 Inc. Even the teachers are employees of K12 Inc. Students take online courses offered and taught by employees of for-profit companies.

Yet David Fuller, the head of Texas Virtual Academy and a K12 employee, refers to his school as “public.” “The wonderful thing is that because we are a public school, we’re going to receive the same make up as any other public, bricks-and-mortar school,” he says. In fact, the only thing public about Texas Virtual Academy is its funding.¹⁸¹

The Texas Virtual Academy failed to meet state standards for two years. Yet rather than being shut down or forced to change its methods, the virtual school was allowed to continue operating without question due to a loophole in state law that allowed the Texas Virtual Academy to simply be reinstated into a different charter school system, without having to undergo any changes.¹⁸²

State Senator Florence Shapiro – who chairs the Public Education Committee in the Senate and sits on ALEC’s Education Task Force¹⁸³ – recently passed a law granting students at virtual schools the same amount of taxpayer funding as students at regular schools. This change in school funding was part of a package of bills in 2011 law that cut \$5.4 billion from Texas public schools.¹⁸⁴ In 2013, the Texas Legislature passed HB 1926 to dramatically increase the number of Texan students taking online courses.¹⁸⁵¹⁸⁶

According to ALEC, K12 Inc. actively helped craft the virtual public schools act.¹⁸⁷ K12 Inc. helped to write the bill to create a market for K12 Inc. to sell substandard education, and open the door to increased profits and a rapidly increasing number of customers in an era of massive cuts to Texas’ public schools.

For more information on ALEC in Texas, please see [Progress Texas’ report](#).

¹⁷⁹ Texas Observer, [06/15/12](#)

¹⁸⁰ Dallas Morning News, [05/05/13](#)

¹⁸¹ Texas Observer, [09/06/11](#)

¹⁸² Texas Observer, [10/10/11](#)

¹⁸³ ALECExposed.org, accessed [05/07/13](#)

¹⁸⁴ Senate Bill 1. 1st Called Special Session of the 82nd Texas Legislature. <http://bit.ly/JJHTaL>

¹⁸⁵ Dallas Morning News, [05/05/13](#)

¹⁸⁶ HB 1926, [2013](#)

¹⁸⁷ ALEC.org, archived by archive.org, [02/04/05](#)

State Story: Virginia

Among ALEC's most illustrious alumni is Virginia Governor Bob McDonnell.¹⁸⁸ During his campaign Governor McDonnell advocated the expansion of virtual education, and K12 Inc. donated \$25,000 to Gov. McDonnell's campaign.¹⁸⁹ At Governor McDonnell's request, legislators introduced HB 1388, a version of the ALEC model, which passed the Virginia legislature.

K12 Inc. is based in Herndon, Virginia, which is part of Fairfax County. With the passage of Virginia's virtual schools act, K12 Inc. established the Virginia Virtual Academy in Carroll County on the North Carolina border, one of the state's most impoverished areas.¹⁹⁰ Establishing an educational reform program in a poorer area would seem to advance legitimate policy goals. Yet after being established, the Virginia Virtual Academy served 350 children, only 5 of which were from Carroll County.¹⁹¹ Because the Virginia law is set up to fund the Virtual Academy with state contributions as if the virtual school was in a county, establishing the school in Carroll County netted K12 Inc. nearly three times the funding as if the school had been established in Fairfax County where the K12 Inc. headquarters is located.¹⁹² While the arrangement provided a huge financial advantage to K12 Inc., the Carroll County School Board found the processes so frustrating in dealing with other districts that they voted to shut the system down in April, 2013, only four years after the school opened.¹⁹³

Additional costs and administrative headaches could be worth additional results, yet the Virginia Virtual Academy results fell below the results of face-to-face schools in Carroll County. In a direct comparison of 22 measures of testing, Virginia Virtual Academy did better than Carroll County on 2 measures of testing, while face-to-face schools achieved greater student results on 20 measures.¹⁹⁴

Despite lagging academic achievements, despite K12 Inc.'s financial and management lapses,¹⁹⁵ with the legislative leadership composed of ALEC members and ALEC alumni Governor McDonnell, Virginia enacted a law requiring high school students take an online course to graduate, expanding K12's virtual education market.¹⁹⁷

For more information on ALEC in Virginia, please see progressva.org/alec/

¹⁸⁸ ProgressVA.org, accessed [05/08/13](#)

¹⁸⁹ Followthemoney.org, accessed [05/09/13](#)

¹⁹⁰ Virginia Pilot, [02/21/11](#)

¹⁹¹ Washington Post, [05/01/13](#)

¹⁹² Virginia Pilot, [02/21/11](#)

¹⁹³ Washington Post, [05/01/13](#)

¹⁹⁴ Virginia Department of Education, [11/17/11](#)

¹⁹⁵ New York Times, [12/12/11](#)

¹⁹⁶ Businesswire, [03/05/13](#)

¹⁹⁷ HB 1061, [2012](#)

Charter School Promotion

State	Year	Bill	Result	Author
Georgia	2012	HB 797	Enacted	Rep. Jones (ALEC)
Georgia	2008	HB 881	Enacted, overturned by state Supreme Court	Rep. Weber
Michigan	2011	SB 618	Enacted	Sen. Pavlov
Missouri	2012	SB 576	Enacted	Sen. Stouffer
Texas	2011	SB 127	Passed the Senate	Sen. Patrick
Florida	2012	HB1191	Failed in committee	Rep. Bileca (ALEC)
Florida	2013	SB 862	Voted Down by Senate	Sen. Stargel (ALEC)
Georgia	2013	HB 123	Passed the House	Rep. Lindsey (ALEC)
Iowa	2013	SF 2	Failed in committee	Sen. Johnson (ALEC)
Michigan	2011	SB 620	Passed the Senate	Sen. Robertson(ALEC)
Michigan	2013	SB 83	Live in Education Committee	Sen. Robertson(ALEC)
Missouri	2011	HB393	Failed in committee	Rep. Jones (ALEC)
Missouri	2012	HB1539	Failed in committee	Rep. Jones (ALEC)
Nevada	2013	AB 254	Failed in committee	Sen. Manendo
Nevada	2013	SB 290	Failed in committee	Rep. Hansen
Texas	2013	SB 1263	Passed the Senate	Sen. Taylor (ALEC)

Analysis of ALEC's Model Bills

ALEC's advocacy of charter schools dates back to at least 1995.¹⁹⁸ At that point, ALEC's advocacy was limited to the Charter Schools Act, a bill to allow for charter schools. ALEC's Charter Schools Act exempts charter schools from "all statutes and rules" that apply to schools.¹⁹⁹ Depending on the state, this could exempt charters from teacher quality standards, academic accountability regulations, safety measures, even theoretically exempting them from ALEC bills, like teacher evaluations, school audits, and certain curricula.

In 2007, ALEC took its efforts with charter schools to a new level, the Next Generation Charter Schools Act. This bill advances five main concepts: the blanket waiver, a statewide charter school board, a greater variety of charter authorizers, eliminating caps, and equitable funding.²⁰⁰ The blanket waiver is almost the exact same text as the Charter Schools Act mentioned above, exempting all charter schools from all statutes and law regarding schools. The idea of a statewide school board for charters, and a greater variety of charter authorizers is intended to circumvent political authority. In ALEC's own words:

¹⁹⁸ ALECExposed.org, accessed [05/29/13](#)

¹⁹⁹ alec.org, accessed [05/29/13](#)

²⁰⁰ ALEC.org, accessed [05/30/13](#)

In states where the political environment is hostile, university authorizers may be a preferable route over a Board which is appointed by the Governor and state legislative leaders. Having additional authorizers (both Boards and universities) might help alleviate any negative political influences as there will be other alternatives for applicants and therefore less power condenses in the hands of one authorizer.²⁰¹

In addition to the blanket waiver exempting charter schools from all laws, ALEC has suggested the statewide charter board in order to be able to circumvent the will of elected officials; local school boards, legislative leaders, and the Governor. The provision to eliminate caps on the number of charter schools in the state is intended to allow for unrestrained growth of unregulated schools. Finally, the bill's last major provision is to fund charter schools the same as public schools. By providing equal funding while removing costs via the waiver, this provides a financial advantage to charter schools over public schools.

Charter schools may have a place in a State's educational portfolio. The National Education Policy Center points to the broad base of evidence that average charter school performance is equal to or lower than public school achievement.²⁰² Yet the ALEC model Next Generation Charter School Act provides financial advantages, decreases accountability, and eliminates restrictions on growth in an effort to advance charter schools above, and often at the cost of public education.

The Parent Trigger

In 2007, a charter school company in California began to organize an effort to change law to allow parents to change schools into charters, they founded Parent Revolution, and succeeded in 2009 passing the first Parent Trigger law in the country.^{203 204} The result of this charter school company led effort was a bill that allowed for a majority of parents attending a school to petition for options for school reform. As of June, 2012, seven states have enacted some form of the Parent Trigger.²⁰⁵

At the December, 2010, ALEC Summit in Washington, DC, the Heartland Institute proposed the Parent Trigger act to ALEC's Education Task Force. The Heartland Institute disseminated a policy paper with the proposed model, which described the California law from which the ALEC bill was modeled, and the Changes the Heartland Institute made to the bill. The Heartland Institute proposed that the ALEC model deviate from the California original by actually limiting parent's options. With a bill supposedly designed to 'empower' parents, the Heartland Institute wrote, "We think California's Parent Trigger would be improved simply by removing the final two options."²⁰⁶ The ALEC model that was adopted removed those options from parents, and added a voucher program.²⁰⁷ By limiting the options, ALEC is not empowering parents to control schools, it is only empowering parents to further ALEC's agenda.

²⁰¹ ALEC.org, accessed [05/30/13](#)

²⁰² NEPC, [06/24/09](#)

²⁰³ [parentrevolution.org](#), accessed [05/30/13](#)

²⁰⁴ The New Yorker, [05/11/09](#)

²⁰⁵ NCSL, [June, 2012](#)

²⁰⁶ ALEC 35 Day Mailing, as obtained by Common Cause, [10/28/10](#)

²⁰⁷ ALEC.org, accessed [05/28/13](#)

The ALEC model allows for a majority of the parents or guardians who have children attending or going to attend a school to vote for three options for reform: closing the school, transformation to a charter school, or vouchers.²⁰⁸ The ALEC model mandates that the local school boards shall implement the option petitioned for, removing all discretion of whether or not it is possible to do so.

ALEC's model bill is flawed for myriad reasons, the major reasons being a flawed subsection selected as the electorate, the limitations of parental choice, and the lack of recourse if a model is impossible.

The ALEC model allows for any parents of children at the school, and parents of children attending schools that normally matriculate into that later school. This allows a small subsection of the larger electorate to have immense control over the expenditure of resources paid for by the taxpayers at large. This is analogous to allowing those persons currently on busses to control a transit system.²⁰⁹ The Heartland Institute, who proposed the ALEC model, deliberately eliminated control by local officials, requires no input from teachers or students, and in a bill supposedly designed to enhance democratic responsibility has disenfranchised large portions of the electorate.²¹⁰

As noted above, the Heartland Institute advocated for the ALEC model to exclude reform options that the California model. Neither the California Law nor the ALEC model include any mechanism to trigger change at a charter school or virtual school. The severely limited choices of ALEC's model parent trigger coincide deliberately or otherwise with charters and vouchers, policies that help ALEC's funders.

The ALEC model bill declares that if a petition is successful to change a public school to a charter, the local school board "shall implement the option requested by the parents."²¹¹ If a transformation to a charter is impossible, if no charter management entity intends to run the charter, there is no recourse for a district.

While parental involvement is quintessential to education, parent triggers are a method to circumvent and ignore evidence-based analysis of public schools. Research suggests changes proposed by parent triggers have little possibility for improvements in educational achievement.²¹² The parent trigger focuses on school governance, and not educational achievement, allowing for options that may superficially appeal to the idea of school improvement, without proven results.

²⁰⁸ ALEC.org, accessed [05/30/13](#)

²⁰⁹ NEPC, [Sept. 2012](#)

²¹⁰ ALEC 35 Day Mailing, as obtained by Common Cause, [10/28/10](#)

²¹¹ ALEC.org, accessed [05/30/13](#)

²¹² NEPC, [Sept. 2012](#)

State Story: Michigan

Since the 2010 elections, Michigan has rapidly undergone radical changes in education policy. 2011 and 2012 saw the passage of a package of legislation that included ALEC priorities, if not ALEC language. One part of the package included a tenfold increase in the cap of how many students could enroll in virtual schools.²¹³ A separate part of the education package included charter school policy changes, including eliminating an expansion in allowing charter school authorizers, eliminating the cap on the number of charter school authorizers, and eliminating the property tax on charter schools.²¹⁴ The charter school provisions are similar to the positions ALEC articulates in its Next Generation Charter Schools Act.²¹⁵ The bill was not copied verbatim, but the ALEC model was enacted to “outline key elements” to follow,²¹⁶ which the Michigan law certainly did.

Michigan’s charter schools are dominated by National Heritage Academies, a for-profit charter school company that operated 40 charter schools in Michigan in January, 2011.²¹⁷ And for-profit corporations manage approximately 80% of Michigan’s charter schools.²¹⁸ The founder and Chairman of NHA is J.C. Huizenga, a member of the board of directors of the Michigan SPN affiliate Mackinac center,²¹⁹ and a massive donor to Michigan Republicans²²⁰ including Governor Snyder.²²¹ NHA is, of course, an ALEC member of the Education Task Force.²²²

While the ALEC model bill provides financial benefits to charter schools by increasing funding,²²³ the Michigan bill did so by granting property tax exemptions, which the Michigan Senate denoted would have a fiscal impact of unknown magnitude, which would need to be offset with greater education spending from other sources, or cuts to public schools.²²⁴ According to the media group MLive, “The savings to schools or their landlords would be considerable. Property taxes for National Heritage Academy’s Knapp Charter Academy in Grand Rapids Township were \$90,800 in 2010.”²²⁵ The bills author, Senator Phil Pavlov, justified the benefit, “Governments offer tax abatements to industries all the time, so why not for education?”²²⁶

This sentiment of industrializing education is shared with National Heritage Academies, perhaps the biggest benefactor of the law. NHA’s founder, J.C. Huizenga, has said his involvement with charter schools was spurred by realizing that “privatizing public education was not only practical but also desperately needed.”²²⁷ This industrialization of education has been considerably advanced by the Michigan law. Before the law was passed, NHA operated 40 charters in

²¹³ Michigan Senate, [06/25/12](#)

²¹⁴ Michigan Senate, [01/04/12](#)

²¹⁵ ALEC.org, accessed [05/29/13](#)

²¹⁶ ALEC, [October, 2007](#)

²¹⁷ AnnArbor.com, [01/21/11](#)

²¹⁸ Forbes, [09/29/11](#)

²¹⁹ Mackinac.org, accessed [06/11/13](#)

²²⁰ Center for Public Integrity, [04/14/11](#)

²²¹ Michigan Department of State, accessed [06/11/13](#)

²²² ALEC 35 Day Mailing, as obtained by Common Cause, [07/01/11](#)

²²³ alecexposed.org, accessed [05/29/13](#)

²²⁴ Michigan Senate, [01/04/12](#)

²²⁵ mlive.com, [09/30/11](#)

²²⁶ mlive.com, [09/30/11](#)

²²⁷ Heartland.org, [04/01/05](#)

Michigan, and now it operates 47 for the 2012-2013 school year, a 17.5% increase in two years.
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The rapid growth of this industry might make sense if charters in Michigan were particularly effective, yet according to a Stanford University study, 80 percent of testable charters were in the bottom half of schools for student achievement in reading, and 84 percent were below the 50th percentile in math.²³⁰ In 2011, the same year the charter expansion and tax subsidies were passed, Michigan cut public education resulting in widespread layoffs of teachers.²³¹

For more information on ALEC in Michigan, please see [ALEC In Michigan](#).

State Story: Iowa

In 2002 Iowa Governor Vilsack signed SF 348 into law, establishing a pilot program of charter schools.^{232 233} The new law established a process where in order to transform a public school into a charter, the locally elected school board would approve or deny applications which “demonstrate the support of at least fifty percent of the teachers employed at the school on the date of the submission of the application and fifty percent of the parents or guardians voting whose children are enrolled at the school.”²³⁴ Iowa’s established process would empower locally elected school boards, teachers, and parents to have input on the establishment of a charter school. This process has stood since enactment, even as the charter school pilot program was expanded, and the cap of ten schools was eliminated.^{235 236}

At the December, 2010, ALEC Summit in Washington, DC, the Heartland Institute proposed the Parent Trigger act to ALEC’s Education Task Force. The Heartland Institute disseminated a policy paper with the proposed model, which described the California law from which the ALEC bill was modeled, and the Changes the Heartland Institute made to the bill. The Heartland Institute proposed that the ALEC model deviate from the California original by actually limiting parent’s options. With a bill supposedly designed to ‘empower’ parents, the Heartland Institute wrote, “We think California’s Parent Trigger would be improved simply by removing the final two options.”²³⁷ The ALEC model that was adopted removed those options from parents, and added a voucher program.²³⁸

The Education Task Force approved the ALEC model unanimously. Presumably voting for the bill include eight SPN members and their representatives, comprising more than one third of the private sector ALEC members in attendance. Those who also presumably voted for the bill include the National Association of Charter School Authorizers, Scantron, Corinthian Colleges

²²⁸ AnnArbor.com, [01/21/11](#)

²²⁹ nhaschools.com, accessed [05/29/11](#)

²³⁰ Center for Research On Educational Outcomes, [01/11/13](#)

²³¹ Businessweek, [06/21/11](#)

²³² 2013 IA Code §[256F.3](#)

²³³ legis.iowa.gov, accessed [05/28/13](#)

²³⁴ 2013 IA Code §[256F.3](#)

²³⁵ 2013 IA Code §[256F.3](#)

²³⁶ legis.iowa.gov, accessed [05/28/13](#)

²³⁷ ALEC 35 Day Mailing, as obtained by Common Cause, [10/28/10](#)

²³⁸ ALEC.org, accessed [05/28/13](#)

Inc., Bridgepoint Education, and Connections Academy. And for Iowa, present was Representative Greg Forristall.²³⁹

Now, Iowa seems to be targeted by ALEC and its allies. At the ALEC convention immediately after ALEC adopted a model Parent Trigger, Students First sent one of its state directors to speak on education reform.²⁴⁰ Students first is a radical education organization that has ties to ALEC and SPN, while advocating for much of the ALEC agenda.²⁴¹ Students First hired a state director for Iowa in 2013.²⁴² Both ALEC, and Students First have graded Iowa very poorly on report cards, and criticized its charter laws and provisions.^{243 244} Rep. Forristall is the co-chair of ALEC's Education Task Force. Governor Branstad, a founding member of ALEC, personally met with ALEC on education issues. Sen. Johnson, an ALEC member, introduced SF 2 in the 2013 legislative session, an ALEC model Parent Trigger Act.²⁴⁵

Whether coordinated or coincidence, the stars seem to have aligned to pressure for an ALEC style parent trigger in Iowa. Such a trigger would overturn the existing law, which empowers teachers, locally elected school boards, and parents.

For more information on ALEC in Iowa, please see [ALEC Exposed in Iowa](#).

²³⁹ ALEC 35 Day Mailing, as obtained by Common Cause, [03/31/11](#)

²⁴⁰ PRWatch, [09/19/12](#)

²⁴¹ sourcewatch.org, accessed [06/18/13](#)

²⁴² Des Moines Register, [05/15/13](#)

²⁴³ Students First, [2013](#)

²⁴⁴ ALEC, [2013](#)

²⁴⁵ ProgressIowa, [03/12/13](#)