

"The powers not delegated to the United States by
the Constitution, nor prohibited by it to the states, are
reserved to the states respectively, or to the people."

The Bill of Rights, Amendment X

RESTORING THE BALANCE OF POWER

THIRTEEN PROPOSALS

TO RETURN SOVEREIGNTY TO THE STATES

ALEC American
Legislative
Exchange
Council
LIMITED GOVERNMENT • FREE MARKETS • FEDERALISM

About the American Legislative Exchange Council

The American Legislative Exchange Council (ALEC) advances the fundamental principles of limited government, free markets and federalism. ALEC works at the state level through a nonpartisan public-private partnership of state legislators, members of the private sector and the general public.

ALEC is the nation's largest nonpartisan, voluntary membership organization of state legislators, with nearly 2,000 members across the nation. ALEC is governed by a Board of Directors of state legislators, which is advised by a Private Enterprise Advisory Council representing major corporate and foundation partners. ALEC is classified by the Internal Revenue Services as a 501(c)(3) nonprofit, public policy and educational organization. Individuals, foundations, corporations, companies and associations are eligible to support ALEC through tax-deductible gifts.

December, 2013

Dear ALEC Members,

James Madison in Federalist No. 45 explained the idea for the new American government when he wrote, *"The powers delegated by the proposed Constitution to the federal government, are few and defined. Those which are to remain in the State governments are numerous and indefinite."*

Unfortunately, since the time of our nation's founding, the size and reach of the federal government has grown immeasurably, while the ability of states to solve local problems without federal interference has been limited.

ALEC releases "Restoring the Balance of Power: Thirteen Proposals to return Sovereignty to the States," at a time when the federal government has taken over our health care system, education system, environmental regulation, and intrudes in on almost every issue where state lawmakers should lead the way.

The founders understood the basic premise that people were better served if laws affecting their lives and liberties were decided by state and local governments, and not some distant, out-of-touch federal bureaucracy in Washington, D.C.

This simple logic that local people should make local decisions is still popular today. A recent poll conducted by the State Policy Network found that three-quarters of Americans endorse the concept of "reserved powers" enshrined in the Tenth Amendment.

With federal government overreach at an all-time high, now is the time for state lawmakers to take back control of issues that should be dealt with at the state and local level. The recent failures of Obamacare should serve as proof to the American people that we are poorly served by an all-powerful centralized government.

Now is the time to take action to preserve our individual freedoms and the sovereignty of our states.

Sincerely,



A handwritten signature in dark ink that reads "Linda Upmeyer". The signature is written in a cursive, flowing style.

Representative Linda Upmeyer
Iowa
2014 ALEC National Chair

CONTENTS

This book contains information on 13 pieces of model policy in the following five subject areas:

1. Overhauling Health Care	6
2. Local Control on Energy	8
3. State Solutions for a Federal Spending Crisis	10
4. Rolling Back Unfunded Federal Mandates	12
5. Restoring State Sovereignty	14

Acknowledgements

A special thanks to ALEC member legislators, who create model policy and work tirelessly in their states to advance the principles of limited government, free markets and federalism.

Managing Editors

Michael Bowman, Senior Director of Policy & Strategic Initiatives

Michael Hough, Director of Special Projects

Special Thanks

ALEC offers appreciation to supporters, members, Executive Director Ron Scheberle and the ALEC staff who enable the work of advancing model policy and this publication.

Model policy is available at www.alec.org. For questions about model policy contact Briana Mulder at bmulder@alec.org or 571-482-5004.

OVERHAULING HEALTH CARE

PROBLEM: **The Affordable Care Act and the Federal Takeover of Health Care**

The heavy-handed overreach of the federal government is on full display under the Affordable Care Act (ACA). Until the passage of the ACA, commonly referred to as Obamacare, states were the primary regulators of health insurance. States achieved this goal by making a variety of plans available to meet the needs of their unique populations. With the passage of the ACA, health insurance will be sold through federally regulated exchanges and the federal government will mandate which benefits are essential on a national scale. Meanwhile, individuals and businesses will be forced to provide insurance under threat of tax penalties.

For the states, the federal takeover of health care means the following:

- Overburdened Medicaid Programs
- Higher Taxes
- Job Killing Employer Mandates
- Federal Takeover of State Insurance Regulation
- Increased Insurance Premiums

In an amicus brief to the United States Supreme Court, ALEC argued the ACA's homogenizing federal approach would disrupt or displace market-based, cost-effective solutions that ALEC and its member legislators have long advocated in pursuing health care reform at the state and local levels.

ALEC's brief asserts, "By imposing a uniform federal mandate, the ACA not only displaces promising initiatives before they have had adequate opportunity to prove their value, but also forestalls other States from learning from, adapting, and improving upon policies with a demonstrated record of success," and that "the importance of the State interests at stake here counsels caution, not haste, before Congress may determine that State efforts are fruitless and force a uniform federal program on unwilling States that are still experimenting with their own solutions."

SOLUTION: **Resist The ACA and Create State Solutions**

State lawmakers should limit the damage done by the ACA and implement as little of it as possible in their states. Currently, only 16 states have established state-based health insurance exchanges, while the remaining 34 refuse to follow suit. Similarly, half the states refuse to implement the ACA's Medicaid expansion provisions, which the United States Supreme Court found unconstitutional and made optional.

Legislators should also work to implement state-based reforms that not only increase access to health care, but also decrease costs. One long-standing problem is the inability of consumers to purchase health insurance from providers in other states. ALEC members have developed policy that will allow states to establish Regional Health Care Coalitions. Through economies of scale, regional coalitions would be able to offer their residents both choice and affordability in health care.

"Until the passage of the ACA, commonly referred to as Obamacare, states were the primary regulators of health insurance."



MODEL POLICY

Resolution Against ACA Health Insurance Exchanges

State-established ACA exchanges put states in the position of ceding their resources and sovereignty to the service of the federal government, sacrificing their ability to flexibly serve their own citizens. This resolution urges state officials to refuse to plan or participate in ACA exchanges and urges Congress to defund such efforts.

Regional Health Care Coalition Act

A multistate health insurance market with common standards will encourage new insurers to locate and initiate business in the coalition states' market. Increased market size and common state requirements will increase competition among insurers and lower premiums. This Act authorizes the insurance commissioners of their respective states to establish a regional coalition with reciprocity agreements for the approval, offer, sale and rating of comprehensive major medical health insurance plans.



For more information on these model policies go to www.alec.org or email Sean Riley at sriley@alec.org.

LOCAL CONTROL ON ENERGY

PROBLEM: EPA War on State Authority

During the past few years, the Environmental Protection Agency (EPA) has undertaken the most expansive over-regulation of the states in the history of the country, relative to the production and distribution of affordable and reliable energy. Numerous regulations, all proposed within a short timeframe, have created uncertainty and stagnated investment as the economy attempts to recover from recession.

Congress had a vision for national environmental policymaking when it created the EPA. It is known as cooperative federalism. In practice, cooperative federalism means the EPA and states must work together to effectively balance economic progress with environmental protection.

Regulations have caused the shutdown of power plants across the nation, destroyed jobs, raised energy costs and decreased energy reliability. In addition, the EPA has radically shifted the balance of power between the states and the federal government by violating the concept of cooperative federalism in which the EPA and states are to work together in order to effectively balance economic progress with environmental protection.

“Since 2009, however, the EPA radically altered this balance of power between the states and the federal government. To be precise, the agency expanded its own prerogative at the expense of the rightful authority of the states.”



Congress intends states to be first among equals in the cooperative federalist arrangement. In the preamble of the Clean Air Act, Congress explains that “air pollution prevention...at its source is the primary responsibility of States and local governments.”¹

Furthermore, according to the Clean Water Act, “It is the policy of the Congress to recognize, preserve, and protect the primary responsibilities and rights of States to prevent, reduce, and eliminate pollution.”²

Since 2009, however, the EPA radically altered this balance of power between the states and the federal government. To be precise, the agency expanded its own prerogative at the expense of the rightful authority of the states. Congress wanted states to lead Environmental policymaking, but the EPA decided otherwise and created policies it would lead and enforce.

SOLUTION: Local Decisions, Local Control

In the face of an overly aggressive EPA that attempts to destroy many current forms of energy generation, like coal, it is important for state lawmakers to reassert authority. Hydraulic fracturing, an important boon to the energy industry, should be regulated at the state level. In addition, states must oppose efforts by the federal government to establish new, overly-burdensome job-killing regulations.

MODEL POLICY

Resolution to Retain State Authority over Hydraulic Fracturing

The American Legislative Exchange Council supports continued jurisdiction of the States to conserve and properly regulate oil and gas production in their unique geological and geographical circumstances.

Resolution Opposing EPA’s Regulatory Train Wreck

The resolution focuses on three goals:

1. To adopt policies prohibiting the EPA by any means necessary from regulating greenhouse gas emissions, including potentially defunding EPA greenhouse gas regulatory activities.
2. To impose a moratorium on promulgation of any new air quality regulation by EPA by any means necessary, except to directly address an imminent health or environmental emergency, for a period of at least two years, including defunding EPA air quality regulatory activities.
3. To require the Administration to undertake a study identifying all regulatory activity the EPA intends to undertake in furtherance of its goal of “taking action on climate change and improving air quality” and specifying the cumulative effect of all regulations on the economy, jobs and American economic competitiveness. This study should be a multi-agency study drawing on the expertise both of EPA and the agencies and departments having expertise in and responsibility for the economy and the electric system and should provide an objective cost-benefit analysis of all of EPA’s current and planned regulation together.



For more information on these model policies go to www.alec.org or email John Eick at jeick@alec.org.

STATE SOLUTIONS FOR A FEDERAL SPENDING CRISIS

PROBLEM: Out-of-Control Federal Spending is Bankrupting America

Our nation faces multi-trillion-dollar debt without a credible plan to curb spending. If the federal government were a person, it would earn \$24,000 a year but spend \$35,000 and have \$170,000 in credit card debt.³ For most of America's history, government spending never made up more than five percent of the nation's Gross Domestic Product (GDP); today it makes up more than 40 percent of GDP.⁴

Unlike most states, the federal government is not constrained by a Balanced Budget Amendment and can print money.

Unfortunately, a few states have followed the lead of the federal government and racked up billions of dollars of unfunded pension liabilities. In addition, many states are now reliant on federal funding in order to balance their budgets. In fact, federal grants make-up 35 percent of state revenues on average⁵ (some states approach 50 percent). With this amount of federal funds flowing to the states, it is easy to see how states have been forced to take such a subservient role to the federal government.



SOLUTION: Limit Federal Spending

First, states need to account for the amount of federal funding they receive and develop a practical plan to replace these funds if the federal government cuts back. In order for the federal government to reign in its spending, they most likely will have to cut back funding to the states.

State lawmakers should also oppose efforts to bail out state governments that have accumulated substantial unfunded liabilities in their public employee pension systems. With the support of public employee unions, some Members of Congress have advocated such an approach. Instead of burdening taxpayers with these costs, state legislators should seek to correct the unsustainable policies that led to such dramatic funding disparities in the first place.

Finally, the Constitution gives state lawmakers the ability to control federal spending. In the Constitution, they enumerate one of the most important roles states have in keeping the federal government in check. Article V grants states the right to require Congress to call a constitutional convention of the states to discuss amendments. In 30 years, Congress has managed to balance its budget only twice. A Balanced Budget Amendment to the Constitution is needed to protect future generations against the reckless debt-spending of the federal government.

“If the federal government were a person, it would earn \$24,000 a year but spend \$35,000 and have \$170,000 in credit card debt.”

MODEL POLICY

Resolution to Oppose State Bailouts by the Federal Government

Each state is a sovereign entity with a constitution and authority to issue sovereign debt. Each state legislature has the authority to reduce spending or raise taxes to pay its debts. This resolution calls upon the Secretary of the Treasury to report to Congress negotiations that would result in an outlay of federal funds on behalf of creditors to a state.

Often, states fail to recognize that federal funds are never “free” and usually come with strings attached. For example, the federal government may dictate how federal funds are spent, require that states adhere to certain criteria, or require the adoption of certain policies. Often, these one-size-fits-all approaches are ill-suited to the needs of the state. By accepting federal funds, the state loses some control over its own affairs.

Balanced Budget Amendment

The Balanced Budget Amendment is overwhelmingly supported by the American people. Polls by CNN, Fox News and Mason-Dixon show nearly three-fourths of Americans favor a balanced budget amendment to the Constitution. With the national debt reaching a peak of more than \$17 trillion, now is the time to balance the budget. Nearly every state in the nation is legally bound by their constitutions to balance their budgets. With experience balancing budgets every year, states are most suited to propose an amendment to the Constitution that requires a balanced federal budget. State legislators can accomplish this by calling an Article V Convention of the States.

For details concerning how an Article V Convention would work, please review ALEC’s Article V Handbook, written by Rob Natelson, one of America’s best known constitutional scholars.

Federal Receipts Reporting Act

This resolution requires all state agencies and political subdivisions to disclose (1) total federal receipts; (2) the total percentage of such receipts compared to the total state budget, and (3) their specific contingency plan if federal receipts diminish.

This report will show how reliant state and local governments have become on federal funding and allows states to plan in the event of reduced federal aid.

Moody’s Investors Service is a provider of credit ratings and research covering debt instruments and securities. Moody’s cited this policy as one of the primary reasons they would not review Utah for downgrade of its AAA bond rating.



For more information on these model policies go to www.alec.org or email Jonathan Williams at jwilliams@alec.org.

ROLLING BACK UNFUNDED FEDERAL MANDATES

PROBLEM: **Mandate Madness**

Excessive federal mandates have long been a problem. In response to the rapid growth of federal programs beginning with the New Deal, President Nixon called for a New Federalism program in 1969. President Reagan was also an advocate for federalism and worked with ALEC in 1981 to publish the book, “Reagan and the States,” detailing methods for decentralizing government. Despite the efforts of multiple presidents and congresses, the federal government has been unable to reduce mandates to the states. In fact, in just the last four years, the Congressional Budget Office found that Congress created 223 new mandates on state and local governments.⁶

Washington, D.C., has a long history of providing states funding with strings attached. One of the worst examples of federal mandates is the Highway Trust Fund, financed with revenue from the federal gas tax. In order for states to receive federal gas tax revenues they must comply with a myriad of mandates, such as spending 10 percent of their funds on transportation enhancement projects like bike paths, landscaping and transportation museums. Instead of rebuilding essential roads and bridges in need of repair, congressional mandates have

“President Reagan was also an advocate for federalism and worked with ALEC in 1981 to publish the book, ‘Reagan and the States,’ detailing methods for decentralizing government.”



forced states to build squirrel sanctuaries and turtle tunnels.⁷ The Heritage Foundation estimates federal mandates have “diverted approximately 38 percent of trust fund spending to projects and programs of little value to the motorist’s mobility needs.”⁸

In addition to transportation, the U.S. Department of Education has created so many mandates that U.S. Senator Lamar Alexander of Tennessee labeled them “in effect, a national school board.”⁹

Finally, the EPA has never been shy about using the heavy-hand of government to get its way. One egregious example comes from the Mid-Atlantic region, as states are mandated to reduce rainwater run-off to the Chesapeake Bay. Citizens in these local jurisdictions face fees on impervious surfaces, which many dub “rain taxes.”

SOLUTION: States Take Back Control

A number of states, of which Utah is the most prominent, have begun taking steps to restore the balance between the states and federal government. State congressional delegations must be made aware of the problems created by mandates and work with state leaders to resolve them. In addition, lawmakers at both levels of government must find ways to cut the strings from D.C. to the states.

MODEL POLICY

Congressional Mandate Delegation Act

This Act requires all members of the various states’ delegation to the U.S. Congress to annually appear before a joint legislative session to discuss problems related to unfunded federal mandates, as well as any new burden imposed by the federal government on the respective states.

Commission on Federalism Act

This model policy creates a modern-day Committees of Correspondence to review, evaluate and respond to federal actions that infringe upon the constitutional jurisdiction of the state. It provides the standard for such review and a mechanism for coordinating the review, evaluation and response together with other states.

The State of Utah, having originally passed such legislation, uses the commission to study current federal laws and mandates and work with other states to preserve the rights our founders granted to the states.



For more information on these model policies go to www.alec.org or email Karla Jones at kjones@alec.org.

Resolution to Restore Transportation to the States

This Resolution empowers the various states to manage gas tax dollars without federal government interference.



For more information on this model resolution go to www.alec.org or email Cara Sullivan at csullivan@alec.org.

RESTORING STATE SOVEREIGNTY

PROBLEM: Eroding Separation of Powers

Our founding fathers were weary of a powerful centralized government. Having just fought a war of independence against a monarchy, they enshrined in the Constitution the Tenth Amendment, which states, *“The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.”*

James Madison explained the founders’ reasoning for creating this separation of powers when he wrote, *“The accumulation of all powers, legislative, executive, and judiciary, in the same hands, whether of one, a few, or many, and whether hereditary, self-appointed, or elective, may justly be pronounced the very definition of tyranny.”*¹⁰

Overtime, this separation of powers began to erode. The infamous *Wickard v. Fiburn* case in 1942, in which the U.S. Supreme Court ruled under the Commerce Clause that Congress could regulate a farmer who grew and sold wheat entirely in the state of Ohio, marked a major departure in the federal government’s power over the states.

The federal government now manages how states regulate health insurance, financial institutions, the environment, education and almost every other aspect of state and local government.

“The federal government now manages how states regulate health insurance, financial institutions, the environment, education and almost every other aspect of state and local government.”



SOLUTION: Restore the Constitutional Rights of States

State lawmakers need to reassert their authority and look for new mechanisms to keep the federal government in check.

MODEL POLICY

Repeal Amendment

This resolution petitions the U.S. Congress to propose the *Government of the People Constitutional Amendment* to the Constitution. This amendment provides that two-thirds of the states should be able to repeal a federal law or regulation. In Federalist No. 85, Alexander Hamilton wrote in reference to Article V of the Constitution that, “We may safely rely on the disposition of the State legislatures to erect barriers against the encroachments of the national authority.”

The Constitution should be amended to halt federal encroachment and restore a proper balance between the powers of Congress and those of the states and the people. A Repeal Amendment would serve as another check and balance in the system.

Resolution Reaffirming Tenth Amendment Rights

The Tenth Amendment to the Constitution of the United States limits the power of the federal government and holds that it was established by the states to be an agent of the states. This resolution reaffirms those Tenth Amendment protections and reasserts the balance of power between the states and the federal government.



For more information on these model resolutions go to www.alec.org or email Karla Jones at kjones@alec.org.

Resolution Opposing Unfair Federal Consent Decrees

In a growing number of cases involving state and local governments across the nation, consent decrees have become a means by which federal judges make policy decisions that are best left in the hands of state and local officials. This resolution calls for consent decrees to be narrowly drafted, limited in duration and respectful of state and local interests and policy judgments. Consent decrees can remain in place for decades and lock-in policies that were agreed to by state and local officials who are no longer in office. Newly-elected state and local officials often inherit overbroad or outdated consent decrees that limit their ability to govern and respond to the priorities and concerns of their constituents



For more information on this model resolution go to www.alec.org or email Amy Anderson at aanderson@alec.org.

CONCLUSION

The role of the states and the federal government has been grossly distorted from the vision held by our founding fathers. The founders intended the states to serve as a check against an all-powerful federal government, which they largely did until the New Deal. The federal government has grown exponentially during the last few decades, taking more authority from the states while handing down an increasing number of mandates.

It is incumbent on state lawmakers to restore the proper balance of power because the federal government has proven itself unwilling to relinquish power. Through legislation, resolutions and an Article V Convention, state legislators have the tools at their disposal to restore state sovereignty.





FEDERALISM STATEMENT OF PRINCIPLES

APRIL 8, 1986

I. Federalism is rooted in the knowledge that our political liberties are best assured by limiting the size and scope of the national government.

II. The people of the States created the national government when they delegated to it those enumerated governmental powers relating to matters beyond the competence of the individual States. All sovereign powers, save those expressly prohibited the States by the Constitution, are reserved to the States or to the people.

III. The constitutional relationship among sovereign governments, State and national, is formalized in and protected by the Tenth Amendment to the Constitution.

IV. The People of the States are free, subject only to restrictions in the Constitution itself or in constitutionally authorized Acts of Congress, to define the moral, political, and legal character of their lives.

V. In most areas of governmental concern, State and local governments uniquely possess the constitutional authority, the resources, and the competence to discern sentiments of the people and to govern accordingly. In Jefferson's words, the States are "the most competent administrations for our domestic concerns and the surest bulwarks against anti-republican tendencies."

Ronald Reagan

VI. The nature of our constitutional system encourages a healthy diversity in the public policies adopted by the people of the several States according to their own conditions, needs, and desires. In the search for enlightened public policy, individual States and communities are free to experiment with a variety of approaches to public issues.

VII. Acts of the national government—whether legislative, executive, or judicial in nature—that exceed the enumerated powers of that government under the Constitution violate the principles of federalism established by the Founders.

VIII. Policies of the national government should recognize the responsibility of—and should encourage opportunities for—individuals, families, neighborhoods, local governments and private associations to achieve their personal, social, and economic objectives through cooperative effort.

IX. In the absence of clear constitutional or statutory authority, the presumption of sovereignty should rest with the individual States. Uncertainties regarding the legitimate authority of the national government should be resolved against regulation at the national level.

X. These principles should guide the departments and agencies of the national government in the formulation and implementation of policies and regulations.



13 RECOMMENDATIONS:

Resolution Against ACA Health Insurance Exchanges

For more information go to www.alec.org or email sriley@alec.org

Regional Health Care Coalition Act

For more information go to www.alec.org or email sriley@alec.org

Resolution to Retain State Authority over Hydraulic Fracturing

For more information go to www.alec.org or email jeick@alec.org

Resolution Opposing EPA's Regulatory Train Wreck

For more information go to www.alec.org or email jeick@alec.org

Resolution in Opposing State Bailouts by the Federal Government

For more information go to www.alec.org or email jwilliams@alec.org

Balanced Budget Amendment

For more information go to www.alec.org or email jwilliams@alec.org

Federal Receipts Reporting Act

For more information go to www.alec.org or email jwilliams@alec.org

Congressional Mandate Delegation Act

For more go to www.alec.org or email kjones@alec.org

Commission on Federalism Act

For more go to www.alec.org or email kjones@alec.org

Resolution to Restore Transportation to the States

For more information go to www.alec.org or email csullivan@alec.org

Repeal Amendment

For more go to www.alec.org or email kjones@alec.org

Resolution Reaffirming Tenth Amendment Rights

For more go to www.alec.org or email kjones@alec.org

Resolution Opposing Unfair Federal Consent Decrees

For more information on this model bill go to www.alec.org or email aanderson@alec.org

RESOURCES FOR STATE LAWMAKERS

American Legislative Exchange Council

The American Legislative Exchange Council (ALEC) advances the fundamental principles of limited government, free markets and federalism. ALEC works at the state level through a nonpartisan public-private partnership of state legislators, members of the private sector and the general public.

American Legislative Exchange Council

2900 Crystal Drive, Suite 600

Arlington, VA 22202

Phone: 703-373-0933 • Fax: 703-373-0927 • www.alec.org

Balanced Budget Amendment Task Force

The Balanced Budget Amendment Task Force assists the 38 states needed to draft and ratify a Balanced Budget Amendment (BBA) to the U.S. Constitution. If you are interested in passing on the American Dream of economic freedom and prosperity, you are invited to join state legislators, economists, professors, constitutional lawyers, organizations and the business community. Our nation is more than \$16 trillion in debt and on track to borrow another trillion a year for the next ten years. The average taxpaying family will be forced to pay \$12,000 in taxes just to cover the interest on the 2021 debt.

Balanced Budget Amendment Task Force

P.O. Box 1261

Leesburg, Virginia 20177

Phone: 386-423-4744 • E-mail: Info@BBA4USA.org

Center for Self Government in the West

The Sutherland Institute Center for Self-Government in the West protects freedom and opportunity in Utah and the West by promoting federalism and equipping state leaders – both public and private – to reclaim their powers and responsibilities under the United States Constitution.

Sutherland Institute

Gateway Tower West Building

15 West South Temple, Suite 200

Salt Lake City, UT 84101 USA

Phone: 801-355-1272 • Fax: 801-355-1705 • <http://endfedaddiction.org/>

Federalism in Action

Federalism in Action is a joint project of State Policy Network and State Budget Solutions that provides the intellectual ammunition to inform and inspire coalitions of policymakers, citizen activists, and scholars who act to keep government local.

<http://www.federalisminaction.com> • Email: holly@statebudgetsolutions.org

The Liberty Foundation

The mission of the Liberty Foundation of America is to educate American citizens about the Constitutional structure and limitations of governance in the Republic, support opportunities for citizens to become involved in the policymaking process and cooperate with affiliated free-market organization on efforts of national impact.

The Liberty Foundation of America, Inc.

1401 North Lincoln Boulevard, Suite 500

Oklahoma City, Oklahoma 73104

Phone: 405-602-2524 • Fax: 888-707-0998 • <http://libertyfound.org/>

State Policy Network

Founded in 1992 by Tom Roe at the urging of Ronald Reagan, State Policy Network is the only group in the country dedicated solely to improving the practical effectiveness of independent, non-profit, market-oriented, state-focused think tanks. SPN's programs enable these organizations to better educate local citizens, policy makers and opinion leaders about market-oriented alternatives to state and local policy challenges.

State Policy Network

1655 N. Fort Myer Drive

Suite 360

Arlington, VA 22209

Phone: 703-243-1655 • Fax: 703-740-0314 • <http://www.spn.org/>

(ENDNOTES)

1. Clean Air Act §101(a)(3).
2. Clean Water Act §101(b).
3. <http://reason.com/archives/2013/10/23/broke-us-resumes-spending>.
4. *Ibid.*
5. <http://www.pewstates.org/news-room/press-releases/federal-grants-as-share-of-states-budgets-near-an-all-time-high-85899505892>.
6. Congressional Budget Office. "A Review of CBO's Activities in 2012 Under the Unfunded Mandates Reform Act." March, 2013.
7. http://www.coburn.senate.gov/public/index.cfm?a=Files.Serve&File_id=bc8dc49-6224-4f61-ab95-69e4bcefe885.
8. <http://www.heritage.org/research/reports/2008/09/congress-undermines-americas-infrastructure-by-looting-the-highway-trust-fund>.
9. <http://www.heritage.org/research/reports/2008/09/congress-undermines-americas-infrastructure-by-looting-the-highway-trust-fund>.
10. Madison, James. Federalist No. 48, February 1778.

2900 Crystal Drive, Suite 600
Arlington, VA 22202
www.alec.org



“If we practiced federalism, as the Founders intended, we wouldn’t have the problems this nation faces. We need to find a better way to explain that options and choices in government will improve the country and lives of individual citizens. Federalism is the solution to our problems and salvation of our nation.”

— **Rob Bishop**
Member of Congress (UT-01)

“This book is an excellent starting point for state lawmakers seeking to rebalance the relationship between Washington, D.C. and the states. The majority of decisions affecting the lives and liberty of our citizens should be made at the state and local level. The authors have outlined a clear path for our nation to return to the federalist system envisioned by our Founding Fathers.”

— **Governor Mary Fallin**
Oklahoma

“The action of the states to restore a competitive federalism is one of our best opportunities to restrain our out-of-control federal government. I congratulate ALEC for compiling this volume and for the work they do to inform and educate legislative leaders in the states.”

— **Jim DeMint**
President, The Heritage Foundation