

Following the 2012 election, Washington Policy Center is working harder than ever to promote limited government and bring the benefits of free-market ideas to Washington state. The bright spots that came out of 2012's elections were policy victories which were championed by WPC.

Our successes in 2012 show we are making a difference and shaping public policy. This past year:

- WPC's analysts appeared in print, radio, TV and online media more than 1,500 times, an average of five times per day
- 17 of WPC's policy recommendations were signed into law by our state's Democratic governor following the legislative sessions
- WPC held more than 45 policy events and conferences across the state, informing policymakers, candidates, business leaders and voters on critical issues
- We launched our first-ever television ad campaign, which reached 2.2 million households across the state and introduced WPC as an election resource
- WPC released the fourth edition of our *Policy Guide for Washington State*, our most popular publication; since the first edition was released, 33 commonsense recommendations have been signed into law
- More than 1,600 people attended our gala 2012 Annual Dinner to hear from European Parliament member Daniel Hannan, whose stirring and impassioned speech on the importance of safeguarding our liberties was insightful and encouraging
- We awarded our 2012 Jennifer Dunn-Thomson Scholarship to UW alumna and former WPC intern Kendra Clark; WPC's Doug and Janet True Internship program continues to introduce future leaders to our important work.

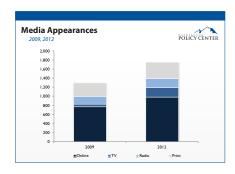
What's more, during the 2012 elections, voters adopted all four ballot measures that reflected longstanding WPC policy recommendations.

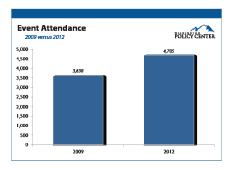
- Our long-term efforts to minimize the tax burden made progress with the passage of Initiative 1185, requiring a 2/3 legislative supermajority to raise taxes. The initiative passed in every county and will make it difficult to raise taxes over the next two years.
- 2. We are very excited that Initiative 1240 passed and we are now the 42nd state in the country to allow charter schools. Thanks to the hard work of our Education Center, we will soon see real education reform in our state.
- Our Transportation Center's longtime analysis that light rail does not reduce congestion paid off with the defeat of Prop. 1 to raise the sales tax to extend light rail across the Columbia River in Clark County.
- 4. Finally, the constitutional debt amendment that our Center for Government Reform director analyzed and recommended passed in every county. The amendment will gradually lower the state debt limit, making it more difficult for lawmakers to place financial burdens on future generations of Washingtonians.

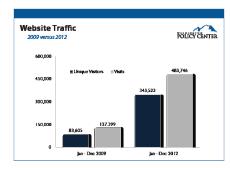
With the policy momentum WPC is carrying into 2013, we are not slowing down. We are invigorated and ready to make this our most successful year to date! Moving forward, we will continue to educate citizens and policymakers about the issues that are threatening our state.

In our chaotic and complex world, WPC's research gives added focus to the key public policy challenges confronting the people of our state. We appreciate your support and hope you will continue to join us.

### **GROWTH IN WPC IMPACT, 2009 VERSUS 2012**









Our media and event numbers since 2009 show significant year-over-year growth in WPC's reach and impact. 2012 marked our first revenue-positive year, an impressive feat for an organization of our age and size.

2012 REVENUE: \$2,014,292

Our October 15 Annual Dinner event welcomed over 1,600 attendees in Bellevue and Spokane to hear about America's current course from national opinion pollster Scott Rasmussen, EU Parliament member Daniel Hannan, and political analyst Ed Rollins. We also recognized key legislators who helped promote Washington's new charter school legislation with the Champion of Freedom Award.







Members of WPC's growing Young Professionals group enjoyed after-hours events with elected representatives, policymakers and prominent business officials at Pyramid Alehouse in May and November.







#### **WPC'S IMPACT IN EASTERN WASHINGTON**

Impact and growing support are the words that describe WPC's Eastern Washington efforts in 2012. WPC is the only policy research organization with offices in Spokane and the Tri-Cities, and our efforts there continue to expand.

In 2012, we again held legislative Wake-Up Call forums throughout Eastern Washington — connecting legislators to citizens via video conference. Those forums are the template for remote testifying options now available to legislative leaders.

WPC's impact was felt in the Tri-Cities in March 2012 when we released research on impact fees being introduced by the Pasco School District. As we pointed out, the \$4,683 per-home fee would not provide the additional resources needed to build new schools. The Pasco School District is now looking for additional funding options.

WPC's Eastern Washington Health Care event — held in the days following the Supreme Court's historic

Affordable Care Act ruling in June — attracted a sold-out crowd to the Davenport Hotel to hear from former Florida Attorney General Bill McCollum.

WPC's 2012 Annual Dinner in Eastern Washington, featuring former advisor to President Reagan, Mr. Ed Rollins, also sold out. It attracted nearly 500 in Spokane.

Throughout the 2012 general election, WPC's Eastern Washington director Chris Cargill traveled around Eastern Washington to share resources and recommendations on ballot measures.

The number of WPC supporters in Eastern Washington hit record levels in 2012.



Education reformer and charter school proponent Paul Pastorek, the former head of New Orleans schools, spoke at WPC's 2012 Education Lunch.



## CENTER FOR THE ENVIRONMENT

Todd Myers, director of WPC's Center for the Environment, received national attention for his book Eco-Fads and policy work. During 2012, Todd traveled to six national events to speak about his book, including the Heritage Foundation conference in Colorado Springs and the Sustainable Forestry Initiative meeting in Milwaukee. Todd's work on the environmental costs of plastic bag bans appeared in a special Wall Street Journal environmental supplement.

Dr. Terry Anderson, a founder of PERC, a nationally recognized free-market environmental organization, keynoted our 10th Annual Environmental Policy Conference and Lunch in Seattle. He talked about the free-market approach to environmental sustainability.

The center also had legislative success, partnering with the Sightline Institute to remove restrictions on car sharing, a bill that was signed by Governor Gregoire.

In 2012, Jason Mercier offered insight and testimony on the state's budget and Initiative 1185, passed by voters in November, requiring a legislative supermajority vote before raising taxes.



# CENTER FOR EDUCATION

The Center for Education made charter schools its primary focus in 2012. Relying on our 2011 assessment of charter schools, the state PTA affirmed support for new legislation, leading to a bipartisan legislative effort to allow charter schools — a measure which was blocked by opponents. Supporters then decided to appeal directly to Washington's citizens by filing Initiative 1240. WPC provided accurate information about charters and how they benefit parents, teachers and students. The center published "A Guide to Major Charter School Studies," "Citizen's Guide to I-1240: To Allow Public Charter Schools," several editorials in state newspapers, and numerous blog posts.

When voters approved I-1240 in November, they passed Washington's most significant education reform in 30 years, and one of the best charter school laws in the country. The center will now report on the state's implementation of charter schools through its charter school follow-up project.



WPC recognized the efforts of the Environmental Center's founding advisory board members and supporters at its 10th anniversary Environmental Policy

# CENTER FOR GOVERNMENT REFORM

With the 64% passage of I-1185 in the 2012 election, voters followed our recommendation to re-affirm the state's legislative supermajority vote requirement to raise taxes. Voters also reduced the state's debt limit with the passage of SJR 8221. Both measures are important steps toward focusing state government on its core functions and building a sustainable budget. Our Center for Government Reform director Jason Mercier has worked on these issues extensively over the last several years.

Three bills also passed the legislature and were signed into law by Governor Gregoire in 2012 reflecting WPC recommendations, resulting in a billion dollars in savings to taxpayers (HB 2824). They include changes to the state's contract process (HB 2452), a balanced budget and budget outlook requirement (SB 6636), and repeal of the unfunded mandate to reduce class sizes (I-728).



# CENTER FOR HEALTH CARE

People in Washington state have been worried about the impact of the Affordable Care Act, or Obamacare. So WPC's Center for Health Care established a Speakers Bureau and Dr. Roger Stark addressed over 60 organizations in the state, discussing the new law.

Federal health care reform was also the topic of the Center's 10th Annual Health Care Conference in July. More than 450 health industry professionals, policymakers, media and citizens participated in our conference in Seattle and a special health care lunch in Spokane. The events focused on the U.S. Supreme Court ruling on the individual mandate in the Affordable Care Act. Former Florida Attorney General Bill McCollum, the leader of the state attorneys general lawsuit against the ACA, spoke at both the Seattle conference and Spokane lunch events.

The Center for Health Care also contributed to the debate as Washington state sets up its health insurance exchange.

Small Business forums held around the state brought business owners, concerned citizens and lawmakers together to vote on the state's important business issues.



# CENTER FOR TRANSPORTATION

In 2012 the Center for Transportation published studies on light rail and transit agencies around the state. We focused on Clark County and published a Key Facts analysis of the county's transit agency, and a Citizens' Guide to Proposition 1, addressing Portland-Vancouver light rail funding. We also released the only poll on the issue, which found that 57% of voters did not support funding light rail. All three publications received significant attention and media coverage. In November, voters rejected the ballot measure.

At the request of WPC, the State Auditor's Office looked at Sound Transit's ridership forecasts; the auditor found unreliable forecasts and oversight problems. WPC testified at the Joint Legislative Audit and Review Committee and urged lawmakers to make Sound Transit's board directly elected and accountable.

WPC filed an amicus brief asking the state's Supreme Court to accept direct review on the issue of tribal gas taxes. The Court sided with WPC and the plaintiff, and the case is back in trial court.

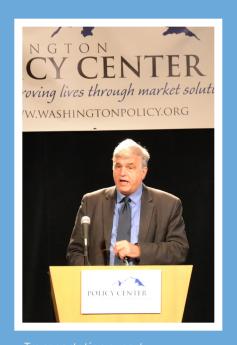


Bill McCollum, former Florida Attorney General, addressed the U.S. Supreme Court's decision on the Affordable Care Act at WPC's 2012 Health Care Conference.

# CENTER FOR SMALL BUSINESS

The Center for Small Business kicked off the year by hosting a press conference at the Capitol to release "7 Steps on the Road to Economic Recovery: Key Recommendations to Improve Washington's Small Business Climate." Based on these recommendations, WPC was invited by lawmakers to testify on numerous bills affecting the state's small business climate.

The biennial series of Small Business Forums reached out to business owners across the state to bring WPC researchers, policymakers and small business owners together to identify and discuss real solutions to the policy problems facing our state's businesses. More than 600 small business owners attended the eight forums and heard from panels of experts on issues such as tax policy, workers' compensation, health care reform and government regulations. The result was "Improving Our State's Business Climate: Where Do We Go From Here?" a list of policy recommendations identified by forum participants that the Center researched and presented to policymakers.



Iransportation expert
Wendell Cox discusses the
role of smart growth in
transportation planning
at WPC's May 2012
Transportation Lunch.