

2009 ANNUAL REPORT TO OUR SUPPORTERS AND THE COMMUNITY



*Because public policy
is about people.*




Greg Porter
Chairman

In debates today, matters of public policy are often reduced to mere numbers and statistics bundled in endless reports and charts. It is true that sound public policy is based first and foremost on facts, but lawmakers and pundits must never forget that public policy is really about people.

Whether it's the small-business owner struggling under onerous taxes and regulations while trying to provide services to the community and a living to employees, the taxpayer who bears the brunt of unsustainable state spending, or the child trapped in a failing public education system, the decisions of lawmakers in Olympia have deep ramifications in the lives of real people across our state.




Dann Mead Smith
President

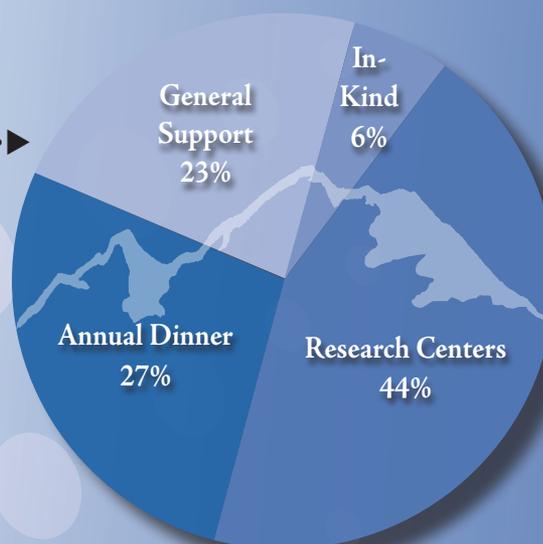
In 2009 we made great strides in furthering our mission of improving people's lives through free-market solutions. Our research and analysis helped educate the public on the perils of more government control in health care, we helped persuade state lawmakers to not raise taxes during the 2009 Legislative Session, and more.

Our impact fueled phenomenal growth for our organization in 2009. We opened a full-time Eastern Washington office and had more than 1,000 print, broadcast, and online media appearances.

Thank you for being an integral part of our work and making 2009 such a great success for our organization.

2009 BY THE NUMBERS

Revenue:	\$ 1,967,788▶
Online Media Appearances:	767	
Print Media Appearances:	296	
Radio Appearances:	169	
Television Appearances:	63	
Invited Legislative Testimony:	24	
Events:	27	



RESEARCH CENTERS

SMALL BUSINESS

More than 300 small business owners and policymakers gathered at our 2009 Statewide Small Business Conference in November. This interactive, participant-driven conference is the only one of its kind in our state. Small business owners take time out their workday and come together to share not only their experiences running a business, but also *their* recommendations for how the business climate can be improved.

The result was an in-depth study: *Lead the Way: Small Business & the Road to Recovery.*



ENVIRONMENT

At the forefront of advancing free-market environmentalism in Washington, our Center for the Environment does what no other group here does: it advances the concept that human and prosperity can work in a free economy to protect the environment.

During the 2009 Legislative Session our research and analysis played a vital role in educating policymakers and the public on the dangers of the cap-and-trade and mandatory prescription drug take-back proposals. On Earth Day, with more than 250 people in attendance, we showed the film "Not Evil Just Wrong: The True Cost of Global Warming Hysteria" at Sammamish's Rachel Carson Elementary School and on college campuses throughout the state in the fall.



HEALTH CARE

The big health care issue of 2009 was the sweeping reform plans brewing in the nation's Capitol. We launched our 2009 Federal Health Care Reform Project to educate the public and policymakers on the pitfalls of more government control over health care, and to propose patient-focused reform. We produced a short health care reform video series, spoke to more than 3,000 citizens across the state at community and civic groups, and conducted a tele-townhall with 800 citizens.

Dr. Steven Eastaugh, a health care advisor to President Obama, keynoted our 7th Annual Health Care Conference in June. The conference, attended by more than 300 health care providers and policy experts, featured panel discussions on new trends in health care and the uninsured/insured.

TRANSPORTATION

We believe that being there is what's important, which is why our Center for Transportation invested considerable time and effort in 2009 comparing the efficiency and cost-benefits of different public transit modes.



Vanpool Programs to Move the Most People for the Least Cost.

This groundbreaking research is the first of its kind in our region, and has challenged policymakers to consider expanding vanpooling in the face of declining bus ridership and growing transit costs.

GOVERNMENT REFORM

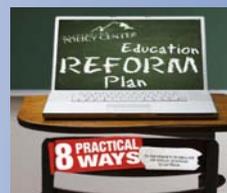
When the state faced a \$9 billion budget deficit, our Center for Government Reform sent a letter to lawmakers signed by 32 state and national economists warning them that tax increases would hurt the economy. We published this letter in full-page ads in *The Olympian* and *Spokane's Spokesman Review*. Lawmakers closed the budget deficit without raising taxes. The Governor also incorporated many of our specific spending reduction recommendations into her budget proposal.



In addition, the Center continued to serve as the premier go-to resource for government transparency in Washington state. Working out of our Olympia satellite office, Center Director Jason Mercier kept a close watch

on the legislature during the 2009 Session and helped keep the media and the public informed.

EDUCATION



Launched in 2008, our Center for Education held its official kick-off lunch event in January

with keynote speaker Prof. Bill Ouchi of UCLA's Anderson School of Management. Prof. Ouchi discussed his new book on proven, innovative ways to raise student achievement by empowering teachers and principals. The day before the lunch, Prof. Ouchi met with legislative leaders in Olympia to discuss education reform.

The Center released its landmark education reform plan, *Eight Practical Ways to Reverse the Decline of Public Schools*, and published the book *Outrageous Learning: Foundational Thoughts on Reforming Our Public Schools* by Scott Oki.

ANNUAL DINNER



1,100 people gathered for our 2009 Annual Dinner, which is the largest event of its kind in the Northwest and one of the largest in the U.S. Noted author, columnist, and pop-icon Ben Stein keyed the dinner and received our 2009 Columbia Award. FOX News commentator and *Wall Street Journal* editorial board member Steve Moore also spoke at the dinner. Ben and Steve spoke about America's greatness and the growing threats to both our prosperity and security.



WPC Board Member and long-time supporter Bill Conner received our 2009 Stanley O. McNaughton Champion of Freedom Award. "This country has prospered because all individuals have the liberty to do their best," Bill said upon receiving the award. "Unfortunately, because of too much government intervention, that is no longer true. Some may ask why I dedicate so much of my retired time to Washington Policy Center and other like causes. That is because I feel I owe a debt for all of the freedom I have enjoyed."

IMPACT

IMPROVING LIVES THROUGH MARKET SOLUTIONS

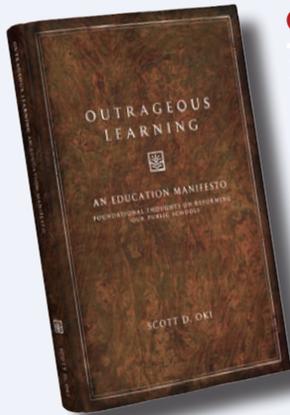
- In November, Spokane voters faced a ballot measure to create an erroneous "community bill of rights." WPC published research and analysis finding the measure would dramatically increase local government spending and drive away businesses, which received considerable media coverage. In November voters rejected the measure.
- When state lawmakers faced a \$9 billion budget deficit in 2009, WPC distributed a letter signed by 32 state and national economists warning tax increases would hurt the economy. Ultimately, lawmakers balanced the budget without raising taxes and the Governor publicly stated that raising taxes in a recession would hurt the economy. The Governor also incorporated many of WPC's spending reduction and reform recommendations into her budget proposals.
- While pundits and analysts predicted President Obama's health care reform plans would sail to quick passage, WPC launched a federal health care reform project to educate policymakers and the public on the dangers of more government control over health care and the advantages of patient-driven, market-based solutions. In addition to publishing op-eds locally and nationally and holding a tele-townhall with 800 participants, WPC staff spoke to more than 3,000 people at community and civic gatherings across the Northwest.
- In December Washington Policy Center opened its Eastern Washington office and hired Chris Cargill as its full-time director. This exciting development makes WPC the only think tank with a truly statewide presence in Washington.

MEDIA

SHAPING THE PUBLIC DEBATE



OUTRAGEOUS LEARNING



OUTRAGEOUS LEARNING: AN EDUCATION MANIFESTO

Philanthropist and former Microsoft executive Scott Oki partnered with us for the production and publication of this signature work on education reform. Written by Scott and edited by our Vice President for Research Paul Guppy, *Outrageous Learning: Foundational Thoughts on Reforming Our Public Schools* offers 11 practical ideas to truly reform our state's public K-12 education system so all students have the chance to excel. Written in a plain, easy-to-understand style, Scott points the way to a future of truly "outrageous learning" in Washington. But the book was just the beginning.

Throughout 2009 and into 2010, Scott and WPC's Center for Education Director Liv Finne have been traveling the state speaking to community groups, parents, teachers, principals, policymakers and media about common-sense, core-value ideas for reforming public education in our state.



ON THE WEB



WWW.WASHINGTONPOLICYBLOG.ORG

Launched in 2007, Washington Policy Blog continues to give our analysts another tool for quickly disseminating research and commentary. Traffic on the blog has grown steadily and it is a proven resource for media. It's not uncommon for us to see it influencing media coverage, and when we visit with capitol press reporters in Olympia we regularly hear praise for our blog.



WWW.WASHINGTONVOTES.ORG

Since 2003 Washington Policy Center has provided the free public service website, WashingtonVotes.org, which gives plain-English bill descriptions and easy access to state legislators' voting records. Each week during legislative sessions, WashingtonVotes.org publishes geographically-tailored Roll Call reports and distributes them to media outlets across the state. WashingtonVotes.org logged more than one million hits during the 2010 session, and is the premier legislative information website in Washington. "WashingtonVotes.org is a terrific tool for both legislators and the public," insists State Sen. Derek Kilmer (D-Gig Harbor). "Government works best in the light of day and I'm for anything that brings more transparency. WashingtonVotes.org certainly fits that bill."



WWW.OLYMPIAPOLICYWATCH.ORG

As the traditional media and Olympia's capitol press corps shrink, we are stepping in to help fill the void. This year we launched a website for our Center for Government Reform and Olympia office Director Jason Mercier to provide news updates from the state capitol during session and throughout the year. Jason attends legislative hearings, meets with key influencers regularly and serves a vital role that informs the public and media on budget, tax, and government reform news.

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