



Annual
Report to
Supporters
and the
Community
2010

Guiding the way to sound public policy in Washington state





Greg Porter
Greg Porter
Chairman

2010 presented enormous challenges for Washingtonians as the local and national economies continued to lag, unemployment remained high, and policymakers were forced to deal with the consequences of past overspending. Through it all, Washington Policy Center charted a course to economic prosperity and limited, sustainable government. Our research and commonsense recommendations offered policymakers a clear direction and a way forward.

In November our positions, which we developed after years of research and analysis, prevailed in seven of nine major ballot measures across Washington. Voters echoed recommendations we have been advancing for years, including a landslide vote against a proposed state income tax. In everything from education to health care, the state budget to transportation, the environment to the business climate, Washingtonians have sent a clear message to elected officials: reform government rather than simply spending more money.

To that end, our team has worked tirelessly to promote sound research and proven solutions.

This would not have been possible without your generous support.

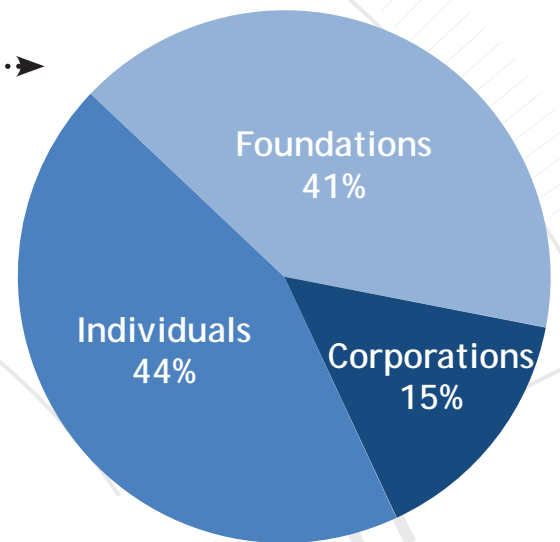
We hope this report gives you a brief overview of our recent accomplishments and activities. As you can see, while 2010 brought Washington numerous challenges, the year brought Washington Policy Center countless opportunities to shine.



Dann Mead Smith
Dann Mead Smith
President

2010 by the Numbers

Revenue:	\$1,874,853→
Media Appearances:	2,087	
Invited Legislative Testimony:	16	
Bills Introduced in the Washington Legislature		
Reflecting Our Ideas:	45	
Ballot Measure Recommendations Supported by Voters:	7 of 9 measures	
Events throughout Washington:	32	
Event Attendees:	4,337	
Miles Traveled in Eastern WA:	25,000+	
Growth in Eastern WA Media:	300%	
Growth in Eastern WA Donors:	110%	



Education

If you have heard the term “Innovation School” discussed in Washington state, that’s because in 2010 WPC brought Dr. Rob Stein, principal of Denver’s Manual High School, to keynote our annual education breakfast. Manual High was one of Colorado’s lowest-performing schools until Stein took over under the state’s Innovation Schools law. With significantly more control over budget, staffing, and curriculum than allowed a traditional public school principal, Stein turned Manual into one of Colorado’s best schools. Former Seattle Mayor Norm Rice, a graduate of Manual, introduced Stein at our breakfast (pictured together at right). In 2011, legislators introduced bills to allow Innovation Schools in Washington.



Environment

Too often, policymakers enact environmental regulations and then fail to evaluate whether or not the policies actually improved environmental quality. That’s why, for Earth Day 2010, Todd Myers and Brandon Houskeeper examined 10 key environmental policies enacted in the past five years and evaluated their effectiveness. They used a 10-point scale to score each policy. Effective policies were rated positively while policies that actually harm the environment rated negatively. The average score was -1, meaning that, overall, policymakers embraced politically popular but ineffective environmental policies.



In July, renowned climate scientist Dr. Roger Pielke keyed our 8th Annual Environmental Policy Conference and Luncheon, where we also honored former Public Lands Commissioner Doug Sutherland with our 2010 Environmental Innovator Award.

Government Reform

When it comes to the overspending and structural problems that drive the state budget shortfall, what sets WPC apart from the cacophony of voices on this issue is solutions. That’s why the governor appointed Jason Mercier to her special Committee on Transforming Washington’s Budget. Both the committee’s final report and the governor’s 2011-13 budget proposal contained numerous WPC recommendations aimed at fundamentally restructuring state government and putting state spending on a sustainable path.



Jason Mercier’s research and analysis was key in our overall work on the nine local and statewide ballot measures in 2010, including the defeat of a state income tax proposal.

Health Care

After months of rancorous debate, Congress and the president enacted sweeping national reform that will impact how every American receives and pays for health care. Free-market groups across the country voiced serious concerns with this power grab by the federal government, and locally WPC’s Dr. Roger Stark was on the front lines of the battle.

At our 8th Annual Health Care Conference, Attorney General Rob McKenna sat down with KING TV’s Allen Schauffler to discuss his joining the bi-partisan, multi-state lawsuit challenging the constitutionality of the reform law’s individual mandate that every American purchase health insurance. Harvard Business School Prof. Regina Herzlinger, named one of the “100 Most Powerful People in Healthcare,” delivered the conference keynote address and discussed the far-reaching negative impact of the health reform law.



Small Business

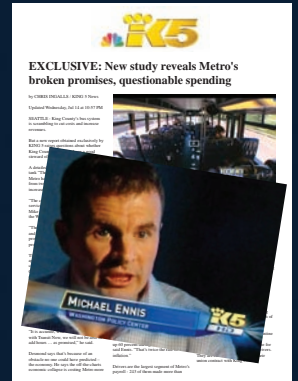
We published small business owners' top recommendations from our statewide Small Business Conference and offered policymakers a roadmap to a stronger business climate in *Lead the Way: Small Business and the Road to Recovery*. Carl Gipson and Chris Cargill took these 24 recommendations on a "Lead the Way" tour, talking with community groups in more than 24 cities throughout Washington.



Carl Gipson partnered with our Center for Government Reform Director Jason Mercier to publish a study recommending Washington abandon the burdensome B&O tax on gross receipts and replace it with a simpler, fairer Single Business Tax. Legislators on both sides of the aisle expressed interest in our plan and it has helped build momentum for business tax reform in Washington.

Transportation

In 2000 and 2006, King County Metro asked voters for sales tax increases, promising more than 1 million more service hours. Michael Ennis' analysis showed that Metro delivered just 1/3 of the hours promised to voters, while over the same time period bus drivers' salaries grew 70%. Michael's work led to a KING 5 investigative report, and the resulting public pressure forced the drivers' union to accept pay freezes.



Michael's analysis found vanpools to be the most cost-effective form of public transit. We published a comprehensive study, *Vanpools in the Puget Sound Region: The Case for Expanding Vanpool Programs to Move the Most People for the Least Cost*, and produced a short video promoting vanpools as an effective public policy solution to traffic congestion.

Impact & Media

- For the first time, we issued specific recommendations on which ballot measures we thought were good public policy for Washington and which were not. In November, our position prevailed in seven of nine measures. In three of the measures voters rejected, there was no formal "no" campaign and we were the only group educating citizens on the measures' pitfalls.
- The legislature passed and the governor signed a bill giving small businesses a two-day grace period when found in violation of minor state regulations. The idea originated from our 2009 Small Business Conference.
- After we brought Denver's Manual High School Principal Dr. Rob Stein, an Innovation School pioneer, to speak in Seattle, the Seattle School District's 2010 collective bargaining agreement with its teachers allows officials to negotiate for the creation of new Innovation Schools.



Eastern Washington Office

In the year since we opened our Eastern Washington office, its director Chris Cargill traveled more than 25,000 miles around the region and spoke to more than 60 Rotary, Kiwanis, Chambers of Commerce, and other community groups educating citizens on public policy issues. In addition, WPC appeared in radio, television, and print media stories more than 350 times, and held 10 events in the region. In an editorial the *Spokane Journal of Business* said that "given [WPC]'s performance to date, and the respect it has earned through its efforts to lift policy discussions to an intellectual level... its odds of success look good." They were right! 2010 was a milestone year for WPC's status as the only truly statewide public policy organization in Washington.



New Website

In August we launched a brand new website. The new washingtonpolicy.org features improved search functions, RSS feeds for all content, improved content organization for our numerous publications and events, and more.

In addition, the new website includes our increasingly popular blog, providing the site with fresh daily content from our policy experts and making it even more useful for policymakers, media, and citizens looking for sound research and free-market solutions.

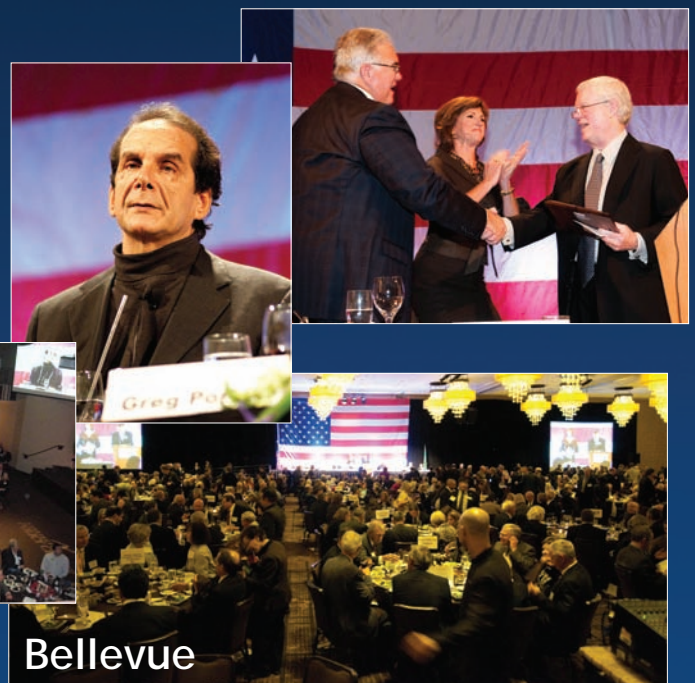
In 2010, our website traffic increased by 25%, and our blog traffic grew by more than 40%!



2010 Annual Dinner

In October Pulitzer Prize-winning columnist Charles Krauthammer keynoted our sold-out Annual Dinner. 1,200 people filled the Bellevue Hyatt ballroom, and for the first time another 200 watched from Spokane via live simulcast. This was our largest event yet!

We also honored longtime Policy Center friend State Auditor Brian Sonntag with our 2010 Stanley O. McNaughton Champion of Freedom Award for his work in promoting accountable, efficient, and transparent government.



Bellevue

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