# BACKGROUND: The Washington Policy Center's Extreme Right-Wing Agenda

For the past few decades, the right wing has been on a mission aimed at destroying their opposition. At the state level, these regressive forces not only use the American Legislative Exchange Council (ALEC) to implement radical legislation, they also cynically utilize a vast, connected web of 501(c)(3) organizations—known as the State Policy Network (SPN)—to support this strategy.¹ These tax-exempt organizations, which legally are supposed to be non-partisan, are being used by the regressive Right as so called "think-tanks" to support and promote ALEC legislation at the statewide level. These organizations give the illusion to the public—and the media—that legislation rolled out by ALEC is "legitimate." Additionally, behind the scenes, these SPN groups have admitted (both on video and in writing) that their goal is to defund the Left and to advance Republican causes and candidates. This is a complete and utter violation of the organization's 501(c)(3) tax-exempt status.²

There are more than 60 state affiliates of the SPN, two of which are based in Washington state: the Freedom Foundation and the Washington Policy Center.<sup>3</sup> The Freedom Foundation is led by CEO Tom McCabe, a nefarious right-wing political operative who is using his tax-exempt 501(c)(3) organization to mount a politically motivated campaign aimed at destroying labor unions in order to advance anti-union, Right-Wing candidates and causes.<sup>4</sup> Despite spending tens of millions the Freedom Foundation has largely been unsuccessful at getting union members to drop their union.<sup>5</sup> The other SPN affiliate is the Washington Policy Center (WPC), operating under the guise of traditional "think tank" to avoid drawing attention to its radical donor base of right-wing extremists and radical allies.<sup>6</sup>

**The WPC has close ties to the Olympia-based Freedom Foundation.** Not only are they both members of the SPN, but they have coordinated locally on various campaigns. Most recently, they have been carrying the water for the Freedom Foundation's failed "opt-out" campaign. The "opt-out" campaign was much ballyhooed in the wake of the Janus v. AFSCME SCOTUS decision, which allowed union members to opt out of paying union fees while still receiving the same benefits. The Freedom Foundation set out to convince union members to quit their unions through emails, mailers and online

<sup>&</sup>lt;sup>1</sup> American Legislative Exchange Council – State Policy Network, accessed April 12, 2019; Libby Watson, "<u>The Right-Wing Billionaires Bankrolling the Supreme Court Case to Destroy America's Unions</u>," Splinter News, February 21, 2018; Michael Pierce, "<u>The Racist Origins of Right to Work</u>," Labor Notes, August 3, 2017; Celine McNicholas, Zane Mokhiber, and Marni von Wilpert, "<u>Janus and fair share fees</u>," Economic Policy Institute, 2/21/2018.

<sup>&</sup>lt;sup>2</sup> Ed Pilkington, "<u>Rightwing alliance plots to 'defund and defang' American's unions</u>," The Guardian, August 30, 2017. <sup>3</sup> SPN Directory, accessed April 12, 2019.

<sup>&</sup>lt;sup>4</sup> "Freedom Foundation," State Policy Network, accessed April 12, 2019; Opt Out Today, accessed April 12, 2019; Ed Pilkington, "Rightwing alliance plots to 'defund and defang' American's unions," The Guardian, August 30, 2017; The Freedom Foundation's Real Agenda, February 17, 2016.

<sup>&</sup>lt;sup>5</sup> "Union Membership (Annual) News Release," Bureau of Labor Statistics, January 19, 2018; Department of Labor, SEIU 925 LM-2 Reports, accessed November 2, 2018; Department of Labor, SEIU 503 LM-2 Reports, accessed November 2, 2018; Department of Labor, SEIU 775 LM-2 Reports, accessed November 2, 2018.

<sup>6 &</sup>quot;State Policy Network," Conservative Transparency, accessed April 12, 2019.

ads.<sup>7</sup> They have seen very little success; no unions in Washington have seen a significant reduction in union membership, and some have even reported gains in membership. The WPC paid for radio ads that promoted the Freedom Foundation's "Opt-Out Today" campaign while directing people to a website setup by the Freedom Foundation.<sup>8</sup>

They have also worked together to pass a few county-level resolutions that would make collective bargaining sessions open to the public, but leave contract negotiations with corporations private. The Washington Public Employee Relation Commission (PERC) ruled that these resolutions were not permissible under state law, but the WPC and the Freedom Foundation continued pushing their resolution to unwitting county commissioners. To

Detailed in this document we have provided an overview of the Washington Policy Center and the facts around their donors, allies and their true mission: to attack the progressive movement for political gains.

## TOPLINES: The Washington Policy Center

**WHO ARE THEY?** The Washington Policy Center (WPC), a member of the Koch brothersfunded State Policy Network, is a Seattle-based right-wing organization that has championed extremely harmful policies on a wide range of issues, especially those related to education and labor. With an innocuous-sounding name, they often portray themselves as a legitimate, non-partisan think tank, but in reality, they are the Washington policy arm for a national network of extremist right-wing funders and organizations.<sup>11</sup>

**WHAT'S THEIR AGENDA?** They have been a steadfast advocate for gutting public school funding and promoting education privatization, even hiring privatization champion and Trump appointee, Betsy DeVos as a keynote speaker for their annual fundraising dinner.<sup>12</sup> On labor issues, the WPC has actively worked to discredit policies proven to

<sup>&</sup>lt;sup>7</sup> <u>The Freedom Foundation's Tom McCabe Discusses The Janus Decision On Hugh Hewitt Radio</u>, June 28, 2018; Mitchell Hartman, "<u>After Janus</u>, a battle for union members' wallets," Marketplace, September 13, 2018; <u>MEET THE FREEDOM FOUNDATION'S CANVASSERS</u>, accessed April 12, 2019.

<sup>8</sup> TV Eyes, January 10, 2019

<sup>&</sup>lt;sup>9</sup> Chad Sokol, "Spokane County commissioners open union contract negotiations to the public," The Spokesman-Review, December 11, 2018; Josh Kelety, "As Spokane County moves to make labor bargaining public, local unions balk," Inlander, December 12, 2018; Matthew Hayward, Spokane County Approves Collective Bargaining Transparency Resolution," Freedom Foundation, December 11, 2018; Erin Shannon, "Spokane County Commissioners take a stand for open government," Washington Policy Center, December 11, 2018

<sup>&</sup>lt;sup>10</sup> <u>Decisions- Public Employment Relations Commission</u>, August 29, 2018.

<sup>&</sup>quot;SPN Directory, accessed April 12, 2019; "State Policy Network," Conservative Transparency, accessed April 12, 2019; Ed Pilkington, "Rightwing alliance plots to 'defund and defang' American's unions," The Guardian, August 30, 2017; Mai Hoang, "Rally for \$15 minimum wage to be held at Yakima McDonald's," Yakima Herald-Republic, April 15, 2015; Jeff Rhodes, "\$15 Minimum Wage an Idea So Stupid Only Liberals Can Believe It," Freedom Foundation, April 10, 2014; Olivera Perkins, "Nearly 9,000 hospitalized for flu in Ohio: Many didn't have paid sick days (poll)," Cleveland Plain-Dealer, April 29, 2015; Maxford Nelsen, "Study refutes key argument against Right-to-Work," Freedom Foundation, December 8, 2017.

<sup>12</sup> Liv Finne, "Education Reform Plan: 8 Practical Ways to Improve Public Schools," Washington Policy Center, August, 2012; Nicole Jennings, "Betsy DeVos' Bellevue visit on education reform draws hundreds of protesters," Redmond Reporter, October 17, 2017; Jody Lawrence-Turner, "Room to Shrink," Spokesman Review, October 18, 2014; Liv Finne, "McCleary ruling led to spike in education spending," Washington Policy Center, November 11, 2017; Liv Finne, "Finding:

benefit employees by fighting against the unionization of day-care workers, opposing minimum wage laws, and arguing against paid family leave legislation. For more on their policy positions see the latter part of this memo.<sup>13</sup>

**WHO RUNS WPC?** The WPC is run by fringe right-wing business leaders and advocates, while closely working with the anti-union Freedom Foundation on a variety of state and local issues.<sup>14</sup>

**Daniel Mead Smith:** Earning a healthy six-figure salary and living in a million-dollar home, Mead Smith has been the president of the WPC since 2001, where he previously served as vice president from 1995 through 2000. Mead Smith has been a vocal advocate for a litany of right-wing pet issues including stopping the expansion of Medicaid to cover more low-income Washingtonians, stopping minimum wage increases and privatizing education.

He has hypocritically advocated against transparency for his own organization, opposing a bill that would force the WPC to disclose its donors while simultaneously pushing local initiatives to make collective bargaining sessions open to the public.

**Erin Shannon:** Shannon is the head of the WPC's so-called "Center for Worker Rights" which is the WPC's primary vehicle carrying the water for the Freedom Foundation. A protégé of Freedom Foundation CEO Tom McCabe, Shannon has made a career of attacking workers' rights and policies that lift up working families. She has been strongly opposed to paid family medical leave legislation and raising the minimum wage while advocating against collective bargaining rights for public workers.

Jason Mercier: Mercier is the director for their Center for Government Reform. Under the guise of good and transparent government, the Center for Government Reform pushes an agenda that seems well-intentioned but really just seeks opportunities to advance their right-wing agenda. Mercier himself has taken the expected stances of most right-wing political operatives, including education privatization and opposition to raising the minimum wage.

**Liv Finne:** Finne is the director of the Center for Education at the WPC. She is a longtime proponent of education privatization and opponent of collective bargaining rights for educators. She is a strong supporter of the Trump

<sup>&</sup>lt;u>State budget increases show Washington's public schools are not underfunded</u>," Washington Policy Center, February 2, 2018.

<sup>&</sup>lt;sup>13</sup> News Tribune, June 30, 2014; Quinn Russell Brown, "Five voices on raising the minimum wage," Daily Herald, January 31, 2014; Erin Shannon, "Right-to-work is right for Washington," Puget Sound Business Journal, June 26, 2015; Nicholas Deshais, "Spokane police, firefighter salaries outpace region's average wages," The Spokesman Review, August 15, 2013; Gary Crooks, "Smart Bombs: The Wages of Politics." The Spokesman Review, June 15, 2014; Kathie Durbin, "Day-Care Bill Passes House," Seattle Times, February 29, 2008; Erin Shannon, "Guest column: Washington's new paid family and medical leave law—legislation through coercion?" Tri-City Herald, July 18, 2017; Yakima Herald Republic, January 4, 2004; John Wasik, "How The GOP Tax Plan Scrooges Middle Class, Retired And Poor," Forbes, November 29, 2017; Hunter Blair, "CEOs agree: Corporate tax cuts won't trickle down," The Hill, December 3, 2017.
<sup>14</sup> Washington Policy Center Staff, accessed April 12, 2019.

administration's Secretary of Education, Betsy DeVos saying that DeVos was "one of the top policy leaders in the country."

## FUNDERS: The Washington Policy Center

The WPC has been funded by a veritable who's who of national right-wing foundations, most of which were created by millionaires and billionaires. Many have links to white supremacists, Islamophobes, anti-immigrant and anti-LGBT organizations. We've detailed some of their key funders.

MURODCK CHARITABLE TRUST. One of their most ardent local supporters over the years has been the Vancouver, WA-based Murdock Charitable Trust. 15 While funding a few good community organizations, Murdock inexplicably also funds extreme right-wing causes like crisis pregnancy centers, organizations that support gay conversion therapy and a wide range of anti-LGBTQ, anti-choice and anti-worker organizations. This

includes the Alliance Defending Freedom which the Southern Poverty Law Center has designated as an anti-LGBT hate group.<sup>16</sup>

**DONORS CAPITAL FUND.** The WPC's Second-highest contributor, Donors Capital Fund, is connected to the infamous Charles and David Koch.<sup>17</sup> One of the key goals for Donors Capital Fund is to invalidate climate science. In February 2013, the Guardian reported that nearly \$120 million dollars from "conservative billionaires" passed through two trusts, Donors Trust and the Donors Capital Fund, who used a "secretive funding route" to channel the funds "to more than 100 groups casting doubt about

Key Funders	
Donor	Amount
Murdock Charitable Trust	\$675,000
Donors Capital Fund	\$590,775
State Policy Network	\$134,832
The Roe Foundation	\$120,000
Jaquelin Hume Foundation	\$105,000
JM Foundation	\$90,000
John M. Olin Foundation	\$64,000
Robert P. Rotella Foundation	\$57,500
Castle Rock Foundation	\$40,000
National Christian Charitable Foundation	\$23,000
Searle Freedom Trust	\$15,000
PhRMA	\$10,500
Atlas Economic Research Foundation	\$6,100
Charles G. Koch Charitable Foundation	\$5,000
DonorsTrust	\$2,350

<sup>&</sup>lt;sup>15</sup> American Bridge Conservative Transparency, accessed February 5, 2019; IRS Forms 990, Guidestar, Foundation Center, accessed February 5, 2019.

<sup>16</sup> The Murdock Charitable Trust, accessed April 12, 2019; Dan Petegorsky, "Murdock Trust raises eyebrows by funding Freedom Foundation," The Stand, March 18, 2016; Marcie Bianco, "One Woman Went Undercover to Expose the Lie of 'Crisis Pregnancy Centers'," Mic.com, September 22, 2014; Murdock Charitable Trust, accessed October 6, 2015; Leila Forbes, Quinn Haaga, Rachel Grisham and Adam Fractor, "Amid worthy philanthropy, hate finds footing (Opinion)," Oregon Live, February 11, 2017; IRS via The National Center for Charitable Statistics, accessed September 14, 2015; Portland Fellowship- Counseling, accessed September 9, 2015; Portland Fellowship- About Us, accessed October 4, 2017; David Groves, "Murdock Trust urged to stop funding extremist groups," The Stand, November 24, 2015; Rachel Percelay, "How An Extreme Anti-LGBT Legal Powerhouse Is Working To Enact "Religious Freedom" Laws," Media Matters, April 16, 2015; SPLC Anti-LGBT, accessed April 12, 2019; GLAAD-Ryan T. Anderson, accessed April 12, 2019; Murdock Charitable Trust, accessed September 14, 2015

<sup>&</sup>lt;sup>17</sup> American Bridge Conservative Transparency, accessed February 5, 2019; IRS Forms 990, Guidestar, Foundation Center, accessed February 5, 2019.

the science behind climate change."18

**STATE POLICY NETWORK (SPN):** In addition to being a member of the SPN, they are also funded by them.<sup>19</sup> The SPN is a national network of right-wing think tanks with member organizations in 49 states. They have pledged to spend \$80 million in the wake of the Janus decision on busting public sector unions nationally. One of the SPN's key funders is the Bradley Foundation—a Wisconsin-based right-wing donor organization with a \$900-million-dollar war chest<sup>20</sup> The Bradley Foundation has also funded the work of Frank Gaffney, whom the Southern Poverty Law Center called "one of America's most notorious Islamophobes."<sup>21</sup> The Bradley Foundation also funded the fellowship of Charles Murray, a social scientist who argued that success in America was based on genes.<sup>22</sup> The Southern Poverty Law Center has this to say about Murray: "[Murray] has become one of the most influential social scientists in America, using racist pseudoscience and misleading statistics to argue that social inequality is caused by the genetic inferiority of the black and Latino communities, women and the poor."<sup>23</sup>

**ROE FOUNDATION.** The WPC received substantial support from the Roe Foundation.<sup>24</sup> The Roe Foundation was created by Thomas Roe, a conservative activist who also formed the State Policy Network. Roe was a strong opponent of unions and as of 2007, his foundation's annual gift to the Greenville, SC orchestra came with the stipulation that its musicians could not unionize.<sup>2526</sup>

**SARAH SCAIFE FOUNDATION.** Another high-level donor to the SPN is Pennsylvania's Sarah Scaife foundation. In addition to giving money to the SPN, they have given to anti-immigrant and white supremacist organizations including:<sup>27</sup>

- The Center for Immigration Studies whose leadership has ties to <u>white nationalism</u> and racist groups.<sup>28</sup>
- The Center for Equal Opportunity.<sup>29</sup> This group has actively <u>opposed the Voting Rights Act</u>, which has recently been gutted by the Supreme Court and left millions of <u>people of color open to voting disenfranchisement</u>.

<sup>&</sup>lt;sup>18</sup> Suzanne Goldenberg, "<u>Secret funding helped build vast network of climate denial thinktanks</u>," *The Guardian*, February 14, 2013.

<sup>&</sup>lt;sup>19</sup> American Bridge Conservative Transparency, accessed February 5, 2019; IRS Forms 990, Guidestar, Foundation Center, accessed February 5, 2019.

<sup>&</sup>lt;sup>20</sup> Daniel Bice, "<u>Hacked records show Bradley Foundation taking its conservative Wisconsin model national</u>," Milwaukee Journal Sentinel, May 5, 2017.

<sup>&</sup>lt;sup>21</sup> SPLC- Frank Gaffney, Jr., accessed April 12, 2019.

<sup>&</sup>lt;sup>22</sup> Bradley Foundation, accessed October 4, 2017.

<sup>&</sup>lt;sup>23</sup> <u>SPLC- Charles Murray</u>, accessed April 12, 2019

<sup>&</sup>lt;sup>24</sup> American Bridge Conservative Transparency, accessed February 5, 2019; IRS Forms 990, Guidestar, Foundation Center, accessed February 5, 2019.

<sup>&</sup>lt;sup>25</sup> John Miller, "<u>Safeguarding the Conservative Donor's Intent: The Roe Foundation at 39,</u>" Foundation Watch, accessed May 26, 2015.

<sup>&</sup>lt;sup>26</sup> SourceWatch- Roe Foundation, accessed April 12, 2019.

<sup>&</sup>lt;sup>27</sup> Hatewatch Staff, <u>ANTI-IMMIGRANT CENTER FOR IMMIGRATION STUDIES CONTINUES TO ASSOCIATE WITH WHITE NATIONALISTS</u>, Southern Poverty Law Center, October 9, 2015.

<sup>&</sup>lt;sup>28</sup> Conservative Transparency-Center for Immigration Studies, accessed April 12, 2019.

<sup>&</sup>lt;sup>29</sup> Conservative Transparency- Center for Equal Opportunity, accessed April 12, 2019.

- The Center for Security Policy which was founded by Franky Gaffney, "one of America's most notorious Islamaphobes".
- The Media Research Center<sup>31</sup> which the Pittsburgh Post-Gazette <u>described</u> as the organization that poured the gas on public trust of the media.<sup>32</sup>

## RIGHT-WING AGENDA: The Washington Policy Center

#### LABOR AND WORKER'S RIGHTS

Against Competitive Salaries for Public Safety: In 2013, WPC released a study which said Spokane's police officers and firefighters were being paid higher than the region's average wages. "As budget discussions ramp up at the city of Spokane, a conservative think tank has released a study suggesting that pay for Spokane's police and firefighters has not only outpaced the region's average wages but is better than what their peers in larger Northwest cities are earning." 33

**Against Workers Joining Unions:** In 2008, The WPC wrote a position paper criticizing the American Federation of Teachers' unionization of day-care workers as "unnecessary because day-care programs already get ample federal and state subsidies."<sup>34</sup>

**Against Raising the Minimum Wage:** Erin Shannon of the WPC said \$15 minimum wage laws were about politics and had "nothing to do with math, data, the economy or supply and demand."<sup>35</sup> In January 2014, Erin Shannon, also came out against raising the minimum wage.<sup>36</sup>

**Against Mandatory Paid Family Sick Leave:** Erin Shannon said the WPC believed employee benefits are better when they are voluntarily given by companies.<sup>37</sup>

**For Privatizing Public Sector Jobs:** In 2004, Washington Policy Center's Paul Guppy said school districts "could greatly lower their costs by focusing resources on academics and contracting out tasks such as maintenance and the handling of employee benefits." 38

### **EDUCATION**

**Against Funding Public Education:** During a WPC fundraising dinner, keynote speaker Betsy DeVos said students should be "taken out of the public-school setting and given a charter school education." **Against Reducing Class Size:** Liv Finne, The Education

<sup>&</sup>lt;sup>30</sup> Conservative Transparency-Center for Security Policy, accessed April 12, 2019.

<sup>&</sup>lt;sup>31</sup> Conservative Transparency, accessed April 12, 2019.

<sup>32</sup> http://www.paspotlight.org/2017/sarah-scaifes-secret-scary-scheme/

<sup>33</sup> Nicholas Deshais, "Spokane police, firefighter salaries outpace region's average wages," The Spokesman Review, August 15, 2013

<sup>&</sup>lt;sup>34</sup> Kathie Durbin, "Day-Care Bill Passes House," Seattle Times, February 29, 2008

<sup>35</sup> Gary Crooks, "Smart Bombs: The Wages of Politics," The Spokesman Review, June 15, 2014

<sup>&</sup>lt;sup>36</sup> Quinn Russell Brown, "Five voices on raising the minimum wage," Daily Herald, January 31, 2014

<sup>&</sup>lt;sup>37</sup> Erin Shannon, "<u>Guest column: Washington's new paid family and medical leave law — legislation through coercion?"</u>
Tri-City Herald, July 18, 2017

<sup>38</sup> Yakima Herald Republic, January 4, 2004

<sup>&</sup>lt;sup>39</sup> Nicole Jennings, "<u>Betsy DeVos' Bellevue visit on education reform draws hundreds of protesters</u>," Redmond Reporter, October 17, 2017

Director at WPC, opposed Initiative 1351, aimed at reducing class size, saying schools should instead "Focus on teaching." <sup>40</sup>

#### **HEALTH CARE**

Against Affordable Health Care: In July 2017, the Redmond Reporter wrote that the WPC was "opposed to single-payer health care." Roger Stark, who worked as a health analyst for WPC, said that Americans would not like the trade-off associated with the program. Stark said, "Fundamentally, it's a terrible idea." In 2011, Roger Stark, who worked at WPC, criticized Washington's health insurance partnership (HIP), which helped small businesses and low-wage workers pay for medical coverage. "Stark argues that the state and federal government have 'no business' offering subsidies." <sup>42</sup>

#### CRIMINAL JUSTICE

**Against Equal Justice:** In 2002, The Associated Press reported that Washington state's "three strikes" law had "resulted in life sentences for blacks at a much higher rate than for whites." The AP wrote, "Washington state's 'three-strikes' law, intended to take violent repeat offenders off the streets, has resulted in life sentences for blacks at a much higher rate than for whites, according to a report from the state Sentencing Guidelines Commission.<sup>43</sup> **Paul Guppy, Who Worked At WPC, said the tougher sentencing laws were helping decrease violent crime.** The AP continued, "'We're not saying it's only 'three strikes,' but tougher sentencing has definitely helped,' says Paul Guppy, research director of the Washington Policy Center, which generated a report that led to the three-strikes legislation."<sup>44</sup>

#### ENVIRONMENT

Against Environmental Protection Laws: Eric Montague, who worked at WPC, argued it was necessary for the power of environmental regulation to be taken away from the federal government and to be given to the "capable hands of local landowners and private conservation organizations." "By shifting the power of conservation decisions away from the federal government and into the capable hands of local landowners and private conservation organizations, we can all start working toward a policy that recognizes the needs of business, individual landowners and the environment." 45

For more on the Washington Policy Center, the State Policy Network, the Freedom Foundation and other right-wing extremist organizations visit NWAccountabilityproject.com

<sup>&</sup>lt;sup>40</sup> Jody Lawrence-Turner, "Room to Shrink," Spokesman Review, October 18, 2014

<sup>&</sup>lt;sup>41</sup> Aaron Kunkler, "Sen. Kuderer, others discuss Washington state health care," Redmond Reporter, July 27, 2017.

<sup>&</sup>lt;sup>42</sup> Spokesman Review, accessed January 17, 2011.

<sup>&</sup>lt;sup>43</sup> "LAW ENFORCEMENT: Report: Blacks more likely to be convicted under 'three strikes' law," Seattle Associated Press, February 19, 2002.

<sup>&</sup>lt;sup>44</sup> Florangela Davila, "State 'three-strikes' law hits blacks disproportionately," The Seattle Times, February 18, 2002.

<sup>&</sup>lt;sup>45</sup> The Bellingham Herald, May 4, 2002