

BUILDING THROUGH COOPERATION

2010 Annual Report



BIPARTISAN POLICY CENTER

The Bipartisan Policy Center is an incredible resource; a place where Republicans and Democrats - former Members of Congress, senior administrative officials and academics — can come together to shape public policy in a responsible way.

— *Former Representative from New York Sherwood Boehlert*



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★ ★ ★ BPC Founders ★ ★ ★



Former Senator from Tennessee
HOWARD BAKER



Former Senator from South Dakota
TOM DASCHLE



Former Senator from Kansas
BOB DOLE



Former Senator from Maine
GEORGE MITCHELL

Dear Friends,

Last year began with bitter partisan battles over health care and energy, calling into question the ability of our elected officials to put aside their differences to tend to the business of the American people. While the year ended with President Obama and House Republicans reaching a historic agreement to extend important tax policies and unemployment protections, bipartisanship is often the exception and not the rule in governing. With our nation facing a massive federal debt and a still-fledgling economic recovery, Republicans and Democrats can no longer afford to remain entrenched in their political camps – they must work together.

We recognize that our elected leaders have very deep and genuine divisions about how best to solve the problems facing the country, but we believe our government functions at its best when both political parties cooperate. This is the primary reason we founded the Bipartisan Policy Center (BPC); to convene politically diverse policy experts and former lawmakers to research, debate and negotiate solutions that both Republicans and Democrats can support.

Americans elected a divided government last November, and as a result, the president and congressional leaders must work together in order to accomplish the government's most basic responsibilities, like passing a budget. Over the course of our collective careers, we crossed the aisle to achieve consensus to enact major reforms to our tax, welfare and Social

Security systems, as well as protections for individuals living with disabilities and enhanced stewardship of our natural resources. We are proud that the BPC is continuing this tradition with its work, demonstrating that those with differing views and ideologies can work together to build a stronger America.

We can think of no better example of what Republicans and Democrats can achieve by cooperating than the monumental work of the BPC's Debt Reduction Task Force. Last November, the group, headed by our friend and former colleague, Senator Pete Domenici, and former CBO and White House Budget Director Alice Rivlin, made a significant contribution to the ongoing debate on how to reduce our nation's mounting debt without undermining economic recovery efforts. The task force's detailed policy recommendations were agreed to by its full membership – a distinguished, bipartisan group of former elected and cabinet officials, budget experts and advocates.

In addition to showing that Republicans and Democrats can achieve consensus on the difficult issue of debt reduction, the BPC strengthened its position in a number of other policy areas last year, including energy, national and homeland security, and transportation.

To help its policy accomplishments gain traction in the national debate, the BPC continues to bolster its efforts to promote civility and improve the effectiveness of government. Achieving consensus in Congress takes more than

developing good policy, it requires strong relationships with members on both sides of the aisle. The BPC hosted a number of events and meetings last year, including a political summit in New Orleans and a reception for new members at the National Archives, that sought to foster the personal relationships that are so critical to keeping the legislative process from grinding to a stalemate. These efforts were complemented by the work of the new Democracy Project, whose goal is to move beyond the rhetoric lamenting a broken political system and offer specific suggestions to help our government function better.

We are proud to see the BPC's influence continue to expand in Washington, D.C. and beyond. A number of our former colleagues, including Senators Trent Lott, Byron Dorgan, Bob Bennett, and Bill Frist, joined the BPC as senior fellows last year. Together with Senator Domenici, former Secretary of Agriculture Dan Glickman and former National Security Advisor General Jim Jones, they provide leadership to the BPC's policy projects and contribute the invaluable experience they gained from working across the aisle. The BPC also convened the Governors' Council, a bipartisan group of six former state leaders who will provide their practical knowledge and unique insights to help better inform federal action on key policy issues.

The BPC has much in store for the remainder of 2011. We are confident that its dedication to rigorous analysis, reasoned debate and respectful dialogue will benefit our great country for years to come.



HOWARD BAKER



TOM DASCHLE



BOB DOLE



BPC Senior Fellows



I admire the Bipartisan Policy Center's determination to play an important role in the debate and I am proud to be a part of the civility, independence and bipartisanship that it seeks to promote through its politically balanced policymaking and proactive advocacy.

— *Former Senator from Utah Bob Bennett*



The size of America's challenges, from fiscal policy to energy policy and more, will not be solved by one political party. It will take both Republicans and Democrats working together. America deserves the best ideas, rather than the worst, from each. I joined the Bipartisan Policy Center because I believe it offers real hope for bringing the political parties together and developing the ideas that will put our country back on track.

— *Former Senator from North Dakota Byron Dorgan*



The Bipartisan Policy Center provides the infrastructure for principled partisans to work together, take on our nation's toughest issues, and find solutions that appeal to both Republicans and Democrats. By fostering this dialogue, it is able to influence policy and tackle the toughest problems facing our country.

— *Former Senator from New Mexico Pete Domenici*



Successful implementation of the new health care law will require Democrats and Republicans to work together at both the state and federal level. The Bipartisan Policy Center's ability to bring together the smartest minds from both parties will greatly benefit the ongoing debate.

— *Former Senator from Tennessee Bill Frist*



The Bipartisan Policy Center is an asset to lawmakers in Washington. There will always be differences of opinion on certain issues, but the Bipartisan Policy Center successfully finds solutions that appeal to both sides of the aisle.

— *Former Senator from Mississippi Trent Lott*



We cannot allow partisanship to undermine our nation's security or competitiveness in the world. To maintain America's leadership, we must create an incentive for members of both parties to work together on our greatest challenges. I'm pleased to work with the Bipartisan Policy Center and strongly believe that common ground exists on tough issues like energy and national security.

— *General (ret) Jim Jones*



Having served in both the executive branch and Congress, I recognize that Americans want their political leaders to come together, where possible, and explore solutions to the many issues and challenges facing the nation. I'm proud to be affiliated with the Bipartisan Policy Center and strongly believe that through its work, we can rise above the hyper-partisanship that has dominated our national political scene for far too long to solve our greatest problems and promote the common good.

— *Former Secretary of Agriculture Dan Glickman*



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of Detroit
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from Virginia
CHUCK ROBB



JOHN ROWE



GENERAL (ret)
CHARLES WALD



MARK WALSH



Welcome Letter



Last year marked the Bipartisan Policy Center's (BPC) third anniversary. While still a relatively young organization, the BPC is helping to shape policy debates on a wide-range of issues. In 2010, we released major reports on reducing the nation's debt, guarding against the evolving terrorist threat and developing consensus on key energy policies. We also laid the groundwork for major initiatives in health, energy, and nutrition, ensuring the BPC will sustain its substantive contribution to the national debate for years to come.

The Democracy Project, a new effort led by BPC Senior Fellow and former Secretary of Agriculture Dan Glickman, former Secretary of the Interior Dirk Kempthorne and AOL co-founder Steve Case is moving beyond well-intentioned rhetoric to identify specific ways to help our government operate more effectively. Its work will dovetail with the BPC's existing programs to promote bipartisanship, like Bridge-Builder Breakfasts and our annual political summit in New Orleans.

I am also very proud of the work the BPC undertook last year to enhance its core capacity for analysis, communications, and advocacy. As an organization that began as an offshoot of the National Commission on Energy Policy, the BPC has grown into a robust think tank with an infrastructure to support six major policy projects and an advocacy arm that helps advance our recommendations. We have developed a brand that reflects our values and our mission – a commitment to deliver principled, bipartisan policy solutions.

I am proud to serve as the chair of the BPC's board of directors, especially at this critical moment in our nation's history. Through politically balanced policymaking and timely, respectful advocacy, I believe the BPC is well positioned to help our government confront the many challenges facing our country.



JANE GARVEY, Chair

THE BIPARTISAN POLICY CENTER

Rigorous, Reasoned, Respectful



The American people are calling on their government to do things better. The Bipartisan Policy Center offers a venue where we can get serious about the change the American people expect.

— *Former Representative from Minnesota Martin Sabo*



The Bipartisan Policy Center (BPC) drives principled solutions through rigorous analysis, reasoned negotiation, and respectful dialogue. Founded in 2007 by former Senate Majority Leaders Howard Baker, Tom Daschle, Bob Dole and George Mitchell, the BPC combines politically balanced policymaking with strong, proactive advocacy.

As the only Washington, D.C.-based think tank that actively promotes bipartisanship, the BPC works to address the key challenges facing the nation. Our policy solutions are the product of informed deliberations by former elected and appointed officials, business and labor leaders, and academics and advocates who represent all points on the political spectrum. We currently focus on health care, energy, national and homeland security, transportation and the economy.

The BPC is committed to seeing our policy solutions enacted. Through our c(4) affiliate, the Bipartisan Policy Center Advocacy Network, we engage in strategic outreach and education to bolster the legislative center and support efforts that bring Republicans and Democrats together on issues.

While a healthy, civil debate among those with differing viewpoints is an essential component of our democracy, the current partisan tone in government is impeding progress. The BPC regularly convenes events like Bridge-Builder Breakfasts, political summits and timely policy discussions to foster an ongoing conversation about how to overcome political divides and help make our government work better.



By recognizing that neither party has a lock on all the good ideas, the Bipartisan Policy Center is putting the spotlight where it belongs: on policies that will bring people together and move our country forward.

— Senator Ron Wyden (D-OR)

2010 Accomplishments

Developed and promoted policy solutions through a proven process of rigorous analysis and reasoned negotiation

Delivering on its commitment to develop politically balanced policy solutions, the BPC released **11 major policy reports** in 2010, including:

- ★ **The Debt Reduction Task Force, led by BPC Senior Fellow and former Senate Budget Committee Chair Pete Domenici and former CBO and White House Budget Director Alice Rivlin,** released its final report, *Restoring America's Future*, in November, after months of meetings and deliberations. The report now serves as the foundation of the task force's extensive advocacy efforts to support the president's and Congress' work to enact a comprehensive plan to reduce and stabilize the nation's debt.
- ★ **The National Security Preparedness Group (NSPG)** made a significant contribution to the homeland security debate with its paper, *Assessing the Terrorist Threat*, that probes the rise of homegrown networks and the increasingly diverse and decentralized nature of terrorism.
- ★ **Rounding out its series on U.S. policy toward Iran, the National Security Initiative issued *Meeting the Challenge: When Time Runs Out*** – a report that further underscores the project's triple-track approach of preventing a nuclear-capable Iran that simultaneously combines diplomacy, sanctions, and visible and credible preparation for a military option.

- ★ **The National Commission on Energy Policy (NCEP)** released a report, *Clean Energy: Technology Pathways*, that assesses the critical barriers to achieving low-carbon energy and draws broad insights on the overall scale and complexity of deploying low-carbon technologies.

The BPC convened over **30 public events** last year, including major policy forums, topical discussions and press conferences. These events brought together former elected and appointed government officials, industry leaders, academics and advocates to share ideas, debate policy solutions and assess the political climate for moving issues forward. Highlights include:

- ★ **NSPG hosted two day-long policy conferences that examined the state of the intelligence reform since 9/11.** The first of these events, held in April, marked the fifth anniversary of the creation of the director of national intelligence (DNI). Representative Jane Harman (D-CA), General Michael Hayden, and then-DNI Dennis Blair assessed the progress that has been made implementing reforms in the intelligence community. The second event, held in September, convened experts such as FBI Director Robert Mueller, Representative Mike Rogers (R-MI) and former Secretary of Homeland Security Michael Chertoff, for a discussion on how to ensure the country's domestic intelligence agencies have the best information available to aid them in the fight against terrorism.



Today's Politics Lacks KEY INGREDIENT

Dan Glickman, Politico



- ★ **NCEP, in collaboration with the National Association of Regulatory Utility Commissioners and Northeast States for Coordinated Air Use Management**, hosted a series of policy workshops to analyze the impact various EPA regulations might have on the power sector and to explore local, state, regional and federal policy options to accommodate the expected power sector transition. The events featured presentations and panel discussions by nearly 60 energy experts, including representatives of the electric utility industry, environmental organizations, labor unions, state regulators, regional transmission organizations, federal agencies, and congressional staff.
- ★ **The BPC's National Transportation Policy Project (NTPP)** organized a number of events over the course of the year to promote and build support for its performance-based framework for federal transportation policy. In January, former Representative and project co-chair Sherwood Boehlert headlined an event at New York University (NYU) to drive regional interest in federal reform and promote agreement on broad principles. The event was hosted in partnership with NYU's Rudin Center for Transportation Policy & Management and the Regional Plan Association. Later in the year, NTPP highlighted its report, *How Fair is Road Pricing? Evaluating Equity in Transportation Pricing and Finance*, at an event on Capitol Hill co-hosted by Representatives Earl Blumenauer (D-OR) and Dave Reichert (R-WA).

The BPC continued to highlight significant areas of policy agreement between Republicans, Democrats and those with differing views through its ongoing **Bridge-Builder Breakfast** series. In April, Senators Ron Wyden (D-OR) and Judd Gregg (R-NH) featured their innovative tax reform legislation during a breakfast discussion moderated by BPC founder, former Senate Majority Leader Tom Daschle. Other breakfasts explored how to prioritize transportation spending during lean fiscal times and the evolving role of the DNI. The series rounded out the year with an event focused on promoting healthy nutrition among school children. The breakfast, hosted by BPC senior fellow and former Secretary of Agriculture Dan Glickman, featured opening remarks by Robin Schepper, executive director of First Lady Michelle Obama's *Let's Move!* initiative.

Paving the way for tomorrow's policy debates, the BPC laid the political groundwork and substantive foundation for three new major policy efforts focused on health, energy and nutrition, which were all launched in early 2011. Additionally, in November, the BPC announced the Democracy Project, a new effort to explore practical ways we can help make our government work better. The project is led by Secretary Dan Glickman, former Secretary of the Interior Dirk Kempthorne and AOL co-founder Steve Case.



Consensus Politics
Can Go a
**LONG
WAY**

Matthew Dallek, Politico



2010 Accomplishments

Encouraged civil, respectful political dialogue

The BPC maintained its commitment to creating a venue where those with differing viewpoints can come together to discuss how best to overcome political divides and forge common ground on key policy issues.

★ In conjunction with the Association of Former Members of Congress, the BPC hosted a day-long conference entitled, *Breaking the Stalemate: Renewing a Bipartisan Dialogue*, at the National Archives. Senator Ron Wyden (D-OR) opened the event with his perspective on encouraging more bipartisanship in Congress, advising that while bipartisanship in and of itself is not the main goal of Congress, congressional leadership could reward bipartisan efforts. For example, they could move legislation with significant support from Republicans and Democrats through the legislative process more quickly. Other speakers, including former Senate Majority Leader Trent Lott, former Speaker Tom Foley, former Minority Leader Bob Michel and former Representative Martin Frost, made clear the important role leadership plays in fostering a sense of working across the aisle, and encouraged both sides to be open to the idea of yielding ground in order to achieve compromise.

- ★ In May, the BPC hosted the opening night reception at the second annual **Politics on Film Festival**. The evening featured a screening of the documentary, *The Youngest Candidate*. The film's director joined former Senator from Oklahoma Don Nickles and Congressman Tom Perriello (D-VA) for a discussion about what it takes to get started in politics. The discussion was moderated by *The Washington Post's* Chris Cillizza.
- ★ The BPC returned to New Orleans a week after the midterm elections for its second annual political summit, *Beyond the Ballot: Making Washington Work*. Political strategists James Carville and Mary Matalin again served as honorary co-hosts of the event, which featured political strategists Matthew Dowd, Paul Begala, Dan Bartlett, Mark McKinnon, Catherine "Kiki" McLean, Hilary Rosen and journalists Betsy Fischer, Jonathan Martin and Kathleen Koch. With voters electing a divided government only days before, panelists gauged prospects for President Obama and the new Republican House majority to work together over the next two years and reflected on how times of crisis can unite opposing sides to make extraordinary advances in policy. The summit kicked off with the release of the first independent post-election poll to gauge voters' attitudes and the challenges facing the next Congress. The bipartisan survey, conducted by Republicans Ed Gillespie and Whit Ayres and Democrat Stan Greenberg, highlighted voters' frustration with the current partisan tone in D.C. and the important role independents played in driving the election's outcome.

The BPC earned over

1,000

mentions in the press, a 20 percent increase over the number of mentions in 2009.



James Carville and Mary Matalin to Host 2nd Annual Political Summit

Bill Barrow, The Times-Picayune

Advanced the BPC's message to a national audience

The BPC expanded its external reach further in 2010 with a comprehensive media strategy that included broad outreach to promote key events and policy reports, op-ed placements, live webcasting and Twitter feeds, promotional videos, advertisements and compelling online content. In total, the BPC earned over **1,000** mentions in the press, a **20** percent increase over the number of mentions in 2009. This included over **65** mentions in *The Washington Post*, *The New York Times*, *The Wall Street Journal*, *USA Today* and *The Los Angeles Times*. Working with the leaders of our projects, we secured placement of **28** op-eds that underscored the importance of our policy work in major newspapers.

The BPC's website continued to be a major point of access to learn more about our research and policy reports, keep up-to-date with the latest news and view photos and videos from our events. The site had nearly **93,000** visits in the last six months of 2010, up **131** percent from the last six months of 2009. We continued to grow our social media presence by actively promoting the BPC's work on Facebook, Twitter and YouTube. Fans of the BPC's Facebook page more than **doubled** in the first half of 2010, and our Twitter followers increased by more than **25** percent over the course of the year.

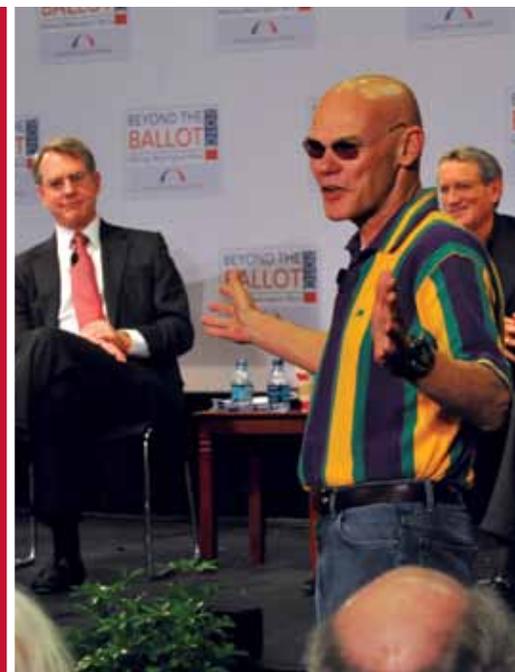
The political summit in New Orleans is just another example of the BPC's ability to both bring together and work with our nation's top political talent, thought leaders and strategists. We've been proud to be the hosts of the summit, and we look forward to continuing to showcase the city of New Orleans as a top destination for these types of conferences and insightful discussions.

— *Political Strategists*
James Carville & Mary Matalin



The Bipartisan Policy Center recognizes that the serious financial challenges facing our nation are much more important than partisan bickering and gridlock. It has created a network where current and former policymakers of both parties can transcend party lines and work together to solve problems, bring common-sense solutions to Congress, and deliver real results for the American people.

— *Senator Tom Carper (D-DE)*



POLICY PROJECTS

Forging Principled Solutions
for a Stronger America



Many of us have served on voluntary boards and commissions. Few have experienced the excellence, the substance, the rigor and the follow-through provided by the Bipartisan Policy Center (BPC). As a member of the BPC's Debt Reduction Task Force, I am impressed by how well prepared the staff was and how they brought together disparate views for debate and resolution. And the results speak for themselves. The BPC is an indispensable part of the thought factory of our nation's Capital.

— *Former Governor of Oklahoma Frank Keating*



President's Message

It's become common to lament the hyper-partisan state of American politics today and to point to some of the obvious culprits: the 24-hour news cycle, the role of moneyed interests, a distracted public. Less often mentioned is the influence of D.C.'s "ideas industry"—the numberless think tanks, research institutes, and advocacy groups that churn out a daily blizzard of studies, recommendations, talking points, and press briefings. Most of these organizations are aligned with one political party or the other. All of them provide the intellectual support system politicians rely on to make decisions—or to see to it no decision gets made. In the war of ideas, their work ensures that right and left are always well armed.

For leaders interested in finding common ground with the other side, however, there's little support. The militant advocacy complex is quick to attack those who court compromise; centrist proposals are soon buried by an avalanche of partisan "analysis" if they manage to emerge at all. The rise of "the pledge" is a particularly troubling development since it seems designed to preempt even the contemplation of new ideas or creative solutions. Increasingly the foundations of our politics seem to rest on two very sturdy, well-reinforced pillars—with little to hold up the span in between.

BPC is part of this infrastructure but with a big difference. We think the most important ideas are forged when the interests and values of both parties combine to reflect the broad national interest. Our team of analysts, researchers, and lobbyists stands ready to help those who respect the legiti-

macy of differing opinions and take pride in crafting practical solutions. We create uncommon opportunities for these people to get together. Whether the event is a private dinner for Senate Chiefs of Staff to discuss the debt, a public forum to debate the Afghanistan troop surge, or a breakfast where two Senators unveil bipartisan tax reform legislation, BPC works to expand the scope for dialogue in a way that enables all sides to advance their interests and protect their core values.

Ideas and relationships go only so far in today's Washington, of course. The hard work of passing legislation requires boots on the ground. Our Bipartisan Policy Center Advocacy Network (BPCAN) is there to work directly with congressional staff translating the results of our projects into workable proposals, fielding fire from the left and right, and reaching out—in partnership with BPC—to constituencies beyond the Beltway whose interests are better served by progress than by perpetual gridlock.

We don't underestimate what we're up against. It's increasingly easy—if sobering—to imagine the country will go on lurching from crisis to crisis, becoming ever more polarized along the way. That wasn't how we got through the last 235 years, though. America has survived and thrived because the ideas and values that held her diverse citizenry together were always stronger than the forces that might have pulled her apart. At this point in our nation's history that may not be a proposition anyone should take for granted any more. But all of us at BPC are sure it's still worth fighting for. We hope you'll join us.

JASON GRUMET, President

★ ★ The Governors' Council ★ ★

With the unprecedented turnover at statehouses across the country, the BPC seized the opportunity to tap the practical knowledge and bipartisan experience of former state leaders by forming the Governors' Council. The bipartisan, six-governor council meets to discuss key policy issues, convene national and regional forums, and ensure that BPC projects have a full appreciation of the state perspective. The Governors' Council also provides a forum to analyze the impact of federal decisions at the state level and highlight creative solutions and innovative state projects.



The American people are tired of the partisan bickering in Washington. They understand that our country can't continue down the same path and are looking for commonsense answers to ensure a prosperous future. The Bipartisan Policy Center is leading the way, bringing together Republicans and Democrats of good will who are dedicated to finding solutions that work.

— *Former Governor of Vermont
Jim Douglas*



Governors seem to me, by the nature of their jobs, less stuck in partisan ruts than the Congress. The way in which the Bipartisan Policy Center is giving voice to our views through the Governors' Council is a real act of leadership.

— *Former Governor of Tennessee Phil Bredesen*



The Bipartisan Policy Center tackles political and policy challenges head on. Whether these challenges consist of creating substantive solutions to the nation's current debt crisis, acknowledging the need for continued innovation, or speaking tactfully on the rising partisanship within Congress, the Bipartisan Policy Center approaches its work with candor and respect for both political parties. I look forward to playing a role in the organization's continued diplomatic discourse.

— *Former Governor of Oklahoma Brad Henry*



The Bipartisan Policy Center is in alignment with how the majority of Americans view the role of government. They expect elected leaders from both political parties to work together to develop solutions to the nation's problems – solutions that neither side believes is perfect but both find acceptable.

— *Former Governor of Hawaii Linda Lingle*



The individuals who founded our country did not always agree but they taught us that we are all in this together. Today we do not see eye-to-eye on all the issues, but we have this opportunity to find areas of agreement while still respecting our differing points of view.

— *Former Governor of South Dakota Mike Rounds*



Because so much of the national political debate is divisive and polarizing, the work of the Bipartisan Policy Center is becoming increasingly important. By providing an environment for candid, respectful, bipartisan dialogue, the Bipartisan Policy Center is helping policymakers find consensus positions and workable solutions to the complex and challenging issues we face.

— *Former Governor of Ohio
Ted Strickland*



A Foundation of Success: 2010 Milestones

THE ECONOMIC POLICY PROJECT

The Economic Policy Project is committed to developing bipartisan policies to enhance the financial prosperity and security of the American people and advance the worldwide competitiveness of U.S. commerce and capital through the work of the Debt Reduction Task Force and other efforts.

As the economy began to recover in 2010 from the worst recession since the Great Depression, policymakers, opinion leaders, media, and the public at large increasingly turned their attention to the challenge of America's looming federal deficits and debt. The debt, which had risen to about 60 percent of the economy in 2010, is on track to reach 100 percent by 2024, an unprecedented 200 percent by 2039, and a staggering 300 percent by 2050. All of that borrowing will slow economic growth and reduce living standards; force the government to pay much more just for interest on the debt; threaten an economic crisis as lenders become far less willing to continue underwriting this debt; and even undermine national security by squeezing the resources needed for our nation's defense.

The Debt Reduction Task Force met continually over the course of 2010 to develop a landmark bipartisan plan to address that challenge by lowering debt to manageable levels while making sweeping reforms in spending and tax programs. The plan, *Restoring America's Future*, represented a major contribution to the budget debate and laid the groundwork for the task force's continuing influence beyond 2010.

The Bipartisan Policy Center (BPC) continues to work with the task force to promote *Restoring America's Future*. Members have met with White House officials and lawmakers, delivered speeches, appeared on TV and radio, provided newspaper interviews, written op-eds, and promoted the report in other ways. The BPC is determined to further advance the task force's work and raise public awareness of the threat posed by the rising debt and the necessity of bipartisan action to address it.

2010 Accomplishments

Contributed a major bipartisan plan to the national debate that would stabilize the debt and reform spending and tax programs

The BPC's Debt Reduction Task Force unveiled a comprehensive plan, *Restoring America's Future*, at a major news conference on November 17.

The plan was released at just the right time. It came two weeks after the close of the midterm congressional election season in which the nation's soaring red ink received much attention. The release also came less than a month before the President's National Commission on Fiscal Responsibility and Reform issued its own report, ensuring that the public spotlight would remain on the nation's fiscal problems and giving interested parties even more reason to look for ideas for reducing the debt.

As important, the plan is a product of a truly bipartisan, broad-based panel, co-chaired by Senator Pete Domenici and Dr. Alice Rivlin. The task force approved the plan unanimously, sending a strong signal that, even on the vexing challenge of what programs to cut and what taxes to raise in order to restore fiscal sanity, bipartisanship is possible.

The plan itself is bold, comprehensive, and creative. It strengthens the economy in the short term while addressing deficits and debt in the long term. It proposes a payroll tax holiday that would create 2.5 to 7 million new jobs over two years. It balances the "primary budget" by 2014 while stabilizing the debt below 60 percent of the economy by 2020. It dramatically simplifies the tax code by cutting rates, broadening the tax base, and raising revenues to reduce the debt; slows the growth in health care costs; strengthens Social Security; and freezes domestic and defense discretionary spending.

Payroll Tax Holiday and Other Measures to Reduce the DEBT

Senator Pete Domenici and Dr. Alice Rivlin, The Washington Post



Raised awareness among policymakers and the public of the dangers presented by rising debt, of the consequences of failing to address it, and of the comprehensive solution provided in *Restoring America's Future*

The BPC orchestrated a major media and advocacy campaign to focus attention on *Restoring America's Future*. By year-end, the report had been mentioned more than 200 times in the press, and task force members had been featured in over 75 news stories. Staff and task force members also conducted over 40 briefings to educate policymakers on its recommendations. In December 2010, President Obama and Congress included a scaled-down version of the plan's payroll tax holiday proposal in a bipartisan tax bill that they enacted to stimulate the economy and create jobs.

Now, for Some LEADERSHIP

The New York Times Editorial



Project Leadership

CO-CHAIRS



FORMER SENATOR
FROM NEW MEXICO
PETE DOMENICI



FORMER WHITE HOUSE
BUDGET DIRECTOR
DR. ALICE RIVLIN

MEMBERS

Bob Bixby

Former Governor of Michigan
James Blanchard

Sheila Burke

Dr. Leonard Burman

Robert Campbell, III

Former Secretary of Housing
Henry Cisneros

Former Secretary of Commerce
Carlos Gutierrez

G. William Hoagland

Former Governor of Oklahoma
Frank Keating

Karen Kerrigan

Maya MacGuineas

Dr. Donald Marron

Edward McElroy

Dr. Joe Minarik

Former Mayor of New Orleans
Marc Morial

Dr. William Novelli

Former Mayor of Washington, D.C.
Anthony Williams



A Foundation of Success: 2010 Milestones

NATIONAL TRANSPORTATION POLICY PROJECT

Throughout 2010 the National Transportation Policy Project (NTPP) continued to advance the framework for federal surface transportation policy reform outlined in its 2009 report, *Performance Driven: A New Vision for U.S. Transportation Policy*. In the report, NTPP calls for adequate, smart, and targeted investment in transportation infrastructure, ensuring that any expenditure sets out to achieve maximum returns and benefits in terms of national economic, energy, safety, and environmental goals.

NTPP made great strides in 2010 to lay the foundation for comprehensive transportation policy reform. Despite Congress and the administration's inability to agree on a long-term transportation authorization bill, the project made progress influencing the tone and direction of the federal policy debate, building coalitions to advance a performance-driven framework for transportation policy, and securing legislative traction on such a framework.

The policy and programmatic reform NTPP calls for is possible only if funding and revenue streams are reliable and sustainable in the long-term. The existing structure of funding and the level of revenue coming into the highway trust fund is not adequate to support the needs of the federal transportation program as it currently exists; funding reform is therefore critical, not only to achieving its recommendations for reform, but for ensuring the survival of the federal transportation program.

NTPP's long-term vision is even more essential in an era of severely constrained resources. The project continues to highlight the importance of a federal program that is founded on national goals and outcomes, performance, and accountability – all of which are critical in times of fiscal constraint and scarce resources.

2010 Accomplishments

Developed pragmatic strategies to transition to a performance-based federal transportation program

NTPP raised awareness and built support, across a broad audience of stakeholders, for its vision of a more performance-based federal transportation program. The project released a report, *Transitioning to Performance-Based Federal Surface Transportation Policy*, based on insights gleaned from a BPC-sponsored workshop led by national experts, congressional staff, and administration officials. The project hosted numerous briefings for the administration and members of Congress and their staff to educate them on the report's findings.

Advanced solutions for effectively addressing the funding crisis facing the federal transportation program

NTPP released a joint statement of principles with select members of the National Surface Transportation Infrastruc-

ture Financing Commission that emphasized the critical role transportation investment plays in facing America's fiscal and economic challenges. The statement outlined how scarce public resources can be used wisely and efficiently to maximize the reach and impact of transportation investments in the long term. The project also hosted a Bridge-Builder Breakfast entitled, "Difficult Choices: Transportation Spending in an Age of Fiscal Crisis," with Senator Tom Carper (D-DE), Senator George V. Voinovich (R-OH), Representative Earl Blumenauer (D-OR), and former Senator and project co-chair Slade Gorton.

Provided expert advice to the administration, Congress and to the wider transportation reform community

The project's ongoing involvement in discussions about federal transportation policy reform continues to draw attention and lend credibility to the framework laid out in *Performance-Driven* and subsequent recommendations. NTPP members and staff have maintained ongoing interactions with the Hill as key congressional committees work



REPUBLICAN CALLS ON OBAMA TO BACK FUEL TAX HIKE

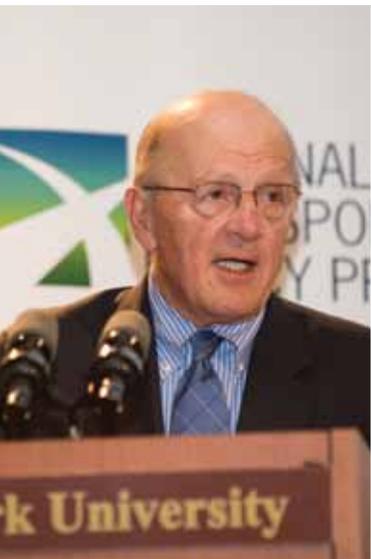
Journal of Commerce



to forge comprehensive surface transportation legislation. The project also assisted with developing the details for a performance-based transportation asset management program and a highway safety program, both of which are positioned to become part of a future authorization bill.

The Bipartisan Policy Center's (BPC) policy recommendations come from a process of rigorous analysis and reasoned negotiation. Equally as important, its leadership and staff are committed to strongly advocating those recommendations to see that they are enacted into law. This combination of principled policymaking and political engagement sets the BPC apart from other think tanks in Washington, D.C.

— *Former Mayor of Detroit Dennis Archer*



U.S. DEALS WITH THE POLITICS OF RECOVERY

James Lemer, Financial Times



Project Leadership

CO-CHAIRS



FORMER SENATOR
FROM WASHINGTON
SLADE GORTON



FORMER REPRESENTATIVE
FROM NEW YORK
SHERWOOD BOEHLERT



FORMER REPRESENTATIVE
FROM MINNESOTA
MARTIN SABO



FORMER MAYOR
OF DETROIT
DENNIS ARCHER

MEMBERS

Alan Altshuler

Jack Basso

Lillian Borrone

Tom Downs

Mike Erlandson

Douglas Foy

Former Federal Aviation Administrator
Jane Garvey

Former Congressional
Budget Office Director
Douglas Holtz-Eakin

Nancy Kete

William Lhota

Bob Lowe

Sean McGarvey

Bryan Mistele

Jim Runde

Tom Stricker

Chris Vincze

Martin Wachs

John Wall

Lynda Ziegler



A Foundation of Success: 2010 Milestones

NATIONAL SECURITY INITIATIVE

The National Security Initiative (NSI) develops realistic and robust policy solutions to pressing foreign policy issues by collaborating with respected civilian and military experts from the right and the left.

Throughout 2010, the number of national security and diplomatic challenges facing the U.S. increased in scope and severity. Iran continued to develop its nuclear program despite several rounds of sanctions by the United Nations, ongoing diplomatic efforts and even cyber attacks. Al-Qaeda strengthening its position in Yemen, increasing strikes on commercial ships from pirates in Somalia and growing instability and radicalization of Pakistan portend a myriad of future concerns.

NSI actively monitors these situations and conducts rigorous research and analysis to support the development of concrete proposals for new policy structures, tools, and systems that can help the U.S. achieve its immediate and long-term foreign policy goals.



Developing bipartisan recommendations for 21st century foreign policy challenges is tough but doable. It takes meaningful dialogue, constructive ideas, directness and compromise. The Bipartisan Policy Center always attracts the best minds on the issues, who bring these important qualities to the table.

— General (ret) Charles Wald

2010 Accomplishments

Provided an in-depth examination of Iran's nuclear threat and developed a bold U.S. policy strategy that includes diplomacy, sanctions, and military elements

The BPC published its third report on Iran's nuclear weapons program, *Meeting the Challenge: When Time Runs Out*. The report highlighted the immediate need for the U.S. to halt Iran's rapid progress toward nuclear weapons capability and laid out the dangers of alternative outcomes. It supported the U.S.-led diplomatic outreach and sanctions against Iran, but recommended a more robust and comprehensive triple-track approach involving the simultaneous pursuit of diplomacy, sanctions, and visible, credible preparations for U.S. military action.

Created concrete proposals to streamline U.S. interagency coordination in stabilizing fragile states

Through ongoing research and deliberations, NSI continued to develop proposals for U.S. action to prevent failing states. Responding to growing unrest in the region, the project released *Fragility and Extremism in Yemen*, a case study that detailed the underlying causes of increasing insecurity and radicalism in Yemen, and showed why the United States should build security and governing capacities and encourage civic resilience in fragile states.



**AN IRANIAN
NUCLEAR
BOMB
OR THE
BOMBING
OF IRAN?**

The Economist

**U.S. Panel Backs
Holistic Plan
for Yemen**

United Press International



Laid the groundwork to build an effective, diplomatic strategy for the U.S.

In an effort to support the U.S. government's diplomatic efforts, the BPC launched two new security-focused efforts in late 2010. Senator Chuck Robb and Secretary of Commerce Don Evans began a new initiative to develop a cohesive U.S. strategy toward Russia that better advances U.S. security and economic interests while fostering better cooperation between the two countries. The project offers ways to construct an improved bilateral relationship in the energy, business, trade and investment sectors—areas critical to our collective future.

BPC Senior Fellow Dan Glickman, together with former Ambassador James Glassman, launched a new effort to develop a framework for a modern public diplomacy strategy that is technologically savvy, leverages the potential of the private sector, and is tightly coordinated with U.S. national security goals.

From my experience, the Bipartisan Policy Center is able to attract the best minds to its projects and studies. Once they all meet and sit down at the table to tackle an issue, the areas of convergence are always much greater than the areas of divergence. Those large areas of convergence provide a substantial playing field for substantive policy recommendations.

— Admiral (ret) Gregory “Grog” Johnson

Project Leadership

CO-CHAIRS



GENERAL (ret)
CHARLES WALD



FORMER SENATOR
FROM VIRGINIA
CHARLES ROBB

MEMBERS

Former Ambassador
Paula Dobriansky

Admiral (ret)
Gregory “Grog” Johnson

Former Secretary of Commerce
Don Evans

Former Ambassador
James Glassman

Former Secretary of Agriculture
Dan Glickman



Photo Courtesy of the Delaware River Port Authority

A Foundation of Success: 2010 Milestones

NATIONAL SECURITY PREPAREDNESS GROUP

The National Security Preparedness Group (NSPG), co-chaired by Congressman Lee Hamilton and Governor Tom Kean, is the successor to the 9/11 Commission. Its core mission is to be an active, bipartisan voice on homeland and national security issues. With the terrorist threat to the U.S. more complex and diverse than at any time in the last decade, NSPG works to foster public discourse, provide expert analysis, and develop proactive policy solutions on how best to respond.

In recent years, U.S. citizens and residents have assumed a frequently prominent role in the leadership of al-Qaeda and its aligned groups. Many counterterrorism experts consider 2010 the “year of the homegrown terrorist,” as American citizens were increasingly targeted for terrorist recruitment. Last year, 10 Muslim-Americans plotted against domestic targets, and five actually carried out their plots. Muslim-American youth are being recruited in Somali communities in Minneapolis, Minnesota and Portland, Oregon, moving the front lines of the fight against terrorism to home ground. Additionally, the rise of new communication technologies has influenced the trend of “self-radicalization” by individuals in the U.S. Materials advocating violent Islamist extremism are becoming increasingly available and accessible in blogs and other online content. NSPG analyzed these developments and offered insight and strategic guidance through reports, congressional testimony and policy conferences to help better define the government’s response to these emerging issues.

The growing risk of a wide-scale cyber attack on our critical infrastructure systems, including electrical, financial, water, energy, food supply, military, and telecommunications networks, is gaining more and more national attention. Early in 2010, BPC staged *Cyber ShockWave*, a simulated cyber attack on the U.S. that featured former government officials playing the roles of cabinet officials mounting a response to the unfolding crisis. The event helped create a strong policy foundation the BPC draws upon to counsel to lawmakers, regulators and private sector leaders on cyber security issues.

With the tenth anniversary of 9/11 this year, the project will continue to monitor the implementation of the 9/11 Commission’s recommendations and develop principled solutions to respond to both emerging and evolving threats.

2010 Accomplishments

Convened public forums featuring current and former lawmakers, cabinet officials, and key stakeholders to inform the intelligence reform debate

With major policy events focused on the evolving role of the director of national intelligence and domestic intelligence reform (DNI), NSPG provided ideas for additional improvements to the organization and function of the intelligence community. In April, NSPG hosted a day-long conference marking the fifth anniversary of the creation of the DNI. Speakers, who included Representative Jane Harman (D-CA), General Michael Hayden and then-DNI Dennis Blair, assessed the progress that has been made in reforming the intelligence community since 9/11. The project explored the issue further at a Bridge-Builder Breakfast in July, as Congress began hearings to confirm James Clapper as the new DNI.

NSPG hosted a follow-on event in September that focused on reform of the domestic intelligence agencies. The conference brought together FBI Director Robert

Mueller, Representative Mike Rogers (R-MI), former Secretary of Homeland Security Michael Chertoff and others for a dialogue about how to ensure the U.S. intelligence agencies have the best information available to aid them in the fight against terrorism.

The Bipartisan Policy Center is one organization that gets the dialogue of democracy right – civil, informed, respectful, constructive – with no bickering and without excessive partisanship. What a pleasure it is to participate in the elevated level of political discourse that characterizes its work.

— Former Representative from Indiana Lee Hamilton



U.S. Rethinks Intelligence Sharing After Leaks Anger Obama

Eli Lake, The Washington Times

Drove the national security debate with timely, relevant research and commentary on emerging issues

With reports like *Assessing the Terrorist Threat*, which explored the development of homegrown networks and the increasingly diverse and decentralized nature of terrorism, NSPG worked to educate lawmakers, stakeholders and the public on how the terrorist threat has evolved since the attacks in 2001. *Assessing the Terrorist Threat*, authored by project members Peter Bergen and Bruce Hoffman, was released by project co-chairs Lee Hamilton and Tom Kean at a major press conference on September 10. In the wake of the attempted Christmas Day terrorist attack, Hamilton and Kean provided testimony before the Senate Committee on Homeland Security and Governmental Affairs and the House Committee on Homeland Security about ongoing reform efforts in the intelligence community.



HOMEGROWN TERRORISTS POSE BIGGEST THREAT

Dina Temple-Raston, NPR

Project Leadership

CO-CHAIRS



FORMER GOVERNOR
OF NEW JERSEY
TOM KEAN



FORMER REPRESENTATIVE
FROM INDIANA
LEE HAMILTON

MEMBERS

Former Secretary of Energy
Spencer Abraham

Peter Bergen

Dr. Stephen Flynn

Dr. John Gannon

Dr. Bruce Hoffman

Former Representative from Oklahoma
David McCurdy

Former Attorney General
Edwin Meese III

Former Secretary of Homeland Security
Tom Ridge

Former Attorney General
and Governor of Pennsylvania
Dick Thornburgh

Former Homeland Security Advisor
Fran Townsend

Former Representative from Texas
Jim Turner



Paving the Way: The BPC's New Projects

THE ENERGY PROJECT

Over the past nine years, the BPC's National Commission on Energy Policy (NCEP), a bipartisan group of prominent energy experts, offered advice to Congress, the executive branch, states, and other policymakers on long-term U.S. energy policy. NCEP identified and addressed the political and analytical barriers that have impeded energy policy reform and conducted extensive outreach to government, businesses, non-governmental organizations, and other communities. By connecting expertise and objective analysis with political reality, the commission helped Congress break through a decade of policy gridlock and adopt major energy legislation in 2005 and 2007, which helped reduce U.S. oil dependence and promote domestic energy production, alternative fuels, energy efficiency, new transmission, and investment in clean technologies.

NCEP also gained prominence by working with a broad array of stakeholders and congressional leaders to address the economic concerns raised by efforts to limit domestic greenhouse gas emissions. Its proposals, like creating a "safety-valve" to cap the costs of a climate regime, were central in building bipartisan support for climate action.

In 2010, efforts to pass energy-climate legislation fell apart due to broad-based economic anxiety, mistrust over market-based solutions, traditional regional differences, and a failure to build a bipartisan coalition capable of leading the energy-climate debate from the center. It was clear by the end of the year that our national energy discussion needed to hit the reset button. In order to take a fresh look at our nation's energy challenges, the BPC opted to end NCEP and begin a new effort – the Energy Project – that focuses on energy policies that will enhance national security, contribute to economic competitiveness, and protect public health.

The BPC's Energy Project was formally launched in April 2011. The project is governed by an energy policy board that is co-chaired by former Senators Byron Dorgan and Trent Lott, and it includes as members prominent political, corporate, and environmental leaders. Former NATO Supreme Allied Commander and U.S. National Security Advisor General Jim Jones joined the effort as energy security chair, and former Environmental Protection Agency (EPA) Administrator William Reilly serves as energy and environment chair.

Over the next year, BPC will continue and broaden the efforts of several on-going task forces, including the Natural Gas Task Force, the American Energy Innovation Council, the Geoen-gineering Task Force, and an initiative examining the impact of new EPA regulations on the electric power sector. BPC is also launching a major new effort to explore how proposals to reign in the spiraling national debt might affect energy policy. This fiscally driven initiative includes a "smart subsidies" project that is examining whether there are more efficient approaches to achieving the goals of our current energy technology investments. The BPC is also undertaking a new project to determine whether it is necessary to restructure our nation's multi-agency energy policy apparatus.

2010 Accomplishments

Advanced policies to promote innovation and economic competitiveness, enhance energy security, and reduce greenhouse gas emissions

In 2010, BPC staff helped create the American Energy Innovation Council (AEIC), a group of top business leaders, including Bill Gates, former CEO of Microsoft; Jeff Immelt, CEO of GE; Chad Holliday, former CEO of Dupont; Ursula Burns, CEO of Xerox; Tim Solso, CEO of Cummins; Norm Augustine, former CEO of Lockheed Martin; and John Doerr, a partner at Kleiner Perkins. AEIC released a groundbreaking report that recommended ways to enhance U.S. energy technology innovation, including improving government approaches and ensuring adequate funding for energy technologies.

With the leadership of BPC Senior Fellow Pete Domenici and former Nuclear Regulatory Commission (NRC) Chair Dick Meserve, the BPC spearheaded a review of the licensing process for Generation III nuclear power plants at the request of the NRC. The assessment made a series of detailed recommendations for ways in which communication between the NRC and applicants could be improved.

Launched new research-oriented initiatives to inform lawmakers of emerging issues

Building on its longstanding tradition of providing timely, thorough analysis of key energy and climate policy issues, NCEP launched an initiative to analyze the impacts of power sector environmental regulations on the reliability of the electric system. As part of this effort, the BPC convened a series of workshops to explore potential impacts to the nation's electric reliability and possible policy levers at the local, state, and federal levels to smooth the expected power sector transition.

The study of geoengineering – which refers to activities that intentionally alter the earth's natural environment to reduce climate change risks – has moved from scientific speculation to the center of an increasingly intense evaluation by mainstream scientists and policymakers. The BPC convened a new task force to provide advice to the U.S. government on how geoengineering might fit within the policy landscape and offer guidance on the important organizational, governance, and international dimensions of this research.



PRESIDENT OBAMA'S 'MOMENT OF TRUTH' FOR ENERGY BILL

Darren Samuelsohn, Politico

The BPC also launched an energy finance initiative to examine existing and potential financial support mechanisms for advanced energy technologies and renewable energy and offer suggestions on how to reach domestic renewable energy production goals. As part of the effort, the project conducted a study to assess the effectiveness of tax incentives for these technologies.

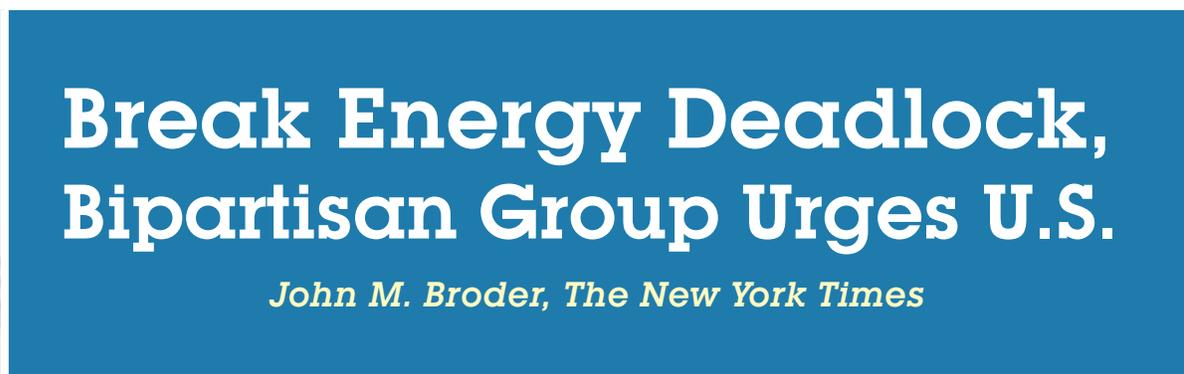
Engaged lawmakers and stakeholders to help overcome political divides on crucial energy issues

The BPC convened two key task forces to develop and advocate policy solutions that both Republicans and Democrats could embrace. The Task Force on Ensuring Stable Natural Gas Markets, which includes representatives from the natural gas and electric power industry, state utility regulators, environmental organizations and other groups, was formed to examine the factors underlying volatility in the natural gas market and the best options available for managing it.

The Task Force on America's Future Energy Jobs developed and issued a set of policy and implementation recommendations for how the U.S. can ensure that its workforce is prepared for future jobs in the energy sector. The group consisted of representatives from labor unions, electric power companies, and others stakeholder groups.

The BPC recognizes that the energy challenges facing the nation are much more important than partisan bickering and gridlock. It has created an infrastructure where policymakers can access the best ideas from Republican and Democratic sources to develop the solutions that our country needs.

— Senator Dick Lugar (R-IN)



2011 Goals

Provide timely analysis of key issues in the energy debate

While there appears to be little appetite for major federal energy legislation, a host of critical issues have the potential to be taken up by Congress and the executive branch. The BPC is committed to working with both parties and a wide array of interest groups to support serious analysis and deliberation and help define and support new bipartisan coalitions to help advance these issues further.

Explore new policy options to improve the nation's energy security

The Energy Project is developing achievable energy security goals, policy solutions to help achieve them, and metrics for evaluating success.

The project is analyzing policies that support increased domestic production through means such as expanded offshore drilling, oil and gas exploration in the Arctic and enhanced oil recovery with carbon capture and storage. It is also exploring ways to reduce oil demand through fuel economy standards, fee-bates, vehicle electrification, and alternative fuels. The project is undertaking a review of current oil and gas royalty provisions, determining how royalty payments in the U.S. compare with other countries, whether U.S. royalty provisions should be reformed, and how new royalty revenues could be used to fund clean energy technologies.

To support continued expansion of shale natural gas production, the Energy Project is working with regulators, industry leaders, and stakeholders to identify policies and approaches that improve the safety of natural gas hydraulic fracturing and mitigate potential environmental impacts. It is also re-examining the role of nuclear power in the U.S. and identifying key challenges that must be addressed if nuclear power is to play a significant role in the nation's energy future.

Support long-term investments in innovation and energy technology

Through a variety of new and existing initiatives, the Energy Project is working to address barriers to technology innovation and establish reliable funding mechanisms that encourage increased domestic energy production and investment in new technology platforms. It is advancing and refining the American Energy Innovation Council's policy recommendations, and identifying areas where federal or state policies can more effectively stimulate private sector financing for clean energy projects through the Energy Investors Council. The project is also moving forward with its groundbreaking work on geoengineering, examining technological innovations, relevant economic issues and decision-making processes for near-term field-testing scenarios.

The Energy Project is also launching a study to assess the potential for the Department of Defense to play a more prominent role in energy technology development. The effort will identify and highlight the potential role the department could play in advancing energy technology innovation.



The Bipartisan Policy Center has become a sought-after, trusted resource for lawmakers, stakeholders and the media. Its policy recommendations are relevant, thoughtful and show that Republicans and Democrats can work together to solve the most difficult problems facing the nation.

— Former Senator from Ohio George Voinovich

Support near-term energy market conditions that lead to lower carbon emissions

The Energy Project is undertaking new initiatives relating to natural gas policies, environmental regulations, and energy labor markets that have the goal of reducing emissions in the short-term and building longer-term conditions that are conducive to effective climate and energy policies. With the release of the Task Force on Ensuring Stable Natural Gas Markets' recommendations earlier in the year, the group will focus on outreach to build support for its work. The project is also continuing its work with key congressional committees to analyze the scope, scale, and effectiveness of existing energy subsidies.

Building on its findings that identified a sizeable portion of the energy workforce will retire in the near future, the project is developing specific policy recommendations to ensure a strong, stable supply of well-trained workers for years to come. The project is also evaluating labor issues for critical components in energy supply chains.

Lay the foundation for significant legislation in 2013

The Energy Project will release significant policy recommendations in early 2012 to influence the debate and support the development of major energy legislation in 2013. As potential stand-alone legislative initiatives or as part of the comprehensive plan, the project will undertake analysis and outreach activities on multi-pollutant approaches, debt and tax policy, and other discrete legislative actions, such as power plant portfolio standards, fee-bates, enhanced fuel efficiency standards, energy efficiency standards, incentives for retirement of inefficient coal plants, and expanded loan guarantees for nuclear power plants.

Project Leadership

CO-CHAIRS



FORMER SENATOR
FROM NORTH DAKOTA
BYRON DORGAN



FORMER NATIONAL
SECURITY ADVISOR
GENERAL (ret) JIM JONES



FORMER SENATOR
FROM MISSISSIPPI
TRENT LOTT



FORMER EPA
ADMINISTRATOR
WILLIAM REILLY





Paving the Way: The BPC's New Projects

THE HEALTH PROJECT

The Health Project is a state-focused initiative dedicated to developing practical, bipartisan solutions to transform the nation's health care system. In collaboration with federal, state, business, and workforce leaders, the project is helping to identify smart, politically balanced policy options to transform the nation's health care system.

In 2008, the Bipartisan Policy Center launched the Leaders' Project on the State of American Health Care, an effort to produce a comprehensive health reform plan that could win support from both Republicans and Democrats. Former Senate Majority Leaders Howard Baker, Tom Daschle and Bob Dole proposed a comprehensive reform package, *Crossing Our Lines: Working Together to Reform the U.S. Health System*. Now that health reform has been signed into law, the BPC is turning its focus to the next phase of the process – developing a bipartisan approach to help states solve their health system challenges.

The BPC launched its new Health Project on January 18, 2011, with a press conference featuring its co-leaders, Senators Tom Daschle and Bill Frist, former Governor of Ohio Ted Strickland and its co-directors, Chris Jennings and Sheila Burke. Former Governor of South Dakota Mike Rounds later joined Governor Strickland, as a state co-chair.

The project's leadership believes that it is time to put aside differences about the health reform law and focus on ways to deal with the health care problems facing the country. Solving these problems in such a charged political climate will require a new level of cooperation and creativity from our nation's lawmakers. The project is committed to building the necessary infrastructure to bring Republicans and Democrats together to enact real change in the U.S. health system.

The BPC's Health Project is supported and guided by an advisory council, a diverse group of organizations dedicated to developing bipartisan approaches to address health system challenges. Progress requires not only the cooperation of both sides of the political aisle, but the expertise and insight of key industry stakeholders.

2011 Goals

Foster a constructive dialogue to identify and develop bipartisan solutions to transform the health system at the state level

In order to learn from and support those who are at the forefront of the health care system, the BPC's Health Project is convening a series of state-based events in cooperation with partner organizations. These events will help identify best practices, explore key issues and concerns, and inform policy at the federal level. They will feature local lawmakers, industry leaders and stakeholders engaging in proactive discussions about reforming health insurance markets, creating insurance exchanges, building a strong health care workforce and providing flexibility in the administration and financing of Medicaid.

Through its Health IT Initiative, the project is assessing the important role of health information technology in achieving health reform goals and helping ensure coordination of efforts at the state level. In 2011, the initiative issued a report

that assesses and highlights progress on health IT programs across public and private sectors and identifies opportunities for leveraging health IT investments to support delivery system, payment, and insurance reforms. The initiative created the Delivery System Task Force to support its work. The task force will outline opportunities and health IT capabilities needed to support new care delivery models.

The Health Project is also advancing its work to transform the health system with the Health Professional Workforce Initiative. Using the most advanced data and consulting with experts and industry leaders, the initiative will address the unique supply and demand characteristics of health care services and how to best structure, educate, train, retain, and regulate a health care professional workforce to deliver high-quality care. The initiative will release reports, issue briefs and peer-reviewed articles on reimbursement policies, coordination of patient care, education, professional training and other topics.



FORMER SENATORS UNVEIL BIPARTISAN HEALTH CARE PROJECT AMID CALLS FOR REPEAL

Huma Khan, ABC News



The Bipartisan Policy Center (BPC) creates a forum insulated from extreme partisanship – a place where those with differing views can have respectful dialogue without political retribution. As a former governor, I appreciate the center’s efforts to engage current and former state leaders in practical and sensible political discourse. With an issue as local and divisive as health care, the BPC is uniquely situated to forge consensus and promote pragmatic policymaking at both the state and national level.

— *Former Governor of Ohio Ted Strickland*

HEALTHCARE REFORM IS A JOB FOR GROWN-UPS

David Lazarus, The Los Angeles Times

Project Leadership

CO-CHAIRS



FORMER SENATOR
FROM SOUTH DAKOTA
TOM DASCHLE



FORMER SENATOR
FROM TENNESSEE
BILL FRIST

STATE CO-CHAIRS



FORMER GOVERNOR
OF OHIO
TED STRICKLAND



FORMER GOVERNOR
OF SOUTH DAKOTA
MIKE ROUNDS

CO-DIRECTORS



SHEILA BURKE



CHRIS JENNINGS





Paving the Way: The BPC's New Projects

THE DEMOCRACY PROJECT

In 2010, the BPC launched the Democracy Project to examine why some of our country's most heralded democratic traditions appear to be losing both favor and relevance with the American public. The project is guided by an advisory committee co-chaired by former Secretaries Dan Glickman and Dirk Kempthorne, and AOL co-founder Steve Case, and includes a diverse group of former elected officials, scholars and advocates who have come together out of a shared concern for the nation's ability to truly face our many challenges – from the national debt to national security. The goal of the project is not to add to the cacophony of grievances and laments about a broken political system but rather to offer specific suggestions to consider as initial steps toward restoring faith in America's government institutions, with a particular emphasis on Congress.

The nature of our national political discourse became the sharp focus of debate following the tragic shooting of Representative Gabrielle Giffords, her staff, a federal judge and other constituents in Tucson last January. The BPC and the Democracy Project plan to keep this sentiment front and center throughout the year by holding events, member dinners and conferences pushing policymakers to tackle reforms large and small to improve the ability of government to grapple with the nation's vital issues.



To get our government functioning again, we need a higher level of political discourse. The Bipartisan Policy Center creates a forum insulated from extreme partisanship – a place where those with differing views can have respectful dialogue without worrying about political retribution.

— Representative Aaron Schock (R-IL)

2011 Goals

Host events for former and current members of Congress and their families to generate camaraderie and facilitate opportunities for collaboration on policy solutions

A common observation from both former and current members of Congress is that there is little time and few forums for developing relationships with their colleagues. The short work weeks, the burden of numerous committee assignments, the constant demand for fundraising makes free time – time that could be used getting to know their colleagues – scarce. With its capacity to convene current and former lawmakers and business and stakeholder leaders, the Democracy Project plans to hold a series of dinners for members and their families to engage both socially and substantively on key policy issues.

The project is holding a series of substantive events for members in partnership with the National Archives, each one focused on the history of a specific congressional committee. Like the dinners, these events will enable members to interact socially while discussing important policy issues.

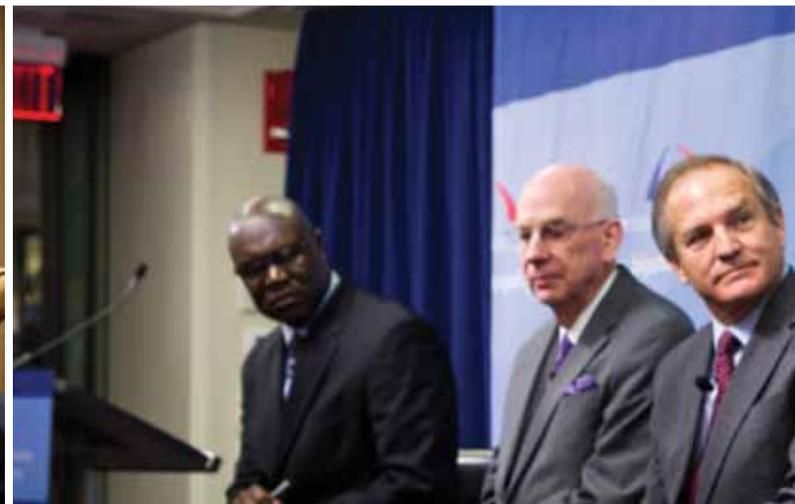
Elevate and promote small and large reforms that increase the effectiveness and efficiency of our government institutions

The BPC's Democracy Project is examining and making recommendations to improve the congressional redistricting process. Redistricting is one factor contributing to the partisan polarization and the shrinking number of competitive districts in the U.S. House of Representatives. As part of this effort, the project is exploring the results of the most recent redistricting process and the number of competitive districts created in the states. Additionally, it is taking a comparative look at seven states that have adopted bipartisan or nonpartisan redistricting commissions to make recommendations for other states considering these models.

The Democracy Project supports efforts to improve the presidential appointments process. A group of former senators and political appointees associated with the BPC have discussed ways to improve the process, particularly in regard to Senate confirmation. The group is hopeful that efforts in the 112th Congress will result in a more stream-

The Bipartisan Policy Center is based on the proposition that the problems facing the nation are too urgent to be sacrificed to bickering and gridlock. It has created a forum in which policy makers – current and former, Republican and Democrat – work together to develop solutions to our most pressing national challenges.

— Former Senator from Washington Slade Gorton



lined process, reducing the number of political appointees who require Senate confirmation, rationalizing financial disclosure and background checks for nominees and generally making it easier to attract the best people to serve in government.

Since I co-founded the organization four years ago, the Bipartisan Policy Center (BPC) has grown into a renowned and trusted institution. We have proven time and time again that even the most difficult issues are not beyond the scope of principled and rational compromise. The BPC demonstrates that Republicans and Democrats can indeed work together to develop the policy solutions our country needs.

— *Former Senator from South Dakota Tom Daschle*



Project Leadership

CO-CHAIRS



FORMER SECRETARY
OF AGRICULTURE
DAN GLICKMAN



FORMER SECRETARY
OF THE INTERIOR
DIRK KEMPTHORNE



AOL CO-FOUNDER
STEVE CASE

MEMBERS

Former Representative from Maryland
Connie Morella

David B. Smith

Don Fierce

Former Senator from Oklahoma
Don Nickles

Janet Murguia

Lynda Robb

Norm Ornstein

General (ret) Peter Pace

Raul Fernandez



Bipartisan Policy Center Advocacy Network:

DRIVING SOLUTIONS ON CAPITOL HILL

Launched in 2009, the Bipartisan Policy Center Advocacy Network (BPCAN) is the BPC's advocacy arm. While reasoned and rigorous analysis is a predicate to sound public policy, reports alone do not move the political process. To impact the public dialogue and influence policy outcomes, BPC and BPCAN combine thoughtful and credible recommendations with strategic education and advocacy.

2010 kicked off with substantial legislative activity on two of the BPC's signature issues – energy and health care reform. After one of the more partisan and bitterly waged debates in recent memory, Congress adopted comprehensive health care legislation. While the new law included many provisions that had previously enjoyed bipartisan support, extreme anger ultimately enveloped the debate and overshadowed existing areas of consensus. Unfortunately, this trend held in the energy and climate arena. Despite a rich history of bipartisanship on energy issues, the climate debate became mired in aggressive party-line rhetoric that undermined all energy-related legislative efforts.

The November midterm elections ushered in significant change on Capitol Hill. While gridlock remains the default assumption on many issues, divided government may create avenues for legislative progress on key areas, like energy security, the budget, and the debt. BPCAN applauds efforts by leadership in both the House and the Senate to encourage more meaningful deliberation. The House Republican majority instituted several rules changes such as modifying the congressional schedule, calling for more regular order through the committee process, and ensuring that more bills will be open to amendment on the floor. These changes will hopefully create more opportunity for debate and provide the minority the means to help shape important legislation. The House engaged in nearly 80 hours of debate in February on a bill to fund the government through the end of the fiscal year – an unprecedented amount by recent standards. The Senate made changes of its own to increase transparency and improve the quality of debate. Republican and Democratic senators voted overwhelmingly to end the practice of secret holds and agreed to stronger measures to keep business moving on the floor.

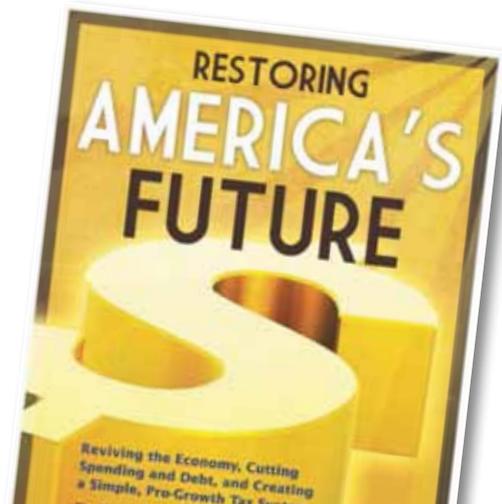


2010 Research and Reports



Economic Policy Project

- ★ Restoring America's Future: Reviving the Economy, Cutting Spending and Debt and Creating a Simple, Pro-Growth Tax System



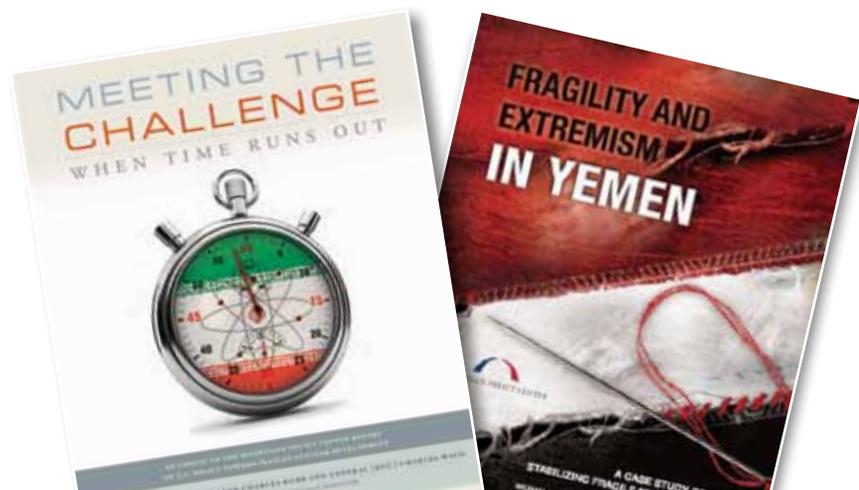
Energy Project

- ★ Clean Energy: Technology Pathways
- ★ Forging the Climate Consensus: Expanding Production From America's Domestic Energy Resources
- ★ Forging the Climate Consensus: Maintaining U.S. International Competitiveness



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- ★ Meeting the Challenge: When Time Runs Out
- ★ Fragility and Extremism in Yemen



National Security Preparedness Group

- ★ Assessing the Terrorist Threat
- ★ Cyber ShockWave: Simulation Report and Findings



National Transportation Policy Project

- ★ How Fair is Road Pricing? Evaluation Equity in Transportation Pricing and Finance
- ★ Transitioning to a Performance-Based Federal Surface Transportation Policy
- ★ New Starts: Lessons Learned for Discretionary Federal Transportation Funding Programs





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The Bipartisan Policy Center (BPC) is supported by a diverse mix of foundations, corporations, and individuals who are committed to our mission of driving principled solutions through rigorous analysis, reasoned negotiations and respectful dialogue.

In 2010, BPC strengthened its relationships with existing donors and attracted new backers to both sustain the ongoing work of the organization and help build the necessary infrastructure to increase our footprint in emerging policy debates.

The Leaders' Council, BPC's connection to the private sector, continued to grow last year, adding nine new members. The Leaders' Council works directly with the BPC's founding members, senior fellows, and policy experts. Members lend their expertise and strategic guidance to help BPC and its projects consistently deliver bipartisan solutions in all of our policy areas.

BPC thanks its foundation supporters, Leaders' Council members, and corporate and individual contributors for their generous support.

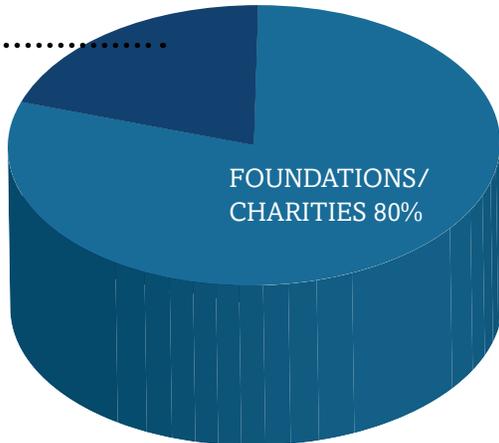


The Bipartisan Policy Center works hard to create a neutral setting where thoughtful people can disassemble complex national problems, debate the choices for action, and explore the common ground of solutions. The result may not always be immediate action, but the contribution is to show that solutions are possible, that they do exist, and that we do better if we approach them in a bipartisanship spirit.

— *Former Secretary of Housing and Urban Development Henry Cisneros*

Financials

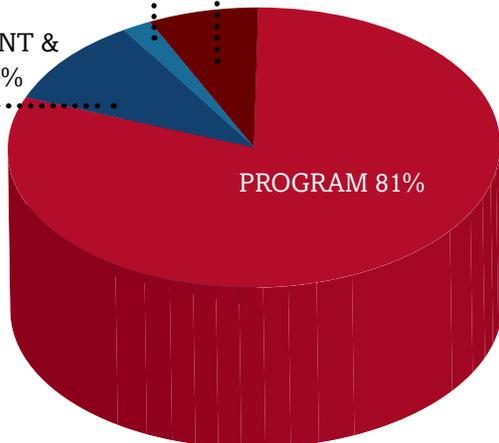
CORPORATIONS/
INDIVIDUALS/
OTHER 20%



FISCAL YEAR 2010 REVENUE

FOUNDATIONS /CHARITIES	\$17,495,000
CORPORATIONS/INDIVIDUALS/OTHER . . .	\$4,304,000
TOTAL	\$21,799,000

COMMUNICATIONS 2%
DEVELOPMENT 7%
MANAGEMENT &
GENERAL 10%



FISCAL YEAR 2010 EXPENSES

PROGRAM	\$15,278,000
MANAGEMENT & GENERAL	\$1,910,000
COMMUNICATIONS.....	\$405,500
DEVELOPMENT	\$1,302,000
TOTAL	\$18,895,500

The BPC thanks its foundation supporters, Leaders' Council members and individual and corporate contributors for their generous support.

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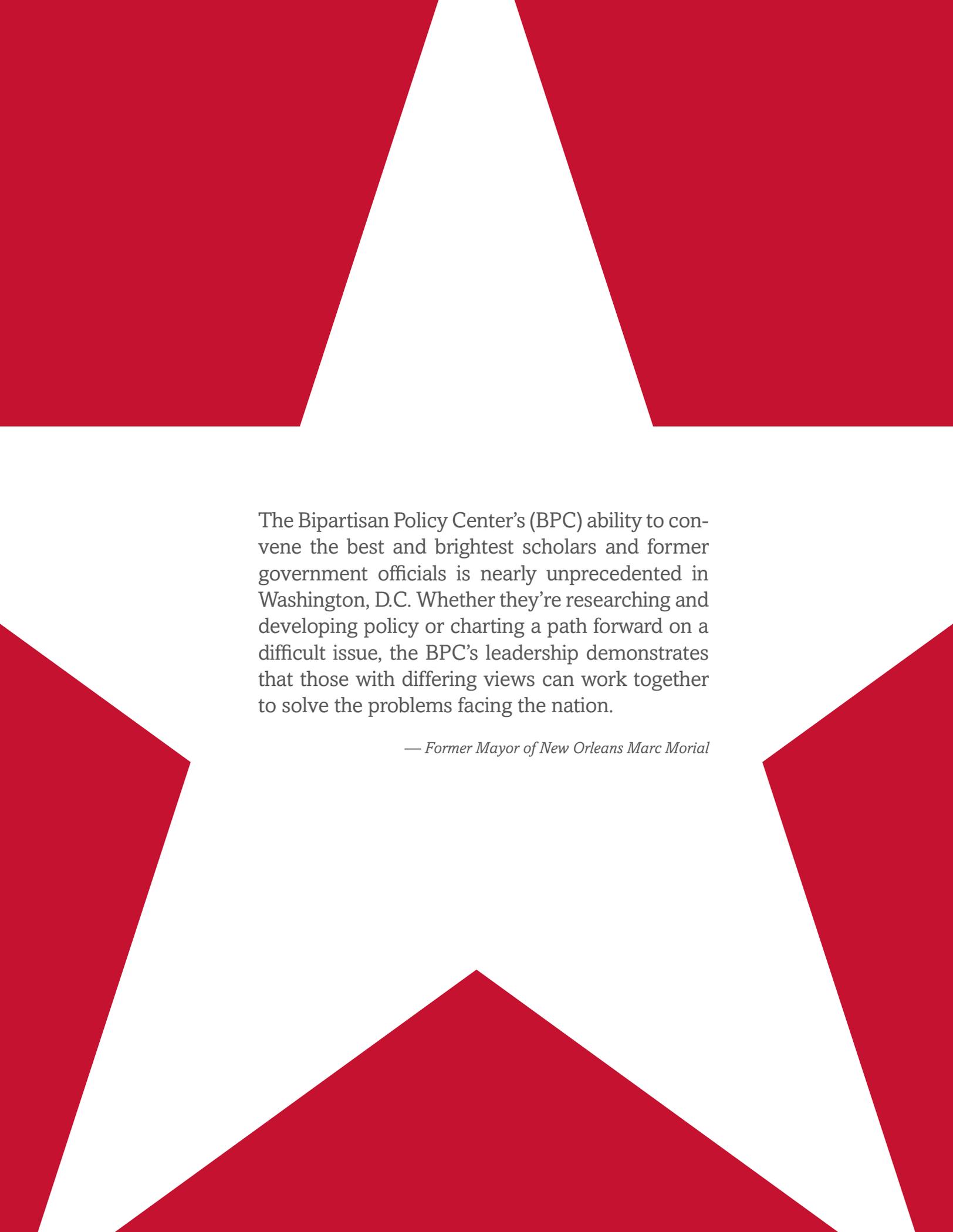
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The Bipartisan Policy Center's (BPC) ability to convene the best and brightest scholars and former government officials is nearly unprecedented in Washington, D.C. Whether they're researching and developing policy or charting a path forward on a difficult issue, the BPC's leadership demonstrates that those with differing views can work together to solve the problems facing the nation.

— *Former Mayor of New Orleans Marc Morial*



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