



GIST/GCYF/GIH Communications Collaborative 2013 EITC Rapid Response Fund Grant Report Summary

In early 2013, The Communications Collaborative awarded EITC Rapid Response Funds to the following seven organizations to improve their communication efforts in advocating for their respective states' EITC programs:

- The Colorado Fiscal Institute
- Kansas Center for Economic Growth, Kansas Action for Children
- Michigan League for Public Policy
- The North Carolina Justice Center, Budget and Tax Center
- Oregon Center for Public Policy (OCCCP)
- Voices for Utah Children
- Public Assets Institute (in Vermont)

As part of their grants, organizations were asked to report on the successes and challenges they faced in their messaging to stop cuts or to advocate increases in the size of their states' EITC programs.

What worked?

Giving EITC Recipients a Voice. All of the grantees focused some aspect of their messaging on characterizing EITC recipients, highlighting who actually receives the EITC and how individuals use their tax returns. In particular, most organizations focused on the EITC as a credit for working families and as a program that promotes and rewards work. Other grantees also focused on popular subset populations, like the military and children. As part of its partnership with small business owner, the Oregon Center for Public Policy (OCCPP) also highlighted the stories of business owners who had utilized the EITC at some point in their lives, helping to highlight how the EITC helps individuals escape poverty.

Grantees used multiple media platforms – from blogs to video to postcards to legislators – to tell the stories of EITC recipients. By focusing on working families, organizations were able combat some of the misperceptions that state legislators and the public have about EITC recipients.

Fostering Partnerships. A couple grantees strategically sought partnerships with faith leaders, by hosting seminars to educate them about the EITC and to help make the moral case for the credit. Organizations had mixed results in the effectiveness of these efforts. The North Carolina Justice Center's Budget and Tax Center trained nearly 15 faith leaders in how to talk about the

EITC and to help foster connections with other faith-based organizations and divinity schools across the state. This work helped inform the messaging of the state's Moral Mondays movement, which ran throughout the state's legislative session this past summer in protest of many of the legislature's harsh cuts to social programs, like the EITC.

The OCPP also looked to partner with the faith community, but found that some faith leaders did not want to get involved because they viewed the issue as too political or they felt did not know enough about the EITC to advocate for it. Others also seemed too overwhelmed with their current duties of running a church to take on more responsibilities. The OCPP concluded that it needs to conduct greater outreach to the faith community about the benefits of the EITC to its congregants.

In addition to partnering with the faith community, OCPP also sought a partnership with the small business community to demonstrate business owner's support of the credit. Through video interviews with business owners, the OCPP was able to create advertisements explaining how EITC dollars circulate in local economies and support local businesses.

Data driven debates. Several of the organizations highlighted the importance of using hard data and research in advocating for their states' EITC programs. The Colorado Fiscal Institute noted the value, in particular, of having organizations connected with the State Fiscal Analysis Initiative (SFAI). Having readily available economic and tax analyses allowed grantees to focus on "selling" the EITC as a sound investment and good tax policy.

Painting the true cost of EITC cuts. Most organizations found it effective to focus on the magnitude of state cuts and the number of families statewide who would be impacted, typically juxtaposing these cuts against other cuts the state made to help wealthier populations. A couple organizations turned this information into eye-catching infographics that they posted on Facebook or Twitter or shared with traditional media outlets to publish with editorials. For example, the Budget and Tax Center developed an infographic to portray how the North Carolina legislature's decision to eliminate the state's EITC would affect more than 900,000 families, compared to the state's decision to eliminate the state's estate tax, which the center estimated benefited only 23 wealthy residents.

Localizing the debate. At the same time, a couple grantees also focused on localizing the data and information for counties or legislative districts to depict how all parts of their states benefit from the EITC. Both the Budget and Tax Center and Kansas Action for Children found this type of messaging was particularly effective in attracting local media coverage. Localized information can also be very powerful for local partners to target their legislators.

Coverage by the traditional media and new media. Most of the grantees reached out early in the process to editorial boards from their state's main media outlets. These relationships often led to key opinion pieces in support of expanded state EITC programs and helped develop a story pipeline to keep the EITC in the news. A couple organizations also ran strategic radio ads targeted at the state government and timed with legislative decisions.

Some grantees turned to social media platforms, like Twitter and Facebook, to promote their messages. A couple organizations also provided coalition members with templates, like sample tweets, so that partners could utilize their own social networks.

Changing the debate. In a couple states, legislators were looking to cut state EITC budgets in order to raise funds for other social programs. For example, the Kansas state legislator looked to cut the state’s EITC program by half to help fund a program to provide property tax relief for senior citizens. Instead of arguing that one group may be more deserving than another, Kansas Action for Children refocused the debate and argued for additional funding for both programs. For Vermont, where the governor proposed to cut the EITC to fund an expanded child care subsidy program, the Public Assets Institute looked to change the debate from one of austerity and fiscal frugality to one that focused on making smart investments in individuals.

Key Challenges

Grantees also noted some challenges in their marketing.

Opposition: Organized and Value-based. The North Carolina Justice Center noted the challenges faced from lobbyist groups that had large budgets to oppose the EITC. While OCPP did not face any organized opposition to the expansion of the EITC, it felt that opposition was created from lawmakers’ own ideology or values of the EITC as a “hand-out program,” not one for low-income working families.

Countering Fraud Claims. A couple grantees expressed challenges in addressing accusations of fraud through their messaging. The North Carolina Justice Center noted its marketing to counter fraud claims was not particularly effective. The OCPP had a couple legislator raise fraud as an issue and expect it may be a common theme moving forward.

Getting Too Far in the Weeds. A couple grantees found it challenging and ineffective to address complicated facets of the EITC, such as refundability, in their messaging.

Too Little Time. A couple organizations noted challenges in the timing of the grant, especially when compared to the duration of their states’ legislative sessions. For example, Utah’s general session, which begins in January, is only 45 days long. Voices for Utah Children responded that as a result it felt it did not have enough time to build a solid case for its state’s EITC.

The current status of EITC in grantees’ states and looking forward

- **Colorado:** The state passed a bill creating a permanent state EITC (equal to 10 percent of the federal credit) and refundable state child tax credit. Both are triggered when the state’s revenues meet a certain threshold. As a result, the Colorado Fiscal Institute will continue monitoring state revenue collections and oppose bills that could reduce revenue and delay triggering the state’s EITC.

- **Kansas:** The state failed in passing a bill that would have cut funding for the state's EITC program by half. However, with declining state revenue and rising property taxes, Kansas Action for Children is concerned that state legislators may attempt to reduce the EITC again in the near future to make up for lost revenue or shift savings to property tax relief programs.
- **Michigan:** Bills have been introduced to help restore the state's EITC program from 6 percent of the federal credit back to 20 percent, but as of early September none of these pieces of legislation have been successful. The EITC has become a bargaining chip for the state's governor who is seeking new revenue for road funding and needs Democratic support. The EITC is also expected to come up in the 2014 gubernatorial election in opposition of the state's incumbent governor, who is viewed by some as raising taxes on the working poor while cutting taxes to corporations. The Michigan League for Public Policy continues to monitor the issue.
- **North Carolina:** The North Carolina General Assembly failed to extend EITC legislation and the state's EITC will expire at the end of this calendar year. The Budget and Tax Center and its partners are concerned that low-income taxpayers may be confused going into tax season about whether they can apply for the state EITC for 2013 and if the federal EITC is still available. The Budget and Tax Center will push for a state EITC during the next legislative session.
- **Oregon:** The Oregon legislature passed a bill to renew the state EITC for another six years. The Oregon Center for Public Policy will continue to push to increase the size of the credit during the next legislative sessions.
- **Utah:** Utah's House passed a bill to create a state EITC (set at 5 percent of the federal EITC). However, the state's Senate failed to pass a bill before the end of the session. The bill's sponsor plans has committed to reintroducing the bill during the 2014 General Session. Voices for Utah Children will continue its efforts to create a conversation around EITC as a policy that supports low-income workers and economic development in the state.
- **Vermont:** The governor of Vermont revoked his proposal to cut EITC funding to raise funds to expand the state's child care subsidy program. While the Public Assets Institute does not think the EITC will be on the table for several years, it anticipates there may be proposals to cut funding to other poverty reduction programs.