

# A 2016 Guide to Effective EITC Advocacy

Over the last few years, advocates have had to fight hard to protect and expand current state Earned Income Tax Credits (EITCs) or to create new ones. To assist advocates leading state EITC campaigns, the Hatcher Group, which manages Tax Credits for Working Families, compiles a set of case studies of recent tax credit battles every several years.

In the wake of the Great Recession, states faced increased demands on their resources after revenues fell dramatically, meaning that tax credits were often the target of cuts. Our case studies from 2011 to 2013 highlighted some states that were able to protect their EITCs under these circumstances, but many state-level credits were reduced or slashed. Then, in 2014, states began to recover and increased bipartisan support for the EITC at the national level helped states expand or create credits.

In 2015, states that had long been pushing for expansions or the creation of EITCs found success. In Rhode Island, one year after the legislature reduced the credit but made it fully refundable, advocates were finally able to secure an increase. In California, advocates had pushed for years to create a state credit and thus when the state finally had money in the budget, it was enacted. In New Jersey, after the state's EITC was reduced and several attempts to restore it were vetoed over a five-year period, advocates won not only restoration but expansion of the credit. And in Maine, nearly a decade of work to make the state's EITC refundable was finally realized.

This resource guide highlights the lessons learned from these three case studies as well as those conducted in earlier years. The elements featured here are only examples; advocates should read the full case studies to learn how each campaign was fully implemented.

These case studies identify a number of elements that contribute to success. Some of these are common to many advocacy efforts on a wide range of topics. Others are more specific to tax credits.

Elements common to many advocacy campaigns include:

- **A well-thought-out strategy** developed at the beginning of the campaign is critical, with *clearly identified advocacy targets* selected because they are the ones who will make the decision. Advocates noted that the people who talked the most were not necessarily the most important ones; focus on the real decision-makers.
- **A clear set of messages used by all coalition partners.** Identifying a small group of decision-makers in the coalition to draft messaging documents and talking points can help to align messaging and make sure every partner is on the same page in terms of dialogue. In order to hone messages over the course of the campaign, it also is important to *monitor messages* to see if they're working or if necessary, need refinement.
- **Effective timing.** Following the 2014 reduction of the credit, advocates in Rhode Island knew that legislators had the EITC on their minds and saw the opportunity to do more. Since the lawmakers were already educated, advocates knew they could take advantage of the moment and expand the EITC.

- **Persistence is a must.** In California, advocates worked for more than a decade to create an EITC. And in New Jersey, partners pushed for five years to restore cuts made to the credit. Some EITC campaigns require the case to be made year in and year out so that when policy windows open, those pushing for change are poised to “jump through.”

Elements unique to tax credits for working families’ campaigns include:

- *Education of policy makers about tax credits, year after year.* Working family tax credits are not widely known or understood.
- *Messages that emphasize:*
  - o *the credit’s connection to work: you must be working to collect the EITC and research has shown the credit encourages work and boosts labor force participation,*
  - o *the role of the EITC in keeping people out of poverty,*
  - o *the effectiveness of the credits in promoting outcomes that also are priorities for other components of the state budget, such as child health, education and long-term adult success,*
  - o *the role of the EITC in keeping the tax system fair,*
  - o *the EITC and minimum wage are complementary policy tools and work best when strengthened together,*
  - o *and a reduction in tax credits is a tax increase on working families.*

In every state, a critical message was that people who receive the credit work and pay other taxes, as was the related message that people who work full-time should be able to afford basic needs and support their families. Other successful messaging helped convey the point that a small investment in tax credits makes a big difference for working families. Messages about using the EITC to offset regressive aspects of a tax code also often proved successful. However, messages that resonate in one state might not always work in another, which is why it’s important to monitor reactions to messages and refine them if needed.

- *The use of data to quantify how many people will benefit (or be harmed) by the decision.* Most successful campaigns used federal IRS and Census data, as well as Institute for Taxation and Economic Policy (ITEP) analysis, to show legislators how many constituents in their districts would benefit (or be harmed) by their decisions.
- *The stories of people who claim the credits.* Advocates shared these stories in many ways: in person through testimony, meetings and legislator visits to VITA sites, or through videos, blogs and other materials. Veterans, military leaders and business people were particularly persuasive speakers on the value of the credit.
- *Identification of alternative funding sources that can be used to pay for the EITC or support other initiatives without tapping the EITC.*
- *Focus primarily on legislators and other insiders, not the general public.* Most of the campaigns were primarily “insider” campaigns.
- *National partners.* Advocates in all four states worked closely with national partners including ITEP, The Center on Budget and Policy Priorities and The Hatcher Group.

## Conclusion

Despite differences over the years, successful state campaigns included these important elements, many of which remain critical today:

- Building consensus among advocacy groups.
- Recruiting legislative champions.
- Developing a compelling data-driven, localized case.
- Building bipartisan alliances.
- Emphasizing the local impact of the EITC.
- Developing effective media and messaging strategies.
- Being flexible and willing to compromise when necessary.
- Identifying sources of funding for state EITCs.
- Using expert resources.
- Publicizing successes.

These case studies and those from earlier years make it clear that coalitions succeed when they employ thoughtful strategies that are carefully implemented. We hope that each story will offer advocates in other states a wealth of guidance in implementing their own EITC campaigns.

**Tax Credits for Working Families** is a strategic communications campaign working to promote the Earned Income Tax Credit, Child Tax Credit and other tax credits at the state and federal level. We offer communications support to advocates and policymakers working to enact new tax credits or improve existing ones. Our website ([www.taxcreditsforworkingfamilies.org](http://www.taxcreditsforworkingfamilies.org)) provides information, resources and tools to help community-based organizations and elected officials raise awareness about these important tax credits and help working families get ahead.

Tax Credits for Working Families is a non-partisan initiative led by The Hatcher Group, a national public affairs and communications firm that connects nonprofit organizations to policymakers and the media. For more information, contact Lauren Pescatore at (301) 656-0348 or [lpescatore@thehatchergroup.com](mailto:lpescatore@thehatchergroup.com).