Targeting and Timing
Lessons from Maryland’s Campaign to Expand Its State-Level EITC

This case study is part of a series examining the strategies and messages used by advocates to create, expand or protect state Earned Income Tax Credits.

Background

By the third year of a campaign to expand Maryland’s Earned Income Tax Credit (EITC), the timing was finally right. In 2018, Maryland passed an age expansion of its state EITC, making single filers younger than 25 eligible for the credit.

The campaign began in 2015. It initially had three objectives: to increase the value of the credit to 100 percent of the federal credit for single filers; to increase the phaseout of the income threshold to about $23,000; and to allow younger workers who are single filers to access the credit.

In its first attempt, in early 2016, legislation passed the House and went to the Senate but died in the final hours of the legislative session. The EITC expansion had been lumped into a tax package that included tax cuts for the highest earners, and the coalition championing the EITC expansion felt it could no longer support the legislation. With a lack of agreement, the entire tax package unraveled.

The following year, the campaign received widespread support but faced an unfavorable budget situation. The state had a deficit, and Governor Larry Hogan (R) made it clear that he would not accept additional spending. Advocates, hoping to avoid another defeat, stopped pushing.

The 2018 legislative session was different. Maryland expected to get a windfall of about $500 million as a result of federal tax reform. It was an election year, and one of the legislation’s key sponsors was running for governor and would be eager for a victory. The other sponsor was retiring.
after a long career and with a strong reputation. Advocates made tough choices, prioritizing the age expansion and deciding to drop the income and percentage expansions. They swiftly capitalized on the influx of revenue, arguing to legislators that improving the EITC was an appropriate use of the money. The bill passed in April 2018.

CAMPAIGN STRUCTURE AND STRATEGY

The expansion was won by a coalition of advocates who worked year-round to target the Maryland General Assembly. They used personal stories and specific data, and they had the help of the “right” legislative sponsors campaigning on the inside.

The CASH Campaign of Maryland and Maryland Center on Economic Policy (MDCEP) led a coalition of groups who attended lobbying meetings, provided testimony and elevated the topic. Organizations in the coalition mobilized their networks to expand the campaign’s reach and provide more targeted messaging. For example, after one legislator cast an unexpected “no” vote on the floor, the coalition asked a partner from the legislator’s district to call her to ask why she voted against expanding the EITC. In the hectic closing days of the legislative session, coalition members concentrated on targeting the final few legislators needed for victory.

Many of the coalition members were also members of the Maryland Alliance for the Poor (MAP). MDCEP and The CASH Campaign of Maryland got MAP on board with EITC expansion, and MAP talked about the campaign at all of their meetings. MAP met weekly during the legislative session and monthly during the interim, decreasing the need for in-person EITC coalition meetings. The coalition supplemented these meetings with email updates and occasional calls.

To spread awareness and engage support for the legislation, the coalition was active on social media, sharing graphics with quick EITC facts and using paid Facebook ads. They coordinated op-eds, including a piece from U.S. Representative Elijah Cummings (D-MD). Earned media came from events like a press conference that was streamed on Facebook Live. The coalition asked supporters to sign up for action alerts, send pre-written emails to their legislators and sign a letter of support (via SurveyMonkey) that the coalition presented during testimonies.

While spreading awareness and building support was one objective, this was not a grassroots campaign. Advocates focused on targeting legislators – particularly those in the Senate Budget & Taxation Committee and the House Ways & Means Committee – and influencers who could reinforce their messages with those legislators.

Legislative sponsors were an essential part of their advocacy team. Sen. Richard Madaleno (D) regularly worked on anti-poverty legislation, and as vice chair of the Senate Budget & Taxation Committee, he was in a position to influence other policymakers. Rep. Sheila Hixson (D) had been advocating for the EITC in Maryland’s House of Delegates for decades.

SAMPLE EITC SUPPORTERS

Advocates for Children and Youth
AFSCME Maryland
Baltimore Jewish Council
The CASH Campaign of Maryland
Catholic Charities
Center for Urban Families
Community Development Network
Homeless Persons Representation Project
Job Opportunities Task Force
Maryland Catholic Conference
Maryland Center on Economic Policy
Maryland Consumer Rights Coalition
Maryland Family Network
Maryland Hunger Solutions
Maryland Nonprofits
Progressive Maryland
Women’s Law Center Maryland
(she stepped down as chair of the Ways & Means Committee at the beginning of the 2017 legislative session). Both understood the importance of the legislation and advocated for it with their colleagues.

The CASH Campaign of Maryland, which organized the coalition's legislative strategy, recognized the importance of starting early on legislative advocacy – in fact, they met with legislators year-round even though the sessions lasted only a few months. During the first two years of the campaign, they hired an outside lobbyist to help build relationships and get the attention of senior legislators.

The most effective strategy they found, though, was showing legislators how an expansion would impact constituents through relevant data and personal stories. MDCEP modeled what the expansion would look like in terms of dollars and individuals impacted in every one of the state's legislative districts. When meeting with a legislator, advocates could tell them how many people in their district would be impacted by expansion and how much money it would bring back to the district.

Gathering testimonials was also year-round work. Every year, one or two people came to the Capitol to testify. The coalition found it to be impactful to have one person who already benefited from the EITC and another who could benefit if the EITC were expanded. Finding these individuals was challenging. The CASH Campaign of Maryland reached out to people who came to their free tax clinics and worked with their tax partners across the state to do the same. Sometimes members of the coalition resorted to telling their own stories during testimony.

Advocates kept the presentations condensed – not even “tax nerds” want a two-hour hearing on tax policy, they reasoned. They created a panel of usually five or six people who brought different perspectives. The coalition would present legislators with a “very thick” written testimony packet. The CASH Campaign of Maryland organized these in advance, helping to coordinate and write testimony on behalf of other organizations.

In the end, the change to the state's budget made all the difference for the campaign – but only because advocates knew how best to capitalize on it. In December 2017, Congress passed a federal tax reform bill that created an anticipated surplus in Maryland’s budget. The coalition worked hard to frame the EITC expansion as an appropriate response to this windfall. They put together a memo outlining how the federal bill would affect Maryland, with suggestions (including an EITC expansion) for how Maryland should use the extra money. The coalition also issued a press release featuring statements from their cosponsors saying that the EITC should be part of the state’s response. They started talking to legislators early.

Advocates listened to what legislators were willing to spend, and it matched the cost estimate for the age expansion (though this was later found to be inaccurate). They prioritized the age expansion, and it worked – Maryland eliminated the minimum age requirement for its state-level EITC.
KEY MESSAGES USED

- **The EITC is effective, but it leaves people behind.** The campaign particularly emphasized that low-income workers not raising children are the only group essentially **taxed further into poverty** because they do not qualify for the EITC.

- **The age limit is arbitrary.** A 20- or 24-year-old worker could be in the same financial situation as an older worker eligible for the EITC. It was powerful to have people who were younger than 25 testify about what the credit would mean for them.

- **Keep it simple.** Just as important as the message itself is how it is presented. Advocates worked to avoid jargon and wonky language, even for legislators. They also found the messaging that worked – for example, they disliked the term “childless workers” and instead used **phrasing** like “workers not raising children” or “young people without children.”

LOOKING AHEAD

While the age expansion was an exciting win, it was only one piece of a three-part proposal.

One hurdle to the full expansion of the EITC was a mistaken cost estimate of the legislation. During the summer of 2017, the coalition requested modeling from the Maryland Department of Legislative Services of the estimated cost of each of the three parts. The age expansion alone, the modeling estimated, would cost $25 million. When the coalition asked for verification from the Center on Budget and Policy Priorities and the Institute on Taxation and Economic Policy, they learned that in fact the age expansion should only cost about $5 million.

But it was too late. The bill had gone to the Senate with the $25 million estimate, and the Senate was willing to spend $25 million – so the coalition decided to drop the two other expansions and focus on the age expansion. By the time the legislation reached the House, they had the accurate cost estimates, but delegates were unwilling to add more to the legislation.

Advocates were disappointed, but they plan on trying to increase the value of the credit and raise the income threshold in the future. The age expansion, they said, is a good start.

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**TCWF** is a non-partisan initiative led by The Hatcher Group, a communications and public affairs firm dedicated to inspiring social change for good. For more information, contact Lauren Pescatore at (301) 656-0348 or lpescatore@thehatchergroup.com.