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About the Network

The EITC Funders Network brings together funders interested in the Earned Income Tax Credit, free- and low-cost tax preparation, and asset building. The Network seeks to increase awareness of EITC-related projects, foster collaboration, share information about the current status of EITC-related work, and help shape the future of the field.

The EITC Funders Network is generously supported by...

The Annie E. Casey Foundation

The W.K. Kellogg Foundation

Bank of America

A Note from the Coordinator

Dear EITC Funders Network Members,

What can the EITC Funders Network do for me?

While I am not sure this is a question that has been keeping you up at night (at least I hope not!), I do wonder if you are getting the most out of your connection to the EITC Funders Network?

As you may know, the EITC Funders Network offers several opportunities and services to Network members. We:

- **Make Connections** — perhaps our most important function is to develop connections between funder partners. We are keeping track of developments in the field, listening to your questions and concerns, and trying to make connections between you and issues, you and the field, and you and other Network members. It is this connective activity which makes the EITC Funders Network robust.
- **Disseminate Information** — a key function of our work is to disseminate information that will be helpful in your work. We do this through our quarterly eNewsletter, webinars, and in-person meetings. We place a priority on helping you keep on top of EITC-related developments in policy, research, and programs.
- **Answer Questions** — staff of the EITC Funders Network are on call to help answer your questions. We've received questions via email, phone, text message and Skype! We've fielded questions on best ways to expand or shrink a portfolio, latest developments in EITC programming, and on policies and programs in other state or cities. And, we've helped to inform and bring up to speed new program officers.

There is a whole lot the EITC Funders Network can do for you. Never hesitate to ask!

Sincerely,

Ami Nagle
Coordinator
EITC Funders Network

Upcoming Webinars for Funders and the Field

Mark your calendar for two upcoming EITC Funders Network webinars!

March 13, 12:30 pm ET EITC State Policy Update and Enabling Rapid Response in the States

Speakers:

- Erica Williams and Nick Johnson, **Center on Budget and Policy Priorities**
- Debbie Stein and Amy Green, **The Hatcher Group**
- Gilda Jacobs, **Michigan League for Human Services**
- Remy Trupin, **Washington State Budget and Policy Center**

Register by clicking [here](http://tinyurl.com/l8x92plb) or typing <http://tinyurl.com/l8x92plb> into your browser.

April 24, 12:30 pm ET The Story Behind the Demise of RALs: Good News for EITC Families but Challenges Remain

Stay tuned for more learning opportunities to be scheduled later this year.

EITC Funder Spotlight



Dr. Sherry Magill

President

Jessie Ball duPont Fund

Why does the Jessie Ball duPont Fund support EITC-related work and why do you find this to be a persuasive strategy?

In 2005, the Fund began to seriously consider how to attack poverty in communities where we have a large grantmaking presence. We identified five communities in Delaware, Virginia and Florida and brought interdisciplinary teams of 8-10 leaders from each community together with some poverty experts to think about what we might do together. We actively went into the foundation field in search of people who knew the work, put them together with each community team, and told the community teams that we wanted to fund initiatives but they had to decide what programming should look like. We built a conference to bring the teams together and share knowledge, during which each team had a chance to identify appropriate strategies and best practices suited for their location. One important result of the conference was the Delaware team's mention of an EITC campaign already underway, and the Jacksonville team decided to take that approach and run with it.

EITC is the best poverty fighting tool. It rewards and encourages work, and embedded in its design are values that Americans think are important. We funded strategies for communities to develop campaigns to help eligible people actually participate in the EITC, and, as a result, EITC became a foundational piece of our work to help communities help poor working people build their financial assets.

The Fund is influenced by Michael Sherraden's work on asset building and our own experiential evidence. EITC puts money in working Americans' pockets but it only makes a lasting difference if those workers can develop long-term assets, which requires funders to support a variety of asset-building strategies.

Also, we find EITC funding to be a persuasive strategy because it is kind of a no-brainer. We don't have to create the capital. It is a federal tax program, and why wouldn't we want to help people take advantage of it?

What kind of EITC-related work does the Jessie Ball duPont Fund support? What are some of the different strategies you use?

At about the same time as the knowledge sharing conference, we had been involved with a loose-knit coalition of organizations interested in EITC work here in Jacksonville that had not been formalized. Those coalition meetings coupled with findings shared at the conference resulted in a partnership with United Way of Northeast Florida. United Way had the capacity to drive a great campaign, and this work aligns with what they did anyway as they moved toward supporting community solutions to address tough challenges rather than simply supporting organizations. It was a no-brainer for them too. We created the RealSense Prosperity Campaign and United Way drove it forward. After that heavy lifting, we now serve as a funder and cheerleader for United Way's RealSense campaign. They are a very smart bunch in terms of knowing how to develop a campaign, brand and market it, and bind people to it. People might not know EITC but they know RealSense.

There were three essential things we learned about EITC from other people in the field.

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EITC in the News

- **Illinois Gov. Pat Quinn signed legislation into law that doubles the state's EITC** and increases the personal exemption by \$50. 935,000 families benefited from the IL EITC in 2010.
- **The Kansas House Tax Committee has advanced a tax plan that further weakens the state EITC.** The plan would reduce the state EITC by 50% and make all refundable tax programs (including EITC) nonrefundable.
- **An Oklahoma House panel approved a bill that would phase out the state personal income tax and eliminate four tax credits, including the state EITC.** This bill threatens the livelihoods of over 307,000 EITC filers.
- The Kentucky General Assembly will consider **Rep. Jim Wayne's proposed tax reform legislation, which introduces a state-level EITC** that would lower taxes for over 360,000 families.

GIST/GCYF Communications Collaborative Deploys EITC Rapid Response Fund

The Grantmakers Income Security Taskforce (GIST) and Grantmakers for Children, Youth, and Families (GCYF) Communications Collaborative, in partnership with the Center on Budget and Policy Priorities and the Hatcher Group, has made four grants from its EITC Rapid Response Fund. This pilot initiative is a new funding mechanism created for states and regions in need of accelerated support for targeted EITC communications. The EITC Rapid Response Fund provided almost \$70,000 in funding to the following organizations:

- **Oklahoma Policy Institute (OK Policy)** will bolster its communications efforts directed at countering proposed legislation that would eliminate the state EITC and other low-income tax credits, resulting in tax increases for the bottom 60% of Oklahoman earners.
Strategy: Produce an online video series, conduct a state-wide poll, develop a campaign website, and create fact sheets for legislators and their constituents.
<http://okpolicy.org/>
- **Kansas Action for Children** will work to keep more than 4,000 Kansas children above the poverty line by responding to a tax reform plan that threatens to drastically reduce the state EITC.
Strategy: Meet with newspaper editorial boards across the state, convene and engage stakeholders, and develop printed advocacy publications. <http://www.kac.org/>
- **The Michigan League for Human Services** will launch a collaborative social media and public relations campaign to restore a portion of the state EITC eliminated in 2011 in favor of business tax cuts.
Strategy: Produce and distribute fact sheets, hold a press conference with accompanying press release, publish op-eds in key district newspapers, facilitate communication to lawmakers from EITC recipients, and launch social media initiatives. <http://www.milhs.org/>
- **The Washington State Budget and Policy Center (Budget and Policy Center)** will deploy funds to mobilize lobbying efforts in support of the Working Families Tax Rebate (WFTR), which builds on the federal EITC.
Strategy: Support the Statewide Poverty Action Network's ability to educate policy makers about WFTR and enhance its own messaging via publications and a new online video. <http://budgetandpolicy.org/>

New Report on Strategies for Linking EITC to other Supports

The EITC Funders Network recently published *Linking EITC to Other Supports for Low-Income Families*, a report that includes findings from its three-part series on linking EITC to public benefits and financial services. Linking the EITC to these supports could meaningfully bolster participants' financial stability. Access the report at <http://eitcfunders.org/library.html>.

Sherry Magill, continued from page 2)

For EITC support to work, funders must include it as one piece of a multi-faceted poverty alleviation approach, have effective communication strategies, and secure excellent leadership to drive the campaign.

How have your EITC-related grants evolved over time?

In Jacksonville, we moved from strategy development to underwriting the administrative piece. The work has become less time consuming for us because we're back to simply writing the check. Our staff actively participated in the idea stage – we were not afraid to seek out a partner, study, learn from others – but our partners don't need us in quite the same way anymore. We pay very close attention to the results of the campaign and work directly with United Way and RealSense administrators when they need our input, but they have been very smart about creating a community coalition that has a lot of partners. There is now a wonderful mix of activities, not just pre-tax sites. There is also financial education and support to get people banked. As technology has improved, strategies have become more sophisticated in the way participants are advised and coached.

We also funded the United Way in Delaware to expand their EITC offerings. One thing Jacksonville learned from Delaware is the value of paid tax preparers in addition to volunteers. You actually get a large impact for a relatively small stipend. So Jacksonville's program went to a deeper level after they started using paid preparers.

Where do you see your EITC work headed in the future? Do you anticipate changes or do you feel that you are content with the way it's working now?

I am never completely comfortable. Even though we've grown the program, as long as wages are not keeping pace with the cost of living in the US and people qualify for EITC, I want to make sure we have a robust system that reaches them. It is not okay with me if people don't know about it. I can look at the data and tell you this campaign has done a great job but RealSense will tell you we have not reached everyone who qualifies.

We will also need to work for state and local policies that focus on low-income families. We will need to be a good partner to the Florida Prosperity Partnership, a state-wide collaboration that works for policy improvements for struggling families.

Are there any EITC issues that you've been struggling with that you'd be interested to hear your colleagues in the field address?

Something I would love to learn from the EITC Funders Network is why local mayors and legislative bodies don't use some of their own dollars to invest in their local campaigns. EITC benefits the community, the local economy, banks, wage earners. There is no reason for city governments to not be major players in this. I think we need to spread the cost over a large number of funders. Shame on us if as a community if we do not take advantage of EITC.

Also, how do we have a public discourse that helps us discuss whether the American people are worth investing in? I want to change the conversation. Are the American people worthy of investment? If not, why aren't we? And if so, what does that investment look like?

Assets for Independence Resource Center Funding Opportunity

The Assets for Independence (AFI) Resource Center has announced that its 2012 grant application deadlines are March 26 and May 25. AFI grantees provide asset building and financial education opportunities for low-income individuals via Individual Development Account (IDA) programs. The grant program is open to nonprofit organizations, qualified state and local governments, community development credit unions, community development financial institutions, and other community-based organizations. For more information and to apply, visit the AFI Resource Center at

www.IDAresources.org/Apply.