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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 Network is generously funded by:

*The Annie E. Casey Foundation
The W.K. Kellogg Foundation
The C.S. Mott Foundation
The Piton Foundation
The Ford Foundation*

A Note From the Coordinator

Dear EITC Funders Network,

Tax season is over and we find out selves at the cusp of summer. This is the perfect time to reflect on the successes (and failures?) of this past EITC outreach campaign effort and free tax preparation season and wonder what we, as grantmakers, and the field could be doing better. Indeed, this is the best time to consider ways to change strategies in preparation for next year.

To help you do this, this summer and fall we plan to offer several learning opportunities, including:

- A webinar exploring the potential links between EITC and Affordable Car Act (ACA) enrollment strategies
- Our in-person meeting exploring topics including changes among America's poor families and strategies to increase sustainability of the free-tax preparation field
- Co-hosting a meeting to explore bundling public benefits, including EITC, to ease application burdens facing low-income families

And much more!

I am looking forward to an engaging few months to help you grow and deepen your work.

Sincerely,

Ami Nagle, Network Coordinator

Save the Date!

EITC Funders Network Meeting

September 11, 2013; 9am-1pm

New Orleans

[Register Here!](#)



Funder Q & A

Jack Kaplan,
 Director, Policy and Advocacy
 United Way of Metropolitan Chicago (UW-MC) &
 United Way of Illinois (UWI)

Why does the United Way of Metropolitan Chicago and United Way of Illinois support EITC-related work?

United Way's focus is on education, income and health, because these are the building blocks for self-sufficiency and quality of life. Our EITC work falls under the broader heading of income, which we think of as family-sustaining employment, asset development, and income supports, like the EITC, CTC, TANF, etc. We know there are challenges and obstacles to gaining employment that can support a family; the EITC and other income supports are critical because they provide a life raft, helping people get onto the path to economic stability. The EITC has been on United Way's federal policy agenda for years, but in the last five years we have addressed it at the state level as well.

What type of EITC-related work does UWMC and UWI support?

At United Way our call to action is "give, advocate, volunteer." The EITC is a perfect example of where we can leverage each of those important roles. So, we provide grants to organizations that run VITA sites and promote EITC outreach. We ask our corporate partners, particularly those in financial services, to volunteer at VITA sites, and we work on policy at a state and local level.

We've significantly stepped up our advocacy work as part of the shift we've made from general funding to a community impact model in education, income and health. Historically, United Way has not always been in the advocacy arena. Most people associate it with two hats, as a fundraiser and allocator of resources to social service organizations that meet community needs.

There has really been a pretty significant transformation in our business model and there has been increased emphasis on community impact and looking to move the needle on critical issues in our community. Now, as we make investments, we identify policy work that compliments, aligns, and increases the impact of those local dollars. UWMC and UWI certainly saw the value of getting involved in policy work but still were not in a position to directly fund advocacy campaigns, so they created my position. So while we continue to fund direct services, UWMC and UWI have made a financial investment in public policy and advocacy by creating this position.

In meetings with stakeholders, we develop a public policy agenda each year and I am empowered to take action and develop whatever tactics necessary to move those policies through. To do this work effectively, we rely on and work closely with lead advocacy organizations in our issue areas. They provide guidance and become part of a partnership coalition to support the advocacy efforts. The state EITC has been on our policy agenda for the past five years or so. A major thing that we were able to do here in Illinois was effectively double the state EITC from 5% of the federal credit in 2011 to 10% in 2013. This was a significant victory. The bill moved through the legislature very quickly and involved several tax changes. United Way made a point of immediately endorsing the provision that increased the EITC credit. United Way has a strong brand and public

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Recent research shows long-term benefits of EITC

In April, the Center on Budget and Policy Priorities (CBPP) issued a report, synthesizing and summarizing emerging EITC research. While long-hailed for its promotion of work, the EITC is helping families in other ways too. According to the report, children of EITC recipients do better in school, are more likely to attend college, and earn more as adults.

Citing the work of well-respected researchers and academics, CBPP's newest report emphasizes that while the EITC is a short-term safety net for most recipients, it directly impacts the work effort and earning of the subsequent generations.

In addition, the report contains state-by-state data on recipients, families lifted out of poverty, and households benefiting from the 2009 EITC and CTC improvements.

To read the full report, click [here](#).

Outreach & Tax Preparation

The Stats by State: Brookings Releases State-level data on the Characteristics of EITC-Eligible Tax Payers

Did you know that in Florida, 1.7 million children live in EITC-Eligible households? Or that in Chicago, 34% of EITC-Eligible tax-filers have some college or an Associates degree?

Each year, the Brookings Institute updates their EITC profiles for all states and the 100 largest Metro Areas, as part of their Earned Income Tax Credit Series. The series of reports and statistics document how the EITC supports low-income workers and their families and how proposed changes to the EITC may impact low-income taxpayers and their communities.

To get the facts about the EITC in your state or city, check out the Brookings Institute's EITC Profiles by clicking [here](#)!

Policy

Policy Matters Ohio advocates for State and Federal EITC by Putting Them on the Map

Policy Matters Ohio, a nonpartisan, nonprofit research institute released an interactive map of Ohio, showing the benefits by county of a state credit, paired with the federal EITC. According to David Rothstein, project director, "An EITC not only helps create a more fair tax structure, it provides a boost to local economies, as EITC dollars are often spent and saved locally. This multiplier effect creates local and state tax revenue based on goods and services that are sold."

The organization is using their interactive map, along with policy briefs to urge the state legislature to include a state EITC in the current budget proposal. Check out the map [here](#)!



EITC

Benefits Access

Streamlining Eligibility: It Works!



According to Food & Nutrition Service 2010 data, 40.7% of SNAP recipients are in working families. Building strong partnerships with state or county program administrators can help ensure that low-income working families get the wrap-around supports necessary to thrive.

In 2012, The Montgomery County Community Action Agency (MCCAA) in Maryland partnered with Maryland Hunger Solutions to simultaneously screen families for EITC and Food Supplement Program benefits at two VITA sites. Through this partnership, over 500 low-income households learned about the programs and 60% of those who completed the online application received FSP benefits.

Read more about linking EITC and public benefits access [here](#)!

Financial Empowerment

Eight Grantees Profiled for Innovative Projects to Build Financial Capability across the US

The Center for Financial Services Innovation announced their newest grantees for the Financial Capability Innovation Fund II. Organizations from San Francisco, Oakland, Boston, Chicago, Washington D.C., and New York City received a total of \$2.5 million for their initiatives focused on building financial capability through the integration of technology, social networks, and financial advice into products and services that encourage saving, build credit, and provide financial coaching.

The Neighborhood Trust Financial Partners in New York, for example, have developed a new program called PayGoal. They will partner with employers to help employees set and meet savings goals by directly allocating a portion of wages and reporting on progress.

Read about the other grantees [here](#)!

Funder Q & A *(Continued from page 2)*

following, with a significant number of channels of communication available to us.

For me, being able to use our brand and credibility for communications, messaging, and increasing awareness is a key part of our policy work. Public awareness and education are essential to our policy work which is intended to create more capacity and create more awareness, helping more people get connected to the benefit.

How do UWMC and UWI interact with United Way Worldwide on federal policy issues?

There is a group of people at our headquarters outside Washington, D.C., that are focused on federal issues. The federal EITC and other income supports, under the income focus-area, are top priorities for our federal team. They are involved with anything that would expand it, extend it, or make it permanent. It is important to have that national policy team working with and leveraging local United Ways. Every congressman has a home district. As part of my position, I have developed the relationships with my local legislators, so when a federal issue comes up, I am in a good position to use federal messaging to talk to my local legislator. For example, I recently received a call from our national policy team to remind our local congressman, Danny Davis, who is on the Ways and Means Committee, to continue to support the EITC as they review bills regarding the tax code. So we're working strategically at the national and at the local level. There are about 20 to 25 active, state-wide, United Way organizations that are doing similar policy and advocacy work. This network increases our level of influence and the impact we can have on issues impacting the people and agencies we serve.

What are some of the greatest challenges to working with EITC and policy advocacy?

The greatest challenge continues to be that there is still a significant part of the population that doesn't utilize the EITC. We are working with state and local government to try and raise consciousness and awareness around the EITC, but it continues to be a challenge to find ways to push that awareness level. We have also had a challenge delivering services in locations that are accessible to people in rural communities. Illinois has its major urban center in the northern part of the state but much of the rest is pretty rural.

We'll likely run into very similar issues with health care. Enacting legislation is one thing, and certainly not a small thing, but connecting people with the programs is the larger challenge. Which is why community funds like the United Way, who have the enterprise-wide view, the programmatic knowledge, and the funding, convening and advocacy strength, need to do our part across all sectors.

Getting the capacity to address that need is a real challenge and with government funding getting more and more constricted, that challenge continues to grow. We try to do our part in funding those programs but it requires a larger commitment from major funders in partnership with the government.



In case you missed it:

EITC and Asset Building: Developments in the national and state EITCs, new polling and messaging research, and implications for the free tax-preparation and asset-building field with Erica Williams, CBPP, & Benita Melton, Mott Foundation.

Watch the webinar [here!](#)

Upcoming Webinars!

June 25, 1:00pm — 2:00 pm ET

**EITC and Implementation of
the Affordable Care Act**

*Co-Sponsored with the
Grantmakers in Health*

Register Online [here!](#)