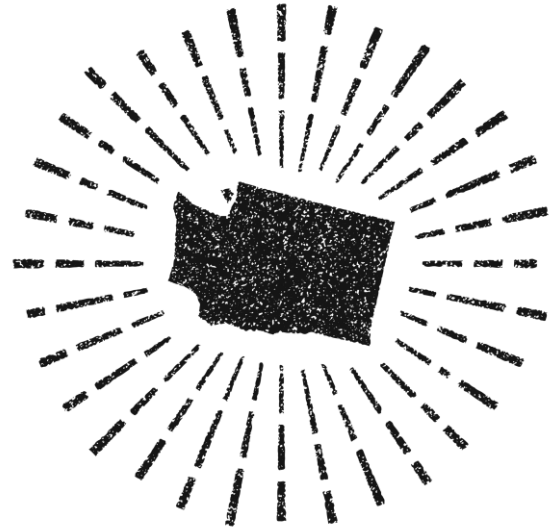


ROBERT WOOD JOHNSON FOUNDATION
SAFETY NET INITIATIVE

Washington State's Working Families Tax Credit



Context and Overview of the Safety Net Initiative

From 2019–2022, the Center on Budget and Policy Priorities (CBPP) carried out a Safety Net Initiative (SNI) with support from the Robert Wood Johnson Foundation (RWJF) and in partnership with state policy advocacy groups. Across two grant cycles, the SNI supported advocates in more than 20 states to address immediate threats or opportunities to safety net programs, and supported capacity-building efforts for multi-issue, proactive, collaborative advocacy in five states.

The SNI supported state advocates and their partners to pursue two broad, inter-related aims:

- (1) to protect and strengthen economic security policies and programs in states, and
- (2) to strengthen short- and longer-term capacity to engage in equity-oriented advocacy practices, such as intentional and authentic engagement with people who have direct experience with economic security programs (e.g., Medicaid, Supplemental Nutrition Assistance Program, tax credits, and/or cash assistance), and narrative change efforts to shift the way advocates, lawmakers, the media, and the public think and talk about safety net programs and the people who use them.



*Support for this case study was provided by the Robert Wood Johnson Foundation.
The views expressed here do not necessarily reflect the views of the Foundation.*

In 2022, the third year of the SNI, ORS Impact worked with advocates in four states—Louisiana, Ohio, Pennsylvania, and Washington—to develop case studies that describe the on-the-ground efforts of grantee organizations and their partners to advance equitable advocacy capacity and specific policy goals.

In Washington State, the SNI provided grant support to the Statewide Poverty Action Network (Poverty Action), an advocacy leader and one of the organizers of the effort to expand the state’s Working Families Tax Credit (WFTC) for low-income working families. This case study captures the coalition’s policy advocacy strategies and results that helped pass the historic WFTC in 2021.

Advocacy Efforts in Washington State to Advance WFTC

After over a decade of hard work among advocates, their partners, and policymakers, the historic Working Families Tax Credit (WFTC) passed in Washington State in 2021. For a state with no income tax and a notably regressive tax code,¹ starting in 2023, the WFTC (the state’s version of the Federal Earned Income Tax Credit or EITC²) puts proportionally more cash back in the pockets of low-income working families. An estimated 420,000 households with and without children and with and without a Social Security number are eligible to receive up to \$1,200 a year, with the lowest earners receiving bigger payments.³

This monumental win for Washington workers did not happen overnight. Over several years, advocates strategically organized a broad coalition that included impacted communities, cultivated policymaker champions, worked with lobbyists to keep an insider perspective on the legislature, and seized upon the policy window created by the global pandemic crisis.



“In Washington State, we have the most regressive tax code in the nation. There’s no hiding that. We really saw the Working Families Tax Credit as critical to laying the foundation to provide meaningful relief to folks at the lowest incomes and what we would consider to be an equitable approach.”

¹ Those with the lowest incomes in Washington pay nearly 18% of their income in taxes. Retrieved from: <https://itep.org/washington/>

² The Earned Income Tax Credit (EITC) helps low- to moderate-income workers and families get a tax break. Retrieved from: <https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit-eitc>

³ People with a Social Security number or Individual Taxpayer Identification Number (ITIN) qualify for WFTC. An ITIN is a tax processing number the IRS issues to people who cannot get a Social Security number.

ORS began working on the WFTC case study in June 2022, collaborating with Poverty Action and conducting interviews⁴ with WFTC coalition partners to tell the story of the successful campaign to push for the WFTC policy. Unless otherwise stated, the quotes in this case study are from those interviews.

Transformational change isn't won over night.

The story of the WFTC starts back in 2008 and picks up in 2018.

Advocacy efforts started in the early 2000s—and an early iteration of the WFTC passed in 2008. Plagued by the recession, the accompanying unfavorable economic and political landscape, and draconian cuts to the state budget, the Washington State Legislature never allocated the necessary funds to implement the tax credit policy. The WFTC lay largely untouched in the legislature for many years.

Catalyzed by a report by the Washington State Budget & Policy Center (Budget & Policy Center)⁵ linking tax reform to economic security, advocates picked back up in 2018 for the 2019 legislative session. The WFTC coalition began to formalize, led by Poverty Action and Budget & Policy Center, and including members like OneAmerica, Fuse Washington, United Food and Commercial Workers 21, Service Employees International Union 775, and Moms Rising. At the same time, Poverty Action conducted listening sessions around the state to understand communities' needs. Advocates heard from communities, *"We just need more access to cash. We need more money,"* and *"We have been mistreated by the systems that are meant to serve us."* Advocates knew that with many public benefits, there are hoops and hurdles that Black and Brown people typically experience. Listening to what communities said they



"How do we get people more cash. I do really think that there is something about making sure that those stories are highlighted to lawmakers about why cash is important and the best storytellers for that are the people who can say exactly why it's challenging and what \$300 or \$1,000 would mean to them. That's a lot of the ways that community members were involved. I think many coalition members worked hard to recruit community members from their constituencies to come and share those stories."

⁴ See appendix for interview list.

⁵ See: <https://budgetandpolicy.org/resources-tools/2018/11/promoting-economic-security-through-commonsense-tax-reform.pdf>

needed and the challenges they encountered rekindled advocates' motivation to push for WFTC again.

For the 2019 legislative session, advocates coalesced around a bold version of the WFTC worth billions of dollars that included ITIN filers. The bill went nowhere, but it laid the foundation for the coalition to start forming, learning together, and building awareness among policymakers. Learning from experiences in other states like California, where ITIN filers were excluded in final negotiations, advocates in Washington began aligning around non-negotiables for the bill.

Why ITIN filers? ITIN filers include undocumented immigrants, some survivors of domestic violence, certain student visas, and more. While many undocumented immigrants pay taxes, they are often excluded from tax benefits and credits.

Even as the WFTC bill failed in the 2020 legislative session, advocates made important incremental progress.

A major point of progress ahead of the 2020 session was more funding that strengthened the WFTC coalition infrastructure. The Economic Security Project provided early financial support, encouragement and inspiration, technical assistance to the coalition, and critically important introductions to funders interested in state-level tax credit policy, which set the stage for game-changing investments in the coalition. Complementing support from the Economic Security Project, RWJF and CBPP, Poverty Action received a substantial multi-year grant from the Rockefeller Foundation, and this combined funding enabled the WFTC coalition to hire a campaign manager and provide passthrough grants to coalition members, including grassroots organizations, to ensure members were paid for their time and could authentically participate. Poverty Action



“We were able to fundraise to subgrant to other coalition members to really help support them in making the campaign a priority. Some of the grants we were able to give were sizable and helped pay for staff.”

worked closely with the coalition to design a simplified Request for Proposal (RFP) process that maximized transparency and accountability back to the full coalition. They created a committee of coalition members not applying for the subgrant and set clear priorities for funding that aligned with the needs of the coalition, including communications and field organizing. Showcasing the interest and excitement, the committee received requests that nearly doubled the

funding available. In the end, all organizations were funded, but not all could receive the level that they requested.

While advocates knew that it would be hard to significantly move any policy during the 2020 session, given the Washington State Legislature's biannual budget cycle, the added coalition capacity contributed to a productive session. The coalition strategically pushed for lower hanging fruit (compared to the 2019 bold bill) with what they called the ITIN bill—which would have effectively amended the unfunded 2008 statute to include ITIN. Although the ITIN bill ultimately didn't pass, the coalition made significant progress in formally aligning on their policy bottom lines, working toward designing an equitable policy structure, and developing policy champions. Including ITIN filers became a non-negotiable for the coalition.



“This is what it meant to be working with equity in mind and toward a more equitable system. If we do not include ITIN filers, we exclude a group of critically important people who are part of the workforce, who pay taxes, and who deserve the credit.”

The 2020 session also opened the door to having constructive conversations with lawmakers and educating them about an equitable restructure to the bill. Advocates' efforts helped build the knowledge base among legislators about who ITIN filers are and the need for an equitable WFTC so that there would be fewer amendments to negotiate in future sessions.



“We spent a lot of time talking about who ITIN filers are, how they're paying taxes, and had those conversations in 2020. It really helped in the following year when we were successful in making the big push. We didn't have to have the ITIN conversation in 2021 because we had so many conversations in 2020.”

The last central area of progress during the 2020 session was the emergence of strong champions for the WFTC in Representative My-Linh Thai (Democrat, the ITIN bill sponsor) and Representative Drew Stokesbary (Republican). As the first refugee elected to the Washington State Legislature, Rep. Thai deeply cared about ITIN filers and was a passionate political champion. While the ITIN bill didn't make it out of committee in the House, to much surprise, one Republican voted for it. Rep. Stokesbary voted in favor, became a champion, created inroads for having more conversations with Republicans, and was the start of gaining bipartisan support.

A favorable political context and policy window helped shape the 2021 legislative session.

While advocates were hard at work, **the Washington State Legislature's makeup was starting to shift. Beginning in 2019, an influx of people of color and Democrats were elected in the House**—both populations that are typically more favorable towards cash benefit policies (whereas Republicans historically support tax cuts, including tax credits). The 2020 session ended in March, which coincided with the start of the global COVID-19 pandemic. Work moved to Zoom, coalition members were galvanized to push even harder for the WFTC, and legislators had a new sense of urgency and desire to help those in need during a time of crisis.

As the federal government was excluding ITIN filers from economic stimulus packages, the work that advocates and Rep. Thai put in during the 2020 session paid off as more and more legislators were open to engaging around the WFTC and eager to include ITIN filers. Additionally, as the government cut checks to people, the whole conversation around cash benefits changed. Data showed that people weren't misusing their stimulus checks and were instead using their cash for life necessities, illustrating how powerful direct cash can be, especially during a public health crisis.



“Some of the early data that came out of how people were spending their stimulus checks was really powerful to help make our case to lawmakers. I remember some white papers showed upon receipt of stimulus checks, people with low income within the first ten days spent more than half the payment on groceries and items they needed to survive.”

WFTC Coalition: Issue-aligned, Well-funded, Organized, Values-based, and Intersectional.

Heading into 2021, the WFTC coalition and Rep. Thai aligned on a draft bill.

Rep. Thai and the coalition partners aligned on a draft version of the bill that clarified the ask: a minimum of \$500 cash payments to people. They structured the proposed bill differently than the federal version. Centering those who may benefit, the bill's design needed to meet

people’s needs and maintain their dignity. As a result, the bill proposed by Rep. Thai removed the phase-in approach⁶—a stark difference to the federal policy.

The WFTC coalition messaging and communications strategy described the credit in a new way around “flat cash payments” rather than the more technical and less accessible description of “15% match of EITC.”⁷ Another big difference between the 2020 and 2021 sessions is that Rep. Thai, the legislative sponsor for the proposed bill, strategically transitioned out of the Education Committee and into the Finance Committee—a more powerful and influential committee responsible for hearing tax and budget legislation.

Critical success factors for the coalition were its infrastructure and its practices.

Coalition Infrastructure

As noted earlier, **a few philanthropies helped fund the coalition, which supported the hiring of a campaign manager and regranting to coalition members.** The campaign manager played an instrumental role that helped create the conditions for effective advocacy by playing a trust- and relationship-building role, and practicing “radical transparency” across the three subcommittees.



“I think the funding in 2019 was really transformational in our ability to have the capacity to build the coalition structure. First, we had a physical meeting space to go to. Half the battle is just convening the coalition and getting people to coalesce around something. Second, we spent a lot of time figuring out what the structure of our coalition should be and what are we going to be grounded in.”

Three subcommittees with clear roles made up the coalition structure: Communications, Field Organizing, and Policy & Lobbying. Each was co-led by different members utilizing their skill sets and included at least one person of color. Coalition members appreciated seeing people of color elevated in leadership positions. One lead shared, “We heard from coalition members later on that having people of color in leadership positions was super appreciated, to see their leadership elevated.” Subcommittees met weekly during the legislative session and were responsible for organizing meetings, moving the work forward, and formally reporting to the rest of the coalition. The Communications team, led by Budget & Policy Center and Urban League of Metropolitan

⁶ For federal-level EITC, working households qualify for EITC based on earnings, beginning with the first dollar of earnings. As a low-income household earns more, its EITC increases or “phases-in.” Retrieved from: <https://www.cbpp.org/research/federal-tax/the-earned-income-tax-credit>

⁷ See: https://budgetandpolicy.org/resources-tools/2021/01/RecoveryRebate-WFTC-Factsheet_2021.pdf

Seattle, amplified the coalition's work through social media, earned media, fact sheets, and other communications. The Field Organizing team, led by Poverty Action and SEIU 775, organized people (i.e. organizations, people, constituents) around the state to advocate for WFTC, focusing on engaging impacted people. The Policy & Lobbying team, led by MomsRising and Asian Counseling & Referral Services (ACRS) with Poverty Action's lobby team acting as the lead lobbyists on the ground, dealt with policy nuances, benefiting substantially from the policy team at Budget & Policy Center, and worked closely with lawmakers, Rep. Thai, legislative staff, and state agencies to develop and negotiate legislation.



“Having a team of really experienced lobbyists to have those conversations and be able to pull the policy analysis the Budget & Policy Center was doing and to have conversations with legislators about the details, the devil is in the details. I think it was really important to have a team of people who were willing to have conversations with legislators to make sure that it’s ultimately a good bill – that it’s not full of holes or really watered down or something bad doesn’t sneak in.”

The Policy & Lobbying team also took the lead on meeting with lawmakers (with support from the Field Organizing team), identifying lawmakers to coordinate constituent contacts (with support from the Field Organizing team), and building the legislative strategy.



“Ultimately, the bulk of the conversation happened in the Policy team to be able to make a recommendation to the full coalition around this is what we think we need to do.”

Coalition Practices

It could have been easy for walls and siloes to creep in between subcommittees or for organizations to drop out and lose momentum. However, **the coalition had solid systems and practices that fostered collaboration and trust.** First, all members of the coalition and subcommittee teams agreed to contribute at least one of the following resources: time, amplification of messages, active participation on calls and meetings (at full coalition and/or subcommittee engagements), input and unique skillsets that can contribute to WFTC coalition activities, and funds.

Second, in addition to regular subcommittee meetings, the entire coalition met bi-weekly with the campaign manager acting as the glue by attending as many meetings across teams as possible.

Third, the coalition's core values of economic justice, race equity, accessibility, inclusion, intersectionality, transparency, and accountability drove the work.

Fourth, the full coalition engaged in consensus-based decision-making. All members agreed to work to find consensus, knowing not every decision would be perfect for every organization, with the goal of every organization being okay with every decision. Any organization could prohibit or block a decision, which would trigger the coalition to engage in challenging discussions at times to find agreement and compromise. Subcommittee decision-making was a little trickier. Each team had the power to decide what types of decisions needed input from the coalition, but there were loose criteria. If the decision had implications for the entire coalition or was a departure from current strategy, tactics, or agreements, subcommittee leads brought the decision to the larger group. The coalition recognized the need to make quick decisions in fast-moving policy environments. If the decision was urgent, the subcommittee was responsible for scheduling a brief call or otherwise getting input from the coalition.



“Part of our coalition’s practices is ensuring that we all understand what’s happening at any given moment. The campaign manager’s role can become gatekeep-y and at the same time it can be a space for deep and sometimes radical transparency. At any given moment we are sharing the same updates to different groups over and over again because it’s so important for anyone in the coalition to understand what is happening and when.”

The coalition was a broad and intersectional group of advocates motivated by the opportunity to get cash directly to people who need it.

At its height, the coalition has grown significantly since 2018, and currently has over 50 organizational members from all over the state and across issue areas, including SNAP advocates, pediatricians, immigrant rights organizations, education groups, unions, etc. Even though tax policy can be wonky and complex, organizations were motivated to come to the table by knowing the potential power of unrestricted dollars, regardless of the issue area, particularly during the pandemic. There was no shortage of organizations willing to partner with the WFTC coalition in 2021.

Given the number of members, there was a spectrum of participation. Some organizations would have some capacity for a few months here or there. One of the campaign manager's roles was to design the structures and systems that allowed groups to come to the table when they could to build power as a coalition. The campaign manager worked with the team leads to ensure those subcommittees had the capacity they needed.

Preparing for and Strategizing During the 2021 Session

Goal: change legislators' narratives about cash through data and storytelling.

Advocates knew that to move the needle, they needed to shift the narrative among legislators about cash payments. Before the pandemic, talking about cash payments through tax credits was a non-starter.



“The sentiment in the advocacy community was actually don’t say cash because lawmakers don’t like to hear it.”

Using the pandemic and a shifting, more favorable political context, advocates leveraged the moment to push even further. Initially, the strategy focused less on specific policymaker targets and more on aligning on the broader narrative, which centered around getting more cash to people who needed it the most, improving the economy, promoting healthy communities, providing equitable support, and making the tax code fairer. To push this narrative, advocates used data and storytelling from impacted communities about the potential benefits of the WFTC.

The entire organizing strategy centered the voices of people who could be impacted by the credit. In one example of how this narrative change strategy played out, the campaign worked to elevate research from the University of Washington and the Institute on Taxation and Economic Policy (ITEP). The Budget & Policy Center developed fact sheets and communications materials on EITC with race and ethnicity breakdowns and connecting EITC data to issues like family and child well-being.⁸ This research complemented what community members had repeatedly shared about the connection between access to cash and family stability. The Communications team translated the fact sheets into three languages: Spanish, Simplified Chinese, and Russian.

⁸ See: <https://budgetandpolicy.org/resources-tools/2020/01/2020-WFTC-Gender-Equity-fact-sheet.pdf>; <https://budgetandpolicy.org/resources-tools/2020/01/WFTC-early-learning-fact-sheet.pdf>; https://budgetandpolicy.org/resources-tools/2020/01/ITIN-WFTC-Fact-Sheet_English-Spanish-2020.pdf; <https://budgetandpolicy.org/resources-tools/2020/01/Working-Families-Tax-Credit-2020-Fact-Sheet.pdf>

In another example, the Field Organizing team used constituent letters to newspaper editors to increase awareness of WFTC among the public and to generate content for engagement with legislators. The Communications team developed a training deck on storytelling, and the Field Organizing team organized impacted community members to participate. The coalition got 14 letters to the editor placed from just one training. Each person who wrote a letter to the editor also wrote to their lawmaker, which was an effective messaging tactic.



“The entire organizing strategy is around how we testified, who was active for hearings, different op-eds, different letters to the editors. It was important that messages were coming from people who the credit could impact, whether a caregiver or someone who files with an ITIN and is low income. We wanted to ensure, across the board, we were centering the voices of people who might receive the credit, and letters to the editor were really powerful and a big part of that.”

Coalition leaders mapped the legislative path the bill would take through House and Senate committees.

With Rep. Thai as a co-sponsor, advocates knew the WFTC bill would start in the House. To help coalition members stay on the same page and plan strategies, leaders mapped the legislative path through the different committees, the votes needed within committees, and the estimated timelines. Coalition subcommittees knew when to expect updates and when work would need to intersect (e.g., the Field Organizing subcommittee coordinating constituent testimony for specific hearings the Policy & Lobbying subcommittee was preparing for).



“All of the work leading up to session and getting people up to speed and knowledgeable about what was happening and what to expect in session was so additive for the coalition to be able to work on their strategy pieces effectively.”

The Policy & Lobbying subcommittee had an effective insider strategy with the help of Rep. Thai and lobbyists with strong relationships in the legislature.

It was extremely helpful to have an ear in the legislature to know where lawmakers stood.

The coalition looked at the legislature and anticipated the vote breakdown: Who were the policymakers the coalition was not sure about, and could they organize a conversation between the policymaker and constituents from their district before session or in session? Additionally, ahead of session and with support from lobbyists, the coalition mapped out who held relationships in the legislature and what roles they were going to play, which helped create a strong division of labor.



“I like to think ... the lobbyist job is to work with the political landscape as it is and figure out the path through the landscape as it is [...] and the campaign and organizers’ job is to change that landscape.”

Complementing these efforts was an outstanding partnership with Rep. Thai, an WFTC evangelist who took the time to learn the front and back of the bill, and who became an expert who pushed back on arguments and answered questions from fellow lawmakers. Before the session even started, the Policy & Lobbying Team established formal communication channels: coalition members and Rep. Thai had weekly meetings during sessions and were only a text or phone call away.



“We had communication channels with Representative Thai that were really fast. We had weekly meetings with her, which was very generous of her time, and very uncommon for lawmakers to commit to during session.”



“We could really adapt in the moment what our field organizing strategies were and what our communications strategies were.”

As the session took off, the legislature moved fast. Lawmakers and the Policy & Lobbying subcommittee needed questions answered quickly. Coalition members were committed to being responsive in getting Rep. Thai the data and information needed to effectively advocate in the legislature, for example,

responding to information requests in text messages within 15 minutes. Rep. Thai and other lawmakers learned they could count on the coalition to be responsive and a true partner. Given the coalition’s close touch, they could adapt strategy based on what they heard in the legislature.

There is an inherent tension between operating with equitable intentions and educating lawmakers who negotiate and make deals behind closed doors.

Advocates were aware that no matter how much community organizing they do, negotiations between legislators happen behind closed doors. Still, as

much as they could, the coalition wanted to

bridge the gap between what was happening inside the legislature and how advocates were organizing outside the legislature. It was vital to have both an insider and community organizing strategy to balance the dynamics within the legislature with the community's needs. To help manage this tension, advocates leaned on their practice of radical transparency so that the Field and Policy & Lobbying teams were in constant communication. They mapped the bill's path through the legislature and anticipated votes counts to plan for community outreach to specific lawmakers.



"It was helpful to have insider understanding because the legislature is an institution steeped in white supremacy, a lot of lawmaking happens behind closed doors."

Markers of Policy Progress

As the work advanced, there were early signs of progress through the policy pipeline.

First, **the bill started getting traction in the media.** The coalition's media efforts (including the previously mentioned strategy to get letters to the editor published) was a success. More and more stories kept coming out about the potential impact of WFTC.

Second, the WFTC coalition was bringing more partners to the table with ease, adding both depth and breadth of engagement in the coalition among members. Organizations were asking to be a part of the coalition, signing up for tasks unprompted, and there was a willingness among members to do anything the coalition needed.



"I started out coalition building by reaching out to folks and pouring my guts out with the hope the organization would join. Then it got to the point groups were emailing me, we added 10 new orgs to the coalition over a week. That was for me when I started feeling like the campaign was really getting traction."

Third, the coalition witnessed earnest interest among policymakers for the WFTC bill. The coalition, their lobbyists, and Rep. Thai had more and more positive conversations with lawmakers, including with the governor and lawmakers in key finance committees (i.e., House Appropriations, Senate Ways and Means). Before the biannual budget session started, the governor released a nonbinding proposed budget which included a small budget allocation for the WFTC. Although small, advocates viewed it as a success and used it as a launching point. Advocates turned out through public testimony and engaged directly with policymakers leading up to and in committee hearings to advocate for including the WFTC in the governor's proposed budget.

Bipartisan support and very few amendments from legislators signaled the bill's likely success.

Representatives Thai and Stokesbary co-sponsored the bill, opening conversations with lawmakers from both sides of the aisle. Having a Republican champion who was a known leader in economic policy on the bill carried a lot of weight in the legislature and signaled to other lawmakers the opportunity for bipartisanship. Early on, Representatives Thai and Stokesbary discussed potential challenges openly, anticipated roadblocks in the Senate, and planned an approach for engaging in conversations with their colleagues in the House and Senate from both sides of the aisle. They both wanted to engage the opposition, authentically listen to their concerns and their districts' needs, and make the WFTC a bill they wanted to support.



“Sometimes with these policies it's hard to have conversations across the aisle.

It helped that we had gotten Representative Stokesbary on board prior to the session.

He was the second signer on the bill. It was Representative Thai championing the bill and to have a Republican as the second signer was really powerful signifier to the rest of the caucus. The vote in the House was nearly unanimous, we were shocked, honestly.”

In April 2021, the Washington State House of Representatives passed the WFTC bill with a nearly unanimous vote. Advocates were thrilled. One lesson learned from working across the aisle was the need for policy champions and advocates to have a broad view of the policy landscape, even as some Republican lawmakers tried to include details they learned from other states that did not align with the initial vision of the WFTC bill. In the Senate, the coalition faced challenges in the Ways and Means Committee, with Republican lawmakers proposing amendments to the cash amount. Initially, the WFTC coalition, in partnership with Rep. Thai, had designed the bill with \$500 cash payments as the baseline. At the last minute, however, Republicans in committee reworked the credit amount to provide less cash for people with zero children or one child in the home and more cash for people with two or more children in the home. Although advocates strongly opposed the amendment, Democratic leadership accepted the change.



“It was definitely a hard decision point, and ultimately, we did not love the amendment, but it wasn’t worth risking the entire bill for one amendment. We thought it was too risky to fight the Senate move in the House and what that would potentially look like. I remember some really tough and frustrated conversations at the very end of session.”

However, key champions in the House and Senate, including Rep Thai, Senator Rebecca Saldana, and Senator Joe Nguyen helped navigate amendments in ways that preserved the core integrity of the program and led the bill to passing the Senate nearly unanimously.

In the spring of 2021, the Working Families Tax Credit became law after receiving overwhelming bipartisan support. It passed the House with a vote of 94-2-2 and the Senate with a 47-2 vote. The credit will reach an estimated 420,00 households in Washington State and contribute to a more equitable tax code, which went into effect on Feb 1, 2023. The policy will have an outsized benefit for Black, Indigenous, and people of color: while they make up 25% of the state’s residents, they will make up 36% of eligible families.⁹

⁹Retrieved from: <https://budgetandpolicy.org/schmudget/the-working-families-tax-credit-to-be-enacted-in-washington-state/>

The Work Continues

Through implementation advocacy, advocates continue the work to ensure low- and middle-income people have the support they need.

Washington State has no income tax and lacked the level of infrastructure within the Department of Revenue to provide cash payments at the scale and in equitable ways that advocates wanted to see. Advocates were concerned implementation of the WFTC could be very challenging for the Department of Revenue, as it has never had to interact with or provide services to individuals, especially low-income people.

Given this context, advocates knew they needed to continue the structure of the WFTC coalition and keep fighting for a more equitable Washington State. This work included strengthening technical policy implementation expertise among coalition members, engaging in community listening sessions and public hearings, conducting outreach to communities in multiple languages, and building a strong relationship with the Department of Revenue, particularly around community engagement and the application process. Coalition members who are used to being nimble and moving fast learned how to adapt to a slow-moving government agency.

The coalition's dream is for the state to have an automatic WFTC system, where people don't have to jump through any hoops or as few hoops as possible. The coalition successfully got the Department of Revenue to back off from some of their more problematic proposed application processes, like requiring home addresses over the past year and a valid photo ID of the applicant.

The WFTC Coalition and a cohort of community organizations from across the state have been hard at work preparing communities to access this new tax credit. The coalition has developed a host of materials like posters and flyers, including translations in 15 languages¹⁰, led statewide WFTC "Train-the-Trainer" sessions for in-depth walk throughs of the credit and application process, and developed a new coalition website¹¹ to house materials, resources, and training opportunities. WFTC officially launched and began to reach Washington households on February 1, 2023.

In addition to the launch of the WFTC, the WFTC Coalition is eager to see the credit expanded and made more accessible. The coalition continues to work with Representative Thai and is pushing

¹⁰ See: <https://www.wataxcredit.org/materials/>

¹¹ www.WATaxCredit.org

forward two pieces of legislation. The first, HB 1075, would expand the WFTC to an estimated 220,000 households without qualifying dependents, by ensuring that everyone 18 and older can access the credit (Current WFTC statute is tied to EITC eligibility, which restricts childless households to be at least 25 years old and under 65 years old to claim the credit). This bill did not pass in the 2023 Legislative Session. The second piece of legislation, also championed by Rep. Thai, is a more administrative and technical bill which seeks to address additional issues identified when working with Department of Revenue on the setup of the program. HB 1477, which passed in the 2023 Legislative Session, will ensure applicants have the same window of time to claim the WFTC as they would for federal refunds and credits (3 years), ensure that all filing statuses are included fully (Because WFTC eligibility is tied to the federal EITC, this means that households who are Married Filing Separately with no qualifying child are excluded), and require a biannual reporting for DOR to report on progress of the program to the legislature.

Ultimately, the coalition is proud of their successes, but most importantly, they are most excited to see their long-standing efforts pay off and deliver critical cash assistance to low-income people and families around the state.



“The vibe of the coalition is we worked our butts off and continue to, and we had so much fun doing it. We stick with these deep values on economic justice and racial equity, and that really comes through but you’ve also got to have fun doing it. You have to figure out ways to navigate these behemoth institutions like a legislature and have a fun time because that’s the only way you can do this complicated work in relation with other people.”



“We really saw the Working Families Tax Credit as laying a foundation for us to continue to build on. We really don’t see it as an end point, we know cash relief can be really powerful.”

Key Takeaways

1. **Build a strong coalition with clear roles, goals, values, and communication strategies.**

Washington's Working Families Tax Credit Coalition was broad-based and diverse. Coalition leaders worked hard to create clear roles, responsibilities, and lines of communication. Coalition members aligned on values and worked to raise funds to support member organizations in participating and prioritizing this policy.

2. **Legislative progress is not always linear. Incremental progress matters even when bills don't advance.**

The Washington coalition worked for 13 years on this policy, with many setbacks along the way. Even in recent years when their bills stalled in the legislature, organizers were able to have critical conversations with legislators around key components of the bill, such as the importance of including ITIN filers.

3. **Especially on cash policy, narrative work is critical.**

Cash policy can evoke many false, negative stereotypes about low-income communities and communities of color. Advocates in Washington engaged community members in testifying, speaking to the media, and sharing their stories via social media, each talking about the importance of cash assistance, how they would use the resources, and reminding lawmakers that they pay a disproportionate share of their income in state and local taxes.

4. **Don't be afraid to change the policy model.**

After years of advocating for a policy that was modeled closely on the federal EITC, advocate and policy researchers in Washington shifted to a more equitable model that paid flat amounts based on family size and income. Especially for a state without an income tax, a flat amount was easier to explain to both community members and legislators and enabled advocates to easily eliminate the phase-in associated with the federal EITC.

5. **Find a strong bill sponsor.**

In Washington, the coalition reported that Rep. My-Linh Thai was an incredible legislative champion, tying her experience as a refugee to the importance of cash assistance and shepherding the bill through the legislative session. Advocates enjoyed close communication with Rep Thai and her staff, ensuring effective and timely actions from the coalition.

Appendix A: Interviewees

Marcy Bowers, Executive Director, Poverty Action

Maya Manus, Advocacy and Communications Manager, Urban League of Metropolitan Seattle

Representative My-Linh Thai, Washington State House of Representatives

Emily Vyhnanek, Working Families Tax Credit Campaign Manager, Washington State Budget & Policy Center

Appendix B: Evaluation Effort and Methodology

RWJF engaged ORS Impact (ORS) as an evaluation and learning partner to CBPP and the Safety Net Initiative. In the first year of the initiative, ORS documented CBPP's operating theory, produced a summary of evaluation findings, and wrote a 10-page brief describing equity-focused safety net advocacy practices based on knowledge emerging from CBPP and state advocates' work. In the second year, ORS produced a summary of grantee organizations' equitable advocacy capacity and a detailed summary of state-level policy-related outcomes, including impacts on funding and racial equity.

In early 2022, ORS and CBPP set out to identify funded state advocacy projects with the intention of developing case studies to support learning about advocates' efforts and lessons learned related to topics including: messaging and narratives, balancing short- and long-term policy priorities, inclusive community engagement, and applicable insights from a successful campaign. ORS worked with the RWJF-CBPP grantee organizations in Louisiana, Ohio, Pennsylvania, and Washington to develop these case studies. Together they refined the focus topics for a case study about efforts in each state, compiled a list of potential interviewees, and developed question guides tailored to each state and, in some cases, each interviewee. ORS conducted interviews from June–November of 2022 and developed four case studies designed to illustrate the on-the-ground efforts to advance policy goals and strengthen equitable advocacy practices and capacities in the long term to address racial inequities and support economic security for all families and individuals.