



INTERNATIONAL BUDGET PARTNERSHIP
Open Budgets. Transform Lives.

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SPECIAL ISSUE: BUDGET WORK IN U.S. STATES

The [State Priorities Partnership](#) (SPP) is a network of civil society organizations that engage in budget analysis and advocacy at the state (subnational) level in the U.S. The SPP is coordinated by the Center on Budget & Policy Priorities and, while the budget contexts in which SPP partners work is generally more transparent and open to civil society participation than many of those in which IBP partners work, we believe there is much that members of both networks can learn from each other. This issue highlights interesting and innovative work by SPP organizations that we hope other budget groups around the world will be inspired by, learn from, and replicate.

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Open Budget Survey Tracker: February Update

Improvements in Bolivia, Iraq, and Niger; while Sierra Leone and Timor-Leste fall behind.

You can now track changes in the availability of budget documents over time with the Tracker's new [historical information section](#).

[Check the February update](#) to see details on which countries are making progress, which countries are falling behind, and what to watch out for in the month ahead.

Welcome to New Staff!

We are pleased to welcome [Claire Schouten](#) and [Carrie Ann Ahrens](#) to the IBP team!

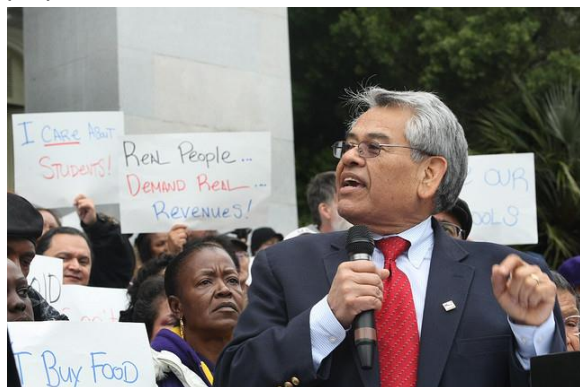
Claire joins us as Senior Program Officer for International Advocacy. She specializes in integrity, transparency, accountability, and participation in public resource management. Claire has worked with civil society, governments, business, and donors on organizational development, action learning, monitoring and evaluation, and policy guidance.

Carrie is our Development Officer and is responsible for identifying, cultivating, and maintaining donor relationships as well as facilitating grant proposal and reporting processes. Prior to joining IBP, she worked as a consultant on the KPMG management team of the DFID Governance and Transparency Fund.

Building Policy Influence

Responding to the State Budget Proposal in California by Chris Hoene, California Budget and Policy Center

[The California Budget and Policy Center](#) (“Budget Center,” formerly the California Budget Project) is a civil society organization that engages in budget analysis and public education with the goal of advancing policies that improve outcomes for low- and middle-income Californians. One of our most valuable contributions to the budget process is engaging in a package of activities that helps civil society, policymakers, the media, and the wider public understand the implications of the taxing and spending policies contained in the governor’s budget proposal, and the state legislature’s responses to that proposal.



Source: Flickr/SEIU

On or before 10 January each year, the Governor of California is required by the state constitution to release a proposed budget for the next fiscal year. Upon its release, the team at the Budget Center quickly reviews the proposal and issues a statement via a press release and our social media channels that gives our “30,000-foot view” of the governor’s proposed budget. The statement allows us to frame the budget for policymakers. It also contributes to advocates’ and other stakeholders’ views, as well as media coverage of the budget proposal.

Next, the Budget Center does a more substantive and detailed “[First Look](#)” analysis that is released within a day or two of the budget proposal’s introduction. This

summary analysis provides considerable context on the issues we care about most. For instance, in a number of areas for the 2015-16 proposed budget we compared the Governor’s proposed spending to pre-recession spending levels to highlight the extent to which the state has reinvested in vital public systems and services. Our goal with this analysis is to summarize the Governor’s proposal in clear and accessible terms, offering our own perspective, but also allowing readers to evaluate the proposed budget in light of their own issue areas and priorities.

Our next step is to analyze the various revenue and spending proposals in detail and by service area and present the results in accessible graphs and charts in a “[chartbook](#).” Our chartbook is a substantial body of work. The digital and print versions of the chartbook are used by the Budget Center, policymakers, and advocates for presentations, publications, and other documents aimed at influencing decisions on the final budget. The chartbook is a valuable resource for the Budget Center in educating members of the legislature and their staff, collaborating with advocates and other key stakeholders, and as a public education tool for community service audiences around the state. It is worth noting, however, that the depth and breadth of the chartbook is not directed to the media.

Once the chartbook is ready for release, we typically conduct a briefing event, or a series of briefing events, on the Governor’s budget proposal in the Californian capital city of Sacramento. While originally targeted to legislative staff, we have observed that the briefings now tend to draw more civil society advocates. In 2014 we also conducted the chartbook briefing in combination with a webinar, which doubled our attendance. In future years we plan to host a series of briefings and webinars targeting specific services and issue areas.

While we view all of these efforts as successful, we recognize that covering the entire budget proposal is a major challenge. We have also found that comprehensive coverage of the budget proposal competes with policymakers’ and advocates’ desire for targeted coverage of their own issue priorities. In response, we also produce a set of short publications – 1- to 2-page briefs and fact sheets, or 1-page “data hits,” on specific issues in the proposed budget. These shorter publications, along with blog posts, have been

extremely well received, and figures and graphics from the briefs are used repeatedly by policymakers and advocates throughout the year.

Finally, as part of our array of work analyzing the proposed budget, we also provide a series of briefings for key caucuses in the legislature and provide invited testimony at legislative hearings.

We've learned some key lessons over the years from this process that have helped us improve how we support policymakers and staff, and sector advocates, in their efforts to influence and improve public budgets. These include:

- **Be quick:** Whether it is the Governor's proposed budget or a specific policy proposal, we try to assess the proposal quickly, frame and share our messages early, and then dive into the detailed analysis that supports the efforts of policymakers and advocates to positively influence policies that improve outcomes for low- and middle-income Californians.
- **Be mindful of audience:** It pays to present the evidence from our analysis in a variety of formats according to the different needs of our target audiences.
- **Be flexible:** We adapt our processes each year to address specific conditions and opportunities. We also try to seriously assess whether our efforts are achieving the results that we want along the way. If we find they are not, we are willing to let go of the previous model and look for new strategies.



Source: Flickr/Thane Plambeck

For more information on the California Budget & Policy Center, visit www.calbudgetcenter.org.

Expanding Health Coverage in New Hampshire by AnnMarie French, New Hampshire Fiscal Policy Institute

In 2014 the state of New Hampshire took an important step toward achieving greater health equity for thousands of hardworking residents. In late March the governor signed the New Hampshire Health Protection Program (NHHP) into law, a program with the potential to extend affordable health insurance to as many as 50,000 low-income individuals.

The passing of the law marked more than 20 months of effort by the New Hampshire Fiscal Policy Institute — as an analyst, an advocate, and a communicator — to ensure that the state capitalized on changes to health policy at the federal level that provided funding to extend affordable health insurance to low-income residents in New Hampshire.

Health Care in America

One of the Obama administration's major policy initiatives has been to reform U.S. health insurance. The Affordable Care Act (ACA), sometimes referred to as "Obamacare," was signed into federal law in 2010 with the aim of ensuring all Americans had access to health coverage. The Medicaid Expansion portion of the law provided funding for states to extend affordable health coverage to low-income residents.

Working at the State Level

The New Hampshire Fiscal Policy Institute (NHFI) is an independent nonprofit organization working at the state level. We are dedicated to researching, developing, and promoting public policies that foster economic opportunity and prosperity for all New Hampshire residents, with an emphasis on low- and moderate-income families and individuals.

Throughout the many months that health policy was debated in New Hampshire, we worked to help policymakers and the public understand the impact of Medicaid expansion on the state's economy, budget, and residents. We also assisted a broad coalition of partners to articulate their support of expansion and to shape public opinion.

When NHFPI's staff was not busy delivering public presentations, talking to reporters, or appearing in radio or TV interviews, we were helping to prepare legislators and the leaders of partner organizations to do the same. Additionally, we were routinely consulted by legislative

leadership, leadership staff, and individual legislators about the substance and timing of the proposed changes in law.



Source: Flickr/ReSurge International

The Effects of Reform

As of early March 2015 more than 36,000 individuals were enrolled in the NHHPP. In the first six months of implementation, the number of patients without insurance that sought care in emergency rooms decreased by 17 percent — evidence that the program is reducing the costs of uncompensated care and that individuals are receiving the health care they need in more cost-effective settings.

The NHHPP is projected to bring as much as \$2.4 billion into the New Hampshire economy through 2020. Yet without reauthorization by the legislature, the NHHPP will sunset at the end of 2016 and strip thousands of newly insured individuals of their access to affordable health coverage. This will force many of these people either to forgo the health care they and their families need, or be forced to make trade-offs between other necessities to be able to afford health services.

Next Steps

New Hampshire legislators are currently debating the 2016-2017 state budget. Together with our partners, we are engaged in efforts to promote the benefits of NHHPP reauthorization and the inclusion of program funding in the next budget. At the same time, we are working to educate lawmakers, policymakers, and the general public about the dangers of proposed corporate tax cuts, which threaten the state's ability to serve citizens, foster economic growth, and maintain healthy communities. As the fight over limited resources continues, the legislature appears poised to once again cut vital health and human services programs.

Through regular analysis, testimony, publications and public presentations, we will continue to demonstrate the fiscal wisdom of the NHHPP and other public policies that foster economic opportunity and prosperity for all New Hampshire residents, especially the state's low- and moderate-income families and individuals.

For more information on the New Hampshire Fiscal Policy Institute, contact AnnMarie French at afrench@nhfpi.org or follow @NHFPI on Twitter.

Putting Budget Data to Work

Using Data to Challenge Misconceptions in Nebraska by Chuck Brown, OpenSky Policy Institute

The [OpenSky Policy Institute](http://www.openskypolicyinstitute.org) is a nonpartisan organization that conducts research and analysis of public finance in the U.S. state of Nebraska. Our primary function is to generate data and evidence to

encourage better informed debate about state budgets and help lawmakers to make better policy decisions.

Recent OpenSky research into state revenue in Nebraska illustrates the power of using data to challenge misconceptions and meaningfully contribute to better policies.

Rural versus Urban Taxpayers



Source: Flickr/Mr. Nixer

A longstanding belief in Nebraska has been that people living in urban areas pay more tax than those living in rural areas. The assumption has been that although farmers pay property taxes, they are able to easily avoid paying income taxes by buying machinery and supplies in profitable years, and therefore reducing their net income and so contributing less to the state coffers than those living in the city.

In recent years the value of agricultural land in Nebraska has skyrocketed. Rising land prices in rural areas have led to great increases in property taxes, while rural incomes have failed to keep pace. What has this meant for tax contributions from rural residents?

Our research has shown that, since 2007, rural Nebraskans have paid significantly more in combined income and property taxes than those living in urban areas. Put another way, the old assumption that urban dwellers pay more tax is simply no longer true.

Finding the Data

Finding a way to bring solid data to this discussion proved difficult and required some creative thinking, which is likely part of the reason the misconception persists. There is great variety in the size and character of farming operations — from part-time hobby farms to large corporate farms — which makes it difficult to make apples-to-apples comparisons of farmers to non-farmers.

However, Nebraska is divided into 93 counties and detailed data are often available at the county level. By combining tax, income, population and other data from multiple sources, we were able to group the counties based on their prevalence of agricultural land. This let us measure income tax and property tax on a per-capita basis and as a share of income for each county and compare the highly agricultural counties to the more urban areas.

By both measures, while income taxes are lower in the agricultural areas, combined property and income taxes are significantly higher, strongly indicating that the old assumption is false.

Building a Better Understanding of Public Finance

Our policy brief on rural tax received a great deal of attention from both lawmakers and [journalists](#) throughout the state. At the time, the legislature was debating property taxes, which are the largest source of funding for Nebraska's schools. Our evidence helped to provide new insights into this debate and challenge old assumptions.

This is just one example of OpenSky's work. While this particular brief generated great interest in the wider public, we also do more in-depth examinations of issues critically important to the governance of our state. This includes investigating the [state budget process](#) and [education finance](#), two issues on which we have published lengthy primers. The common thread in all of our efforts is to let the data guide our work.

We have had a significant amount of success with our approach. Our data and evidence has led lawmakers to reject dramatic income tax cut proposals that would have shifted more taxes to middle- and

low-income Nebraskans and left gaping holes in our state budget. Our work also encouraged the state to conduct a comprehensive study of the tax code and enact measures that will bring more public scrutiny to our state's business subsidies.

We find most lawmakers are very appreciative of our research and analysis as it helps bring clarity to complex discussions. And we take great satisfaction in watching our work shape our state's policy dialogue in a way that benefits all Nebraskans.

For more information on the OpenSky Policy Institute, visit www.openskypolicy.org.

Taking Budget Data to the Public: Creating Tools for Citizens by Oliver Bernstein, Center for Public Policy Priorities

The [Center for Public Policy Priorities](#) is an independent nonprofit public policy organization based in the U.S. state of Texas. We use data and analysis to advocate for policies that will offer all Texans the chance to compete and succeed in life, covering issues such as healthcare, education, and economic opportunity. Whether it's documenting the amount of money it takes to support a family, or chronicling the tough choices working families must make to survive, the Center provides data and stories that highlight the challenges low- and moderate-income Texans face each and every day, as well as the consequences for Texas if we fail to act.



Over the last decade, the [Better Texas Family Budgets Project](#) has helped answer the question of what it really takes to “get by” and “get ahead” in Texas. That means we help define the income it takes to cover basic needs (rent, food, child care) without any additional public support and to save a little something for the future. One of the primary strengths of the tool is the ability to produce customized data by family size and for each of Texas’ 26 metro areas. In a state as large and diverse as Texas, where wages and cost of living vary dramatically, it’s important for users to be able to access data specific to their home areas.

Source: forabettertexas.org

Austin, TX). The family budgets also analyze whether the most common jobs in the area can support a family’s basic expenses.

For most families to make ends meet, they would need to earn twice the federal poverty level (e.g., approximately \$50,000 for a family of four in

Making Budgets Come to Life

But the tool is not just about estimating family budgets. It is about engaging users over the question of what happens when families do not earn enough. By highlighting the specific basic expenses that make up a family’s budget, it is easy to see how families are forced to make tough choices such as choosing low-quality child care, living in unsafe housing, or going without health insurance to stretch their limited income. Unfortunately, these choices can put their family at greater risk for safety or health issues.

In 2013 we also created a documentary, [A Fighting Chance](#), to help put a personal story behind the eye-opening statistics of the family budgets data. The documentary explores the diverse conditions and events that can spiral a family into crisis and poverty.

Our goal is to increase public awareness of the hardships faced by families with limited income and provide a realistic benchmark for planning and evaluation at the local and state level so that we can build political will for smart public policies that increase economic security for all Texans.

Results from the Family Budgets “Roadshow”

The Family Budgets tool is both powerful and easy to use, but busy people still need a guide to provide context and narrative. To promote the tool and help people understand what it can do, we embarked on a series of “roadshows” in communities all across the state. At each roadshow, a speaker helped people “connect the dots” — presenting how to use the tool, fielding questions from the community, and helping people understand some of the implications of the findings. To date, we have shared the Better Texas Family Budgets tool and documentary in 18 cities with over 2,200 Texans.

At the local level, a Workforce Development Board used the Family Budgets data to determine which community college certificates they would fund with public money based on whether or not those occupations paid a family-supporting wage. The Dallas Women’s Foundation used our family budgets work as a way to raise awareness about [economic issues for women](#) in Texas and nine metro areas. And in an effort to educate statewide policy on voter’s rights, the family budgets data was used to demonstrate how additional fees to obtain more restrictive voter IDs would be cost prohibitive, effectively amounting to a poll tax on low-income Texans, and “create an unconstitutional burden on the right to vote. . . .” Although [the ruling by the federal judge in Corpus Christi](#) was overturned by the federal Supreme Court, it showed the impact of family economic security data on shaping state law.



Source: Flickr/Pak Gwei

What We’ve Learned

Building the Family Budget Tool has also taught us some basic principles that could be usefully applied to a wide variety of data tools. These include:

1. Customizing data for local communities makes data more relevant.
2. People benefit from a guide that can provide context and “connect the dots” between budget data and daily lives.
3. Providing information on both revenue (in the Family Budgets tool, revenue would include jobs and income) and spending creates a more complete picture of budgets.

For more information on the Center for Public Policy Priorities, visit www.forabettertexas.org.

Blog Corner

From the Open Budgets Blog

[Myanmar Needs Better Governance, Not Just a Stronger Government](#)

Myanmar has undergone dramatic governance changes over the last few years. And international donors are working on an ambitious program of support for public finance reform. But is support currently too focused on strengthening the government, at the expense of supporting more open and participatory governance?

[The Cost of Reforming Pensions in El Salvador](#)

Salvadoran workers have lost hundreds of millions of dollars in interest that the government should have paid on state pensions, according to a recent decision handed down by El Salvador’s Supreme Court of Justice. IBP’s Rocio Campo dives into the ins and outs of the ongoing pension debate and the impact that reform could have on the amount of funds available for other public services.

[Engaging the Public in the Budget: Twitter Chats in Kenya](#)

How can we use technology to help engage the public with budget issues? This post examines how IBP Kenya used Twitter, specifically Twitter chats, to bring the public into a fairly technical discussion about how revenue in Kenya should be shared among the 47 counties.

Tech Corner

Websites and Apps Bring Government Spending Data to the People

Governments are increasingly responding to internal and external calls to increase the level of transparency in their public budget processes and systems as a way to manage public resources more efficiently and effectively so as to better respond to the needs and priorities of their citizens. And as governments respond to these calls, citizens continue to [express their support](#) for financial transparency and accountability. However, government budgets can be overwhelming and technically challenging to the average citizen, making it a priority for governments to release this information in clear and simplified ways. Websites and apps have become a popular, relatively inexpensive, and easy way for governments to let their citizens know where their money is going.

In the U.S., the federal government released the President's Fiscal Year 2016 budget in a [machine readable format](#). Using this data, Socrata (a cloud software company that helps public sector organizations improve transparency and citizen service) loaded it into an interactive experience called the [Open Budget application](#). Users can drill down to explore the administration's spending priorities and initiatives. In addition to the federal government, several city governments in the U.S. are using this platform.

At the county and city levels in the U.S., governments have increasingly been opening up their books to the public using software like [OpenGov](#) to allow users to do things like view spending by department. And it seems like the move toward fiscal transparency is only increasing. A 2013 [report](#) from the U.S. Public Interest Research Group showed that 17 of the top 30 most populous U.S. cities had open, searchable financial platforms (check out this [list](#) of the eight best city financial transparency sites to see how they stack up) and another [report](#) in 2014 found that for the first time every state had some kind of a website for financial transparency.

While we may not be able to make a direct connection between budget sites like the ones above and things like improved service delivery, it is an encouraging and hopeful signpost on the road to budget transparency, participation, and accountability.

Publications

IBP Publications

[“Budget Brief No. 29 – Have State Corporations Changed Under Devolution?”](#) A follow up to our previous [brief](#) about state corporations in Kenya, this brief examines the role of these entities since the start of devolution in 2012.

Further Reading from the Field

[“Development Entrepreneurship: How Donors and Leaders Can Foster Institutional Change,”](#) a paper by the Asia Foundation and the Overseas Development Institute, describes and explains one version of the Asia Foundation's approach to working politically referred to as [Development Entrepreneurship](#). This operational model was developed initially in the [Philippines](#) and provides a coherent, evidence-based alternative to standard donor practices.

Matt Andrews' paper "[Benefits and Costs of the Governance & Institutions Targets for the Post-2015 Development Agenda](#)" questions the idea of post-2015 development goals and including governance within these goals. However, noting that governance indicators are likely to be included, the author suggests not enforcing the same targets globally but rather allowing governments to choose a set of process and outcomes suited to their individual circumstances.

In Gianpaolo Baiocchi and Ernesto Ganuza's paper "[Participatory Budgeting: As If Emancipation Mattered](#)," the authors critically reflect on the spread of participatory budgeting around the world and argue for more careful consideration of some of its less well-known features, namely the coupling of the budgeting meetings with the exercise of power.

In the *Nature* article, "[Corruption: Good Governance Powers Innovation](#)," the author warns that corruption is a barrier to innovation and suggests that greater scrutiny of public spending is needed if science and technology are to fulfill their potential.

Open Data Institute's report, "[Supporting Sustainable Development with Open Data](#)," sets out the ways that governments, donors, and international nongovernmental organizations — with the support of researchers, civil society and industry — can apply open data to help make the Sustainable Development Goals a reality.