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# Capitol Journal

THE KYLE GROUP

Serving the Public and Government Affairs Needs of Business and Associations

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## Noteworthy:

### Second Special Session Convenes:

Governor Bill Owens has called the second special session of 2001. This session will focus on four major items: growth, transportation, congressional redistricting, and funding for breast and cervical cancer. The session began on September 20, and will run through the first week of October. Clients are reminded to go to "The Kyle Group" website to track legislation and keep informed of the legislative activities. See you on the site!

Published by  
**The Kyle Group**  
1301 Pennsylvania Street  
Denver Colorado 80203  
Phone: 303-302-1109  
Fax: 303-302-1108  
ckyle@thekylegroup.com  
Web: www.thekylegroup.com

*The Capitol Journal would like to extend our deepest appreciation to all those who have provided us with valuable feedback and continued support throughout the year!*

## Streamlined Sales Tax Project: Executive Summary

The Streamlined Sales Tax Project is an effort created by state governments, with input from local governments and the private sector, to simplify and modernize sales and use tax collection and administration. The Project's proposals will incorporate uniform definitions within tax bases, simplified audit and administrative procedures, and emerging technologies to substantially reduce the burdens of tax collection. The Streamlined Sales Tax System is focused on improving sales and use tax administration systems for both Main Street and remote sellers for all types of commerce.

Thirty-eight states are currently involved in the project. Thirty-two states are voting participants in the project because legislatures have enacted enabling legislation or their governors have issued executive orders or a similar authorization. Six states are non-voting participants in the work of the project because they do not have the formal commitment of the state executive or legislative branches.

The project has addressed its issues through a steering committee and four work groups: Tax Base and Exemption Administration; Tax Rates, Registration, Returns and Remittances; Technology, Audit, Privacy and Paying for the System; and Sourcing and other Simplifications. Businesses - including national retailers, trade associations, manufacturers, technology companies, and others - have actively participated in Project meetings by reviewing proposals and providing feedback to the states on key elements of the new system.

The primary key features of the Streamlined Sales Tax System include:

Simplified exemption administration for use: and entity-based exemptions. Sellers are relieved of the "good faith" requirements that exist in current

law and will not be liable for uncontrolled tax. Purchasers will be responsible for incorrect exemptions claimed.

**Rate simplification:** States will be responsible for the administration of all state and local taxes and the distribution of the local taxes to the local governments. State and local governments will use common tax bases and accept responsibility for notice of rate and boundary changes. States will be encouraged to simplify their own state and local tax rates.

**Uniform sourcing rules:** The states will have uniform sourcing rules for all property and services.

**Uniform audit procedures:** Sellers who participate in one of the certified The Streamlined Sales System technology models will either not be audited or will have a limited scope audit, depending on the technology model used.

**Paying for the system:** To reduce the financial burdens on sellers, states will assume the responsibility for implementing the Streamlined Sales Tax System.

Participation in the system by both vendors and states is voluntary. Also, registration by vendors in the Streamlined Sales Tax System does not infer nexus for business activity or income tax purposes.

The Streamlined Sales Tax System will provide sellers the opportunity to use one of three technology models. A seller may select Model 1 where a Certified Service Provider performs all of the seller's tax functions. A seller may select Model 2, a Certified Automated System, to perform only the tax calculation function. A larger seller with nationwide sales that has developed its

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# Building Bridges for Effective Advocacy



**By Liz Hermsen**

A staff member in a senate office recently told me about a constituent who called the Senator's office. The conversation went something like this:

"Senator's office. How may I help you?"

"Hi, I'd like to let the Senator know that I want him to vote for the health care bill."

"Do you know the bill number?"

"No."

"Do you know the title of the bill?"

"No."

"Can you tell me a little about what the bill would do?"

"Not really."

"Okay, thank you for calling. I'll let the Senator know you're concerned about this issue."

Hopefully, that constituent wasn't a member of your association. Effectively communicating with your association's grassroots members - and helping them get your association's message across to legislators - is like building a bridge: When it's done right, it brings two sides together. Unfortunately, one misplaced beam could make it collapse.

Successful grassroots communication can make your members feel like they're part of the process, but it can be tough getting the message across. How can you make your members want to be part of the action? And how do you educate your members to deliver the right messages to their elected officials?

### Writing effective grassroots communication

When working to develop grassroots communication, the first thing you'll want to consider is why you're communicating. Do you want your members to do something for you, or are you simply providing information?

Next, define your audience. This is important when framing your message, determining what information to include, and deciding how to ask for help. At the American Society of Civil Engineers (ASCE), we typically communicate with people who are fairly knowledgeable about the issues that concern them most. We don't have to illustrate how a sewage treatment plant is built, but we do need to explain the legislative process behind financing one.

When communicating with you grassroots members, tell them why they should care. Let your members know how an issue may affect their wallet, work, or bottom line. Additionally, provide your organization's opinion and the reasons why you do or don't support an issue. People want to know not only why they should care, but also why you care.

Don't leave out pertinent details because they seem to confusing. Instead figure out how to present necessary information in an understandable manner. You can always direct your members elsewhere if they want more information. At the same time, remember that you're competing against the countless other priorities of your members. If you're sending an action alert, keep it no more than two pages. Before writing an action alert, organize your thoughts. ASCE's action alerts are divided into three main parts:

**1. Introduction:** The introduction briefly explains what is happening on the issue, what it's about, and how it affects our members.

## Executive Summary

*Continued from page 1*



own proprietary sales tax software may select Model 3 and have its own system certified by the states. However, some sellers may choose to continue to use their current systems and still enjoy the benefits of simplification.

On December 22, 2000 state representatives to the Streamlined Sales Tax Project voted to approve a Uniform Sales and Use Tax Administration Act and Streamlined Sales and Use Tax Agreement. State legislatures began considering the Act and Agreement in January 2001.

The approval of the Act and Agreement provides the basis for states to enact legislation to provide the benefits of simplification to vendors in their state. However, the Project will continue its work throughout 2001 to incorporate additional elements into the system. These elements may include additional uniform definitions, a uniform tax return, and revisions to the technology models based upon information gained through the testing of tax collection software.



**2. Action requested:** This section lets our members know what we would specifically like them to do and provides several bullet points for inclusion in correspondence. Rather than writing a letter for our members, we suggest they choose the points that are important to them. This helps members feel as though they have a greater part in the process and encourages them to personalize their letters.

**3. Contact information:** The next section provides information about how to address letters and whom our members should call.

**4. Follow-up information:** We ask our members to let us know what they did and encourage them to send us copies of their correspondence.

**5. Background:** Lastly, we include a background section for those who want more information or haven't been closely following an issue.

Two more points bear repeating: First, don't be overly critical in your communication. At ASCE, we've had a few experiences when action alerts were sent verbatim to the offices of legislators. And second, if you ask members to take action, ask nicely and always express gratitude.

**Choosing communication vehicles**

When trying to determine the most appropriate way to communicate with your grassroots members, consider how most of them already communicate with you. Or, survey your members to find out how they would like to communicate. Take into account whether you need quick action or have time to wait. ASCE's communication protocol is to first e-mail, then fax, and then mail. We also post everything on our website. We also fax a news update at least once a month and send a mailing at least twice a year to include those without e-mail or fax capability.

So what remains the most appropriate way for you grassroots members to communicate with their elected officials? Keep in mind that delivering an effective message doesn't always mean delivering it to Capitol Hill. Contacting a legislator's district office is often more effective because it is usually less inundated by constituents and lobbyists. Sometimes, a few letters or calls to a district office can set off bells that would require a larger volume at the capitol office.

Finally, consider the format legislators prefer for constituent communication. Numerous Capitol Hill staff members have stated that the most

effective means of communicating with elected offices are: constituent visits, written letters (especially hand-written), and phone calls. If your members want to send e-mails, encourage them to include their home addresses so they can be identified as a constituent.

**Fertilizing your grassroots**

When you know your members took action on an issue, send personal thank-you letters. You can also recognize active members by printing their names in publications and at conventions. This distinguishes the participation of members among their colleagues and attracts additional attention to what you're doing.

It's also critical to communicate regularly with members. Be sure to let your members know the outcome of an issue or when it's being prolonged. You don't want it to seem like the only time you communicate with your members is when you want something from them. ASCE's regular contact keeps our members constantly aware of pertinent issues and reminds them that staff members continue to work on the association's public policy concerns.

By effectively communicating with your grassroots members, you can make them want to bring your message to their elected officials. And unlike the constituent at the beginning of this article, your grassroots members can deliver educated perspectives and help you advocate your association's legislative agenda. If you build the bridge properly, your members will cross it.

*Liz Hermesen is manager of grassroots programs for the American Society of Civil Engineers. Article reprinted with permission.*

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# Keys to a Successful Grassroots Program

By Claudia Harris

One of the major pitfalls with any grassroots program is trying to be all things to all people. Remember that a little work on numerous issues will take longer to achieve your association's goals and may cause members to lose their enthusiasm. Avoid this by having a defined and agreed upon public policy agenda that can be implemented successfully with available resources.

### Organizing Contacts and Issues

Regardless of what software programs or web-based solutions you use to organize your association's grassroots contacts, it is of primary importance to define what information you need to maintain those volunteers and the goals you have communicated for them.

### Tracking your volunteers

At the very least, you will need the name, address, phone, fax, and e-mail address of each volunteer. Ideally, you will also have separate

fields to record any personal or professional connections each volunteer has with elected officials; to list the target goals for each volunteer; and to track the activity taken by each volunteer. Make sign-up forms available in your association's newsletters, from your web site, and at your annual meeting. Members who fill out the form and send it in are personally motivated to become involved.

### Defining the issues

Defining the public policy issues that affect the members and supporters of your association is the foundation of a successful grassroots program.

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## FINAL THOUGHTS:

### 11 Steps for Increasing Your Grassroots Success:

1. Be knowledgeable of your issue.
2. Include a constituent in your group.
3. Tie the issue to the legislator's home base.
4. Be concise, and stick to the issue at hand.
5. Never lie, and don't ever stretch the truth.
6. Be friendly and informative.
7. Be prepared if schedules change.
8. Make friends with the staff.
9. Start early on tough issues.
10. Bring a copy of your talking points.
11. Ask for support.

