

Agency for Change Podcast: Rebecca Firestone, Executive Director, OpenSky Policy Institute

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Rebecca Firestone:

The more people who are involved, the more people from all walks of life are letting their elected officials know what matters to them, it leads to, ultimately, better policy decisions.

Announcer:

Welcome to Agency for Change, a podcast from KidGlov that brings you the stories of changemakers who are actively working to improve our communities. In every episode, we'll meet with people who are making a lasting impact in the places we call home.

Lyn Wineman:

In 2008, a group of concerned organizations in Nebraska got together with the intention of helping everyday citizens better understand topics that until then, were fairly inaccessible to most people—the state budget taxes and how the government spends those tax dollars. They knew that for this project to succeed, this new organization had to offer up resources that anyone could trust, no matter their political leanings. And after finding support with advocacy groups, policy makers, educators, and funders across the state, they incorporated into a 501(c)(3) and the OpenSky Policy Institute was born. Their mission to improve opportunities for every Nebraskan by providing impartial and precise research, analysis, education and leadership. Hey, everyone, this is Lyn Wineman, president and chief strategist at KidGlov. Welcome to another episode of the Agency for Change podcast. Today's guest is Rebecca Firestone, executive director at OpenSky Policy Institute, a nonpartisan organization that advocates for a strong Nebraska through clear fiscal research and analysis. Rebecca, welcome to the podcast.

Rebecca Firestone:

Lyn, thank you so much for being here. It's really a great pleasure.

Lyn Wineman:

I am looking forward to talking to you, taking a deep dive into what you do. And actually, could you start by breaking down what the OpenSky Policy Institute does and how you help people?

Rebecca Firestone:

Sure. We are a nonpartisan, nonprofit research and analysis organization, basically a think tank. We're based in Lincoln, Nebraska, and we focus on fiscal policy for the state of Nebraska. So, we aim to make the state budget more accessible to the people of Nebraska and work towards fairer tax code for everyday Nebraskans. And we do that through a few different ways. We take legislation, so policy proposals that are introduced in the Nebraska legislature, and then we analyze them to understand what the implications of many of those policy proposals will be to understand potentially who wins, who loses, what is the cost, and what would it mean to actually implement some of those policy proposals.

And we focus particularly on things having to do with the money. So, we spend a certain amount of time really focused on the state budget, what happens in the appropriations committee, what happens in the revenue committee with tax proposals. And the aim is to understand their implications. And then we share that information with our primary audiences of legislators and with the media. And we're also looking to reach people outside of the legislature, so everyday Nebraskans, to help them understand what the legislature is considering when they're in session.

Lyn Wineman:

I love that, because you know what, most of us don't even like to deal with our own personal budget. Whenever we get to business budgeting cycles, everybody's like, "Oh, budgeting." And you are interpreting the budget of an entire state for all of us, and I think that's pretty spectacular.

Rebecca Firestone:

Well, thank you.

Lyn Wineman:

Yeah. Well, no, thank you. Thank you. I have heard you talk about the importance of being nonpartisan and how you avoid partisanship in your work. Can you talk to us a little bit more about that?

Rebecca Firestone:

Sure. We're a research and analysis organization. Our focus is on providing evidence to policymakers to enable them to make more informed decisions. We follow the evidence and try to lay out what is the implication of a policy proposal. And that means that we're not really on any part of the political spectrum. We are looking at what a policy is going to do. Also, it's really important, I think, for all of us as Nebraskans, to understand the tradition of nonpartisanship that we have within the Nebraska legislature. It really makes us stand out as a state. It's a unique and really special component of how our legislature does the work of the people of Nebraska. And it's within that spirit that we also aim to be nonpartisan.

Lyn Wineman:

Yeah. Is that a misunderstanding about the organization? Do some people think you're partisan? And why do you think that might be?

Rebecca Firestone:

Well, we say all the time that we're a nonpartisan organization and we put the numbers out there and aim to let those numbers speak for themselves. They do end up running through people's ideological filters. And I think that's the nature of the day and age that we're in, not just in Nebraska, but in the United States.

Lyn Wineman:

Yeah, it seems like everything in life is running through ideological filters right now, isn't it? Yeah.

Rebecca Firestone:

Mm-hmm.

Lyn Wineman:

So Rebecca, your website has the tagline, "Clear thinking for a stronger Nebraska," which I do love, as a marketing person. In your mind, what does that strong Nebraska look like?

Rebecca Firestone:

I think that's a Nebraska where our government works for everyone and enables everyone in the state to tap into the shared prosperity that's possible in the state that we live. And so that means making sure that we have a fair playing field, that families are able to thrive, and that we have a state government that is making decisions and prioritizing what every day Nebraskans need to thrive.

Lyn Wineman:

And so when you think about the policies that support that kind of Nebraska, what kind of policies help us accomplish this?

Rebecca Firestone:

One thing that I will specifically, I think, pay some attention to is our personal income taxes and how income taxes work in Nebraska. My favorite founding father is Benjamin Franklin, and he has a number of fantastic quotes, and one of my favorites is that "nothing is certain except death and taxes."

Lyn Wineman:

For sure, for sure.

Rebecca Firestone:

We all pay taxes, none of us love it, but our tax policies, our tax code are really a tool for shared prosperity. And I think it's also a way that we all have a stake and making sure that our government is working for all of us. And a key thing to think about there is the way our personal income taxes are set up. So basically, the more you make, the higher amounts of your income are taxed at a higher rate than the lower amounts of your income, or if you're a low income person, your income is taxed at a lower rate. And that is a really important tool for governments across the United States and around the world. And it's set up on the basis of if you have the ability to pay more, then you should pay more. People at wealthier ends of income distribution may say, "Hey, why am I being taxed at a higher rate?" But that's because you have a broader pool of wealth to contribute to helping our government enable people in this economy to thrive.

It's a way of leveling the playing field. It's a way of enabling everyone to have a fair shot. That's why we spend a lot of time on how our income tax rates are set up. And talking about this notion of this is an economic term. Progressive income tax rate means basically that the people who have a greater ability to pay and are contributing at a greater rate. And that's contrasted with a regressive income tax rate, where the people who are poorest are paying a greater tax burden than people who are wealthier. And when you look at the entire tax code that we have here in Nebraska, that includes income taxes, property taxes, and sales taxes, you put that total tax burden together, you actually do see that, overall, our total tax code leaves us in a regressive situation where people at the lowest parts of the income distribution, people who are poorest in Nebraska are proportionally have a greater tax burden than people who are wealthy. And the best way to even the playing field there is actually through our income taxes.

Lyn Wineman:

And Rebecca, that's not an easy topic to bring up, explain, communicate. I'm sure it's not highly popular with some groups, not necessarily dinner party conversation, I'm guessing.

Rebecca Firestone:

No, it's dry. There's a lot of numbers involved and a lot of math. Our aim is to try to bring people along in that conversation and to understand taxes as a way that we're all contributing to getting the government to work for all of us and to help people understand how their taxes work. Because, yeah, it's complicated. It's not very interesting, but our goal and our job is to try to help make it more accessible to everyone.

Lyn Wineman:

That's fantastic. I think that's an important communication principle. Meet people where they're at and communicate in a manner that is helpful for them. So, I appreciate that. OpenSky focuses on four policy areas. What are those areas and why did the organization choose to hone in on these topics?

Rebecca Firestone:

We focus on four areas. They are taxes, the state budget, education and healthcare. And the taxes and the budget I'll start with first, that taxes are where the money comes into government, and we want to understand where is the money coming from and how are those taxes being gathered. And then the budget is where the money is going. So what decisions are our legislatures, legislators making about how they want to use our tax dollars for providing government services? And within that budget, within the State of Nebraska overall budget, the largest portions of state spending are in education and in healthcare.

So, if you look at the state's general fund, which is basically the largest portion of the state budget, it's like the state's checking account. The largest proportion of that spending is in education. That's 40% of spending. And that is predominantly K-12 education. That's 27% of spending overall, followed by higher education. So top line, the state of Nebraska, 44% of its budget goes to education. The next largest portion of the state budget is on spending for health and human services, and that's 37%. And within that, the largest share is for Medicaid and CHIP (Children's Health Insurance Program), which is providing access to health insurance to low-income populations. And then there's some non-Medicaid spending within there. So, we're looking at where the state's putting its dollars when we're focusing on education and on healthcare.

Lyn Wineman:

So, if my math is correct, that's over 70% of the state budget on education and healthcare, which are two areas that I think we all would agree are of great need and vital to the success of the people that live here.

Rebecca Firestone:

Absolutely. Help everyone contribute to society, make Nebraska a great place to live, and also are really important for having a strong and thriving workforce that's going to attract businesses to the state and enable businesses in the state to have a fantastic workforce that they can tap into.

Lyn Wineman:

Absolutely. So, Rebecca, in today's world, everybody expects to be able to go online and find all the information they need. I'm curious, what resources are available on your website to help people become familiar with topics that impact Nebraskans?

Rebecca Firestone:

So, our website, I'll give you the plug, it's openskypolicy.org. You can go to that website, and we regularly update it, particularly during legislative session, which is where we're at now with blog posts where we are providing analyses of the legislation that we're looking at, and just generally providing updates on what's happening in the legislature. So that front page of our website is an important place to go to. We also have some important resources there, we call them primers, and they're basically summaries of key policy areas within the state. So, we have a primer just about our tax expenditure system and how the budget works. We have a primer on K-12 education, one on Medicaid and one on SNAP (Supplemental Nutrition Assistance Program), which people also know is food stamps, which is our program for ensuring food security in the U.S. So we talk about how SNAP works in Nebraska.

Lyn Wineman:

Fantastic. I have read those, and honestly, very, very helpful at taking some very complex topics and making them accessible and understandable to everybody. Now, I know in addition to the primers and in addition to the blog posts, you also do a number of op-eds communicating through the statewide media system. What kind of topics do you choose to write about and what impact do you hope they have on readers?

Rebecca Firestone:

We regularly do op-eds to talk about what's happening in the legislature, and particularly to give an overview about what is happening fiscally or a money story about what's happening in the legislature. So we just did a recent op-ed that was setting up for legislative session that was talking about our budget surplus. The state of Nebraska has this almost unprecedented budget surplus of 1.9 billion of extra money that's available for the state to consider how to use. And we talked about where that money came from, why we're in the situation that we're in, how Nebraska is not unique in having this budget surplus, and that our analysis suggests that this is primarily because of decisions made at the federal level in terms of the stimulus that was done to help us get through the COVID pandemic. It's not actually or most likely it's not directly attributable to policy decisions made in Nebraska.

But we are also talking about when we do have this enormous budget surplus now, there are some really important decisions for the legislature to be thinking about right now, which is how can you use those dollars for everyday hardworking Nebraskans? What are some good investments that the legislature could actually be making? So that was what that op-ed was about. At the end of last legislative session, we did another op-ed when we talked about the largest tax package that the state had ever passed at the end of the last legislative session and to talk about where basically last year the legislature passed a series of tax cuts that when they're fully implemented will cost the state almost a billion dollars.

Lyn Wineman:

That's a lot of money.

Rebecca Firestone:

It's a lot of money. So, we've got a lot of money right now, but our projections that are a few years from now, once these tax cuts take effect, we are not nearly going to have as much money and the state has

to balance its budget. It can't spend more than it takes in, and if it just radically cuts back on what it's taking in, then it's going to potentially tie the hands of the state in the future in terms of figuring out where to put money on key priorities.

Lyn Wineman:

It's so fascinating how policy shifts things and the amount of time that it takes and the counterbalances. I'm fascinated by the whole thing. So, you're writing about getting ready for the legislature, post-legislative session, primers to get people ready to understand blogs. I'm just really curious, as you and I are talking, we're a couple weeks into the 2023 legislative session. What is life like for you at OpenSky during this time?

Rebecca Firestone:

It's busy. It is really busy right now. We are shifting from the opening days of the legislature. All bills have to be introduced within the first 10 days of the legislative session, which is not every legislature does that, but that's what we do here. So, you have a sense of the lay of the land after the first 10 days, which is great. So, we are now making sense of those over 800 bills that were just introduced.

Lyn Wineman:

Wow.

Rebecca Firestone:

We're going to be shifting into hearings on each of those bills. Very importantly in Nebraska, as part of how we work as a nonpartisan legislature, every bill gets a hearing. Not every bill in other legislatures around the United States necessarily gets a hearing, but that's what we do here in Nebraska. We are now waiting for hearings to get scheduled, we are analyzing those bills and we are deciding which of the bills that we're going to be testifying on. So that is what all of the rest of this month, all of February and most of the month of March is going to be.

Lyn Wineman:

So I know you've got a fairly lean staff. What do you just say, "I'll take 200. You take 200. You take 200." How do you divvy those up?

Rebecca Firestone:

Well, our policy analysts have particular areas of expertise where they focus. Our education policy specialist, she's really focusing on the set of bills on education finance. Our safety net and healthcare policy analyst is focusing in that area. And then we've got a fiscal policy analyst, and he does tax credits, income taxes, corporate taxes, tax incentives. He's got a pretty full plate. So, we do try to specialize. We're not covering everything. I think we will probably end up with maybe, we're sorting out these numbers right now, but we'll probably have 40 to 50 bills.

Lyn Wineman:

That's more reasonable, but still quite a lot. So, what's it like when the legislature's not in session and is it all bonbons and Netflix on your computers? I know that's not the case. She laughs. It's never like that.

Rebecca Firestone:

We have some longer-term priorities that we're working on pushing forward. So, the interims of, like when we're out of session, that's called the interim. And that's really an opportunity for us to do some deeper analyses to work on some publications that we want to get out. And importantly to spend a lot of time connecting with people outside of Lincoln and talking about what happens in the legislature and why that matters for them.

Lyn Wineman:

That makes a lot of sense. So, you've hit on this a bit, but I don't want to leave anything on the table here. Many of the topics that OpenSky covers are complicated, especially if you aren't familiar with them. There are not very many of us that are policy analysts, like you have mentioned on your staff. How do you take a challenging topic and make it more accessible and understandable for people?

Rebecca Firestone:

It's really about trying to put yourself in other people's shoes and also get input from other people who are not as in the weeds as you are. We recently tried to do this. We put out a short one-page Q&A document on our budget surplus. And a wonderful and lovely colleague gave us a lot of feedback on it and really helped us to break down, "Stop using all the wonky technical jargon. Put this into normal people words and tell us what it means." And we need to do a lot more of that.

Lyn Wineman:

You know what, it seems like empathy is the word of the year, maybe the word of the decade. I think a lot of that is really understanding where people are coming from. And I even know from a marketing perspective, it's so easy to get caught up in your own jargon and not realize that other people don't really talk or think like that on a daily basis. So, I think that's great.

Rebecca Firestone:

Can I tell you a story about that?

Lyn Wineman:

I'd love that. Yes.

Rebecca Firestone:

We did a round of listening sessions in a few different parts of the state, mostly in central Nebraska in the fall. And we're just spending some time talking with folks in different towns around the state about, "What does your day look like? What does your work look like, particularly if you're involved in community service? What issues are you dealing with?" And heard some things that we were a little surprised about, honestly, but just really proves the point. It's important to not spend all your time in the capitol. So in one town we were hearing about how public transportation is an issue, because the bus in that area, it's a bus that goes across a few different towns, and it just doesn't come often enough that if someone doesn't have a car in that town and they need to get their kid to daycare and then need to go to work, that they can't rely on public transportation to do that.

And then we were in another town with a couple of really respected community leaders, and they were like, "We're happy to meet with you, but we don't really quite understand why." And we were like, "Well, we're talking about the state budget and what that means." And they were like, "Well, in our town we don't think about the state budget." And so, then we got into a fantastic conversation about what was

happening in their local school district, some of the challenges that school district was facing. And then we were talking about how much state support does that school district actually receive versus how much they have to rely on local property taxes. And we found our way in to where it matters, but it was a good reality check for us that, again, you have to meet people where they're at.

Lyn Wineman:

Right, right. Those are great stories. Thank you. I think storytelling is also a great way to illustrate very complicated topics and bring it to life. So, thank you for that. So Rebecca, this is probably a really easy question for you, but in your opinion then, to bring this all together, why should Nebraskans care about where their tax dollars go?

Rebecca Firestone:

Well, I mentioned that quote before from Benjamin Franklin about nothing is certain in life. And so that means we're going to be paying taxes. And there our contribution to our democracy and to the society that we live in. I think we would make an argument that we should all understand where our tax dollars are going and how our tax dollars are being used because it shapes the government and it shapes the society that we live in. Personally, I'm happy to pay my taxes as long as I know that I'm getting value for money from contributing to my democracy and my society. And so I think it's that question of what kind of value for money are you getting from your government services?

Lyn Wineman:

Yeah, yeah. Very good. Very good. So, Rebecca, are there any big events or initiatives OpenSky is tackling right now?

Rebecca Firestone:

Right now, really all our focus is on the legislative session, and we are watching very closely the governor's budget proposal, which will be coming out next week. So, I think we'll learn a lot about the new governor's priorities from this budget. We're also going to be looking very closely at a number of tax policy proposals that have been introduced. There's one in particular that I think we particularly want to unpack, which is a proposal to move Nebraska to a flat income tax. We don't have all the details of the policy proposal yet, but understand the plan is to take our top personal income tax rate down to 3.99%, and that is related to something that was done in Iowa last year. And I think we want to understand what that entails. People will say that "Shifting to that flat tax is simpler and more straightforward."

I think we're interested in understanding who gets a tax cut, who doesn't get a tax cut, what's this going to cost to the state, what is it going to mean for our schools, for our healthcare, for our roads, our public safety in the future to move to that kind of change in taxes.

Lyn Wineman:

Yeah, good point. A drastic reduction in tax income is going to be a drastic change in education, healthcare, roads and bridges as you have mentioned. I hear what you're saying. All right, Rebecca, really great stuff. I'm going to take us in a totally different direction with this next question. It's my favorite question. Everyone who listens to the podcast knows that I am inspired by motivational quotes, and I find you to be a really inspiring, really intelligent person. And I'd love to hear a Rebecca Firestone original quote to inspire our listeners.

Rebecca Firestone:

So, I don't know if this is going to count as a quotable quote, but I was thinking a lot about something that Jakada Imani talked about. He leads the Management Center, which is an organization that supports nonprofits in effective management and leadership. And he talks a lot about love and rigor as being a roadmap for leadership. And it's about balancing those two qualities and how you operate that makes for really effective leadership. And I think about that a lot in the work that we do at OpenSky, and we absolutely need to bring rigor to the analysis that we do and to providing evidence to consider the implications of different policy proposals.

But as you were referring to earlier about how empathy is the word of the decade, that we need to bring that empathy and that love into our analysis as well to really understand what is this going to mean for your average, everyday Nebraskan people who are trying to make ends meet, want to be able to afford a nice house, want to be able to pay for daycare for their children, want to be able to afford to eventually send their kids to college or to some appropriate post-secondary education. All of those things, again, we need to be putting our ourselves in the shoes of everyone in Nebraska, whether they're a rancher or work in a food packing plant or teach in a public school, we need to be able to think about that as we're analyzing these policy proposals and talking about them.

Lyn Wineman:

Ah, that's fantastic. I recently read an article on the intersection of love and power, and it basically said that I'm completely paraphrasing, "Power without love is cruel. Love without power is impotent. But when you put love and power together, then you get to the point where you can really make things happen." And I'd never really thought about those two concepts meshing in a similar way to love and rigor. I think that's a really interesting way to look at this. So, Rebecca, I want to give you another chance to give us the website and we'll make sure to have it in the show notes, but where can our listeners find more about your work?

Rebecca Firestone:

Openskypolicy.org is our website.

Lyn Wineman:

It's a great website.

Rebecca Firestone:

Thank you. I'll say we're also on all the socials, so you can find us on Facebook, you can find us on LinkedIn, you can find us on Twitter.

Lyn Wineman:

Fantastic. All the socials. I love it. We'll have links to those in the show notes as well. So, Rebecca, as we wrap up this great conversation today, what is the most important thing you would like our listeners to remember about the work that you're doing?

Rebecca Firestone:

Be engaged, and we can help you to do that through following our communications platforms, our social media, but we all have a stake in this fantastic state of Nebraska, and I know that it can feel kind of alienating to follow what's happening in our political processes these days, but it really matters. The more people who are involved, the more people from all walks of life are letting their elected officials

know what matters to them, it leads ultimately to better policy decisions. So, I would just encourage everyone listening to be engaged, pay attention. There's a lot of resources out there to help you do that.

Lyn Wineman:

Rebecca, I feel smarter after talking with you for the last 30 minutes. So, thank you. And I just want to say I fully believe the world needs more people like you, more organizations like the OpenSky Policy Institute. Thank you for your time today.

Rebecca Firestone:

Lyn, thank you so much for this opportunity.

Announcer:

We hope you enjoyed today's Agency for Change podcast. To hear all our interviews with those who are making a positive change in our communities, or to nominate a changemaker you'd love to hear from, visit KidGlov.com at K-I-D-G-L-O-V.com to get in touch. As always, if you like what you've heard today, be sure to rate, review, subscribe, and share. Thanks for listening, and we'll see you next time.