

# **Investing in Effective Approaches to Civic Engagement:**

## **An Evaluation Research Project with the Civic Participation Action Fund**

### Capacity Building in 501(c)(4) Organizations

Building 501(c)(4) Capacity through Statewide Campaigns:  
The Case of LUCHA and Arizona's Proposition 206 Campaign Victory

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## **Summary**

This research investigated how 501(c)(4) organizations build and sustain capacity through issue and candidate campaigns. Using case study methods, the project documented the development of 501(c)(4) organizational capacities in three organizations that received funding support from the Civic Participation Action Fund from 2016 to 2018. It explored how capacities were built, the extent to which issue and candidate campaigns supported capacity development, and the conditions under which such capacities can be maintained over time. The analysis addresses the factors that supported capacity building, how the factors can be replicated in other organizational contexts, and the ways the factors may facilitate organizations' independent political power. The research questions are investigated from the perspective of individual grantees and their ability to build organizations through campaigns. Findings are intended to inform how funders and nonprofit social-change organizations can invest in strategies that enhance capacity in 501(c)(4) organizations.

This report documents Arizona's Proposition 206 campaign to increase the minimum wage and establish provisions for paid sick time. It analyzes how the lead organization, Living United for Change in Arizona (LUCHA), built capacity through the campaign and how it is growing into a more effective 501(c)(4) organization. This case profile offers one picture of how grassroots 501(c)(4) organizations can develop into stronger organizations through campaigns. Our analysis also considers how certain capacities contribute to an organization's overall strength and the extent to which capacity growth can improve political effectiveness. For funders interested in supporting 501(c)(4) organizations, the findings point to strategies that can bolster organizations' abilities to win campaigns and generate power.

## Background

### Research Questions

In 2016, the Civic Participation Action Fund (CPAF) embarked on an evaluation process to learn about effective approaches to civic engagement through the experiences of its grantees. A team of evaluators were invited to investigate questions that would shed light on the strategies and practices of 501(c)(4) organizations that build power in low-income communities and communities of color. One of four projects, *Capacity Building in 501(c)(4) Organizations* explored three research questions.

- 1. How do issue and candidate campaigns build 501(c)(4) organizations?**
  - a. Are there common factors that must be present for campaigns to build the capacities of the organizations working on them? For example, does it have to be a winning campaign?
- 2. What impact do issue and candidate campaigns have on the 501(c)(4) capacities of organizations that work on them?**
- 3. How do campaigns provide a foundation for organizations to create new capacities and strengthen existing ones? How do organizations sustain intraorganizational and interorganizational capacity over time?**

As the project evolved, it became evident that the findings also answered questions about the types of funding that grassroots organizations must attract in order to be successful at achieving independent political power. For the purposes of this analysis, *independent political power* is defined as the abilities to elect candidates aligned with constituents' values, to hold those elected officials accountable for their actions, and to influence legislative outcomes.<sup>1</sup> In many respects, findings about capacity point to effective strategies that can promote organizational development and support the building of independent political power.<sup>2</sup>

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<sup>1</sup> Demos uses a more expansive definition of independent political power that supports the analysis presented in this report and incorporates various dimensions of the strategic capabilities necessary to build power; <https://www.demos.org/sites/default/files/imce/Updated%20Independent%20Political%20Power%20image.pdf>.

<sup>2</sup> The report throughout discusses “civic engagement” which is intended to refer to the work groups conduct to assist and encourage people to develop the skills and knowledge for engaging in their communities and beyond, to advocate for issues they care about and to participate generally in the democratic process including voting. Similarly, the report discusses building “political power” which refers to the work of organizations to foster and facilitate activities in communities to advocate for issues and to hold their public officials accountable, and to empower individuals through these collective activities.

## High-Capacity 501(c)(4) Organizations Defined<sup>3</sup>

The first phase of the project established a framework for defining high-capacity 501(c)(4) political organizations. Key informant interviews and a review of existing literature on nonprofit political organizations informed the definition and guided the exploration of research questions.

High-capacity 501(c)(4) organizations have five characteristics.

- 1. Effectiveness at winning campaigns**
- 2. Ability to build and maintain an engaged constituency**
- 3. Political credibility and reputation with allies, public officials, and opponents**
- 4. Ability to influence legislative outcomes by making claims, wielding power, winning policy change, and holding public officials accountable**
- 5. Organizational designs and infrastructures that can ensure long-term sustainability**

The 501(c)(4) organizations are typically on a continuum of strengthening each element, but they are essential together for establishing and maintaining strong organizations. Such organizations benefit from the development of internal, or intraorganizational, capacities such as skilled and experienced organizational leadership, clear structures for staff management and support, the ability to fund-raise, and expertise in financial and legal management. They also have to develop and strengthen capacity for externally focused work—most often by means of interorganizational connections with allied organizations, public institutions, and political elites. Those capacities include coalition organizing, relationships with public decision makers, and legislative influence.

Many factors enable grassroots 501(c)(4) organizations to achieve mission and to design and implement effective programs. For organizations engaged in ballot initiatives and other electoral campaigns, there are specific structures and processes that position them to lead successful campaigns, organize new and/or traditionally marginalized constituencies, and build statewide power for long-term legislative change. Some of those attributes are commonly found in both 501(c)(3) and 501(c)(4) civic and political organizations. However, certain factors ensure that 501(c)(4) organizations are more effective when such capacities are well developed, including executive leadership with experience in running electoral campaigns,

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<sup>3</sup> There are more than 80,000 501(c)(4) social welfare organizations nationally as designated by the Internal Revenue Service. However, it is estimated that of that total, only about 4,500 of them are engaged in direct lobbying, advocacy, grassroots organizing, voter engagement, and other partisan political activities (For more information, see Post, Margaret and Boris, Elizabeth. 2019. "Civic Organizations that Promote Diverse Participation in American Democracy." Paper presentation. American Political Science Association Annual Conference.).

constituent outreach, and leadership development training programs; high-functioning administrative systems; and credibility as coalition members or in relationship to decision makers.

When viewed together as intra- and interorganizational development, building capacity is a function of an organization's structures and processes for running campaigns, implementing programs, and achieving outcomes. We therefore used an iterative process to focus and refine nine variables that help us understand how different capacities contribute to building a high-capacity 501(c)(4) organization. The variables are categorized in Table 1 as either internally or externally focused.

**Table 1: Organizational-Capacity Variables**

<i>Internally focused</i>	
1. Ability to fund-raise	<ul style="list-style-type: none"> <li>• Ability to raise money from national or state funders and from organization's base constituencies</li> <li>• Includes onetime or campaign-specific funding as well as long-term or sustainable funding, such as annual memberships</li> </ul>
2. Campaign management	<ul style="list-style-type: none"> <li>• Extent to which organization and its leaders possess ability to manage phases of campaign activity</li> <li>• Ability to strategize and implement well-managed campaigns</li> </ul>
3. Communications	<ul style="list-style-type: none"> <li>• Extent to which organization engages in message development, designs and uses polling data, and crafts and delivers its message to general public</li> </ul>
4. Constituency	<ul style="list-style-type: none"> <li>• Ability to recruit, engage, and maintain a base of support sufficient to achieve short- and long-term goals</li> </ul>
5. Organizational leadership	<ul style="list-style-type: none"> <li>• Leadership skills needed to achieve success and sustain effective 501(c)(4) work, including strategic planning and political analysis for inside-outside strategy; capacity to direct and manage operations; and ability to maintain vision for change rooted in organization's mission</li> <li>• Often, but not exclusively, a function of the skill and ability of individuals at the organization's helm</li> </ul>
6. Staff management/ human resources	<ul style="list-style-type: none"> <li>• Organization's ability to support core management functions and internal operations, including compliance</li> </ul>
<i>Externally focused</i>	
7. Coalition building	<ul style="list-style-type: none"> <li>• Extent to which organization builds and maintains relationships with allied and peer organizations, labor, policy advocacy groups, and other entities in the progressive infrastructure, including 501(c)(3) and 501(c)(4) donor tables</li> </ul>
8. Influence and relationships with state decision makers and political elites	<ul style="list-style-type: none"> <li>• Relationships with state decision makers, including allies, local and state public officials, and other political elites</li> <li>• Ability to mobilize constituency and resources for winning electoral and legislative campaigns and holding elected officials accountable</li> </ul>
9. Ability to influence legislation	<ul style="list-style-type: none"> <li>• Capacity for applying inside-outside strategy to influence legislative and administrative policy environment</li> <li>• Skill set and infrastructure for managing and executing a political strategy that can influence policy outcomes</li> </ul>

## Case Profile: LUCHA and Arizona's Proposition 206 Campaign Victory

### Overview

The success of Arizona's 2016 Proposition 206 campaign—titled Minimum Wage and Paid Time Off Initiative—raised the minimum wage to \$10 per hour in 2017 and incrementally thereafter, rising to \$12 per hour in 2020. The new law also requires employers to provide 40 hours per year of paid sick time at businesses with 15 or more employees and 24 hours per year at smaller businesses, beginning July 1, 2017. Central to that campaign victory was a grassroots community organization, Living United for Change in Arizona, or LUCHA, that led the way in gathering signatures, organizing new constituencies of voters, and mobilizing the vote for a sweeping progressive win in the state, even amid the election of Donald Trump.

As a result of the campaign and the tenacity of LUCHA leaders Tomas Robles and Alejandra Gomez, LUCHA expanded its reach in Arizona and strengthened its strategic capacity for an inside-outside political program—a hallmark of highly effective 501(c)(4) organizations. The campaign enabled LUCHA and its leaders to test out—and show the success of—its organizing model statewide by targeting new and low-propensity voters while building up their campaign management skills for running ballot initiatives. That combination helped establish LUCHA as a go-to organization for statewide campaign strategy within the state's progressive infrastructure. This case examines how LUCHA's capacity as a 501(c)(4) organization was strengthened during the 2016 campaign and what the implications are for the organization's future organizing work. The analysis aims to identify opportunities and strategies that can be best supported by 501(c)(4) funders and investors.

### The Proposition 206 Campaign

The story of the Proposition 206 campaign in Arizona is not simply the story of a significant progressive electoral victory in a conservative state. Beyond the initiative's win, with 58 percent of the vote, there were other noteworthy successes for the progressive community that resulted from tenacious leadership, critical investments in a 501(c)(4) program, an unconventional campaign structure, and a strategy of base mobilization among new and low-propensity voters. This is the story of a political shift in Arizona.

*“The combination of those two efforts [Prop 206 and Bazta Arpaio<sup>4</sup>] on a conceptual level vindicated this strategy of base mobilization and of specifically using Hispanic organizing organizations to get low-efficacy Hispanics engaged in politics and get them out to vote. That is a huge breakthrough in Arizona because there’s been frankly a lot of cynicism and resistance over the last 10 years. That’s really good.”*

It is the story of new, progressive leadership and of catalytic action by key activists, funders, and campaign experts who cultivated a new way of building and executing campaigns. It is also the story of electoral breakthroughs in communities not typically targeted for turnout. This example demonstrates how a small grassroots organization can build its civic capacity through campaigns and how it is able to generate resources and community power for broader and deeper impact. One interview respondent described the Proposition 206 campaign as a catalyst for change in Arizona and how the progressive community funds, structures, and leads statewide campaigns.

Four phases of activity encompassed how the campaign unfolded. During the **foundation-building phase**, national funders were in conversation with state leaders about whether and how to run a minimum-wage ballot initiative in Arizona. In fall 2015, national funders—including CPAF, the Rockefeller Family Fund, the Fairness Project, and the Center for Popular Democracy—members of Arizona’s 501(c)(4) donor tables, local unions, and other key leaders in Arizona’s progressive community began discussions about whether a ballot campaign for minimum wage would be a viable strategy in Arizona’s 2016 election. Extensive negotiations focused on who would lead the campaign, how it would be structured, and how to best use the necessary funding for a statewide ballot initiative during a presidential election. Ultimately, the decision was made to have experienced campaigner Bill Scheel of consulting firm Javelina and Tomas Robles of LUCHA co-manage the campaign, with Alex Gomez at the helm of LUCHA. It was not an easy decision, and it could have easily deepened divisions within the progressive community.

With leadership in place and some early money from national and state donors, the campaign kicked off at the end of March 2016, when the application for the ballot initiative was filed on behalf of AZ for Fair Wages and Healthy Families. The **signature-gathering phase** began in April and was the crucial first test of the campaign structure, the donor base, and the ability of the campaign to use base mobilization and a field model that would yield the results necessary to put the question on the ballot. In particular, the campaign operated under a tight time frame and faced various political challenges and strategic disagreements inside the campaign that

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<sup>4</sup> “Bazta Arpaio” is a pun for the Spanish word for *enough* (*basta*) but spelled with a z to include the abbreviation for *Arizona* (AZ).

delayed the start of signature gathering. On July 7, 2016, the campaign submitted 275,000 signatures to Arizona’s secretary of state—enough to put Proposition 206 on the ballot.

Competing interests, opposing factions, and a lack of alignment about strategy between funders, unions, community-based organizations, and political elites impeded the start of the campaign and the signature gathering. This was in part caused by a lack of common agreement on aligning local and state interests with the interests of national actors. Even though there was no initial agreement about campaign structure, leadership, or strategy, the persistence of local players and their allies fueled what turned out to be a positive relationship of mutuality—especially between Scheel and Robles—and an effective campaign outcome.

There was little opposition during the **general election phase**, and the Proposition 206 campaign successfully implemented an effective get-out-the-vote along with a responsive communications strategy that reinforced other campaigns across the state. In-state and national donors increased support as Election Day approached, including from the Arizona Education Association and United Food and Commercial Workers, two of Arizona’s most active labor donors. LUCHA’s field program that targeted low-propensity and new voters as key target constituencies helped build momentum not only for the Prop 206 initiative but also for other races, including the sheriff’s race in Maricopa County to defeat Joe Arpaio. The program was infused with the energy, commitment, drive, and vision of the young people leading LUCHA, and both national observers and state progressive leaders interviewed for this case recognized the power of that leadership. On November 8, 2016, Proposition 206 passed with 58 percent of the vote—a sweeping progressive victory in an otherwise conservative state. As one respondent put it, “Arizonans got a raise and Donald Trump as their president.”

In the aftermath of the election, the campaign faced a **legal challenge** to the new law. A coalition of business organizations filed to overturn Proposition 206 in December 2016 on the grounds that the policy would impose new costs without raising new revenue. This period was less a specific phase of the campaign, but defeating the challenge was crucial to preserving the new policy and ensuring that both the minimum-wage increase and the paid-sick-leave provisions would be codified into law. Coalition members, state progressive leaders, and the campaign were ultimately successful in defending all the provisions of the proposition. The Maricopa County Superior Court judge rejected the business group challenge in late December. Immediately after, the Arizona Supreme Court agreed to hear the case, and on March 14, 2017, the Arizona Supreme Court unanimously rejected it. The new law stands.

## Capacity Analysis

### *Preexisting conditions*

The interviews revealed a set of preexisting characteristics that facilitated LUCHA’s success in the Proposition 206 campaign. Though some characteristics may be unique to LUCHA, these conditions serve as the foundation for what supported LUCHA’s capacity development.

LUCHA's **theory of change** oriented the Proposition 206 campaign around grassroots engagement and guided how the group wanted to approach constituent targeting. LUCHA is committed not only to reaching likely voters but also to reaching and cultivating new and low-propensity voters in elections and beyond. LUCHA's leaders believed that its organizing approach—especially the leadership of young people of color—could facilitate a win on minimum wage and have a transformative impact in Arizona. Key allies in the state shared that determination and supported (1) a campaign leadership role for Robles and (2) LUCHA's responsibility in implementing significant portions of the campaign's field program.<sup>5</sup>

Robles and Gomez are young leaders of color who have been directly affected by the issues they organize around. They became involved in organizing in response to Arizona SB 1070 and the Dreamers movement—issues connected deeply to their lived experiences and the experiences of their communities. Their **unique experiences, connections to community, and developing organizing expertise** were integral leadership qualities that they brought to the campaign. However, certain political players and funders did not value or validate such experience. Even amid a dynamic of various biases that existed inside the campaign and within the political environment, those characteristics proved to be critical and compelling dimensions of their success.

LUCHA also built on the **momentum of earlier years** for the Proposition 206 campaign. The organization's work on the Fight for \$15 movement laid the groundwork for its successes in 2016. Its previous campaigns and organizing had established their record as a strong local, grassroots organization with the potential for broader impact. That early work also built credibility for LUCHA among some political elites, national partners and funders, and other progressive allies—relationships that were essential for supporting the organization's role in the Proposition 206 campaign. In addition, LUCHA's existing field-organizing strategy and skill set for direct, ongoing contact with primary constituencies were applied in the campaign and yielded positive results for engagement and turnout.

### ***Conditions that facilitated change***

In addition to preexisting characteristics, eight factors contributed to the success of the campaign and the development of LUCHA's organizational capacity through it. The factors cut across several of the capacity variables we explored and could be replicated in future campaigns that seek to build the capacity of nascent 501(c)(4) organizations.

Prior to the campaign, LUCHA was a **well-established community-based organization** in the communities where it organized. The group's national funders and in-state coalition partners recognized that position as well as LUCHA's experience on previous campaigns. This reputation

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<sup>5</sup> A difference of opinion surfaced in the interviews about whether LUCHA had been “well chosen” by national and state partners and funders or if LUCHA and its in-state allies claimed the space to lead the initiative. Our assessment is that it was likely a combination of LUCHA's leadership (Robles and Gomez) with their allies who had the ambition and determination to take on the challenge of running a ballot initiative, to claim the authority to lead, and, ultimately, to use the support by national partners and funders to lead the campaign.

in turn built legitimacy for a role in the Proposition 206 campaign. The successes of 2016 furthered solidified LUCHA's position as a leading community-based organization in Arizona. Second, LUCHA and its 501(c)(3) and 501(c)(4) partners possessed a **strategic vision** of how to win minimum wage that had a clear framework for what voters would support in the campaign and the type of field program needed to target those voters. Retrospectively, it was the right issue at the right time, and LUCHA put forth a winning strategy. Some actors wanted to wait until 2018, which caused serious tension. However, the momentum behind other minimum-wage victories nationally, the determination of LUCHA's leaders and its champions in state, and support from national funders that believed in LUCHA's organizing approach propelled the campaign forward.

Third, **building a statewide ballot campaign operation** was important for building capacity at LUCHA. Having a strategic vision, developing the discipline needed for a statewide campaign, and making multiple layers upon layers of strategic choices that led to victory were integral to LUCHA's development as a 501(c)(4) organization. Unlike the traditional voter engagement activities of a 501(c)(3) organization, this process was critical to building up LUCHA's 501(c)(4) political capacities. The **nontraditional approach to a campaign structure that privileged local leadership** yielded a powerful outcome. The approach favored local knowledge and expertise, and ultimately it was respected and leveraged to advance the campaign. However, respect for Robles and Gomez's knowledge and expertise had to be earned—especially among the state's political elites and national funders—itself a problematic dynamic. Robles, Gomez, and other key allies in the state demonstrated tenacity in **overcoming such obstacles within the progressive movement**. They got a seat at the decision-making table, and garnered a legitimate voice for influence in the campaign's strategy by pushing to get the question on the ballot, dealing with legal issues related to the signature-gathering campaign, and advocating for a particular kind of field campaign. In many ways, their leadership broke through an entrenched political culture of who leads campaigns and controls resources.

Another hurdle to overcome was **organizing support from in-state allies and then catalyzing and mobilizing support from national funders and intermediaries**. LUCHA first gained support from local allies, which positioned the group to negotiate with national funders for a lead role. LUCHA also had support for playing a prominent role in the campaign from a national intermediary, the Center for Popular Democracy, and CPAF. With time, LUCHA's ability to establish stronger relationships and a positive reputation with in-state donors grew. That growth was not solely a function of LUCHA's organizational position but also relied on the strength of relationships among the 501(c)(3) and 501(c)(4) table partners and between Scheel and Robles.

To that end, the **co-leadership of Scheel and Robles** improved campaign management skills and enhanced fund-raising capacity at LUCHA. The structure of their relationship built on the best that each leader had to offer. Scheel had the opportunity to mentor and support Robles's development of new skills, and Robles was able to demonstrate to Scheel how to use grassroots organizing as a key strategy for successful campaigns. They each described a kind of mutuality and openness to learning in the relationship. Observers also recognized that they had well-matched personalities and skill sets for effectively working together. Hard skills were not the

only important elements; compatible personalities for working together also made a difference. One respondent said, “This worked really well” and built confidence in locally rooted talent to lead major statewide campaigns, which challenged the notion that outside consultants should run these kinds of campaigns.

Last, LUCHA **organized and ran a field campaign with people of color at the center**. LUCHA’s relationships are rooted in constituencies of color and in low-income communities. It was not just stories or images of people affected, but the organizers shared common identities and experiences with the voters they were trying to connect with. This ended up being an important factor that supported LUCHA and the campaign’s success in building infrastructure and momentum. Reflecting on the campaign, Robles commented:

*“We have to be able to have people who know how to talk to our communities, who know how to organize in different parts of the state—people from the neighborhoods from which they come. The easiest way to get people engaged in our political process is to have people from their own communities talk to them. We’ve seen campaigns that have come in and brought in outside consultants with outsiders—people who did not live here—and they would organize for three or four months and then go back home. We wanted to ensure that the people working for Prop 206 would stay here and continue to organize toward building that statewide capacity, which is our end goal.”*

### **Capacity shifts**

In order to assess change, we asked respondents to share observations of LUCHA’s capacity before and after the Proposition 206 campaign. The observations are grouped below using the organizational capacity variables identified during the first phase of this project (Table 1), and ordered based on qualitative accounts of LUCHA’s pre- and post-campaign capacities. Table 2 on the next page indicates shifts in capacity and the level of growth described.<sup>6</sup>

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<sup>6</sup> This framework was developed using grounded theory and qualitative analysis of respondents’ perspectives on organizational growth and change. Using this framework, future research and capacity assessment could incorporate a quantitative analysis of the nine variables.

**Table 2: LUCHA's Capacity Shifts across Variables**

<b>Significant growth</b>	
1. Organizational leadership	Internal
2. Influence and relationships with state decision makers and political elites	External
3. Campaign management	Internal
<b>Moderate growth</b>	
4. Ability to fund-raise	Internal
5. Coalition building	External
6. Constituency	Internal
7. Staff management/human resources	Internal
8. Communications	Internal
9. Ability to influence legislation	External

The Proposition 206 campaign facilitated significant growth in three capacities.

- 1. Organizational leadership**
- 2. Influence and relationships with state decision makers and political elites**
- 3. Campaign management**

**1. Organizational leadership:** Among the nine capacity variables, LUCHA showed the strongest growth in organizational leadership, facilitated in large part by the structure of the campaign. Co-leadership of Robles and Scheel as campaign managers, with Gomez leading LUCHA in Robles's absence proved to be a remarkable partnership. Scheel's political expertise and longtime experience in running statewide campaigns aligned well with Robles and Gomez's connections with key constituencies and their experience in grassroots organizing and leadership development.

Interviewees described substantial growth in the leadership ability of LUCHA's two principals, Robles and Gomez. The skills that Robles and Gomez strengthened during the campaign include those that are especially important to 501(c)(4) organizations and leaders: delegation; budgeting and fund-raising; campaign management; media and communications; management of legal challenges; the ability to assess and navigate the political environment vis-à-vis campaign goals; and the ability to develop statewide campaign strategies. Both Robles and Gomez demonstrated effective organizational and political leadership as well as the hard skills needed for statewide campaign work that built their credibility among peer institutions in Arizona's progressive community and among local decision makers. All of that laid the foundation for leadership in new campaigns after the 2016 election.

Respondents recounted how LUCHA's leadership grew throughout the organization. That growth was the result of LUCHA's commitment to leadership directly from the community. LUCHA recruited and trained local volunteers and then hired several as organizers. Implementing such an approach through the campaign enabled LUCHA to develop new organizational leadership, expand its constituent reach, and begin to strengthen its organizing presence in new communities like Tucson and Pinal County.

**2. Influence and relationships with state decision makers and political elites:** Consistent with its growth in organizational leadership, the Proposition 206 campaign supported LUCHA's growing capacity for building relationships and increasing its influence among political elites. Two aspects of LUCHA's organizational activity demonstrate that aspect of building power: (1) improvements in LUCHA's reputation and credibility among state political elites—especially allies, coalition partners, and Democratic Party leaders—and (2) LUCHA's ability to execute an organizing model that mobilized key constituencies beyond one location.

LUCHA's relationships with and influence among state political elites improved. LUCHA had a strong, growing, and positive reputation going into the campaign. From that position, LUCHA advocated for its field strategy as a core component of the campaign. The strategy focused on low-propensity and new voters as well as on training and expanding its organizing staff. As a result of that orientation and LUCHA's unyielding commitment to the strategy, LUCHA influenced a new kind of conversation in the state about how to run campaigns. This resulted in a more powerful relationships across coalition partners and allies. Working in partnership with Scheel, Robles navigated the often politically volatile terrain of the progressive infrastructure and built support and confidence among donors and key allies within the campaign. Likewise, Gomez led LUCHA's effort to train and mobilize grassroots leaders—especially at key points in the campaign such as the signature gathering, for press conferences, and during the get-out-the-vote phase.

As LUCHA flexed its organizing and political muscle throughout the phases of the Proposition 206 campaign, its credibility expanded. LUCHA became known as an effective grassroots community organization, evidenced by how respondents described the organization's power to execute and deliver the campaign victory. Some of LUCHA's power-building capacity existed prior to the Proposition 206 campaign. As one respondent said, the campaign itself enabled LUCHA to showcase its ability to "run [the] field and . . . build a structure that wins." Likewise, the organization grew its strategic capacity for an inside-outside strategy. The campaign enabled LUCHA and its leaders to test its organizing model and show the model's success, which reinforced its position as an organization capable of running statewide campaign strategies.

LUCHA's ability to plan and deliver an inside-outside strategy was strengthened in two key ways. Its outside strategy—the ability to pressure government and change policy through organizing and direct action—was already strong. Through the campaign, LUCHA further built its field program by cultivating and training new leaders and new organizers and expanding to new geographies. The organization's leaders also recognized the need for core organizational supports to enhance its inside strategy—the ability to pressure government and change policy from within by way of traditional methods of lobbying, relationship building with legislators,

and issue advocacy. For example, after the Proposition 206 campaign win, LUCHA secured two lobbyists to support strategic analysis of legislative advocacy. LUCHA also implemented more infrastructure and planning around legal issues including capacity to handle legal challenges by the opposition.

As a result of the Proposition 206 campaign, LUCHA has improved its reputation as a community-based organization with the power to run—and win—electoral campaigns. It is not clear how much of this growth is a specific function of the ballot victory or the organization's increase in size and expanded scope of organizing or its new relationships with state and national donors. Each element contributed to how respondents viewed LUCHA's increased capacity to build power. As one respondent commented, "The outcome was fantastic not only because we passed the initiative but, I think LUCHA has been tremendously elevated by [Tomas's] leadership profile in the community and across the state."

**3. Campaign management:** An organization's ability to strategize, implement, and successfully execute a well-managed campaign is a critical skill for 501(c)(4) organizations engaged in electoral and legislative organizing. Across the interviews, respondents commented on how LUCHA's capacity for campaign management grew. In particular, the following skills were described as important to the campaign's success and its leadership's ability to manage the campaign effectively: scenario planning and strategy; budgeting; general procedures for scheduling and conducting events; preparing briefing sheets; planning and implementing media strategy; and coordinating polling and message development. In the Proposition 206 campaign, those campaign management skills were especially important for LUCHA to master at the statewide level. The well-matched partnerships between Robles, Scheel, and Gomez contributed to LUCHA's ability to acquire necessary skills and to implement them well across the phases of the campaign. The Proposition 206 campaign integrated the building of a locally rooted, field-driven grassroots campaign with traditional methods of campaign planning, fund-raising, and communications. The experience of that integration process was a key ingredient in LUCHA's stronger electoral infrastructure, yet interviewees acknowledge there remains room for growth.

The Proposition 206 campaign also facilitated growth in six other capacities.

1. **Ability to fund-raise**
2. **Coalition building**
3. **Constituency**
4. **Staff management**
5. **Communications**
6. **Ability to influence legislation**

Respondents generally described those capacities as better than before the campaign but needing continued development to move LUCHA to a stronger position as a powerful statewide grassroots organization.

**1. Ability to fund-raise:** Fund-raising for a statewide ballot campaign required new kinds of relationships as well as attention to the politics of local-to-national fund-raising. Robles and Gomez had to be responsive to national funder interests and demands while balancing local interests, priorities, and community knowledge that was not necessarily understood by state and national funders. In addition to developing relationships with national funders, LUCHA grew its dues-paying membership base and increased visibility with in-state funders, even if those donors did not yet support the organization or agree with its strategy. By building up such relationships and demonstrating how and why funders should invest in Arizona, LUCHA has been able to leverage those relationships for broader, statewide work.

**2. Coalition building:** There is a relationship between how LUCHA grew as an individual organization through the Proposition 206 victory and the new capacity of the state's progressive infrastructure. As LUCHA has increased its capacity and reputation for larger campaigns, the progressive infrastructure also benefited from the win and from the campaign experience. As one respondent noted, other groups "saw firsthand what [LUCHA] could do, and they have more respect for [LUCHA's] capacity, ability, and talent." LUCHA's developing capacity for coalition partnerships is also a function of the organization's ability to build power. As stated earlier, the organization's standing increased among other community-based organizations, political elites, and allies such as local labor unions, and national funders. With that, respondents pointed to new relationships of trust and partnership in coalition, greater respect for LUCHA's talent and abilities, and new recognition of its capacity for organizing and campaign success. It is also possible that LUCHA's alignment with state coalitions facilitated the organization's growing relationships with public officials.

**3. Constituency:** Prior to the campaign, LUCHA possessed a high capacity for organizing Latino constituencies and for engaging members in Phoenix. Interviewees observed certain increases in that capacity, including the ability to turn out large numbers of people to events and expand the constituency of low-propensity and new voters. Investments in organizing staff propelled LUCHA's growth in that capacity, which facilitated stronger constituency outreach and base building. After the campaign—and with funding for organizing staff—LUCHA has been able to deepen its membership-building strategies—especially by following up with interested people beyond initial voter contact and by recruiting members interested in advocacy, not just direct service. With the experience of the ballot campaign, LUCHA also has the ability to expand in new communities, like Tucson and Pinal County.

**4. Staff management and human resources:** Campaigns reveal what resources organizations need in order to achieve campaign goals and keep the organizations viable through each cycle. Campaigns also can deplete resources during mobilization and get-out-the-vote phases. LUCHA's leaders and volunteers developed a new discipline for running electoral campaigns. They acquired critical skills for running campaigns, and they built on their existing field capacities for grassroots organizing and voter mobilization. The Proposition 206 campaign

experience also enabled Robles and Gomez to discern where LUCHA still had to shore up core management capacities: those internal structures and functions that could improve management and operations and that could support successful organizing campaigns. Those capacities included budgeting and accounting, human resources processes, and contingency planning for legal issues. LUCHA now has many of its core human resources components in place with support from consultants and by structuring midlevel management that can oversee organizing staff so as to free up time for Robles and Gomez to focus on executive leadership functions like strategy planning, fund-raising, and the building of external political relationships.

**5. Communications:** During campaign cycles, 501(c)(4) organizations typically are able to bolster resources for targeted communications—especially with support from paid consultants, national funders, and in-state funders that want to help the campaign succeed. LUCHA benefited from such an infusion of resources and support from Scheel in running a successful communications operation. However, like many grassroots organizations, that capacity tends to go away in nonelectoral cycles. After the Proposition 206 campaign, communications capacity remains an organizational gap at LUCHA. Respondents said that LUCHA’s communications expertise has become somewhat stronger because of the campaign and that the organization has experience organizational learning in that area. Respondents inside and outside the organization also agreed, though, that LUCHA’s communications capacity is not where it must be. They identified core communications tasks like messaging, polling, and forecasting, as well as data management, online list building, and other digital work as areas for continued investment and growth.

**6. Ability to influence legislation:** Having influence during legislative cycles is a core element of high-capacity 501(c)(4) organizations. Influence indicates an organization’s ability to affect both policy outcomes and the state of governing power. To achieve influence, an organization has to have an explicit legislative strategy and a robust infrastructure with skilled staff for managing and executing policy change tactics. The extent to which the Proposition 206 campaign helped increase LUCHA’s ability to influence policy making remains to be seen, but the campaign laid the groundwork for LUCHA’s current legislative strategy. That strategy includes defensive policy campaigns such as the organization’s work to prevent caps on the newly passed minimum wage and a repeal of the measure’s paid-sick-time provision, both of which opposition leaders attempted to push through the legislature in 2017 and 2018. The strategy also includes the development of an integrated and proactive strategy focused on economic justice policy change.

Since 2016, LUCHA has implemented more substantial tactics such as (1) sponsoring lobby days that bring members to the capitol to meet with legislators and cultivate new relationships, (2) employing full-time lobbyists, and (3) supporting agenda setting by moving and sponsoring new policies like the AZ Fair Workweek Act (HB 2227). The organization has canvassed in key legislative districts, created digital ads and raised money for them, and mobilized its base for direct actions. Those tactics combine traditional advocacy strategies with the hallmarks of LUCHA’s grassroots organizing strategies—particularly developing leadership among young people of color in holding public officials accountable. Robles and Gomez report that the time spent on those activities has demonstrated how important it is for community groups to be

constantly present at the legislature and to have coherent, unified strategies that engage members in policy-change work. The two leaders see this approach as integral to their theory of change and to LUCHA's ability to grow into a powerful 501(c)(4) organization.

### **LUCHA's Future: Advancing toward Greater Capacity**

Since the 2016 election, LUCHA has continued its efforts to advance more effective organizing and campaign strategies by striving to increase donors, expand membership recruitment and leadership development, improve internal operations, and develop its muscle for coalition work and policy influence. The Proposition 206 campaign indicated that greater investment in organizing expansion is needed in order for LUCHA to grow and become a politically effective 501(c)(4) organization. Likewise, investments in capacities like staff management, operations, and communications along with staff who integrate organizing with a policy agenda are critical for advancing LUCHA's effectiveness. Third, lessons from the campaign reveal the need to support leadership models that promote locally rooted, young leaders of color. In explaining the significance of the Proposition 206 win, several allies and observers described election night as an especially poignant moment: as young leaders of color celebrated their victory onstage, they revealed the "new face" of the progressive movement, counteracting the status-quo, politics-as-usual strategies that had traditionally excluded them from participation and leadership. That image—and the compelling story of the Proposition 206 campaign—signaled the future of progressive organizing, one in which grassroots leadership development combined with electoral campaign strategies not only make policy gains but also strengthen democracy because of the engagement and power of communities of color.