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Guaranteed Basic Income

“I am now convinced that the simplest approach will be the most effective – the solution to poverty is to abolish it directly by a now widely discussed measure: the guaranteed income.”

Rev. Dr. Martin Luther King Jr.

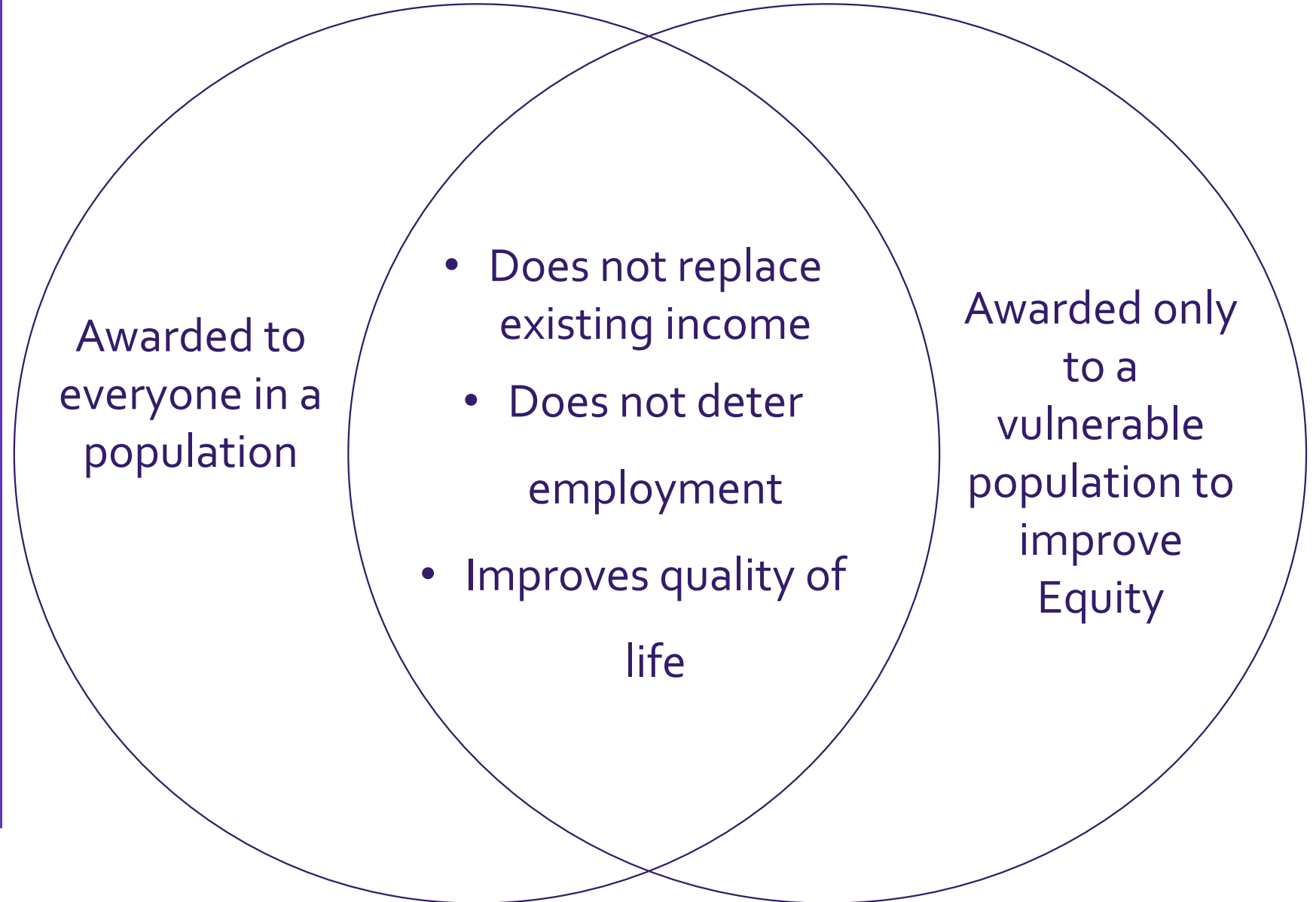
Universal Basic Income

- Periodic cash payments to all citizens in order to provide a standard of living above the poverty line
- “The solution to poverty is to abolish it directly by a now widely discussed measure: the guaranteed income.”
 - Dr. Martin Luther King, Jr.

How does UBI work?

Universal Basic Income

Guaranteed Income



Income Programs Around the World

- Western Europe: The Child Allowance
 - Roughly \$1,250 each month from birth until graduation
 - 1990-2009: The Child Allowance proved to reduce childhood poverty by 15%.
- Alaska: Permanent Fund Dividend
 - \$1,000- 2,500 each September to every state citizen.
 - 1982-2016: the PFD saw a 20% reduction in poverty.
 - In 10 years, the PFD improved financial equity for the poorest fifth of the Alaskan population.

Income Programs in the United States.

- Stockton, California:
 - SEED: Stockton Economic Empowerment Demonstration
 - The first mayor led guaranteed income program
 - 125 Participants, \$500 per month, 24 Months

Highest percentages of the payments went towards...	Percentage of Monthly Payment
Food	40%
Consumer goods (clothing, shoes, appliances, necessities)	25%
Utilities	12%

Mayors for a Guaranteed Income (MGI)

- Founded in June 2020 by Mayor Michael Tubbs of Stockton, CA and Economic Security Project
- Over 30 Mayors from across the United States have joined.
- Advocacy for a guaranteed income and assistance with research on most effective approaches to a guaranteed income.

Principles

- Advocate for a guaranteed income at the local, state, and federal level.
- Invest in narrative change efforts to highlight the lived experiences of economic insecurity.
- Invite other cities to join us in our efforts, and provide technical assistance and funding support for new pilots.

Support

- \$500,000 grant to support direct payments and administrative costs
- Research Fellow and methodology supported by the University of Pennsylvania
- Media and communications support

Partners

- MGI
- Foundations focused on reentry
- Community Spring
- City of Gainesville
- University of Pennsylvania
 - Leading research efforts
- University of Florida
 - Recruiting research fellow

Community Spring



Left to right: Max Tipping, Tequila McKnight, Nadine Johnson, Latashia Brimm, Kevin Scott, and Lindsay Kallman

Community Spring is a Gainesville-based nonprofit focused on dismantling structural poverty and spurring economic mobility at a grassroots level. The twin pillars of our work are *providing income* and *building power*. We do this by hiring fellows who have been impacted by poverty to help solve the systemic problems they identify as driving poverty in their communities.

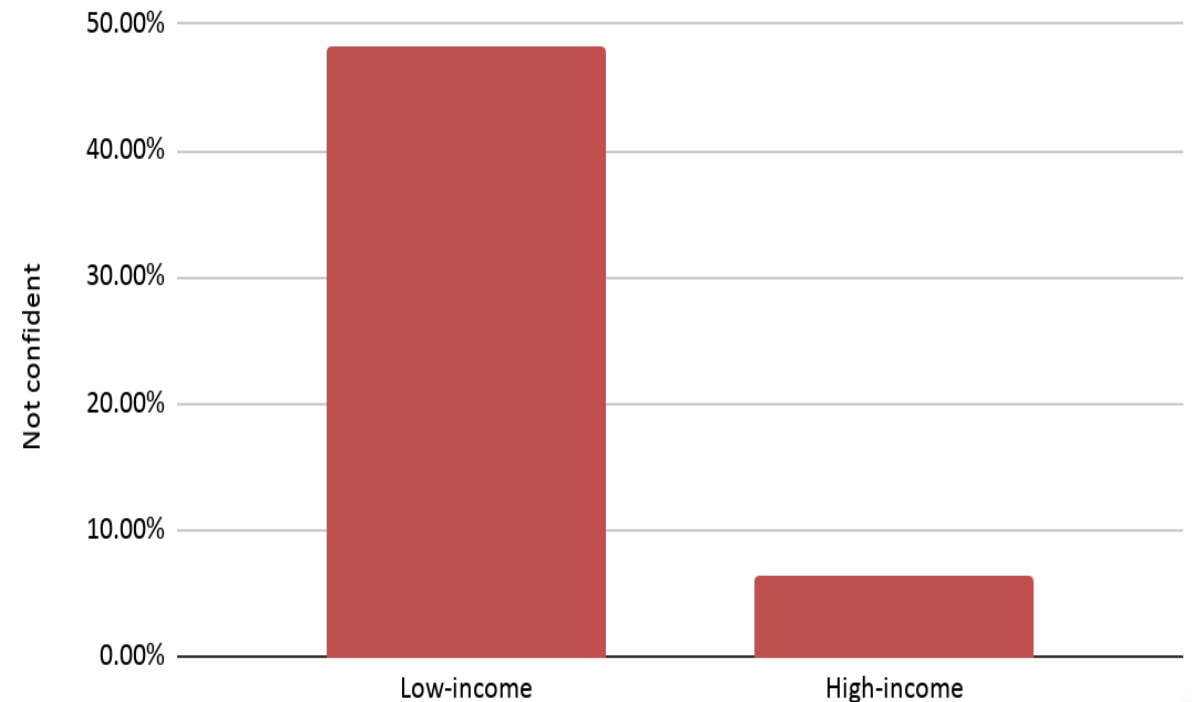
Fellowship Campaigns

- × **Grassroots COVID Recovery Campaign**
(concluded)
 - + Community needs assessment
 - + CS Direct
- × **Torchlighters Re-Entry Support**
 - + Support Network
 - + Employment Certification
 - + Changing the narrative on re-entry

Economic Resilience

- A person's ability to withstand and recover from an economic shock
- Important for understanding the challenges posed by poverty and living paycheck to paycheck
 - A simple thing like an illness or car repair can have a devastating ripple effect
- Needs assessment found almost half of low-income respondents were not confident that they could come up with \$400 for an unexpected expense

Percentage who are not confident they could come up with \$400 if an unexpected expense arose within the next month



Direct Cash Assistance

Benefits

- × Flexibility
 - + Can be used to cover recipients' most critical expenses
- × Autonomy
 - + Recipients make their own decisions about what to prioritize
- × Efficiency
 - + Low admin costs means more assistance goes to those in need

National Models

- × GiveDirectly
 - + \$1000 transfers to households receiving SNAP (food stamps)
- × GiveTogetherNow
 - + \$500 transfers to low-income families

CS Direct

- Ran from June to October
- One-time \$300 payments
- 100% of donations went directly to recipients
- For households in Alachua County who receive SNAP (food stamps)
- Random selection once per month based on how much money was raised
- Community Spring staff confirmed eligibility and delivered payment in-person as a check
- Payments were unconditional
- More info at csgnv.org/csdirect

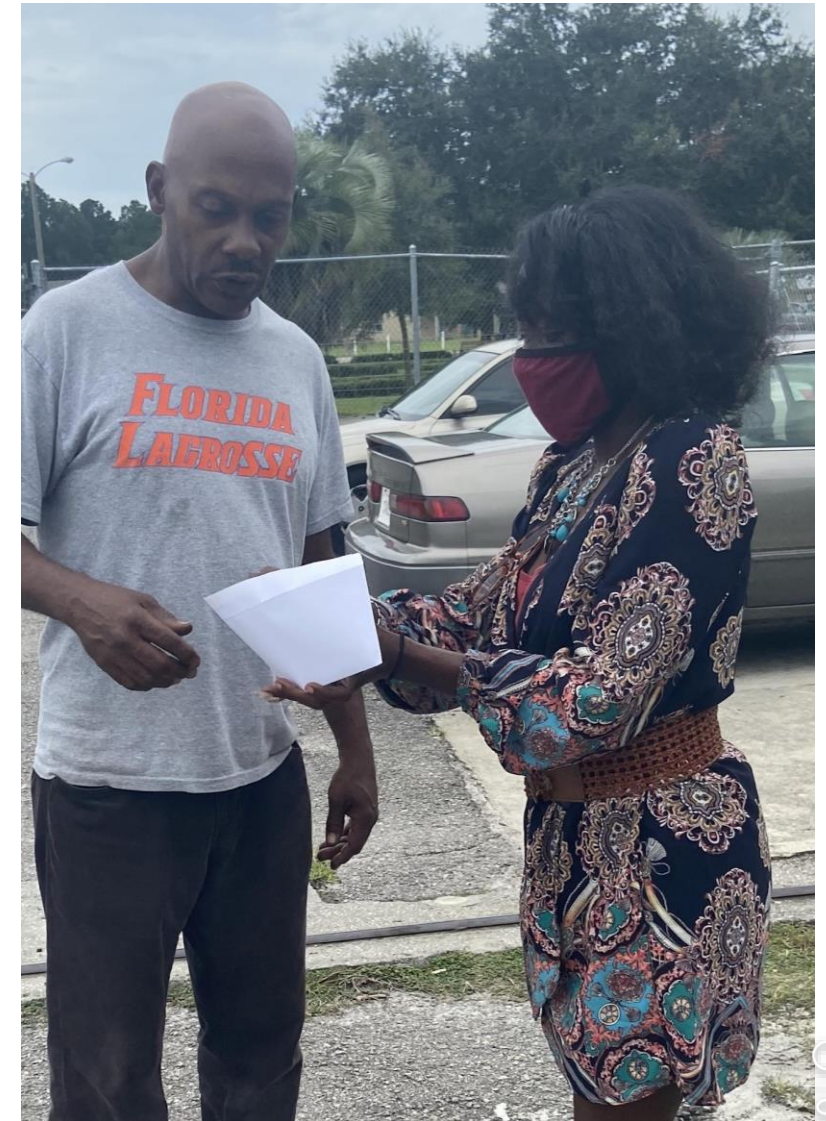


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653
Applicants

93
Donors

128
Recipients

\$38,400
Raised

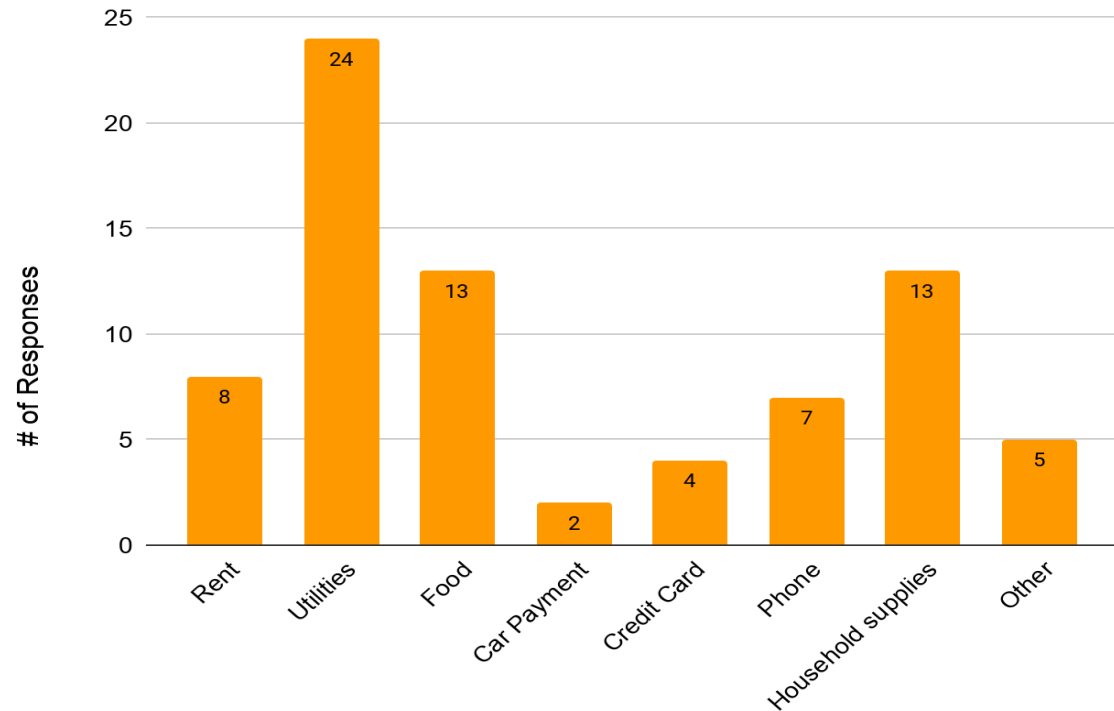
CS Direct by the Numbers



Results from follow up survey

- Response rate to survey was 34%
- Most common expenditures were on utilities, food, and household supplies
 - Many reported splitting it to cover multiple bills, especially things that they normally can't get help with
- 77% felt that having payment go to them increased power to make the best decisions for their household
- 82% felt decreased stress about making ends meet that month

What did you spend [the \$300] on? (select all that apply)



- Only 57% felt that it increased their household's economic security
 - While everyone was grateful, in interviews it was clear that \$300 was not enough to significantly change their economic situation

Recipients

"If [CS Direct] was about twice as much each month that would be a great help because every month I have nothing left and come up short."



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"It's stressful wondering how we'll get these bills paid on time. I need help with getting my child's diapers, wipes, hygiene products and other expenses."



"I am back to work [but] due to reduced hours at the Oaks Mall, I get only ten to fifteen hours a week. I haven't been able to pay [GRU]."



Conclusions for Guaranteed Income Pilot

Economic resilience is low in our community.

A one-time \$300 payment was helpful but not enough and not consistent.

Unrestricted cash is essential in promoting economic mobility, dignity, and autonomy. Plus it's efficient.

There is a lot of community support for this idea.

Our Role in Gainesville's Pilot

Community-centered design

Recruitment

Recipient engagement

Support evaluation design

Survey implementation

Fiscal management

Gainesville.
Citizen centered
People empowered



**MAYORS FOR A
GUARANTEED
INCOME**



More info at www.csognv.org, or contact
Lindsay Kallman at lkallman@csognv.org



Recommendation



Approve placing a resolution on the February 18th, 2021 agenda



Agree to work with MGI, Community Spring and others to support a pilot for a guaranteed income in Gainesville