What is guaranteed income?

The <u>Mayors for a Guaranteed Income</u> network defines guaranteed income (GI) as "a monthly, cash payment given directly to individuals. It is unconditional, with no strings attached and no work requirements. A guaranteed income is meant to supplement, rather than replace, the existing social safety net and can be a tool for racial and gender equity."

The city believes that GI can help address the economic impacts of COVID-19, which disproportionately affect low-income community members, in an innovative and transformative way.

In March 2022, Boulder City Council approved an initial expenditure of \$250,000 for the design and administration of a GI pilot as part of the city's American Rescue Plan Act (ARPA) funding. Boulder has also joined Mayors for a Guaranteed Income, which provides access to resources, best practices and research results from existing GI pilot projects.

What can be accomplished with a GI pilot?

Affordability is one of the greatest challenges for Boulder community members, especially those experiencing low income and systemic inequities. To complement existing human services and financial assistance programs, a GI pilot could help community members achieve longer-lasting financial stability. Additional outcomes may include:

- Reduced poverty rate
- Increased housing and food security
- Increased mental health, physical health and overall wellness
- Increased level of employment, or higher wages
- Increased academic advancement or achievement
- Increased self-sufficiency and feelings of dignity
- Increased ability to withstand financial hardship and crisis
- Increased level of racial and economic justice

Poverty is not the result of lack of character, but rather the lack of cash.

Guaranteed income enables low-income community members to decide how best to provide for themselves and their families, with dignity.



What evidence is there that GI works?

More than 20 U.S. cities have already implemented GI pilots and have experienced a wide range of benefits to community members receiving funds. In 2019, the <u>Stockton Economic Empowerment Demonstration</u> (<u>SEED</u>) became the first mayor-led guaranteed income project. 125 low-income residents received \$500/month for two years, with no strings attached. Outcomes experienced by SEED project participants included increased full-time employment, increased financial stability, less depression and anxiety, and improved health and wellness.

The <u>Center for Guaranteed Income Research</u> is working with at least 10 GI pilot cities to assess benefits such as enhanced maternal and child development, improved racial and gender equity, reduced income gaps, enriched family relationships and more effective youth goal setting.

GI has benefits for the entire community. A GI pilot can help Boulder community members better understand the challenges faced by people experiencing low-income, foster a sense of acceptance and belonging, and build trust among government, nonprofits and groups working to solve economic inequities.



Through the remainder of 2022 city staff will:

- Continue to inform the community and gather input about GI pilot planning
- Secure consultant(s) to steer and manage GI pilot development and implementation, including examining budget, staffing and post-ARPA sustainability needs
- Identify potential investment partners, research partners, legal partners and other professional experts
- Recruit task force members to make detailed GI pilot recommendations, including outcomes, target populations, eligibility criteria, cash amounts and research and evaluation metrics
- > Seek City Council approval in mid-2022 for \$2.75 million of ARPA funds to fully implement the pilot. If approved, the pilot could begin early 2023.

Want more information?

Contact Elizabeth Crowe, Deputy Director of Housing and Human Services at crowee@bouldercolorado.gov, or visit www.bouldercolorado.gov/projects/guaranteed-income-pilot-project.



As of April 2022, in the U.S. there are at least 28 U.S. guaranteed income pilot projects in place.

Mayors for a
Guaranteed
Income estimates
at least 12
additional pilot
projects are likely
to launch in
2022-23.