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FROM PILOTS TO POLICY CHANGE

Recommendations from San Francisco's
Guaranteed Income Advisory Group



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/// It feels so good being able to go to the store and not have to just look at something that you need. Coming home from my mom's house at Christmas, my bike brakes gave out and my backpack broke that I use every day. Because I had this money, I was able to just go to the store the next day and buy a new backpack, which I wasn't used to before.

So, it's those little things, plus being able to stay in my housing – otherwise I would be on the streets right now in a tent, if I could even afford a tent. In addition to that it's given me the space and the freedom to get a Google UX certificate so I can get more than a minimum wage job when the program is done. I was really looking at having to move out of the city – I do a lot of volunteering and community art, and this is where my life is. ///

– DHARMA, SAN FRANCISCO GUARANTEED INCOME PILOT FOR ARTISTS (YERBA BUENA CENTER FOR THE ARTS)

GUARANTEED INCOME
INCOME GUARANTEED

EXECUTIVE SUMMARY

San Francisco's Guaranteed Income Advisory Group was created to advise the Board of Supervisors, the Mayor, and appropriate City departments on various aspects of guaranteed income. The recommendations in this report examine how to move guaranteed income from pilots to policy in San Francisco, while maintaining and strengthening the City's support for pilot development and implementation. To build the political will necessary to support guaranteed income more systemically, we must work to change the

narrative around poverty and abundance. Instead of accepting the myths of scarcity and deservedness, we must reclaim a dormant framework based in values of abundance and dignity.

These recommendations reflect a shared belief that direct and unconditional cash transfers are an effective anti-poverty tool, and that investment in the infrastructure to create and run these programs is needed to bring the current field in San Francisco to scale.

RECOMMENDATIONS

➤ Coordinate and align pilots and policies through a centralized guaranteed income unit.

- **Establish a centralized staff function for guaranteed income pilots.** The staff person(s) will be the point person for guaranteed income programs, and will provide technical assistance, data insights, oversight and leadership for research and evaluation practices.
- **Create a working group to coordinate citywide guaranteed income pilots and policy.** Include representatives from every pilot program in addition to key City agencies to strengthen communication, alignment and advocacy for procedure and policy changes.

➤ Center community voices in the planning, implementation and evaluation of guaranteed income work.

- **Focus on racial equity and target periods of critical transition.** Utilize a "life course" approach to identify interventions during sensitive life stages that can shift trajectories, reduce disparities, and increase wellbeing.
- **Support greater emphasis on community research and planning.** Promote and uplift authentic, in-depth community planning and research processes that build trust and result in community-driven pilot design, implementation and evaluation.
- **Change the narrative from scarcity and deservedness to abundance and dignity.** Philanthropy can seed funding for initial research to develop a better understanding of key audiences, content, messengers, and outreach channels.

➤ Think big: Pursue structural, sustainable and scalable reforms and strategies.

- **Pursue strategies to strengthen and expand cash supports through the tax system.** Engage in advocacy to permanently expand the Child Tax Credit and Earned Income Tax Credit; examine the potential to scale up local cash transfers through San Francisco's Working Families Tax Credit.
- **Make deeper investments in assets for families and children.** Leverage San Francisco's existing child savings account infrastructure to provide a guaranteed income for families with young children and to create "baby bonds" by increasing equity-based deposits.
- **Continue to pursue reforms that will increase access to public benefits.** Strengthen existing efforts to implement an integrated, modernized system of benefits that provides stronger support to individuals and families, ensuring financial security and economic dignity.

INTRODUCTION



Guaranteed income is a policy response to systemic poverty and rising inequality, particularly during a pandemic that has brutally exacerbated these problems.

Guaranteed income provides direct, often recurring cash assistance to individuals or households, with no conditions or restrictions. Recipients are empowered and trusted to make their own choices about how best to use their money. Guaranteed income is similar to universal basic income (UBI), but payments are targeted rather than provided to everyone in a community.

The [San Francisco Guaranteed Income Advisory Group](#) was established by [ordinance](#) in early 2021 to advise the Board of Supervisors, the Mayor, and appropriate City departments on various aspects of guaranteed income. This report presents a synthesis of findings and recommendations surfaced in the Advisory Group meetings.

Guaranteed income represents an opportunity to create transformational change in how San Francisco pursues economic justice and wellbeing for its residents. San Francisco should embrace this movement, progressing from pilots to policy. Getting there will require building a responsive and collaborative leadership team; supporting community research and planning; making deeper investments in assets for children and families; advocating for and adopting policies to expand cash supports through taxes and increase access to public benefits; and embracing new poverty narratives based in abundance and dignity.

The Advisory Group recognizes the powerful, and related, movement to provide reparations, which are specifically cash payments to descendants of people enslaved in America. Other working groups within [San Francisco](#) and at the [state level](#) are already focused on studying and advancing proposals around reparations. The Guaranteed Income Advisory Group acknowledged the role of cash transfers in facilitating reparations, but rather than tackle this topic (and risk watering

down the concept of and purpose behind reparations) we choose to focus on other ways guaranteed income could further racial and economic justice.

Advisory Group Process

San Francisco's Guaranteed Income Advisory Group was appointed by the Board of Supervisors and consists of eleven members with diverse knowledge and experiences – including researchers, advocates, people who have personally experienced poverty, people with professional experience serving low-income communities, and staff from relevant City departments. Together, this group has the knowledge and background to advise City leadership on the principles and impacts of guaranteed income. The views and opinions expressed in this report are based on a synthesis of themes surfaced in the Advisory Group meetings and do not necessarily reflect the views of individual Advisory Group members or their organizations.

The Advisory Group was staffed by the Treasurer & Tax Collector - Office of Financial Empowerment (OFE), which has provided technical assistance and support to local pilots over the past several years and convenes a group of Bay Area guaranteed income practitioners and advocates¹. Staff conducted extensive research to support the Advisory Group, including interviews with more than twenty national leaders and experts. The Advisory Group benefited during its public meetings from presentations by and discussions with a number of prominent guaranteed income practitioners, researchers, and advocates – including Mayor Michael Tubbs, Dr. Zea Malawa of the Abundant Birth Project, and Jhumpa Bhattacharya from the Insight Center. Recently, staff conducted several focus groups with local pilot participants to better understand the personal impacts of these programs. A full description of the Advisory Group, including meeting minutes and links to recordings, can be found in the Appendix.

¹ In November 2021, OFE released research in partnership with the Abundant Birth Project focused on protecting benefits in guaranteed income pilots, which may be found here: https://sftreasurer.org/sites/default/files/2021-12/Protecting%20Benefits%20Report_v4.4.pdf.

The Guaranteed Income Landscape: Where Are We Now?

Guaranteed income has a long history both in the U.S. and internationally. Rev. Dr. Martin Luther King Jr. called for guaranteed income in 1967 as a simple solution to abolishing poverty, and the Family Assistance Plan proposed by President Richard Nixon in 1969 would have paid a minimum income to poor families. In February 2019, the call for guaranteed income was taken up by former Stockton Mayor Michael Tubbs, who launched the Stockton Economic Empowerment Demonstration (SEED), a first-in-the-nation guaranteed income project developed in partnership with the Economic Security Project.

Following the onset of the COVID-19 pandemic and the resulting economic crisis, the urgent need for direct cash assistance accelerated the growth of guaranteed income pilots exponentially, especially in San Francisco and the Bay Area. There are currently more than 100 guaranteed income pilots in development or operation nationally. In San Francisco alone, nearly a dozen pilots have been launched or are proposed or in development, with at least six more in surrounding Bay Area Counties.² Mayor Tubbs now leads a national group of Mayors (including San Francisco Mayor London Breed) advocating for a guaranteed income.

The field of guaranteed income has rapidly matured. In the early days of the pandemic, San Francisco quickly implemented several large-scale cash transfer programs including supplemental food assistance and the Right to Recover program. Guaranteed income pilot programs continue to grow and multiply, each tackling a range of research questions and target demographics. While programs are diverse, they almost universally target low-income individuals and families, especially from the communities of color that were already struggling before the pandemic and have been hit hardest by this public health and economic crisis. Prominent local pilots include the Abundant Birth Project, serving low-income pregnant and post-partum Black and Pacific Islander mothers, Yerba Buena Center for the Arts (YBCA) and its Guaranteed Income for Artists pilots, Santa Clara County's basic income program for aging-out foster youth, and Oakland's Resilient Families, which provides a guaranteed income for 600 low-income families with children.

Guaranteed income is a proven strategy to improve family – potentially community – wellbeing.ⁱ Research finds that guaranteed income pilot participants are:

- More likely to obtain full-time employment
- Less anxious and depressed, saw improvements in emotional health, fatigue, overall wellbeing
- Able to increase spending on food and household expenses
- Less likely to incur debt for emergency expenses
- More likely to visit a doctor
- Experiencing increased dignity and agency
- Not spending more money on things like alcohol and tobaccoⁱⁱ

The initial wave of guaranteed income pilots has been largely implemented by nonprofit organizations and funded by private philanthropy. Yet, in the past two years, the City and County of San Francisco has distributed more than \$10 million to 15,000 individuals through initiatives including cash relief for people facing food insecurity, guaranteed income pilots, and the Right to Recover program, which offers wage replacement for workers who test positive for COVID-19. In addition, the City has been actively engaged in funding and implementing pilots including the YBCA Artists Pilot, a Transgender Guaranteed Income Initiative, the Abundant Birth Project, and the Mayor's Dream Keeper Initiative.

“ The supplemental income helps me to have something extra so I can make start making conscious choices about my future. If you're just living check to check, you can't think about getting a better job, you can't think about getting a place to live, it's just not an option... This program is opening up that opportunity to do things that make you happy. It gives you the cushion to not be so worried or scared about tomorrow.”

– TASHA, ABUNDANT BIRTH PROJECT

² A table summarizing many of these pilots can be found in the Appendix.

The Road Ahead

The journey for the Advisory Group and its many partners has been hopeful and inspiring. We know that guaranteed income works and see opportunities to build on San Francisco's strengths. To realize transformational change will require not only increasing the efficiency and effectiveness of local pilots but seizing the opportunity to move from pilots to policy.

San Francisco has been at the forefront of the guaranteed income movement, and the City has exhibited strength in several areas. Nonetheless, many challenges remain. These include ongoing obstacles to preserve access to public benefits, and a lack of

qualified benefits counselors who can support pilots and advise cash recipients. Legal questions continue to linger around how to target and deliver direct cash transfers. More funding and oversight are needed for research and evaluation, and false narratives around the deservedness of cash recipients persist. Perhaps most importantly, San Francisco must contend with a local guaranteed income landscape that, while full of innovation and energy, is also somewhat chaotic and siloed, and requires greater coordination and communication to sustain and grow.

The recommendations that follow will deal with many of these challenges and opportunities, beginning with coordination of guaranteed income strategies.

RECOMMENDATIONS



1. Align Guaranteed Income Efforts Through Staffing and Coordination

Guaranteed income projects are emerging so rapidly that it has become difficult to track and coordinate efforts, creating risk of duplication of effort or unintended missteps. Further, the complexity and expense of research and evaluation places an undue burden on individual pilots. This section provides key recommendations for the City to identify and support staff who can improve coordination and alignment, and to enhance these efforts by creating a working group or taskforce that will connect a growing number of pilots with City departments and leadership.

Establish a centralized staff function for guaranteed income pilots

Within the City, there are a number of different agencies and individuals who are contributing to the success of guaranteed income work. The Mayor and the Board of Supervisors have provided policy direction and funding. The Human Rights Commission led an extensive and collaborative process with the community to identify and prioritize funding needs and developed a report to guide the [reinvestment](#) of \$120 million into San Francisco's Black and African American community over two years.

The Office of the Treasurer & Tax Collector (TTX) worked out guidelines that enable the City to make direct payments to individuals and leveraged its banking contracts to procure prepaid card products to facilitate more than \$10 million in payments to individuals.

TTX's Office of Financial Empowerment (OFE) provides technical assistance to guaranteed income pilots on issues including benefits protections, payments, and financial capability integrations. OFE staffed the Guaranteed Income Advisory Group and facilitates a Bay Area guaranteed income community of practice.

OFE and the Human Services Agency work together closely to assist pilots as they consider how their program may impact the receipt of public benefits. For a more in-depth discussion of protecting benefits, see ["Protecting Benefits in Guaranteed Income Pilots: Lessons Learned from the Abundant Birth Project"](#).

Other City departments who've designed and led guaranteed income pilots include the Office of Economic and Workforce Development, the Office of Transgender Initiatives, the Arts Commission, the Department of Public Health, and the Mayor's Office of Housing and Community Development.

It is not realistic to centralize all work in this field –leveraging the experience of staff in departments with fiscal, programmatic, and technical expertise provides huge benefit to the field. However, as an essential next step, the Advisory Group recommended hiring or identifying a person or set of people who can "quarterback" this work. With strategic vision coming from the Mayor's Office and the Human Rights Commission, this staff function would serve as the connective tissue between pilot organizers and various City departments, with the ability to answer basic questions, refer questions to the right people, and escalate urgent or timely issues.

It is further recommended that this new function or unit be tasked with developing an overarching data, research and evaluation strategy for the City. San

Francisco should seek to standardize data gathering and analysis from each pilot, define key citywide research goals for guaranteed income, and alleviate the difficult (and often costly) obligation of each individual pilot to devise its own evaluation plan. The purpose of this evaluation oversight role would not necessarily be working directly on evaluation for each pilot, but rather applying for grants, understanding the research landscape, mitigating benefits impacts in project design, and providing technical assistance on person-centered research practices.

Create a working group to coordinate citywide guaranteed income pilots and policy

To support coordination and advocacy efforts, the Advisory Group recommended an ongoing working group, with a representative from each pilot in development or operation, and departments with expertise and interest in guaranteed income including the San Francisco Human Services Agency (HSA), Human Rights Commission (HRC), and Office of the Treasurer & Tax Collector (TTX)/Treasurer & Tax Collector - Office of Financial Empowerment (OFE), representatives from the Mayor's Office and Board of Supervisors, and staff from the City Attorney's Office.

This working group would form a local community of practice, share updates and best practices, promote equity across the city and communities, identify gaps, identify challenges and opportunities, support community engagement and planning, align research and policy goals, and help to develop stronger (and more cohesive) narratives that reinforce guaranteed income strategies and increase public support for cash transfer programs and policies. By including internal government members and external community members, the group can help build connections between grass-roots pilot projects and City infrastructure that can support the work. Practitioners can offer insight to City leaders on the issues pilots and participants are experiencing on the ground, and that information-sharing can support City policies and advocacy on the state and federal levels.

2. Center Community Voices in the Planning, Implementation and Evaluation of Guaranteed Income Work

Guaranteed income is most powerful when it is designed by community and uplifts the values of abundance and dignity. Whether child or adult, no one should live in poverty; it is cruel and immoral. Yet poverty and inequality are far too often accepted by Americans as inevitable, and even predestined, due to false narratives that cast poverty as a moral failing, an ailment of the lazy and entitled. The fundamentally inequitable structure of safety net programs is rooted in deeply held societal beliefs: that poor people are undeserving of our help (and deserve to be poor), that resources are scarce, and that if someone “wins” someone else must “lose.”

This section provides recommendations for the City to promote and uplift authentic, in-depth community planning processes; identify the most impactful moments to provide guaranteed income; and work to change the broader narrative about poverty.

Focus on racial equity and target periods of critical transition

The Advisory Group broadly agreed that pilots should focus on racial equity. They highlighted the demonstrated need to target public and private dollars toward Black households and other communities of color, based on an urgent imperative to confront systemic racism that has resulted in deep-rooted disparities and an ever-growing racial wealth gap.

When determining whether, and how, to develop a guaranteed income pilot, communities should look for opportunities to create disruptive and transformative change. Providing cash at critical time periods can produce greater impact – not just at that point in time, but for decades and through generations, amplifying the social return on guaranteed income investments and increasing the likelihood of achieving positive and lasting outcomes. This “life course” framework is rooted in the field of public health, and considers the critical stages, transitions, and settings where large differences can be made in promoting or restoring health and wellbeing.

Using the life course framework, guaranteed income pilots might focus on interventions targeting pregnancy; early childhood development; the transition out of the foster care system; postsecondary access and success; or incarceration and re-entry. Numerous pilots in San Francisco and surrounding counties have focused in one of these areas, including the Abundant Birth Project in San Francisco, the Restorative Re-Entry Fund in Oakland, and a pilot focused on foster youth aging out of the system in Santa Clara County.

■ ■ Knowing that I have this support, I feel so excited, and I feel like I am going to give my baby everything they need that I didn't even have... I've always ran high stress about money, but I am starting to feel like I am creating a basis for something. I can save, I can start to make more productive choices with my money. I can do the stuff that I have been putting off, pay my bills on time, go shopping how I'd like to... it means so much to me and my family because having a mom that is not stressed is going to be really important for baby, and it's allowing me to focus on things that are more for my health.”

– CHANEL, ABUNDANT BIRTH PROJECT

In addition to the life course model, the Advisory Group also acknowledged the urgent need for cash assistance among unhoused and undocumented people, who are most likely to face barriers to access to, or be wholly excluded from, the social safety net. Several pilots focusing on unhoused individuals or families have already been launched in the Bay Area (including Miracle Money and a cash transfer pilot developed by Tipping Point's Chronic Homelessness Initiative and Episcopal Community Services), and several

more are in development. There may be opportunities to apply a life course framework to programs targeting these populations – for example, people who are exiting rapid rehousing programs, who are at risk of eviction, who are applying for Individual Tax Identification Numbers (ITINs), or who are in the midst of other important transition periods.

The life course model can also be integrated with programs that target specific groups, such as pilots focused on tackling racial disparities. The Advisory Group stressed the importance of centering racial equity and encouraged the City and its nonprofit partners to pursue pathways to target life course-intervention pilots by race. Though there are legal concerns associated with targeting government pilots by race, utilizing evidence-based life course approaches aimed at demonstrated health disparities may reduce the risk of legal challenges to race-based guaranteed income interventions.

design “sprints,” focus groups and in-depth interviews, hiring individuals with lived experience to serve as co-planners or researchers, or other methodologies.

The Advisory Group also strongly recommends that storytelling be utilized once a program is launched, and as a critical evaluation tool. Storytelling reveals the true lived experience of poverty, and allows people to express in their own words the transformative potential of guaranteed income. Stories can be captured by guaranteed income pilots through qualitative evaluation, and the City should place emphasis on employing this methodology for publicly funded projects. Private funders can also support qualitative storytelling approaches, which are likely to be more cost-effective than rigorous empirical studies. Numerous pilots already capture stories – the idea itself is not revolutionary – and San Francisco can amplify these voices by building a story database or library, which can be shared online.

Example of guaranteed income and cash transfer pilots using story telling include:

- Magnolia Mother’s Trust [storytelling series](#)
- Stockton SEED’s [participant stories](#)
- Center for Employment Opportunities’ [video stories](#) from recipients of their Returning Citizens Stimulus program
- Striving Towards Economic Prosperity (S.T.E.P.)’s [storytelling cohort](#)
- Compton Pledge also [amplifies voices](#) through participant stories

Doing this community-driven work will be costly and time-consuming and there is no one-size fits all model. To start, the City should be cognizant of, and temper expectations for, the time commitment associated with community-driven research. Guaranteed income practitioners with community research experience noted that it could be a 12- or 18-month planning process. As organizations today seize the moment (and the funding) to quickly launch, not every pilot will be able to dive deep validate its importance and urge further investments.

To offset the costs of the work, the City can leverage funder relationships, partnering with philanthropic organizations and individual funders who may also be interested in learning more about community research in the context of guaranteed income pilots. For guidance on process, the City can also draw from exceptional models like the Abundant Birth Project (see below), and existing expertise across City departments.

■ It is mine to use, not what other people think my needs are. It was a big burden lifted. And because there was this predictability, there was more of an incentive to save.”

– ELIZABETH, MIRACLE MONEY (MIRACLE MESSAGES)

Support greater emphasis on community research, planning and evaluation

Too often, government and nonprofit interventions emerge top-down, without authentic community engagement or input. The Advisory Group agreed with many guaranteed income researchers and practitioners that pilots are most successful when community members are directly involved – from research and planning to design, implementation, evaluation, and communications. A community-driven planning process can identify and help eliminate misconceptions that may be held at the individual, organization and system level, making pilots both more effective and more equitable.

Community research and planning can help San Francisco identify community needs, best fits for pilots, and best practices for how to design, publicize, implement, and evaluate these programs. Community research practices may include human-centered

For example, the Human Service Agency’s Innovation Office provides service and systems design, visual design, design research, and visual facilitation.

There is no one-size-fits-all model: for some pilots, speed may be of the essence (indeed the Advisory Group heard plenty of practitioners and experts whose advice was basically “just do it!”) and other pilots may come out of organizations who are already deeply rooted in their community and have been doing community-driven planning for years. Nevertheless, by focusing its own time, energy and funding on this work, the City can further advance and promote the community-planning and evaluation model to other grantees, providers, pilots and jurisdictions.

Change the narrative: from scarcity & “deservedness” to abundance and dignity

Unraveling and changing deeply rooted and long-held beliefs is not easy, and narratives do not change

overnight. This is long-term work. Narrative change was recommended consistently and emphatically by Advisory Group members, guaranteed income practitioners, and experts who spoke to the Group, signaling that interest in changing poverty narratives is not fleeting. However, sustaining narrative change strategies will require significant coordination, funding, and leadership if we are to achieve our ultimate goal of a citywide campaign.

To kickstart a narrative change project over the next six to twelve months, San Francisco can leverage relationships with philanthropic funders and influential leaders in the guaranteed income movement to identify and finance innovative narrative researchers. Foundations and individual funders have invested deeply in guaranteed income pilots and are now looking beyond pilots to understand where their money can be most impactful. San Francisco should foster this interest and promote narrative change as an important role for philanthropy.

Abundant Birth Project: community-based participatory research

To combat the catastrophic disparities in maternal and infant health and economic security outcomes, Expecting Justice (a nonprofit housed within the San Francisco Department of Public Health) is piloting the Abundant Birth Project (ABP) to provide Black and Pacific Islander pregnant women \$1,000 per month for six months during pregnancy and six months after. This pilot is testing cash transfers as an economic and reproductive health strategy, demonstrating trust in mothers to make the right choices for themselves and their families. Pilot organizers and researchers hypothesize that decreasing the underlying stress of financial insecurity could reduce rates of premature birth.

ABP is a public-private partnership designed under the collaborative change model, a process that directly involves all impacted and interested parties in decision-making. Both Expecting Justice, founded by Dr. Zea Malawa, and the ABP team endeavor to center the voices, experiences, and solutions of Black and Pacific Islander women in their efforts to ensure that every birth in those communities is healthy. The project uses several approaches, seeking from the start to be authentic, holistic, and empowering.

First, since initial project conception, ABP convened a community working group of Black and Pacific Islander mothers. This working group continues to meet monthly. They provide feedback and are part of decision-making at every step of the way, from what grants

“ This program is kind of restoring some of the trust and some of the opportunity to make decisions for yourself and feel like you are an active participant in the community.”

– CHANEL, ABUNDANT BIRTH PROJECT (EXPECTING JUSTICE)

to apply for and what to do with the money, all the way into difficult “in the weeds” questions about what happens if a participating mother loses her baby, or if the child is taken into child protective services.

After establishing this working group, ABP developed a community participation needs assessment, including explicit questions around what potential participants would need from this money, how often it should be disbursed, how much should be disbursed (and how much is too much), what makes it hard to interact with existing benefit systems, and anything else ABP should consider in designing the pilot. They hired community researchers (again, Black and Pacific Islander mothers from the community), trained them in qualitative research analysis, and recognized the value of their work by paying them \$100/hour to work on the project.

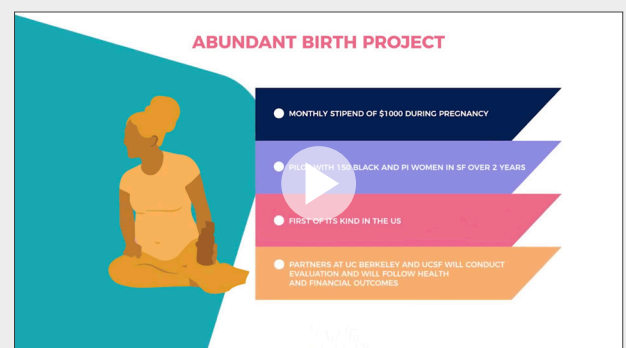
Community researchers co-developed the needs assessment with ABP and research staff. Responses were reviewed as a team, including program staff, community researchers, and evaluation partners (researchers from UCSF and UC Berkeley). The preliminary analysis that resulted from this process was used in the initial phase of a design thinking effort.

Through this human-centered, design-thinking approach, ABP first built empathy with the end user, using tools like personas and journey maps. Then they conducted two design sprints with community members. The first was more general in focus: dreaming big about what would be nice, what would make this special, what would make you more likely to participate in research, and what would help to address stigma. The second sprint asked more specific questions, including how to navigate through a complicated enrollment process and how to tell someone they weren't selected without hurting their feelings.

ABP hired experts to assist with the design sprints and probed deeply about the ability of facilitators to work with community – requesting changes in staffing over the course of the work to ensure consultants and facilitators could meet the needs of the pilot. For example, the ABP team asked critical questions of outside experts and consultants, not only abstract questions about racism and comfort working with Black and Pacific Islander people, but also direct questions – often posed by the community researchers – testing potential firms' ability to use accessible language and to explain complex concepts or invite people into the conversation who are not familiar with academic culture.

ABP's intensive focus on community research and planning resulted in numerous program design elements, including adding a unique ABP graphic design to the prepaid card used to disburse funds, to reduce stigma and increase dignity. They also called the process used to select participants “abundance drawings” rather than lotteries, given the community researchers' negative experiences with housing lotteries. At times, the feedback was not intuitive for researchers and the program team, such as pushing for additional proof of residency to protect against fraud in the program.

ABP's work was guided, in part, by the community-based participatory research model (CBPR), “a collaborative process that equitably involves all partners in the research process and recognizes the unique strengths that each brings. CBPR begins with a research topic of importance to the community with the aim of combining knowledge and action for social change to improve community health and eliminate health disparities.”³ Learn more about the Abundant Birth Project and meet their Community Researchers in this [video](#).



³ See, for example, Meredith Minkler, Analilia Garcia, Victor Rubin, and Nina Wallerstein, “Community-Based Participatory Research: A Strategy for Building Healthy Communities and Promoting Health through Policy Change,” PolicyLink and UC Berkeley School of Public Health, 2012. <https://www.policylink.org/sites/default/files/CBPR.pdf>

3. Think Big: Structural, Sustainable, & Scalable Reforms and Strategies

Meeting the urgency of this moment requires San Francisco to look beyond the next guaranteed income pilot to bigger, bolder action. We already have enough evidence that providing cash directly to poor households can be transformative; now is the time to pursue policy reforms and more radical strategies that can both scale up and sustain this seemingly simple approach. We can, and will, continue to embrace innovation and experimentation, but must not be satisfied with marginal change. Everyone in this City should have the financial resources to support themselves and their families, and we must seek out bold strategies to achieve this goal.

This section provides several recommendations that are based on opportunities for policy reform, scalable and sustainable solutions, and the potential to minimize administrative burden on either local government or residents. These recommendations include advocating for extending tax credits expanded during the pandemic; expanding and reshaping San Francisco's Working Families Credit; making deeper investments in children and family assets; and improving access to existing public benefits.

Pursue strategies to strengthen and expand cash supports through the tax system

Many federal and state tax policies offer significant cash supports and a similar vision as guaranteed income. Federal tax credits like the Child Tax Credit (CTC) and Earned Income Tax Credit (EITC) and their state equivalents, provide predictable, unrestricted cash transfers to millions of low-income households (compared to guaranteed income pilots that target a few thousand residents maximum). Focusing significant effort on preserving and expanding these federal and state tax policies is an appealing strategy, because they already have broad-based support; there is significant evidence of their success, and they already have base governmental funding. The City should lobby for ongoing expansion of both the CTC and EITC, while investigating opportunities to create similar local programs.

Making the CTC and EITC expansions permanent would be an important and long-overdue public investment in children and low-wage workers, and San Francisco should

About the Child Tax Credit:

The CTC historically was a nonrefundable tax credit aimed at supporting low- and moderate-income families with children by reducing their tax burden. The [American Rescue Plan](#) temporarily expanded the CTC, extending it in full to low- and middle-income families and paying out the credit periodically instead of as a single lump sum. For 2021, the CTC was fully refundable, including millions of low-income children whose parents did not earn enough to qualify previously (families that do not have sufficient income to have a tax burden cannot take advantage of a nonrefundable tax credit); the amount of the credit was increased from \$2,000 to \$3,000 for children ages 6-16, and to \$3,600 for children under age five. In another big change, half of household CTC credits were paid out in monthly installments beginning in July 2021, with the remainder disbursed in 2022. This periodic and predictable flow of payments turned the CTC into something akin to a large-scale cash transfer pilot and makes it a natural vehicle for scaling guaranteed income policy nationally.

Since families began receiving these payments in July, researchers found that it lifted 3 million children out of povertyⁱⁱⁱ and reduced food insecurity significantly.^{iv} Advocates have been pushing for a permanent expansion of a fully refundable expanded CTC, resulting in a contentious and highly political fight, and this point its path forward appears unlikely for now.

be a strong advocate for these permanent expansions. City leadership should employ direct federal advocacy, build awareness through public communications, and rally partners from the public and private sectors to add weight to existing national campaigns.

There is also opportunity for state-level advocacy, as California can leverage record surpluses and federal stimulus funds to bridge income inequality. In addition to the Golden State Stimulus distributed during the pandemic, California has continued to expand the state

equivalent of the EITC, the California Earned Income Tax Credit (CalEITC) over the past several years, including key expansions to undocumented ITIN filers and the creation of the Young Child Tax Credit (YCTC) for CalEITC eligible families with children under age 6. With initial estimates of another substantial state budget surplus, San Francisco should join other cities across the state advocate to strengthen state tax credits, and advocate for the inclusion of pregnant women.

In addition to advocating for state and federal policy reforms, San Francisco can scale up cash transfers locally by using the existing Working Families Credit (WFC). First implemented by the Office of the Treasurer & Tax Collector (TTX) in 2005, the WFC is not formally a tax credit but provides a direct payment (up to \$250) to qualifying families who also receive the federal EITC. Designed primarily as a method to increase EITC uptake, the WFC is administered by the San Francisco Human Services Agency (HSA), which provided an additional \$250 rapid cash stimulus payment in 2021 to 4,000 households who were WFC recipients in 2020 to support them during the pandemic.

An expanded WFC could take several forms, and additional analysis will be required to determine the relative costs and administrative burdens associated with each. For example, the maximum WFC amount could be increased, or instead be delivered as a local version of the CTC to better target child poverty. The City could use tax data from the Franchise Tax Board to automatically enroll households or confirm their eligibility, and test delivery of periodic (quarterly or monthly) WFC payments. Even modest increases in the amount of the “credit” or the number of people who receive it represent practical steps toward broader strategies to advance economic inclusion in San Francisco.

Deepen investments in assets for families and children

Assets (i.e., wealth) allow children and families to plan for their future. Until recently, wealth inequality has been far less of a focus for policymakers than income inequality, but there is now greater understanding that the source of inequality is linked to assets – and that we can reduce inequality by endowing people with assets at the beginning of their lives. This idea of so-called “baby bonds” has gained momentum, with economist Darrick Hamilton, an early champion, recently noting that “The narrative is shifting away from

what individuals can do with regards to behavior and attitudes, and towards asset accumulation and the recognition that behavior and attitudes are irrelevant without capital itself.”^{iv}

The term “baby bonds” describes policies to establish savings accounts for all children at birth. These accounts would grow over time and could be used at adulthood for things like education, homeownership, starting a business, or retirement. The details of specific proposals vary; one prominent example, [American Opportunity Accounts Act](#) reintroduced in 2021 by Sen. Cory Booker and Rep. Ayanna Pressley would provide \$1,000 at birth, with subsequent annual payments of up to \$2,000 depending on family income.

San Francisco has already established a pioneering asset-building program in Kindergarten to College (K2C), which opens a savings account for every child entering kindergarten in the City’s public schools, putting students on a path to college from their first day of school. Launched in 2011 as the first publicly funded universal children’s savings account (CSA) program in the country, by February 2022 K2C had opened accounts for more than 49,000 students, with total deposits (including City contributions and family savings) of nearly \$11 million.

“When I think about K2C, I think about my kids going to college and having the opportunity to learn and see new things.”

– K2C PARENT, EL DORADO ELEMENTARY AND KIPP BAYVIEW ACADEMY

The K2C program, administered by the Treasurer & Tax Collector – Office of Financial Empowerment (OFE), provides an existing account and cash transfer infrastructure that would enable San Francisco to implement a program with much larger seed deposits, akin to baby bonds. Just as the conversation in the United States has shifted to emphasize guaranteed income rather than UBI, the concept of baby bonds has evolved to encompass targeted rather than universal deposits, focusing on low-income, Black and Latinx youth and their families.

Engage in reforms that will increase access to public benefits

As we move towards a model of direct cash transfers large and small, it is crucial to also ensure that existing public benefits are accessible and fully utilized. Both data and anecdotes show that many benefits are “left on the table” – available to residents in theory, but not getting to them in practice. For example, California’s enrollment in the Supplemental Nutrition Assistance Program (SNAP), called CalFresh in California and still popularly known as the food stamps program, has lagged behind the nation for a decade,^{vi} and recent research documents how complex eligibility verification procedures lowers program retention and contributes to incomplete take-up in San Francisco and throughout the state.^{vii}

“ The program gives me the freedom to focus on some other things that aren’t emergencies. When you don’t have to worry about, how am I going to hustle here and hustle there to make ends meet, it opens up freedom to do the things I want to do and that make me happy – and that hopefully could make my situation a little better in the future.”

– DHARMA, SAN FRANCISCO GUARANTEED INCOME PILOT FOR ARTISTS (YERBA BUENA CENTER FOR THE ARTS)

Regrettably, traditional safety net programs and their application and recertification processes as administered today can impose steep costs on people’s time and self-worth. San Francisco understands that rules making benefit programs difficult to access are rooted in structural racism and continue to perpetuate racial discrimination. An ongoing strategic priority, San Francisco is committed to doing everything within its discretionary power to ensure that individuals and families receive all the financial assistance available to them as well as to advocate for reform at the state and federal levels. For years, San Francisco has been investing in strategies to improve access to public benefits as well as the experience of receiving

government support.

For example, San Francisco partnered with Code for America over five years ago to pilot the first “[Get CalFresh](#)” digital application (which the State later expanded to all California counties). San Francisco was also one of the first counties to adopt customer texting capacities and full telephonic and web- based benefit applications. To boost enrollment, San Francisco has invested in teams of outreach eligibility workers to deliver essential services in communities where people live and feel most comfortable seeking help – in addition to contracting with trusted community partners to encourage people who are fearful or distrustful of government to consider applying for support.

Further, in 2014, San Francisco Health Services Agency (HSA) leveraged the ‘horizontal integration’ requirements of the Affordable Care Act to not only redesign its business processes to combine the eligibility processes for CalFresh and Medi-Cal, but also to shift the culture of eligibility workers from a ‘prove to me you are eligible’ approach to ‘let me help you get all the benefits you are entitled to receive.’ Since then, HSA has been experimenting with ways to streamline application processes and further improve the customer experience to eventually realize its vision of “No Wrong Door”: that every San Franciscan is able to connect to all of the benefits available to them through multiple channels (in-person, phone, online and self-help options) – no matter what “door” they enter and without having to submit documentation multiple times to multiple workers in multiple places. Over time, San Francisco has built a reputation as a leader in the field.

Despite all of these efforts, building a culture of “No Wrong Door” – and continuously integrating and improving complex processes that support over 200,000 San Franciscans – takes years to take root and grow across a large institution. As a result, some eligibility staff still perceive their roles as “gatekeepers”, charged only with implementing complex rules, or act in a way that make people feel disrespected, stigmatized, or dehumanized. For example, Breezy, a community researcher with the Abundant Birth Project, recounted her experience trying to get benefits, “it’s like I need this, you say you got it, you say it’s for people in need, but when I get here, you’re like badgering me and telling me I don’t need it.”

And, despite all of the City’s outreach efforts and

community partnerships, many San Franciscans are not aware of the safety net services to which they are entitled, while others are aware but choose not to engage in support for a variety of valid reasons (immigration concerns, stigma, negative previous experiences with government workers, work requirements, etc.). Still others in need of support enroll in benefits but then drop off, or churn on and off, due to stringent program requirements, increases in income that make them ineligible, unreported changes in address, or simply choosing not to continue due to all of the “strings attached”.

Wholesale reform to complex and bureaucratic rules governing who is eligible for benefits, how much people can earn or save, the level of support people receive, and what people have to do to apply for and maintain public benefits are out of the control of local government; they require significant changes in state and federal law. Toward this end, San Francisco has long advocated with allied organizations to reform benefits to eliminate unnecessary bureaucratic hurdles, increase benefit amounts and types of support (e.g. housing, wage and child subsidies), and expand eligibility so that more San Franciscans are able to reach economic stability through the safety net. In its updated five-year strategic plan, HSA is uplifting this work by spotlighting sustained advocacy as one of its core strategies, and by centering racial equity as one of its five strategic goals and a thread throughout all of its other goals and strategies.

Finally, but importantly, access to public benefits and improvements to the customer experience are also hampered by state and federal funding limitations, especially as caseloads have risen during the pandemic but funding to administer programs has not followed

suit. For example, the CalFresh caseload has increased by almost 40 percent (from 48,000 cases at the beginning of 2020 to more than 66,000 households in December 2021), but funding at the state and federal levels have not mirrored this growth, resulting in staffing shortages to process applications timely and a degradation of customer service - longer lobby wait times, increased dropped calls, longer response times. The staff shortages also affect staff morale, which compounds service delivery challenges. To help address the heightened and on-going demand for services, HSA has proposed expanding the number of benefits’ staff in the FY2022-23 budget by about 50 full-time employees.

Investing additional local resources, sustaining long-term organizational change management efforts already underway, cultivating a culture of continuous process improvement at all levels, and advocating, aggressively, at the state and federal levels are all necessary ingredients to help reform a system which, while admittedly flawed and imperfect, nevertheless distributes millions of dollars to more than one in four San Franciscans ever year. We can meet this moment.



CONCLUSION



Poverty is a policy choice, and now is the time for San Francisco to choose differently. A broad and diverse group of stakeholders is already pushing ahead to create guaranteed income programs that can keep families out of poverty. By developing and collectively implementing an actionable plan to expand cash transfer policies, the City can keep people out of poverty while increasing the resiliency of our communities.

The most important objective for San Francisco's government should be the well-being of its people. Guaranteed income is a policy that can meet the moment we are in now, where we must heal the wounds

of the pandemic and the legacy of racist policymaking, and it can be modified to meet the needs of the future. Achieving racial and economic justice demands transformative action for our communities; it is time to embrace this simple yet revolutionary idea and help bring Rev. Dr. Martin Luther King Jr.'s visionary words into being:

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

Acknowledgments

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APPENDIX A:

Advisory Group Members and Meeting Notes

Members:

- | | | |
|--|--|---|
| 1. Bina Shrimali,* Federal Reserve
Bank of San Francisco | 5. Norel Knowles | 9. Amanda Fried, San Francisco
Office the Treasurer & Tax Collector |
| 2. Jacob Denney, SPUR | 6. Shirley Yee, MyPath | 10. Sheryl Davis, San Francisco
Human Rights Commission |
| 3. Jim Pugh, Universal Income
Project | 7. Elena Chávez Quezada | 11. Susie Smith, San Francisco
Human Services Agency |
| 4. Gloria Berry | 8. Roberto Vargas, University of
California, San Francisco | |

Meeting Notes and Minutes

Meeting #1 – Friday, April 16 at 1:00 p.m.

Now is the Moment: Guaranteed Income and Economic Security

[Agenda](#) | [Minutes](#) | [Video](#)

Meeting #2 – Friday, May 14 at 1:00 p.m.

What we know about Guaranteed Income

[Agenda](#) | [Minutes](#) | [Video](#)

Meeting #3 – Friday, June 11 at 1:00 p.m.

Economic Insecurity, Safety Net, and Future of Work

[Agenda](#) | [Minutes](#) | [Video](#)

Meeting #4 – Friday, July 9 at 1:00 p.m.

Developing Criteria for a Potential Guaranteed Income Pilot

[Agenda](#) | [Minutes](#) | [Video](#) | [Video about Designing the Abundant Birth Project](#)

Meeting #5 – Friday, August 13 at 1:00 p.m.

Beyond Cash – Considering Longer-Term (and Radical) Solutions

[Agenda](#) | [Minutes](#) | [Video](#)

Meeting #6 – Wednesday, October 27 at 2:00 p.m.

Where Do We Go from Here? Recommendations and Reflections

[Agenda](#) | [Minutes](#) | [Video](#)

November – January

Draft and review report and recommendations, conduct focus groups with guaranteed income recipients

* This Advisory Group member’s participation was solely in the context of providing translational insights gleaned from relevant community development research. The views expressed in the context of her participation are hers alone and not necessarily those of the Federal Reserve Bank of San Francisco or the Federal Reserve System.

APPENDIX B: Bay Area Guaranteed Income Pilots

NAME	LOCATION	AMOUNT	FREQUENCY	LENGTH OF TIME	TARGET POPULATION	# OF PARTICIPANTS	STATUS
Abundant Birth Project (ABP)	San Francisco	\$1,000-1,500	Monthly	2 years	Low-income Black and Pacific Islander mothers	150 over 2 years	Active
Yerba Buena Center for the Arts	San Francisco	\$1,000	Monthly	18 months	Artists and cultural workers	130	Active
Miracle Money	San Francisco	\$500	Monthly	6 months	Adults experiencing homelessness	15	Active
Transgender GI Pilot	San Francisco	\$1,000	Monthly	1 year	Transgender individuals	Up to 150	
Cash Transfers to Prevent Chronic Homelessness	San Francisco	\$6,000	Varying	6-12 months	Individuals exiting rapid rehousing program	35	Active
Oakland Resilient Families	Oakland	\$500	Monthly	18 months	Low-income families	600	Active
The Marin Community Foundation/ MOMentum	Marin County	\$1,000	Monthly	2 years	Moms with children under age 18	125	Active
Basic Income Pilot for Transition Age Youth	Santa Clara	\$1,000	Monthly	1 year	Former foster youth	72	Active
Silicon Valley Guaranteed Income Program	Santa Clara County	\$1,000	Monthly	2 years	Low-income black and brown heads of families who are at risk of losing their housing, and who are undocumented	150	Pending - Development Stage
UpTogether Bay Area Advancement	Bay Area	\$350	Monthly	1 year	UpTogether members and people they invite to the fund	105	Active
Mountain View GBI	Mountain View	\$500	Monthly	1 year - potential renewal	30% of AMI households with at least one child 18 years or younger	166	Pending

APPENDIX C: Overview of Priority Public Benefits

BENEFIT	DESCRIPTION	POTENTIAL IMPACT OF GUARANTEED INCOME (GI) PAYMENTS
MAGI Medi-Cal	Free or low-cost insurance that pays for a variety of medical services.	No impact, GI is considered a non-taxable gift and therefore should not count against Medi-Cal eligibility.
CalWORKs	Monthly cash aid and other free services to low-income families with children.	GI considered unearned income and can impact CalWORKS eligibility – but research projects can apply for a state waiver.
CalFresh/SNAP	Monthly benefits that can be used to buy most foods at many markets and food stores.	GI considered unearned income and can impact CalFresh eligibility – but research projects can apply for a state waiver.
Public Housing	Subsidized rent for low-income families.	Public Housing Authorities (PHAs) can make local policy changes to exempt GI payments for residents in the Public Housing Program. HUD may grant local waivers for Housing Choice Voucher Program participants, and soon PHAs should be able to exempt payments for voucher participants via policy change.
Non-MAGI Medi-Cal	Provides health coverage for people who are 65 or older, disabled or blind.	Non-MAGI Medi-Cal benefits may be reduced or recipients could become ineligible since the non-MAGI Medi-Cal income definition includes gifts.
Child Care Benefits	Financial assistance to pay for childcare partially or completely from birth to age 13 – including Head Start, preschool, and childcare vouchers or discounts	In San Francisco, childcare subsidies for low-income families should not be impacted by GI; pilots in other counties will need to consult with local administrators.
WIC (Supplemental Nutrition Program for Women, Infants, and Children)	WIC helps families get healthy food, nutrition, education, breastfeeding support and more. WIC serves babies and children up to age 5, pregnant women, and new mothers.	WIC benefits may be reduced, or recipients could become ineligible. California's Department of Public Health has clarified that guaranteed income payments are countable under WIC income eligibility rules.
Social Security or Social Security Disability Insurance (SSDI)	Retirement benefits and supports for people with disabilities who have a qualifying work history.	Neither Social Security nor SSDI benefits should be impacted.
Unemployment, state disability insurance, and paid family leave	Short-term benefits issued by the state to replace wages for people who are unemployed or need time off work.	Unemployment, disability, or paid family leave should not be impacted.
Supplemental Security Income (SSI)	Provides financial help to children with disabilities and adults who have disabilities or are over 65.	SSI benefits may be reduced, or recipients could become ineligible.

Homeless Prenatal Program	A non-profit resource center providing services including prenatal care, family bonding, housing, job training, and more.	Recipients should be able to continue to receive services from the Homeless Prenatal Program.
Utility Discounts	Discount on water, sewer, or power bills.	Utility discounts should not be impacted.
Muni Lifeline Pass	50% discount on adult monthly Muni pass.	MUNI Lifeline Pass should not be impacted.

ⁱ Rebecca Hasdell, Juliana Bidadanure, and Sarah Berger Gonzalez, “Healthy Communities and Universal Basic Income: A Conceptual Framework and Evidence Review,” Stanford Basic Income Lab, January 2021, available at https://basicincome.stanford.edu/uploads/healthy-communities_ubi-paper_final.pdf.

ⁱⁱ Stacia West et al, “Preliminary Analysis: SEED’s First Year,” March 2021, available at: https://static1.squarespace.com/static/6039d612b17d055cac14070ft/603ef1194c474b329f33c329/1614737690661/SEED_Preliminary+Analysis-SEEDs+First+Year_Final+Report_Individual+Pages+-2.pdf.

ⁱⁱⁱ Zachary Parolina, Sophie Collyer, Megan A. Curran, and Christopher Wimer, “Monthly Poverty Rates among Children after the Expansion of the Child Tax Credit,” Poverty & Social Policy Brief, Center on Poverty and Social Policy at Columbia University, Vol. 5 No. 4, August 20, 2021, available at <https://static1.squarespace.com/static/5743308460b5e922a25a6dc7/t/612014f2e6deed08adb03e18/1629492468260/Monthly-Poverty-with-CTC-July-CPSP-2021.pdf>.

^{iv} Daniel J. Perez-Lopez, “Economic Hardship Declined in Households with Children as Child Tax Credit Payments Arrived,” United States Census Bureau, August 11, 2021, available at <https://www.census.gov/library/stories/2021/08/economic-hardship-declined-in-households-with-children-as-child-tax-credit-payments-arrived.html>.

^v Fabiolo Cineas, “Baby bonds could shrink the Black-white wealth gap,” Vox, February 17, 2021, available at <https://www.vox.com/22268500/baby-bonds-black-white-wealth-gap-booker-pressley>.

^{vi} Caroline Danielson and Monica Bandy, “The CalFresh Food Assistance Program,” March 2016, available at https://www.ppic.org/wp-content/uploads/JTF_FoodStampJTF.pdf.

^{vii} Matthew Unrath, “Targeting, Screening, and Retention: Evidence from California’s Food Stamps Program,” April 24, 2021, California Policy Lab and Goldman School of Public Policy, UC Berkeley, available at https://mattunrath.github.io/files/research/Unrath_SNAP.pdf.