

Navigating the Benefit Cliffs of Guaranteed Income Pilots



**INFLUENCE
BUILD
CONNECT**

Who We Are



WE REPRESENT

The cabinet-level leadership of state and local health and human services agencies and the subject matter experts that help execute their missions.



MEMBER EXPERTISE

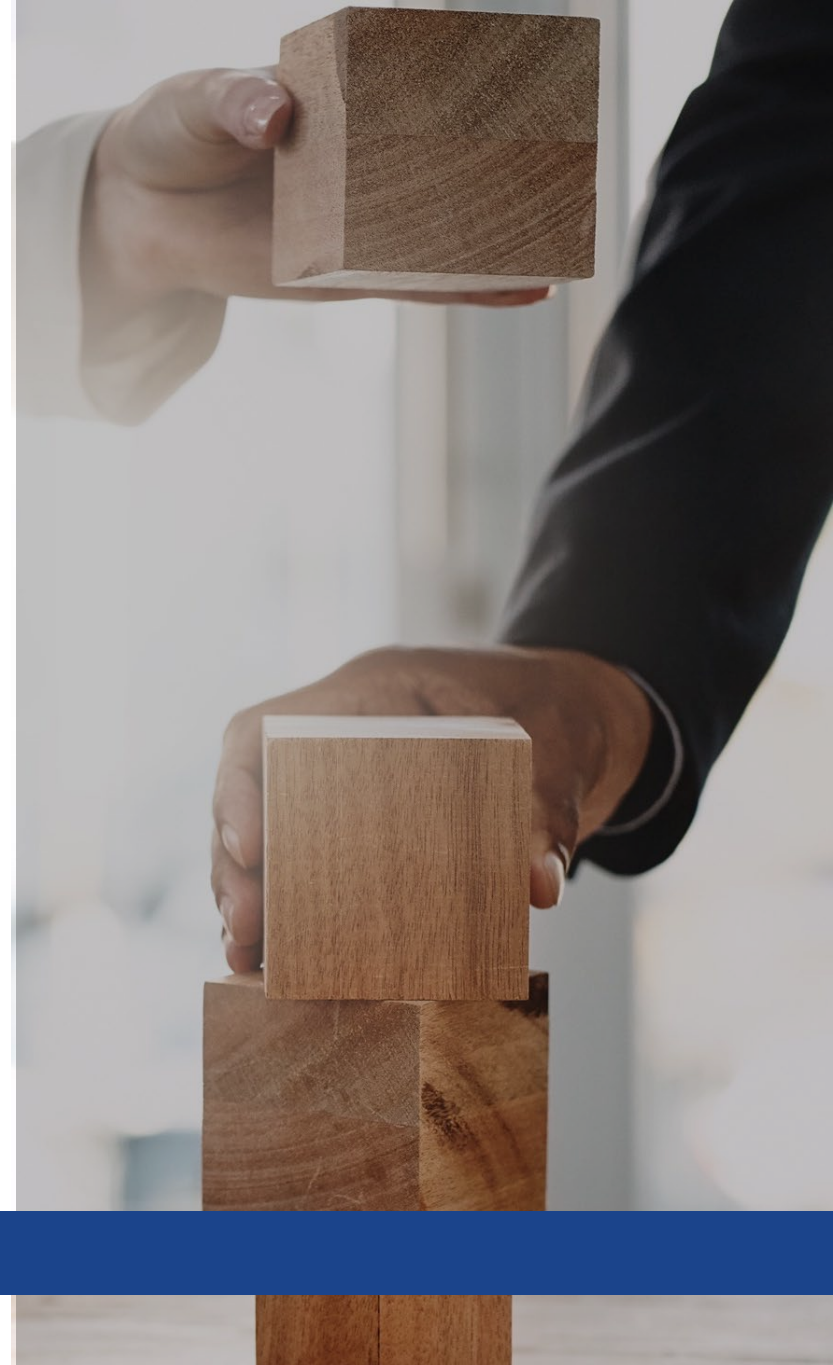
Our members administer and align services that build resilience and bolster family well-being through access to food, health care, employment, child care, and other key building blocks. They are also leading experts in performance measurement and data analysis, IT systems, workforce development and training, and the legal dimensions of the health human services field.



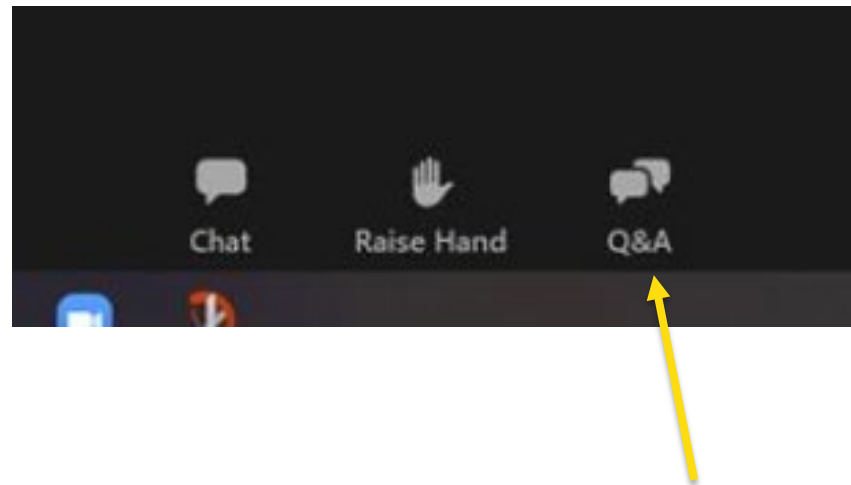
WE SEEK TO

Influence modern policies and practices, help our members *build* capacity for their teams, and *connect* them to other human-serving organizations and policymakers.

We build well-being from the ground up.



- Attendees are automatically muted when joining this Zoom webinar.
- A recording of this webinar will be shared with all registrants.
- Use the Q&A feature to submit any questions you would like answered by the panelists



Today's Speakers



ALEXANDER RUDER

Principal Advisor, Community
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Federal Reserve Bank of Atlanta



JACOB DUMEZ

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*San Francisco Office of
Financial Empowerment*



KATE GARVEY

Director

*City of Alexandria Department
of Community and Human
Services*



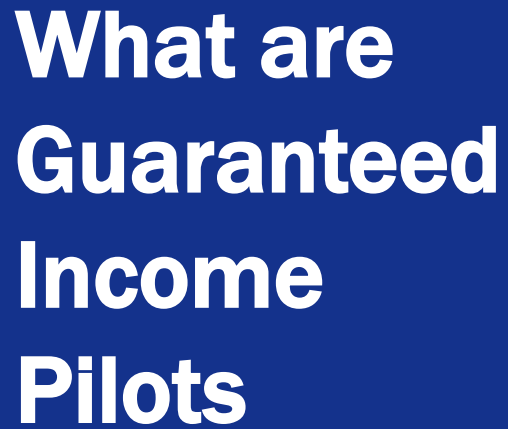
KAT YANG AND JENNIFER HERNANDEZ

*California Department of Social
Services*

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Interaction Between Guaranteed Income and Public Assistance Benefits

A Brief Overview



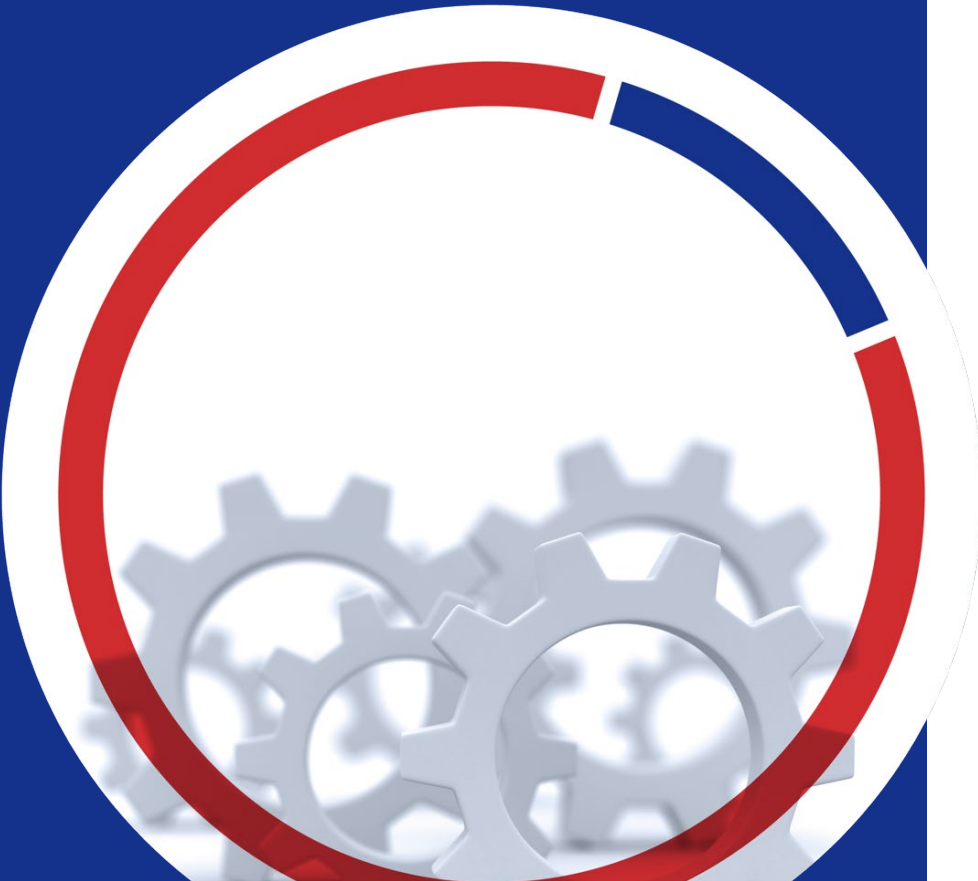
- Guaranteed Income pilots are rapidly growing across the country, with at least 15 currently implemented and 63 expected to be launched by the end of 2022

Legend:

- Planned 2022 Launch (Yellow)
- Implemented (Green)

States shown on the map include: WA, OR, ID, MT, ND, MN, WI, MI, NY, VT, ME, NH, MA, CT, RI, NJ, DE, MD, DC, PA, OH, WV, VA, NC, SC, GA, FL, TX, NM, AZ, CO, UT, NV, WY, SD, NE, KS, OK, AR, LA, MS, AL, TN, KY, IN, IL, MO, IA, and AK. HI is also shown.

How Guaranteed Income Can Impact Public Assistance Benefits



Guaranteed Income cash transfers can impact eligibility and benefit levels for public assistance programs, though impacts vary based on program-specific rules on countable income and design considerations of Guaranteed Income pilots, including:

- ✓ Public or privately funded
- ✓ State policy options
- ✓ Federal waiver requests
- ✓ Treatment of cash transfers as gifts
- ✓ Size and recurrence of cash transfers
- ✓ Adjunctive eligibility

Program-by-Program Overview of GI Interactions

Program	Can GI Be Excluded from Income	Key Factors	Considerations
Supplemental Nutrition Assistance Program	Depends	Public vs. privately funded Federal waivers	Cannot exclude regular payments from a government source (absent a federal waiver) but states may otherwise opt to exclude income consistent with the state's TANF or Medicaid rules (e.g. privately funded GI payments) 7 CFR 273.9(c)
Medicaid	Depends	Treatment of GI as gift MAGI vs. Non-MAGI recipients	Gift income up to the federal limit is excluded from income when following IRS rules. Non-MAGI households (i.e. seniors and people with disabilities) subject to additional income and asset testing) 42 CFR 435.603(e)
Temporary Assistance for Needy Families	Yes	State option	States have flexibility to define countable income for TANF, though may be limited by state statute or regulation
Child Care Development Fund	Yes	State option	States have flexibility to define countable income for CCDF, though may be limited by state statute or regulation

Program-by-Program Overview of GI Interactions

Program	Can GI Be Excluded from Income	Key Factors	Considerations
Supplemental Security Income	No	Federal law	Guaranteed Income payments are considered a gift of cash and counts against eligibility
Housing Subsidies	Depends	Recurrence of income Pending rulemaking Federal waivers Housing subsidy type	Current federal policy requires, absent a waiver, annual income include periodic and determinable allowances, including regular contributions or gifts from organizations not residing in the dwelling. Flexibility for local options available for project-based public housing. Pending implementation of the Housing Opportunity through Modernization Act is expected to expand ability to exempt certain income, including for housing vouchers.
Low Income Home Energy Assistance Program	Yes	State option	States have flexibility to define countable income for LIHEAP, though may be limited by state statute or regulation
Supplemental Nutrition Program for Women, Infants, and Children (WIC)	Depends	Adjunctive eligibility	Federal rules require public assistance, welfare payments, and other cash income to be counted towards eligibility; however households deemed adjunctively eligible via SNAP, TANF, or Medicaid are not subject this income determination

Benefits Cliffs in Guaranteed Income Programs

Alex Ruder
February 1, 2022



Federal Reserve
Bank *of* Atlanta

Guaranteed Income and the Safety Net

- A goal of Guaranteed Income (GI) programs is to increase financial stability
- But a barrier to financial stability: the benefits cliff
 - Many safety net programs phase-out or end suddenly as income increases.
 - Counting GI as income may trigger a partial or complete loss of a family's public assistance receipt.
 - If the GI program reduces the dollar value of safety net programs, it may be less effective at improving family financial stability.

The Guaranteed Income Dashboard

CLIFF Guaranteed Income Dashboard Uses:

- Inform Policy Makers
 - What programs need waivers?
- Inform Program Design
 - Identify what programs may need “hold harmless funds.”
- Educate Prospective Program Participants
 - On the extent to which program loss *may* occur

CLIFF Guaranteed Income Dashboard Features:

- Available in English and Spanish
- Customized to local programs
- In use in over 12 GI programs across the country

The Guaranteed Income Dashboard Demo

Guaranteed Income

Instructions

About this GI Project

Please read all instructions in the 'Instructions' tab before using.

Select State

NY

Select County or Town

New York County, NY

Select Family Type

One adult with one child

Age of First Child (Under 19)

2

Amount of Guaranteed Income (per year)

6000

Household Income (per year)

31000

Which programs are you or anyone in your household currently receiving?

Section 8 Housing Voucher

Geography

Household composition

Annual amount of GI

Public assistance and other supplemental questions

The Guaranteed Income Dashboard Demo

Please read all instructions in the 'Instructions' tab before using.

Select State

NY

Select County or Town

New York County, NY

Select Family Type

One adult with one child

Age of First Child (Under 19)

2

Amount of Guaranteed Income (per year)

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Household Income (per year)

31000

Which programs are you or anyone in your household currently receiving?

Section 8 Housing Voucher

Based on the family characteristics and location selected, the effective value of \$6000 per year in Guaranteed Income would be \$5400. The table below shows the estimated loss from government assistance programs and tax credits.

Program or Tax Credit	Estimated Yearly Value If No GI Received	Change in Amount Received per Year if GI Received
Section 8 Housing Voucher	17561	-600

Summary of output:

- \$6,000 GI effective value: \$5,400 for family
- Estimated current housing assistance: \$17,561
- Estimated loss of **\$600** for housing assistance

An Application: The Bridge Project

Implementing the Tool

“The calculator was extremely helpful for our onboarding process and essentially the only way that we were able to give our mothers any insight into the impact our program may have on their public benefits.”

– The Bridge Project (NYC)

Next steps

- Continued analytical support to GI program partners
- Tool is free to use, but we typically require a MOU
- Dashboard white paper: [Guaranteed Income Dashboard](#)
- Contact: alexander.ruder@atl.frb.org

Guaranteed Income Pilots and Public Benefits

Navigating the Benefits Cliff with San Francisco's Abundant Birth Project

APHSA Presentation

Feb 1, 2022



SF Office of Financial Empowerment

Convenes, innovates, and advocates to strengthen the economic security and mobility of all San Franciscans

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Save For College



Start saving now in your child's Kindergarten to College Savings Account. Have questions?

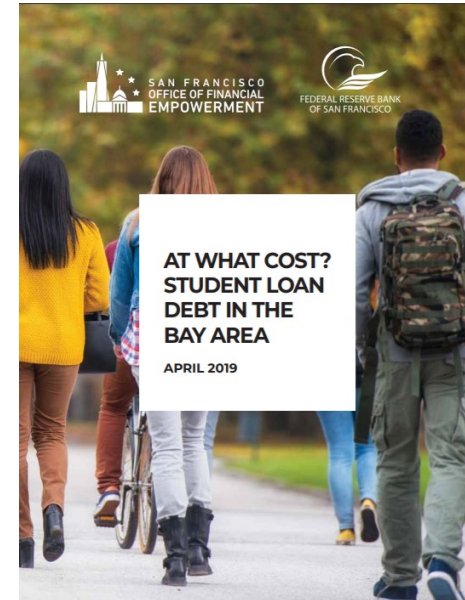
E-mail: K2C@sfgov.org

Know Your Rights



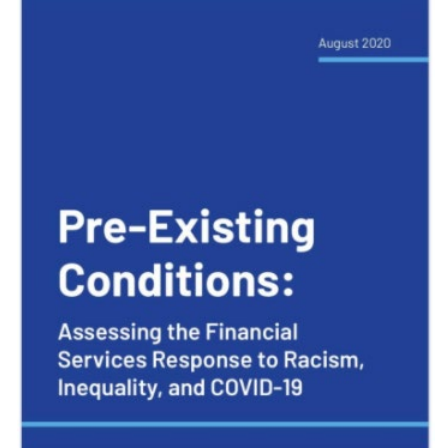
Consumer fraud comes in many forms. If you experienced fraud schedule your appointment now!

Call: 415-982-1300



BLACKLISTED

How ChexSystems Contributes to Systemic Financial Exclusion



What are we doing on GI?

- TA and support for individual pilots: benefits, distribution, supportive services
- Staff San Francisco Guaranteed Income Advisory Group
- Convene Bay Area guaranteed income group
- Research and advocacy



Why is GI so hot right now?

- Pandemic & greater urgency to address structural racism and violence
- Poor people are shut out from structures that support economic mobility, experience punitive, harmful, stigmatizing experiences
- Safety net does not support economic advancement out of poverty



Why is GI so hot right now?

Guaranteed income is:

- Accessible and dignified
- Effective at moving individuals and families out of poverty
- Rooted in ideas of abundance, dignity, empowerment
- Efficient
- Proven to work



The Abundant Birth Project

- Targets disparities in birth outcomes for Black and Pacific Islander mamas and babies
- 150 mothers, \$1K/month for one year (pre/post-partum)
- Led by Black women with deep personal and professional experience working in Black and PI communities.
- Deep commitment to community research and planning



Abundant Birth Project



Protecting Benefits

- Identify key benefits of interest to your target population
- Confirm exemptions/pursue waivers/explore policy changes
- Design eligibility criteria to maximize benefit protection



Protecting Benefits

- Provide counseling/onboarding and ensure informed consent
- Pass legislation ([Nebraska](#), [Minnesota](#))



Outcomes, Lessons, Recommendations

- Took a long time to unravel benefits interactions
- ABP successful with waivers, but other pilots will be challenged
- City/county collaboration is important
- Need federal reforms (WIC, SSI, Non-MAGI Medicaid)
- Benefits counseling easier said than done
- At the end of the day... maybe “just do it”



Panel Discussion

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Resources

[*California's Guaranteed Income Pilot Program*](#)
[*Guaranteed Income Community of Practice*](#)
[*Guaranteed Income Pilot Program*](#)
[*What is Guaranteed Income?*](#)