

# Navigating the Benefit Cliffs of Guaranteed Income Pilots



American Public Human Services Association

APHSA • AICPC • ASD • ISM • NAPWA • NAPIM • NASCCA • NASTA • NDOTA

**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.



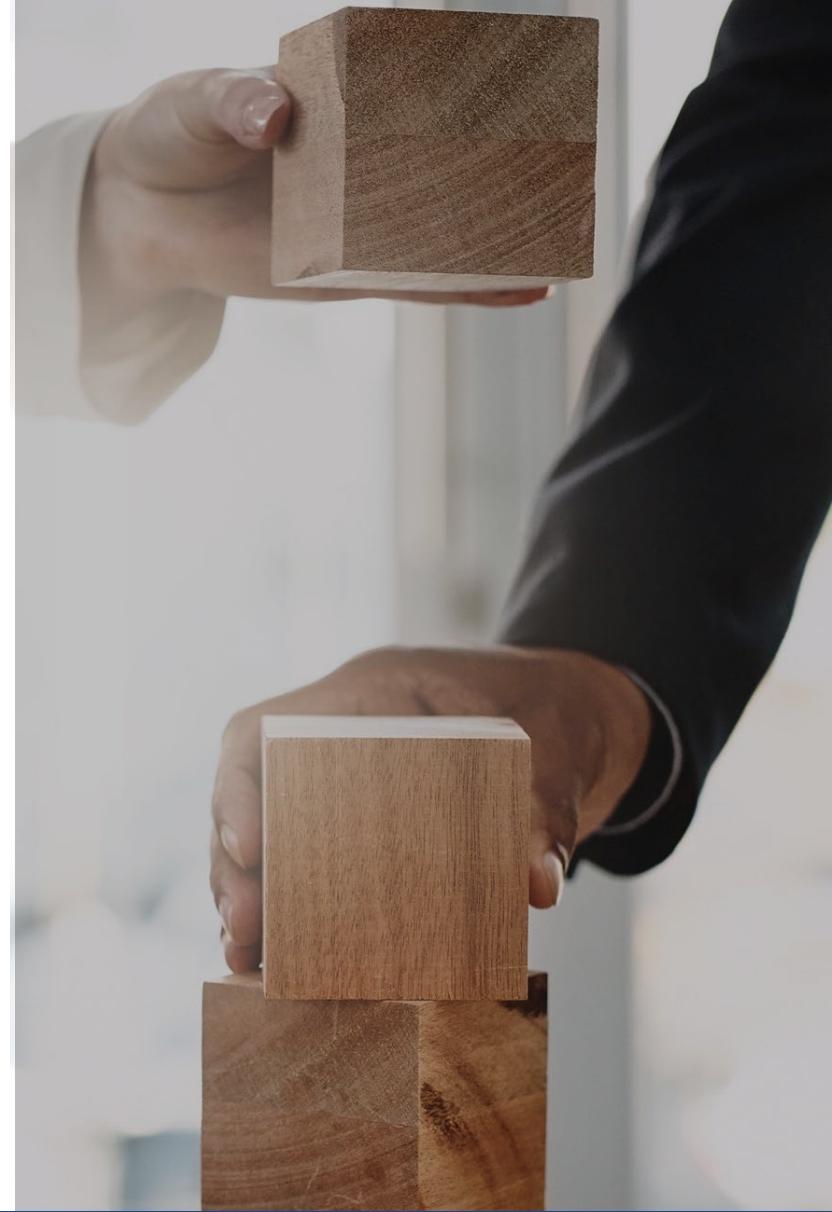
## MEMBER EXPERTISE

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.



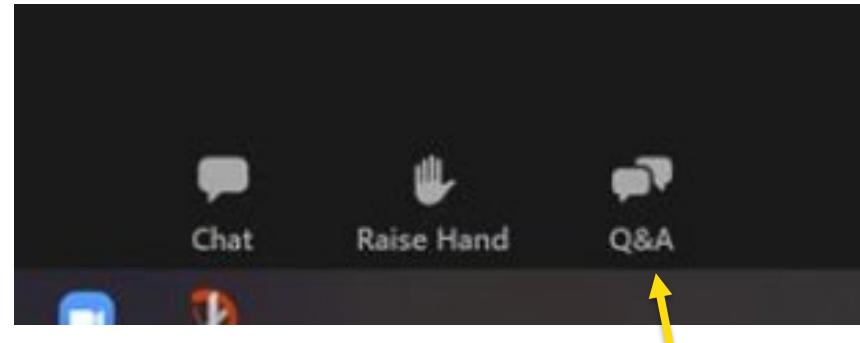
## WE SEEK TO

*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  
and Economic Development

*Federal Reserve Bank of Atlanta*



## JACOB DUMEZ

Manager, Policy and  
Partnerships

*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**

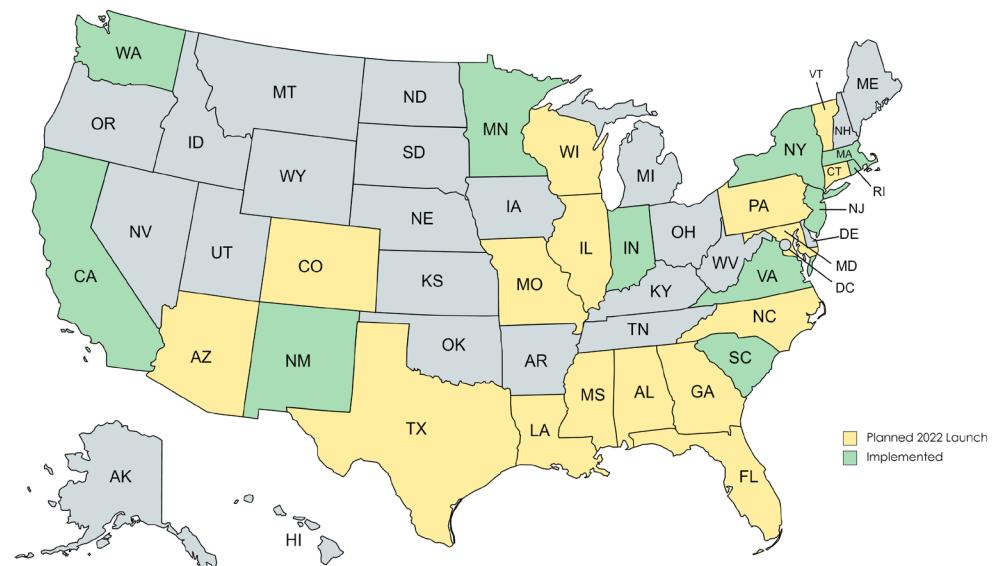


# What are Guaranteed Income Pilots

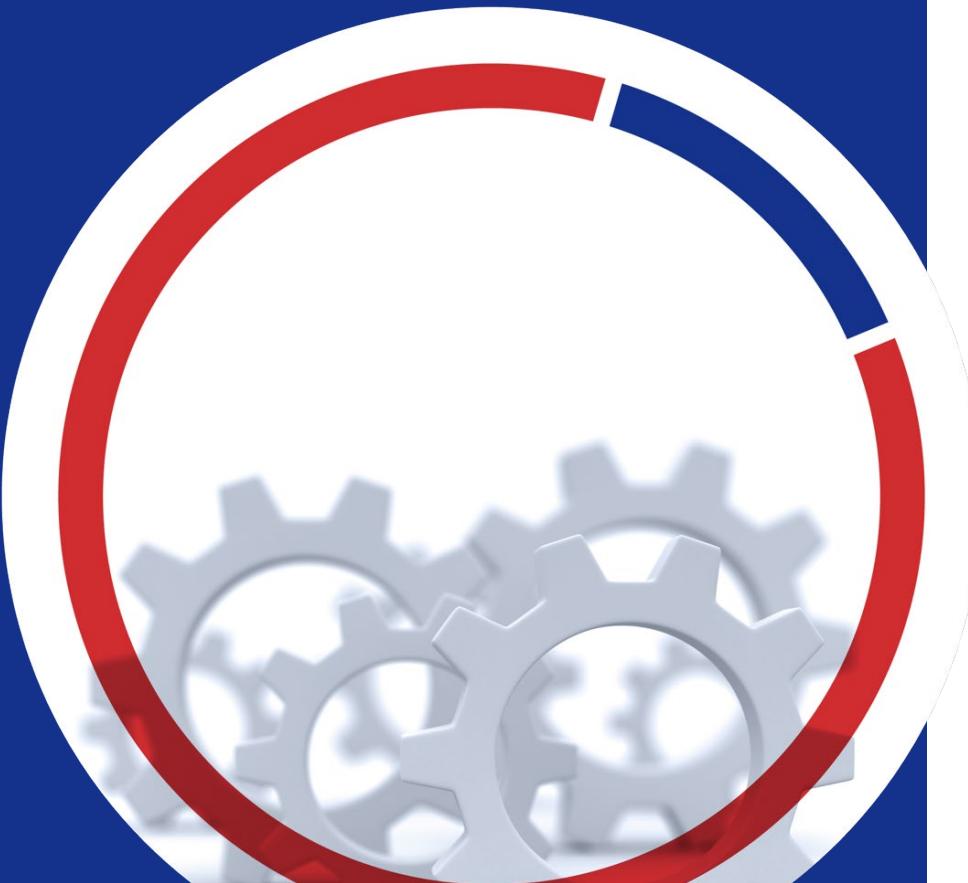
- Provides continuous, unconditional cash transfers to households
- May be privately or publicly funded
- Differ from public assistance programs that are means-tested and often include other eligibility requirements

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

## Mayors for a Guaranteed Income End of Year 2021 Report



# 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) <a href="#">7 CFR 273.9(c)</a>
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) <a href="#">42 CFR 435.603(e)</a>
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 <a href="#">gift of cash</a> and counts against eligibility
Housing Subsidies	Depends	Recurrence of income Pending rulemaking Federal waivers Housing subsidy type	<a href="#">Current federal policy</a> 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 <a href="#">Housing Opportunity through Modernization Act</a> 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

# 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

 Federal Reserve Bank of Atlanta  
Policy Rules Database



## 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

Select County or Town

Select Family Type

Age of First Child (Under 19)

Amount of Guaranteed Income (per year)

Household Income (per year)

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

Geography

Household composition

Annual amount of GI

Public assistance and other supplemental questions

# The Guaranteed Income Dashboard Demo

## Federal Reserve Bank of Atlanta Guaranteed Income Dashboard

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

Select State

Select County or Town

Select Family Type

Age of First Child (Under 19)

Amount of Guaranteed Income (per year)

Household Income (per year)

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

Guaranteed Income    [Instructions](#)    [About this GI Project](#)

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](mailto: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

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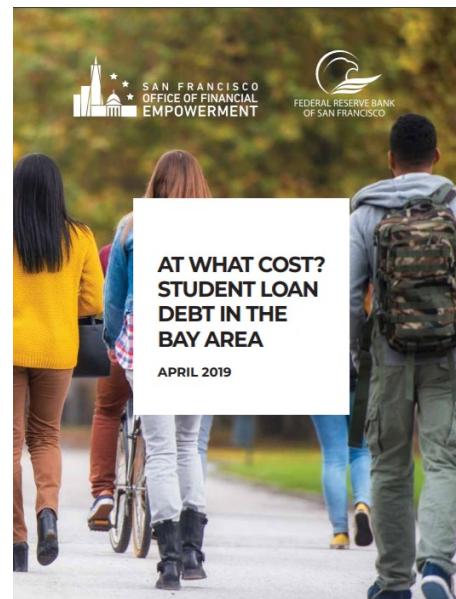


## Know Your Rights



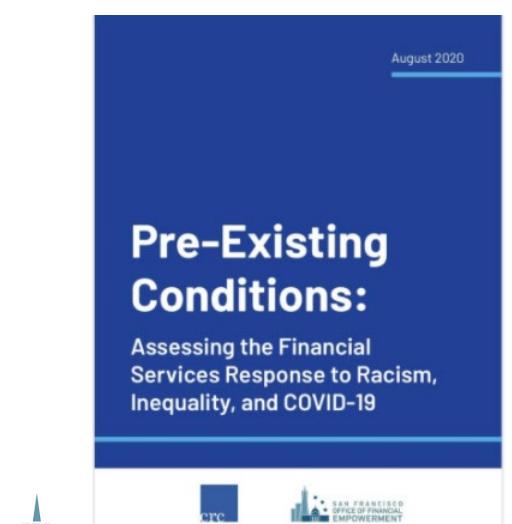
Consumer fraud comes in many forms. If you experienced fraud schedule your appointment now!

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



SAN FRANCISCO  
OFFICE OF FINANCIAL  
EMPOWERMENT

# 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](#))



**Protecting Benefits in  
Guaranteed Income Pilots:  
Lessons Learned from the Abundant Birth Project**



# 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

## Contact Information

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## Resources

[California's Guaranteed Income Pilot Program](#)

[Guaranteed Income Community of Practice](#)

[Guaranteed Income Pilot Program](#)

[What is Guaranteed Income?](#)