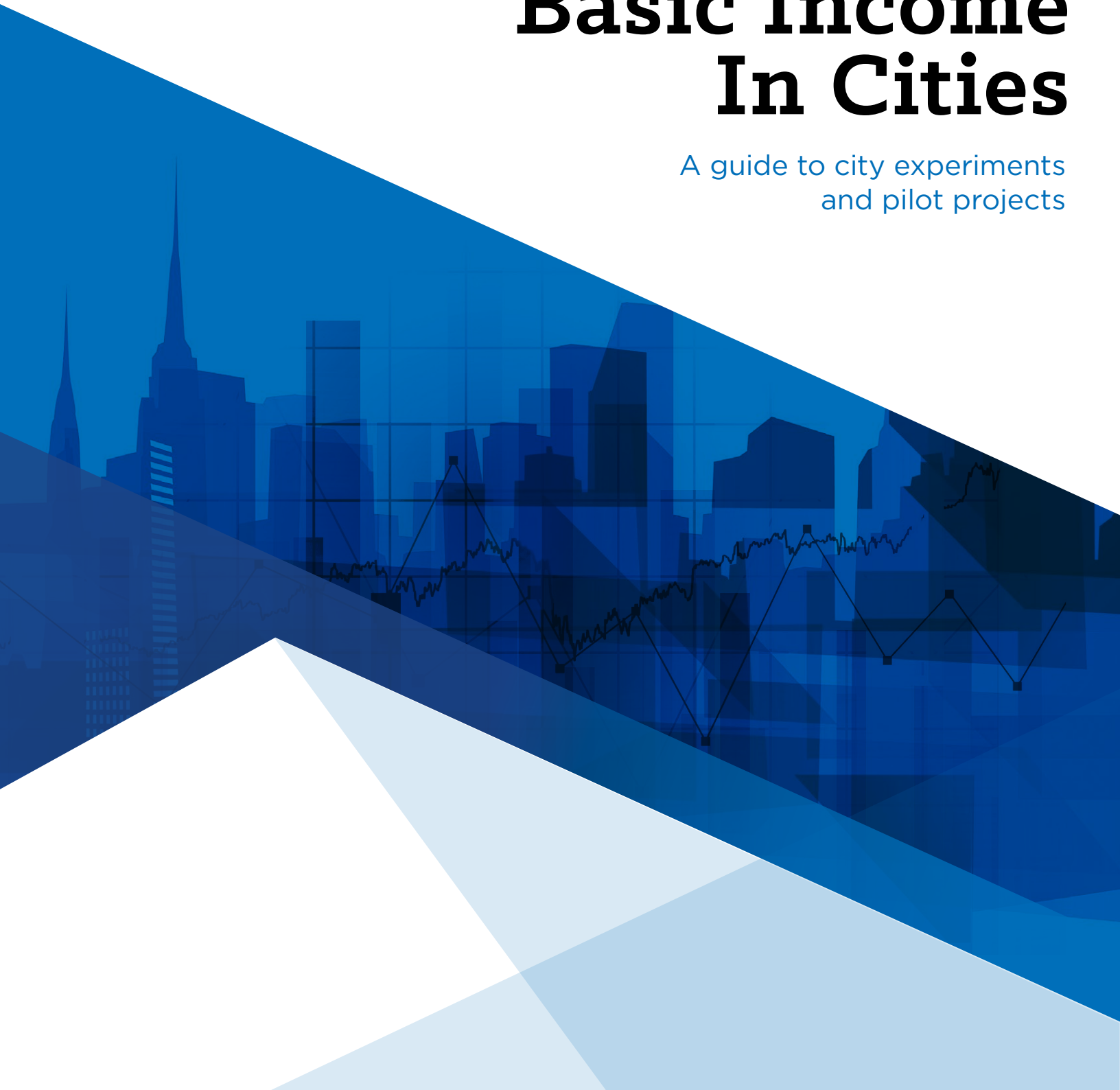


# Basic Income In Cities

A guide to city experiments  
and pilot projects





## ABOUT THE NATIONAL LEAGUE OF CITIES

The National League of Cities (NLC) is the nation's leading advocacy organization devoted to strengthening and promoting cities as centers of opportunity, leadership, and governance. Through its membership and partnerships with state municipal leagues, NLC serves as a resource and advocate for more than 19,000 cities and towns and more than 218 million Americans. NLC's Center for City Solutions provides research and analysis on key topics and trends important to cities, creative solutions to improve the quality of life in communities, inspiration and ideas for local officials to use in tackling tough issues, and opportunities for city leaders to connect with peers, share experiences, and learn about innovative approaches in cities.

## ABOUT THE STANFORD BASIC INCOME LAB

The Stanford Basic Income Lab was established in February 2017 to provide an academic home to the study and development of UBI. With its team of graduate fellows and faculty, BIL seeks to stimulate research, advise those developing policies and carrying out experiments, aggregate and disseminate research findings, and convene scholars, policy makers, and leaders in business, think tanks, nonprofits, and foundations around the politics of UBI. You can find out more at <https://basicincome.stanford.edu>.

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# INTRODUCTION

## The challenges cities face: Automation, precarious work, economic insecurity and growing inequality

Nearly three in four U.S. adults are dissatisfied with the current state of the country, and an overwhelming majority of Americans express anxiety about the near future.<sup>1</sup> This fear stems at least in part from rapid advances in artificial intelligence, automation and the

of wealthiest Americans, but only 46 percent for the bottom 20 percent.<sup>3</sup>

Vast changes have already impacted the workforce — automation of manufacturing, offshoring of jobs and the first signs of artificial intelligence seeping into the everyday lives of workers, to name a few. These trends are only growing as the so-called ‘fourth industrial revolution’ takes hold and wholesale changes cause widening inequality and diminishing wages. This is resulting in a wide swath of the

“These trends are only growing as the so-called ‘fourth industrial revolution’ takes hold and wholesale changes cause widening inequality and diminishing wages.

concomitant predicted disappearance of millions of jobs.<sup>2</sup> As the gig economy and precarious work arrangements continue expanding, the future of work will generate growing concern.

By the numbers, the country is enjoying one of its most prosperous years to date. America is experiencing its highest-ever median incomes, all-time stock market highs and historically low unemployment rates. And yet, the reality for many residents is much more nuanced, leading to widespread dissatisfaction. Notably, the U.S. is seeing rising wealth and income inequality. Between 1979 and 2013, earnings have grown 192 percent for the top one percent

public feeling abandoned as millions of middle class Americans become the working poor.

## How city experimentation can lead an informed debate on UBI

Cities are uniquely positioned to lead the country forward through innovation and ferocious experimentation. As we near the 2020s, it is apparent that the nation will need a social welfare system built for this new century and its specific challenges. One proposal governments are increasingly exploring is a policy now widely known as “universal basic income,” or UBI.





The proposal represents a scalable solution that can help us reimagine and improve our social safety net, while encouraging us to reflect on the deeply changing nature of work.

A range of policy interventions will be needed to tackle these challenges and usher in a future without dramatic labor displacement, unemployment and precarious work. We should not entertain the fantasy that a single policy will tackle all of the above-mentioned challenges. Nonetheless, there is growing evidence that UBI may be uniquely placed to address some of them. This policy guide is intended to extend the conversation surrounding the role that cities can play in increasing equity through local experimentation.

### **UBI: A regular and no-strings attached cash payment for all members of a community**

UBI is a cash payment granted to all members of a community on a regular basis, regardless of employment status or income level. It is meant to be individual, unconditional, universal and frequent. The proposal has been extensively discussed

recently in the American context by those growing wary of automation- and AI-induced unemployment and economic insecurity. UBI, according to many in Silicon Valley, could be part of the solution because it would ease the transition for those at risk of work displacement, stabilize incomes across the board and enable residents to pursue retraining and alternative forms of work.

UBI is an old proposal with roots in a variety of political ideologies. From feminists, post-productivists and neoliberal economists, to libertarian politicians and social-democratic leaders, the policy has generated broad-based support.<sup>4</sup> From the 18th to the 21st century, American supporters have included founding father Thomas Paine, civil rights activist Martin Luther King, Jr., the economist Milton Friedman, Republican President Richard Nixon, and many others. Each had their own reasons for extolling unconditional cash.

In the 1700s, Thomas Paine was one of the first to voice the idea that each citizen should have the right to share in the achievements of past generations. This viewpoint remained popular, and years later we can see variations on his then-revolutionary proposal, including the Alaskan Dividend Fund, which automatically grants each Alaskan resident a share of the state's gas and oil revenues through a sovereign fund.

Martin Luther King Jr. also supported the proposal of a guaranteed income. He perceived the denial of employment to a vast number of Americans of color as well as widespread poverty as unacceptable in a rich society. He grew convinced that the simplest way to alleviate poverty was to give a guaranteed income to all Americans,

which he discussed in his final book, *Where Do We Go From Here: Chaos or Community?*

Milton Friedman was a proponent of UBI, but in the form of a negative income tax. Poverty, he argued, is not compatible with a healthy capitalist economy; it prevents individuals from being consumers, which in turn hinders the economy and causes social unrest. According to Friedman, means-tested and conditional public assistance programs are inadequate responses because they require an extensive and inefficient state bureaucracy that overly intrudes in the poor's lives. He felt that an automatic cash payment to all those in need, and an equivalent tax break for others, would be the most efficient way to eradicate abject poverty.

The defenses of UBI highlighted above differ in nature, but they converge on the belief that we should decouple the delivery of cash benefits from employment and existing means. According to all three leaders, one of the most direct and simple ways to target poverty and economic security may also be the most efficient.

UBI raises the floor so people can live with dignity. It also empowers individuals to make choices with greater liberty. With a

sufficiently high guaranteed income, recipients would have more freedom to say no to abusive, demeaning or dull jobs; and they would have the freedom to say yes to a multi-sided existence with more time for care, education and training.

In fact, many have taken an interest in UBI on grounds of gender justice. Women are more likely to take on roles caring for the elderly and children — both career paths that typically pay poorly. If we believe that care for our aging population and for the next generation are central to a healthy society, then we should also promote and enable care work. UBI, it is hoped, would give workers the ability to dedicate more time to this important work. Moreover, under most welfare systems, the dependent of a rich-enough spouse is not eligible for cash benefits of their own. This has proved disastrous for those in abusive households with financial dependency. Once again, women have been historically more likely to find themselves excluded from existing safety nets. UBI would help remedy this problem.



A stream of other policies underpinned by the same vision

We have significant evidence that providing cash directly to poor households can be transformative, and that it doesn't lead to an increase in drug use or other vices that cities struggle to contain.<sup>5</sup> Nonetheless, such a seemingly simple approach has its skeptics. Even those who accept the positive evidence for UBI see the idea of a universal basic income for all, or a limited basic income for particular groups, as utopian, and too bold to receive adequate political support.

Although there are important reasons to consider a fully universal, unconditional and individual basic income sufficient to cover basic needs, an appealing strategy may be to build upon policies that already have broad-based support, evidence and base funding. These policies are designed to support low-income families, and they include the Earned Income Tax Credit (EITC), refundable child tax credits, Social Security, unemployment insurance, housing assistance and dividends such as the Alaska Permanent Fund.

While some of these programs are federal, they all represent potential bridges to more flexible cash-based programs that would give low-income people the means to meet the needs most pressing to them, such as housing, food, child care or elder care. These policies all share some relevant features with UBI. Several are analyzed:



**The Federal Earned Income Tax Credit (EITC)** is a refundable tax credit for working families created in 1975 by the Ford Administration. Its aim was to shield low-wage workers from the regressive effects of rising payroll taxes and to provide an additional income boost for workers near or below the poverty line. While the majority of an individual's EITC credit comes from their federal tax return, Illinois, California, Colorado, Connecticut, Delaware, Hawaii and the District of Columbia have programs that match a portion of the Federal EITC. And Montgomery County, Maryland, New York City and San Francisco have county or municipal programs to match the EITC. What distinguishes the EITC from many other credits in the tax code is its refundability, meaning the full amount of the credit translates into cash for many low-income workers who need it most. Nationwide, 17 percent of all individual income taxpayers receive the credit, which means that a larger proportion of the U.S. population participates in the EITC than in any other federal income supplement program except for Social Security.<sup>6</sup> And 20 percent of city residents benefit from the credit.<sup>7</sup> The EITC is written into the tax code, benefits from broad political support, is bolstered by evidence that it reduces poverty, is highly-efficient and provides an existing mechanism to increase direct cash support to low-income residents.



**The child tax credit (CTC)** provides a tax credit of up to \$1,000 per child under age 17, with the goal of reducing child poverty. If the CTC exceeds taxes owed, families may receive some or all of the credit as a refund, known as the additional child

tax credit (ACTC), or refundable CTC. Six states have CTC matches, two of which are refundable, and 23 states have Child and Dependent Care Credit matches, 11 of which are refundable. Some of these are tied to childcare. Cities across the country could introduce matching programs, as two cities have for EITC.

Most rich countries besides the U.S. give low and middle-income families cash benefits to help them raise their children. Child poverty is a tragedy and costs society a great deal, including increased crime, decreased tax revenues and higher healthcare costs. In fact, one study estimated that child poverty cost the U.S. nearly four percent of GDP in 2007, or over \$500 billion.<sup>8</sup>



**Social Security** is one of the largest government programs in the world, paying out hundreds of billions of dollars per year. Social Security benefits include retirement income, disability income, Medicare and Medicaid, and death and survivorship benefits. According to the Economic Policy Institute, without Social Security, 25 million more Americans would fall below the poverty line, pushing the national poverty rate from 16 percent to 24 percent.

Unlike universal basic income, these programs have eligibility requirements, like employment in the case of the EITC. Except for the Alaskan dividends, none of these programs are universal; instead, they target needy recipients. These programs are nonetheless extensive and seek to cover a large proportion of Americans. Therefore, expanding such programs could be a way to establish more universal, unconditional cash benefits in the U.S. Most importantly, these



programs are meant to lift the floor for the poorest families. In this fundamental way, they share the spirit of UBI.

Aims of the Toolkit

This toolkit is in part the result of a convening of city officials, senior city leaders and experimenters at Stanford University in September 2017. The convening was organized jointly by the Stanford Basic Income Lab and the National League of Cities, and explored the suitability of universal basic income at the city level.

The toolkit is designed to serve as a policy guide for city leaders interested in piloting UBI, and does not attempt to provide a blueprint for a UBI pilot. Rather, it is intended to highlight key emerging practices and share insights on the process of designing UBI experiments in ways that are ethical, rigorous, informative and consequential for local and national policy-making.



# BACKGROUND



## What we already know about UBI: Kenyan, Manitoban and American experiments

**G**overnments in high-, middle- and low-income nations alike have warmed to the concept of UBI, and pilot projects have been launched in Finland, Kenya, India, Namibia and Canada. There is also a large evidence-base on cash transfers now throughout the world. While some of the findings from these experiments cannot be generalized to the U.S., they do dismiss some of the most widespread myths about

inform us further on what a UBI rollout would look like in the U.S. One of the first was a negative income tax experiment conducted in Canada in the 1970s. Reformist Canadian Prime Minister Pierre Trudeau initiated the “Mincome” experiment, short for “minimum income.” Mincome provided a guaranteed income to over 1,000 lower-net-worth families scattered across the province of Manitoba. Additionally, the town of Dauphin (approximate metro population in 1974: 12,400) was chosen as a full saturation site where any resident could receive the benefit, regardless of income—a move designed to test the effects

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With cash in hand, individuals can fulfill their most pressing needs and pursue their unique goals.

poverty alleviation. For example, despite popular belief, the evidence shows that the poor do not waste resources. In fact, giving cash to those most in need seems to be an efficient way to improve their prospects and welfare.<sup>9</sup> With cash in hand, individuals can fulfill their most pressing needs and pursue their unique goals. And while some individuals use cash to retrain, others buy livestock or a car, putting themselves and their families in a better position to face economic adversity. While some may use cash to advance their education or vocational skills, others may use it to pay off debt or secure stable housing.

In North America, a number of past and ongoing experiments are beginning to

of universal cash payments. The political winds in Ottawa shifted a few years later, and Mincome lost its funding before it could yield definitive conclusions.

Evelyn Forget, an economics professor at the University of Manitoba, recently revisited the Dauphin data, publishing a number of reports and articles that conveyed some wider insights. Forget found that in households that collected Mincome, primary earners on average didn’t see a significant reduction in hours worked. “Secondary” and “tertiary” earners did work less, but in ways that were potentially beneficial. Working mothers took more time off around childbirth, essentially using the



stipend to buy themselves longer parental leave. Working adolescents were also more likely to finish school, Forget found, pointing to a “nice little bubble in high school completion rates” that coincided with the experiment. She further noted important health outcomes resulting from UBI implementation: hospital, doctor and mental-health visits declined during the experiment.



Around that same time, negative income tax experiments conducted in the U.S. offered further evidence that cash can affect a variety of outcomes. Between the 1960s and 1970s, the Nixon administration launched the largest-ever “income maintenance experiments” in Seattle, Wash., and Denver, Colo. These experiments, known as SIME/DIME, also included counseling or training components, and measured the impacts of unconditional cash transfers on marital stability, single parent households and work participation.<sup>10</sup> These pilots proved unscalable due to the time period, method and political climate in which they were conducted.

Meanwhile, the Indian Gaming Regulatory Act of 1988 allowed federally-recognized tribes to open and operate gaming industries, and to transfer cash from gaming revenues to their members. Revenues from the National Indian Gaming Commission hit a high of \$31 billion in fiscal year 2016; however, less than 40 percent of tribes had prepared revenue-allocation plans to distribute these earnings. Casino earnings can be as high as the annual \$35,000 check members of California’s Santa Ynez Band of Chumash Indians receive, and as modest as the annual check of \$900 offered to each member of Oklahoma’s Comanche Nation. Extensive research conducted by the University of New Mexico shows an undeniable impact of revenues on poverty and income in just a decade. Between 1990 and 2000, native communities with gaming facilities experienced a 15 percent higher rise in median household income than those that didn’t share gaming revenues, as well as a 6.5 percent greater increase in employment and a 20 percent greater reduction in the number of families living below the poverty line.<sup>11</sup>

**What we are about to find out:  
Spotlights on ongoing initiatives**

**a. Randomized controlled trials:  
Building the evidence-base**

*Spotlight – Y Combinator Research’s (YCR)  
randomized controlled trial*

In response to automation, artificial intelligence and the unknown shifts of the fourth industrial revolution, Y Combinator Research (YCR) is running a first-of-its-kind study in the U.S. on basic income. It will conduct a randomized controlled trial (RCT),

the gold standard for evaluating social policy impacts, to assess the economic, social and psychological effects of basic income over time. YCR sees basic income not only as a means to boldly end poverty but also as a way to ensure financial stability in an evolving, increasingly automated economy. The researchers believe that, with the financial means provided through direct unconditional cash, individuals would be able to spend less time meeting their basic needs and more time investing in opportunities for a better future.

The Basic Income Project will randomly select 1,000 individuals, out of a random sample of 3,000 in low-income communities, to receive \$1,000 per month for three to five years in two sites in the U.S. Using a rigorous RCT methodology, the Basic Income Project will respond to a range of important questions and measure eight specific outcomes: time use, financial health, effect on children, mental health, physical health, wellbeing (including of children), crime and spillover. The pilot will provide answers to a number of important questions: Does basic income increase entrepreneurship? Does it allow for better caretaking? Do recipients trust institutions more and become more civically engaged?

This trial will help to shine light on the impacts of sustained, unconditional cash transfers on individuals and society at large. Using a mixed methods design, the pilot will collect both quantitative and qualitative data to get a detailed understanding of individuals’ experiences with basic income, how it affects their decisions and their relationships, and the constraints they continue to face. Generating evidence on these questions will critically inform what UBI can achieve and what broader systems

would be needed for its success at scale.

**b. City demonstrations: Engaging communities in transformative social policy**

*Spotlight – Stockton Economic Empowerment Demonstration (SEED) project*

The Stockton Economic Empowerment Demonstration (SEED) is the first city-led guaranteed income initiative in the U.S. A collaboration between the Office of Mayor Michael Tubbs, the Reinvent South Stockton Coalition, the Economic Security Project and the residents of Stockton, California, SEED aims to demonstrate the transformative potential of basic income on recipients and communities. Like many cities across the country, Stockton is experiencing high rates of income inequality, income volatility and extreme poverty. The city has turned to basic income as an innovative solution for updating its social safety nets and social contract.

Beginning in February 2019, SEED will randomly choose 100 recipients from neighborhoods whose residents on average earn below Stockton’s median income to receive a guaranteed income of \$500 per month for 18 months. There will also be a control group of participants who won’t receive cash. Researchers will use a mixed methods design to examine several outcomes, including financial security, sense of agency, civic engagement and social determinants of health and wellness.

As an aspiring leader in transforming narratives around poverty, SEED will also launch diverse storytelling and story-sharing projects. In addition to recruiting



a cohort of recipients to tell their stories, SEED will support initiatives ranging from a student-led StoryCorps-like project sharing citizens' visions for a world without financial insecurity, to roundtable discussions on the definition of "work." In line with their commitment to people-centered policy making, SEED will moreover create a public dashboard on the pilot's results and will engage community stakeholders and non-recipients in participatory action research to share their views with policy makers on the role and potential of guaranteed income in Stockton and the nation as a whole.

### c. Policy: Introducing UBI at the city or state level

#### *Spotlight – Alaska Permanent Fund*

Since 1982, the Alaska Permanent Fund has been paying out dividends of the state's oil revenues to all Alaskan residents. In October 2018, residents received \$1,600, conditional only on their residence in Alaska for the full year prior. The Permanent Fund Dividend (PFD) amount has varied over the years and, at its peak in 2015, was \$2,072 per person or \$8,228 for a family of four. Republican Governor Jay Hammond introduced the policy with the belief that Alaskans should share in the state's substantial surplus in revenues from its natural resources. As a sovereign wealth fund, the Permanent Fund has grown from an initial \$900 million to \$52.8 billion over 35 years.

According to a 2016 report from the Institute of Social and Economic Research in Alaska, the PFD has helped keep two to three percent of the state's population from slipping into poverty each year since 1990.<sup>12</sup> The dividend helps the most vulnerable populations, including children,

rural residents, Alaska natives and those subject to economic instability, the most. According to a recent survey of over 1,000 Alaska voters, approximately 80 percent of respondents agree that the dividend improves their quality of life and that it provides an important source of income. While 72 percent of respondents report saving their dividend for essentials like emergencies, education and retirement, 85 percent believe it helps the Alaskan economy. Moreover, the survey finds that the PFD holds widespread and bipartisan support. The vast majority support the idea of universal payments to all full-time residents (90%) and feel entitled to a share in the state's revenue (84%). In fact, Alaskans find the dividend so valuable that the majority of respondents would rather raise income taxes than end the PFD. Alaska's PFD is an exemplary state-level initiative that is creatively pushing the frontiers of cash-based social policy.

### What do we need to find out about UBI?

There are at least three sets of interrelated questions that new experiments can help us answer. The first group of questions concerns what people do when they are given cash unconditionally. This research could inform who, if anyone, ends up dropping out of the labor market. Further, it would be possible to analyze what those who quit their jobs end up doing with their time. For instance, would low income women become more likely to withdraw from the labor market, or would men and women drop out at equal rates? Under what conditions would certain groups go back to school, retrain, or start a business? Would we also see increased rates of

“Because abject poverty and economic insecurity are so pervasive and have a negative impact on a vast range of social issues, the potential outcomes of a policy framework like UBI are numerous and multi-faceted.

volunteer work, political activism or community service?

These experiments can also help us figure out how exactly the extra income would be spent every month. Would Americans become more likely to save or consume? Would recipients be likely to pool or share resources with other members of their communities, or would they dedicate those resources to their own families?



The second group of questions concerns the impact of unconditional cash on a variety of important outcomes — including health, wellbeing, childhood poverty, food insecurity, stigma, social status, women's empowerment, high school disengagement rates, crime, etc. Because abject poverty and economic insecurity are so pervasive and have a negative impact on a vast range of social issues, the potential outcomes of a policy framework like UBI are numerous and

multi-faceted. Let's consider how it could impact crime, stigma, health and dignity:

■ **Crime:** It would be interesting to find out how UBI would impact both crime rates (including petty theft, burglaries and drug dealing) as well as recidivism rates. A major conversation surrounding prisoner rehabilitation is starting to take shape, and there's currently little research on how a program like UBI would affect ex-felons.

■ **Stigma:** One of the key critiques often raised against existing targeted welfare assistance programs is that they are stigmatizing for the recipients. Terms like “welfare queen” and “benefit scroungers” bolster the stigma argument. Stigmatization and demonization often operate along racial and gender tropes, which feed into a broader culture of marginalization and thus further undermine social protections.<sup>13</sup> It would therefore be important to establish the extent to which UBI, by virtue of being universal, could challenge the divisive rhetoric surrounding public assistance.

■ **Health:** One of the key contributors to the discussion on UBI and health is Evelyn Forget. Forget found that families who received unconditional cash visited their doctors less for mental health issues and were less likely to be hospitalized.<sup>14</sup> Around the world, a variety of positive impacts of cash on child development have been documented, ranging from improved physical health to greater cognitive skills and higher test scores.<sup>15,16</sup> However, a number of health-related questions remain to be answered. Are those potential positive effects of UBI likely to be distributed evenly throughout a varied population, or could its effects further exacerbate existing inequalities in health?



■ **Dignity:** Another important set of questions concerns how UBI would affect unemployed participants' sense of dignity. The social benefits of having a job reach further than income and include the ability to develop and nurture relationships, a sense that one is making a meaningful contribution to society and the opportunity to master a trade. Of course, not all jobs deliver those benefits. But finding creative ways to improve opportunities for people to find meaning through civic engagement and other outlets could become increasingly important.

We also need to better understand the limitations of UBI and what particular add-ons would make the policy more likely to affect economic security, precarious work and inequality. In particular, it is critical to understand how to ensure that recipients develop the skills and education they need to capitalize on the income support. The success of the policy in reducing

inequality further depends on its ability to reduce phenomena like segregation and to impact the economic trajectories of the most vulnerable members of our population.

The third set of questions concerns the economic and political feasibility of the proposal. There are many different ways to fund universal basic income. Some experts have proposed a carbon tax, while others want to model UBI on the Alaskan Dividend Fund which relies on revenue from natural resources.

Most progressive proponents of UBI argue that it should be heavily funded by a progressive income tax or a wealth tax. During the Swiss referendum for UBI in 2016, the option of a UBI funded through a consumption tax, including a tax on luxury goods, was raised. Recently, the idea of levying a tax on companies that benefit most from automation has also been discussed.

Others insist that many existing programs would become redundant with UBI, and thus the funding from those programs could be repurposed. Further experimentation will help us figure out some of the costs and benefits of various funding mechanisms, as well as their respective political viabilities. We need a clearer sense of who stands to benefit from each version of the proposal.



# RECOMMENDATIONS

## Mapping city goals to a UBI pilot: What do we want to achieve or learn through a UBI pilot?

### a. Cities as laboratories of change

City leaders are constantly experimenting with new ideas and demonstrating what's possible on a grander scale. As laboratories of change, cities are ideal places to test basic income policies in ways that address the local challenges, such as job automation, income volatility, growing economic insecurity and homelessness. At the same time, cities can demonstrate through these policies that a more secure and inclusive society is possible. Over the past fifty years, many governments and nonprofits have tested cash-based programs, and cities can draw on this rich evidence base to craft basic income approaches that benefit their residents.<sup>17</sup>

In the past two years, many across the country have proposed initiatives to test basic income policies. In 2017, Hawaii state representative Chris Lee passed a bill that established government offices to ensure financial security and evaluate proposals for basic income policies. In mid-2018, Alderman Ameya Pawar of Chicago proposed a bill to launch a basic income pilot with 1,000 families and to expand the EITC Modernization program. Lastly, Mayor Michael Tubbs of Stockton, Calif., is launching the Stockton Economic Empowerment Demonstration, a basic income pilot with 100 recipients and associated community initiatives (see SEED spotlight) in 2019.

### b. Identifying city goals

Cities will differ in what they hope to learn or achieve from a UBI pilot. Given cities' limited scope to finance meaningful universal services for every resident, cities are best placed to fund a basic income for a targeted subset of residents who face the greatest financial challenges. Cities may choose to prioritize basic income for helping stabilize the recently homeless (see the [New Leaf Project](#)), for improving child development indicators among low-income families with newborns (see the Income and the Developing Brain Study) or for helping low-income adolescents get to college (see the [Direct Giving Lab](#)). NLC's website has a current list of [ongoing pilots](#).

In addition to advancing city goals, piloting is also an opportunity to test particular features of UBI, such as the funding mechanism, the amount or UBI add-ons, as well as to compare UBI to existing conditional cash-based programs. In this way, pilots can inform the design of, and help promote, a truly universal basic income policy at the state or federal level.

### c. Developing a theory of change

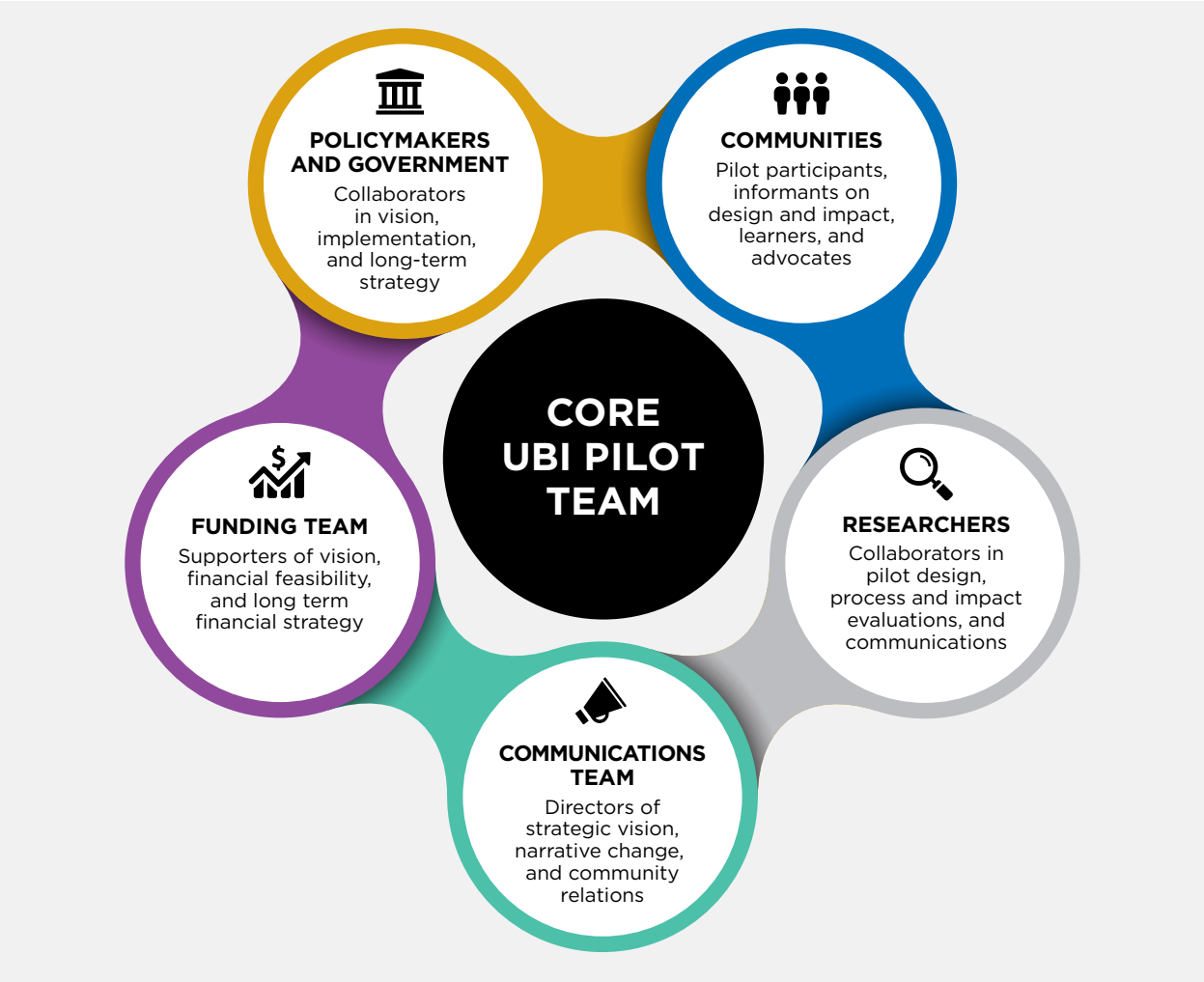
Cities interested in piloting UBI can begin by developing a theory of change (ToC) ("[Guiding Your Program](#)", 2016). A ToC helps cities articulate the desired short-, medium- and long-term outcomes of their basic income designs, and identify the key assumptions necessary to achieve those outcomes. There is a wealth of evidence on the positive outcomes of cash transfers, which cities can draw on to inform their theory of change, and this can help city leaders make the case for a basic income

pilot. Generating a ToC in a participatory process with key city stakeholders can help achieve widespread buy-in and coordinated implementation. Finally, a ToC critically helps cities determine which data to collect and when in order to best learn from a UBI pilot.

Building the team and the infrastructure: Which stakeholders need to be involved and when?

In addition to needing researchers to design, implement and evaluate these pilots,

Figure 1: The key stakeholders in a UBI pilot



success will require the engagement and cooperation of a number of stakeholders across civil society, governmental agencies, foundations and the local community.

Figure 1 below highlights the key stakeholders needed to launch a UBI program, and Figure 2 outlines at what stage of the process these stakeholders should be involved.

Figure 2: The stages of stakeholder involvement

	DESIGN	IMPLEMENTATION	ANALYSIS	NEXT STEPS
KEY PARTNERS	<ul style="list-style-type: none"><li>• Funding team</li><li>• Researchers</li><li>• Communications team</li></ul>	<ul style="list-style-type: none"><li>• Government officials</li><li>• Community</li><li>• Researchers</li></ul>	<ul style="list-style-type: none"><li>• Researchers</li><li>• Communications team</li></ul>	<ul style="list-style-type: none"><li>• Policy makers</li><li>• Community</li><li>• Communications team</li></ul>
KEY ACTIVITIES	<ul style="list-style-type: none"><li>• Determine funding</li><li>• Map Theory of Change (ToC)</li><li>• Determine UBI features</li><li>• Develop communications strategy</li></ul>	<ul style="list-style-type: none"><li>• Collaborate with government agencies</li><li>• Engage with pilot participants</li><li>• Track process and measure outcomes</li></ul>	<ul style="list-style-type: none"><li>• Interpret and learn from data and process evaluations</li><li>• Develop communication materials</li></ul>	<ul style="list-style-type: none"><li>• Advocate for UBI scale up, according to findings</li><li>• Engage with communities, cities, research networks</li></ul>

a. Communities

From understanding city problems that UBI can help address to carrying out informed dialogue and advocacy after the pilot, community engagement will be key at each stage of the pilot process. In the design stage, communities can be consulted to help develop a feasible and acceptable pilot design. For example, the Stockton pilot team chose their three criteria for selecting recipients — fairness, inclusivity and learning potential — through collaboration with community representatives. Similarly, the Ontario pilot also held community meetings and posted their notes [online](#).

To enable the wider community to participate in and learn from the pilot, cities can encourage artists, organizers, students and storytellers to drive a range of community initiatives. Stockton, for instance, has commissioned murals across the city that commemorate community

organizers and celebrate solidarity as part of the launch.

b. Funding

Identifying and securing funding for new initiatives is a constant challenge. But a variety of funding mechanisms are available to cities.

■ **Public-private partnerships:** Many funders are attracted to public-private partnerships to help drive public innovation and sustain proven programs. Such partnerships are most successful when partners agree on the goals of the initiative early in the relationship and secure the majority of the funds before the public launch.

In seeking private funding, funders will want to know the longer-term vision for the pilot, how it will contribute to the existing body of research and what the next steps will



be after pilot completion. Pilots driven by elected officials should include plans for how the efforts will be sustained beyond their terms.

■ **Drawing from available funds:**

Alternatively, a city agency may draw from its discretionary funds — or repurpose non-discretionary funds — from its existing, approved budget. Given the prospect that a basic income could address an array of issues, such as homelessness and mental illness, multiple agencies may feel they have a stake in the project and thus choose to collaboratively fund the pilot.

■ **Creative fundraising:** As a policy at scale, UBI may be funded through sharing of revenue from collective resources and sovereign wealth funds (e.g. oil, gas), taxes on practices that harm public health and safety (e.g. pollution, parking fines) and regressive taxes (e.g. VAT, land tax). It is ideal to pilot longer-term funding mechanisms to assess public reception and sustainability, though not always possible. Cities can use a number of creative strategies to recruit short- and long-term funding.

1. Cities can partner with local companies to fundraise or match basic income payments.
2. Cities can create an online giving platform, allowing individuals to host giving pages and events, an approach taken by GiveDirectly for funding its 12-year universal basic income trial in Kenya.
3. Cities may implement a value-added tax on luxury goods (as Andrew Yang advocates for in his proposed [Freedom Dividend](#)) or a gross receipts tax on companies (as San Francisco started doing in 2014).

4. Cities could also collect fees from environmentally deleterious practices — for example, in a community trying to limit automobile usage, a portion of parking revenue and fines could be set aside to fund basic income. Taxes on plastic bags or sugary soda could serve a similar role. Most likely such a funding stream could be used as seed capital in conjunction with external sources.

5. Social impact bonds are another mechanism that may be explored to recuperate some of the costs of the program. A successful UBI design will ideally result in savings on economic, social, and health costs associated with poverty. For instance, some studies have shown that these types of programs can result in drops in crime rates or healthcare expenditures.

When choosing the funding source, consider that the decision can affect how recipients feel about the program, and whether they see it as a handout or simply a feature of the modern economy. For instance, evidence from Alaska suggests that sharing state revenue from a collective resource (oil) generates a strong sense of entitlement and support for the program, so much so that Alaskans say they would prefer raising income taxes to cutting the program.<sup>18</sup>

Other research suggests that successful pilots, even those funded through non-traditional means, could affect how people think about welfare and redistribution more broadly. In the three-year Mincome experiment in Manitoba, Canada, citizens came to see social assistance in pragmatic rather than moralistic terms, which seemed to increase citizens' willingness to participate.<sup>22</sup>

**c. Policy makers and government stakeholders**

A successful pilot will require policy makers and government stakeholders to present a coordinated message to citizens, to make the pilot meaningful for society and social policy in the long term and to work with the existing social safety net.

■ **Understanding government structure:**

Pilot structures need to take into account the

allies both behind the scenes and in the public sphere. To build and demonstrate a coordinated effort, cities might work with key stakeholders to co-author and publicly share documents or hold a series of community meetings. It is crucial that officials present an ultimate policy goal and vision to residents. Critically, cities must strategically position the pilot, its goals and its leaders, within the current political landscape. Without a durable political foundation, pilots may be vulnerable

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Most importantly, stakeholders must ensure that pilot programs do not make those who are most vulnerable worse off, and should aim to maximize the benefits that recipients receive.

varied forms of local governance, i.e. whether the mayor has the power to meaningfully effect change, council-manager systems and the interplay between city and county governments. Additionally, the authority for cities to act on a basic income policy will be more limited in states under Dillon's rule versus states that grant home rule to cities, so state preemption of local authority should be taken into account when designing pilots.

■ **Engaging policy makers:** How government officials and policy makers are engaged throughout the process can make or break the success of a pilot and subsequent policy options. Politically like-minded, well-informed members of government and prominent community members can be instrumental

to premature terminations, as occurred with the Ontario pilots when the makeup of the government changed in mid-2018.

■ **Collaborating with existing social services:**

Most importantly, stakeholders must ensure that pilot programs do not make those who are most vulnerable worse off, and should aim to maximize the benefits that recipients receive. To this end, cities will need to determine how the pilot will interact with the current social safety net, including programs like SNAP, TANF, and housing and healthcare programs. Experimenters may seek waivers for pilot participants from local and state authorities where possible, avoid selecting participants with conflicting benefit eligibility or intentionally study the infusion

of cash on people who receive certain benefits (see “How to: protect benefits” below). No matter the approach, cities will need to partner with governmental agencies to provide participants and the public with accurate, consistent information and to minimize risks to recipients’ financial states.<sup>18</sup>



d. Researchers

The nature and extent of research accompanying the pilot will depend on what cities aim to learn about the operational design, and the short- to longer-term impacts of the program. For example, while operations research will critically inform scale up efforts, a randomized controlled trial would produce credible evidence on outcomes. Additionally, qualitative research that collects recipient stories may help build political support.

■ **Operations research:** A basic income pilot test, by nature, is a small preliminary study used to test and refine the operational design of a basic income program or policy before it is scaled up. This smaller study usually follows the exact same processes and procedures that would be necessary for

full-scale implementation, but the primary purpose of a pilot study is to evaluate the feasibility of the scaled-up version. The pilot test may also be used to estimate costs or evaluate the outcomes among a sample of participants. A pilot test is sometimes called a pilot experiment, pilot project, pilot study, feasibility study or pilot run.

During a basic income pilot, or once a basic income program or policy is expanded, cities may want to conduct operations research to strengthen implementation of the program or policy. Such research could help identify how to make the program more inclusive or efficient, improve uptake and access to funds, or reduce the transaction or opportunity costs for targeted recipients. It is important to note that designing the pilots as feasibility studies might result in higher rates of adoption than designing them as research studies.

■ **Mixed methods on recipient outcomes:** While there is a growing body of promising evidence on cash transfer programs, further research is needed to assess the factors that will influence the success of UBI.<sup>20</sup> Notably, UBI’s outcomes will be contingent on its design features, interactions with existing social services, the economy, available opportunities (e.g. educational, civic), cultural narratives and popularity among recipients and voters.

We still lack a good understanding of macroeconomic consequences, including general equilibrium effects and labor market outcomes. We also have little research available on which features of UBI make it a truly transformative policy for recipients that improves their economic mobility and wellbeing over the long run, in addition to helping them meet immediate needs.<sup>21</sup> Researchers can help provide guidance on,

and evaluation of how, these various factors affect the outcomes of UBI for cities’ short- and long-term goals.

Through a mixed methods design that includes quantitative and qualitative research, cities can assess immediate outcomes, such as recipients’ financial stress, use of payday loans and debt accumulation, or time spent helping one’s children or the community. Cities could also measure how recipients use their cash to assess positive changes such as investments in education or healthy food. For longer term outcomes, cities may assess economic mobility, child development and civic engagement. Although meta-analyses find that cash transfers do not increase spending on alcohol or tobacco, cities may also consider measuring recipient expenditures to replicate these findings in their community and to address common concerns about use of cash transfers.<sup>23</sup> The quantitative study design chosen for assessing pilot outcomes will depend on the pilot aims and capacities. Below are four types of research methodologies that can be used.

- 1. **Randomized controlled trials:** If cities aim to contribute to a growing, rigorous evidence base on the causal effects of UBI designs on economic, social and psychological outcomes, they can engage researchers with expertise in randomized controlled trials. A randomized controlled trial would require a more rigid study design, including randomization of participants and control groups, and ideally a pre-analysis plan defining their measurements and analyses.
- 2. **Pre- and post-UBI surveys:** If cities are primarily interested in assessing trends in recipients’ lives, they could consider measuring outcomes before and after the

pilot, ideally in comparison to a control group. While this design would not allow pilot planners to make causal claims about the impacts of UBI, it could help cities generate suggestive, exploratory evidence on how UBI influences their communities. This research could in turn help spur conversation on how UBI could help communities achieve more at both the city and state levels.

- 3. **Qualitative methods:** Qualitative methods can be used to collect rich, in-depth accounts of the changes in recipients’ lives. These stories are instrumental to interpreting and conveying the data found in quantitative research and to identifying trends that are not captured by pre-defined measures. Moreover, qualitative data is easier for the media to package to engage the public at large.
  - 4. **Administrative data:** Administrative data such as tax, health or census information can be used to easily and cost-effectively monitor long-term impacts on recipients beyond the end of a randomized controlled trial. Moreover, depending on the size of the pilot, researchers may be able to use administrative data to examine how the impacts of basic income vary based on factors like race, education level and mental health, and contextual factors like segregation, social capital and school quality. Lastly, administrative data can be used to reveal important trends affecting financial security and wellbeing in the city more broadly.
- **Public perception surveys:** Researchers can assess various measures of the public’s perception about UBI, such as policy support before and after the pilot. Researchers could also analyze whether a UBI pilot has shifted social narratives on public assistance.



### e. Communications

If building public support for or changing the narrative around cash-based policies like UBI are major goals, implementing a communications strategy is key. The pilot's communications team can work with funding teams on early messaging, develop a proactive communications plan and manage press before, during and after the pilot. The team can also help divert media attention away from basic income recipients to avoid biasing the results. For shorter-term pilots, a public relations firm may offer more flexibility while longer-term pilots may require a dedicated communications director.

### Designing the UBI pilot: Which groups should get basic income and in what form?

#### a. Choosing: The pilot name and aims

The name of the UBI pilot will influence how people perceive the pilot and their relationship with the giving institution. We recommend three considerations for crafting the pilot communications strategy.

1. First, consider the recipient's perspective. Rather than using potentially stigmatizing language that signals poverty status and financial insecurity, like "needy families" and "the poor," we recommend using inclusive language.<sup>24</sup> Inclusive language includes words that signal deservingness, such as "citizen's dividend," and that recognize the diverse contributions of recipients to society as "caregivers," "volunteers" and "parents." This is crucial to protecting the dignity of the target population. A poorly communicated program could undermine positive recipient outcomes and impede uptake.

2. Second, if attempting to change the conversation on public assistance and advance cash-based policies, it is important to consider the perspective of future voters. Research suggests that highlighting values that are shared across the aisle, rather than those that are partisan, can be a promising strategy to engage a wider audience in the conversation.
3. Third, take into account how UBI ties into existing ideas of deservingness and work. UBI is often perceived as a necessary reimagining of the social contract in an evolving economy. However, cities may want to avoid terms that prime thoughts of formal unemployment and instead emphasize the cash as a "guarantee" or "credit" that can help expand freedom and compensation for diverse types of work.<sup>25</sup> Alternatively, they may address head-on the narrative that one's worth depends on one's work and strive to change it. Stockton SEED, for example, is holding roundtable community discussions and poetry events on the relationship between work and dignity in the 21st century. Similarly, the Magnolia Mother's Trust is seeking to replace the ideas of mistrust and marginalization, baked into the work requirements of current welfare programs, with those of choice and dignity.

#### b. Choosing: The target population ("Universal")

Cities should choose the recipient population based on what they hope to learn and communicate from the pilot. Cities can determine their criteria in collaboration with their community and/or researchers. Most often, true universality will not be implemented in a pilot due to funding



constraints, fairness concerns and various research priorities. It may nonetheless be possible to achieve universal eligibility so that "everyone has a shot" in a given neighborhood by implementing a lottery. Stockton, for example, is prioritizing fairness and, consequently, their researchers are randomly sampling adult residents from neighborhoods where residents earn the median income or below. Note that the reliability of the results from a randomized controlled trial depends critically on the sample design, particularly the number and homogeneity of participants and their willingness to engage over time. If randomized selection with a large sample is not feasible or desired, pilot designers can select recipients based on categories of need, for example.

An alternative to implementing a new UBI program is for cities to expand existing cash-based programs, like the Earned Income Tax Credit or Temporary Assistance for Needy Families, to a larger proportion of the population. A number of basic income advocates are endorsing the expansion of EITC at the federal level, and research from EITC expansion pilots are also contributing

to growing base of data. For example, a pilot EITC expansion for single, low-income workers without dependent children called [Paycheck Plus](#) was implemented in New York and Atlanta in 2013 to 2015. A randomized evaluation found that the program increased both after-transfer income and rates of employment, especially for women. In his 2018 book, Chris Hughes proposed expanding the EITC to students and caregivers.<sup>29</sup>

#### c. Choosing: The amount ("Basic")

In a pilot, the amount of guaranteed income each participant will receive depends on a combination of factors, including the target number of recipients, the budget and funding constraints, the study design and the longer-term advocacy strategy. Unsurprisingly, the literature suggests that the larger the transfer amount, the larger the impact on recipients' economic outcomes and wellbeing.<sup>26,27</sup> Most basic income proponents advocate for setting the amount at the poverty line or the updated [Self-Sufficiency Standard](#) — an amount that captures necessary expenses for families of different sizes in a specific region. Today, the Self-Sufficiency Standard is about \$1500 per month per individual.

Others argue that even a modest amount, like \$500 per month per individual, would help those in poverty, and that the amount could be increased once UBI gains political traction and new funding mechanisms emerge.

#### d. Choosing: The conditions ("Unconditional")

A key feature of UBI is that it is meant to be no-strings attached. This sets it apart from programs that are conditional upon

certain requirements, such as being formally employed or attending financial trainings. This unconditionality enables individual choice; recipients are free to determine how best to meet their unique needs and goals. Some argue that this feature makes UBI less paternalistic and more empowering than other forms of financial assistance. However, its unconditionality is also one of its most contentious features. One solution for reducing opposition could be implementing minimal conditions or nudges for behaviors that are universally supported, such as voting, investing in education or seeking preventative healthcare. A related strategy may be to pilot a revised version of an existing benefit with fewer conditions. For instance, instead of being conditional on employment, eligibility for EITC could be based on income level and the program could be structured like a negative income tax.

**e. Choosing: The frequency**

Most pilots disburse cash in monthly installments, primarily to help smooth the unstable income flows and unpredictable expenditures that impoverished households often face.<sup>28</sup> In a pilot experiment in Chicago, the mayor’s office and Center for Economic Progress found that households that received quarterly, compared to annual, installments of the Earned Income Tax Credit were less likely to resort to payday loans and experienced less financial stress. Moreover, at the end of the study, 90 percent of recipients communicated that they preferred quarterly disbursements to annual ones.<sup>30</sup>

However, when households have difficulty saving gradually for larger expenses through formal banking systems, timely lump sum transfers may be more helpful. There are significant reasons to consider a lump

sum transfer as a means to address wealth inequality. Cities could offer recipients the option to choose monthly, lump sum and/or accumulated installments, and consider analyzing how each of the three options could change outcomes.

Note, however, that there are important philosophical and political reasons to refrain from the lump sum option: Behind the commitment to basic income is the idea that no one should fall below an acceptable income threshold. There is the potential that with lump sum UBI a recipient could find themselves outside the threshold at a later point.

**f. Choosing: The pilot duration**

The duration of the pilot will be determined by the city’s goals and available funding. For example, if cities seek to generate rigorous evidence on the effects of guaranteed income on health, child development and education, the pilot should last several years. However, for other purposes like building public support and analyzing program design, pilots can be shorter. There is currently little evidence on the duration feature of cash transfer programs, though Y Combinator Research is testing the impact of providing three versus five years of UBI. Due to myriad aims and funding capacities of UBI pilots around the globe, pilots range from 18 months in Stockton to 12 years in Kenya.

While pilots may last only a few years at most, data can be collected on recipients’ trajectories years and even decades after the culmination of the pilots. In this way Evelyn Forget was able, in the 2000s, to document the population health effects of the Mincome experiment that took place in Dauphin, Canada, in the 1970s.<sup>31</sup>

**Implementing the pilot:  
What are key considerations for  
a successful pilot?**

**a. How to: Disburse funds**

While governments have previously disbursed funds by paper check, electronic transfers are currently recognized as [best practice](#), according to the Government Finance Officers Association. Electronic payments are less costly, more efficient and safer. This is because electronic payments require less processing time, reduce “leakage” and cashing fees, and can be tracked and safeguarded from fraud.

high-quality payment systems. The debit cards and bank accounts it recommends have minimal fees, are free, have accessible in-network ATMs and are supported by full federal protections. Overall, any electronic system chosen should minimize administrative costs — such as time spent on tracking, reissuance and fraud detection — to maximize funds going directly to recipients.

High recipient uptake and continued engagement are critical to a successful basic income pilot. Many cash-based programs suffer from imperfect uptake rates.<sup>32</sup> In the case of a pilot evaluation, this problem undermines the ability to accurately estimate the effects of the cash transfer itself and can

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High recipient uptake and continued engagement are critical to a successful basic income pilot.

Cities can make automatic electronic transfers via the ACH network, which is already used for payroll direct deposit, and which supports the previously unbanked in setting up safe, affordable bank accounts. However, many vulnerable individuals have been subject to predatory and discriminatory practices from formal banking institutions and may be unwilling or unable to open bank accounts. For this reason, alternatives like prepaid debit cards, electronic benefit transfer (EBT) cards or app-based options can also be offered.

The [Bank On National Account Standards](#) provides helpful guidance for choosing

diminish the informativeness of the results. Best practices for ensuring full uptake from recipients include designing simple enrollment forms that require basic bank account information but omit burdensome additions, communicating with recipients frequently through all available channels, using simple wording that can be translated into several languages, and emphasizing resonant benefits and goals of the program to recipients.



**b. How to: Boost impact through add-ons**

The intention of many pilots is to have transformative effects on recipients and on society. To move closer to that goal, cities can integrate add-ons ranging from low-cost tweaks to the program design to creative partnerships with the community.



**Improving recipient outcomes:**

Cities can take steps to provide recipients with the psychological and practical skills to leverage the cash towards long-term goals.<sup>33</sup>

**1. Psychological insights:** While primary counterarguments to UBI include concerns about laziness or misuse of funds, the intention of UBI advocates is to empower recipients and expand their opportunities. Research has shown that encouraging particular uses of the cash can lead recipients to invest in opportunities that benefit themselves and society, such as education.<sup>34</sup> In addition to these costless tweaks to communications, cities can integrate brief, low-cost behavioral “nudges” that can help recipients identify and carry out their financial goals. Cities might test giving recipients the options to participate in a [financial health check](#) via phone or to share their goals for the

cash, their progress and their tips for others [via an online platform](#) or text. The New Leaf Project in Vancouver is adding brief motivational interventions to the experiment in order to deliver a more innovative program to recipients.

**2. Complementary programs:** In addition to these low-cost options, cities may consider offering support and skills-building services to recipients, such as mental health and self-care supports, trainings on leadership and advocacy, financial literacy coaching and/or skills development for high-growth careers in their region. While evidence from the U.S. is lacking, robust evidence from middle- and low-income countries finds that combining complementary programs to address multiple psychosocial, economic and health barriers can strengthen the positive impacts of cash transfers.<sup>35</sup>

**Engaging communities:** To extend the reach of the pilot to the wider community, cities should foster conversation around UBI and advocacy efforts through partnerships with local organizations. The Stockton SEED project has partnered with local college students to collect residents’ stories about financial insecurity and is sharing these oral histories on the radio. The project is also supporting a youth organization to support poetry and spoken word performances on redefining “work”, deservedness and the social contract.

**c. How to: Protect existing benefits**

When giving participants additional income, cities should take special care to minimize disruptions in participants’ access to the existing social safety net. This consideration is especially critical for benefits that are

only accessible to people earning below a certain threshold, such as health insurance or housing assistance. Several cities piloting UBI have successfully worked with state officials to grant waivers and change administrative rules and legislation so that existing benefit programs exclude basic income payments from eligibility calculations.

In addition, the funding source matters. Cash transfers being given by a 501(c)(3) with no strings attached may be considered a gift, which is not taxable income and thus should not affect eligibility for benefit programs like Medicaid. However, most states disallowed repeated payments being counted as gifts.

residents. These include press releases, news stories and social media. It is highly recommended that those leading the experiment put out timely updates, such as newsletters, social media posts and discussion papers. Without control of the narrative, pilots may be undermined by misinformation and rumors (see: [Miscommunication](#) after Finland’s basic income pilot).

How information is communicated is often just as crucial as when it’s communicated. Importantly, personal stories can help illustrate reasons to pursue UBI. Storytellers can be enlisted to present moving or

“Importantly, personal stories can help illustrate reasons to pursue UBI.”

Cities can also hire benefits counselors who can advise pilot recipients as needed before during, and after the pilot. At the end of the pilot cities may also consider offering recipients a transition support service, such as Carebridge, for financial, legal and health matters.

**Communicating the process and the outcomes: What should we communicate, how and to whom?**

**a. Talking to: The media and the public**

Throughout the pilot, multiple communication channels can be used to stay in touch with

nuanced stories coupled with broader data patterns. A successful story often includes voices of those who benefit from the pilot, information from credible researchers and testimonies from service providers. It will also often include an interesting or unusual case.

Meanwhile, in press interactions, spokespersons should be trained to speak confidently and strategically in an interview. The Ontario pilot provided ongoing coaching to select recipients to tell their stories to the public.

As a default, however, pilots will need to keep recipients’ identities confidential in order to prevent burdensome, and potentially dangerous, public attention.



Moreover, especially in the case of a randomized evaluation, media interference can shift recipients' responses to the pilot program and thus skew the results obtained. It is therefore paramount that the communications team think carefully about any strategies used, and work closely with researchers during the design process.

### b. Talking to: Policy makers

One of the most important questions for a city to consider is what happens after the completion of the pilot and dissemination of the research. How will the city use the information? How will it inform state actors? We recommend being thoughtful about developing and refining policy options before the pilot is over. While the research will continue to inform the design, actively engaging on the policy front during the pilot will ensure thoughtful and clear next steps.

When communicating the results of the pilot, cities should emphasize how it impacted city priorities and problems. While UBI will cause a range of important outcomes, the communications and research teams may choose to only focus on those identified by key stakeholders and that affect society at large. Cities should be prepared for possible negative results or interpretations of results, and consider how they relate to the larger set of findings. For instance, after passing the House of Representatives in 1970, President Nixon's negative income tax proposal — the Family Assistance Plan — failed to pass in the Senate due to a last minute presentation of findings on divorce rates from the Seattle basic income experiment (those findings were later disputed).

Policy makers are particularly receptive to stories illustrating locally-relevant impacts of UBI, local data and trends, and voices of constituents advocating for the policy. It's important to give policymakers the opportunity to position themselves as champions for their communities and respond to pressing needs with new legislation or programs. Unions can also be engaged to collect stories about struggles with financial insecurity and to issue white papers detailing the interests of their members.

Lastly, it is important to keep in mind that, as policy makers, cities are in a unique position to contribute to a worldwide, historical movement for basic income (see the Basic Income Earth Network ([BIEN](#))). Cities now have the opportunity to contribute to a burgeoning body of evidence on basic income and to introduce social policies that effectively respond to the needs and economic structure of the 21st century.





## Endnotes

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<sup>14</sup> Forget, Evelyn L. “Reconsidering a guaranteed annual income: lessons from MINCOME.” *Public Sector Digest*. (2015): 18-23.

<sup>15</sup> Cooper, Kerris, and Kitty Stewart. “Does Money Affect Children’s Outcomes? An Update.” No. 203, Centre for Analysis of Social Exclusion, London School of Economics, 2017. Web. 10 Oct 2018.

<sup>16</sup> Ruckert, Arne, et al. “Reducing Health Inequities: Is Universal Basic Income the Way Forward?” *Journal of Public Health*. Oxford, England (2018). Web. 10 Oct 2018.

<sup>17</sup> Bastagli, et al, “Cash transfers,” and Marinescu, Ioana, “No Strings Attached: The Behavioral Effects of U.S. Unconditional Cash Transfer Programs.” Roosevelt Institute. New York, 2017. Web. 10 Oct 2018.

<sup>18</sup> Isenberg, Taylor Jo. “What a New Survey from Alaska Can Teach Us about Public Support for Basic Income.” *Medium*. N.p, 2017. Web. 10 Oct 2018.

<sup>19</sup> Note here that we are explicitly excluding from the scope of this report conservative plans to replace the welfare state through UBI (as found for instance in Charles Murray 2016). Such attempts have aimed that are opposed to ours in this report – they seek to fund UBI by cutting on social programs that benefit the bottom of the income distribution (including Medicare). An adequate pilot for such policy proposal would take a different form than what we are proposing in this report.

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