

451 Lexington Parkway N Saint Paul, MN 55104 651-280-2000 Fax: 651-280-3000

www.wilder.org

DATE: March 11, 2024

RE: Letter of Support for HF 2666 (Hollins)

TO: Chair Pinto & honorable members of the committee.

The Wilder Foundation is committed to advancing social and economic opportunities so that communities throughout Minnesota can thrive. Access to financial stability and growth is a critical component of any thriving community. Through our experience operating Project Rai\$e, we have seen how impactful guaranteed basic income projects can be. Wilder believes that Minnesota must invest in guaranteed basic income models of flexible financial support to disrupt poverty, advance racial and gender equity, and support basic needs in a way that allows people to grow without the danger of careening off a benefits cliff.

We encourage committee members to support HF 2666. This bill will enhance the state's ability to offer support that ensures people have the resources they need to afford childcare, transportation, job training, and accessible housing while maintaining pathways to financial independence.

Some facts about Basic Income:

- It is a monthly, cash payment given directly to individuals with the intent to disrupt poverty, advance racial and gender equity and support basic needs;
- It is unconditional, with no strings attached and no work requirements;
- It is meant to supplement, rather than replace, the existing social safety net;
- It is time limited;
- Communities are required to design their program with the people who would be accessing it; and
- Data tells us that basic income programs:
 - ✓ Alleviate barriers to full-time employment
 - ✓ Improves mental health outcomes
 - ✓ Improves infant and toddler developmental outcomes; and
 - ✓ Reduces the impact of unexpected economic shocks

This bill is a tested and demonstrably effective way to ensure Minnesotans have the income they need to increase their economic well-being. **We urge you to support HF 2666.**

If you have any questions regarding Wilder's support for HF 2666, please feel free to contact us.

Sincerely,

Adrián Rafael Magaña (he/him)
Director of Public Policy & Community Relations
The Amherst H. Wilder Foundation.



Representative Dave Pinto
Chair, Children & Families Finance & Policy Committee
State Office Building, Room 200

Dear Chair Pinto and Members of the Children & Families Finance & Policy Committee,

The Birth Justice Collaborative is writing to request your support of HF 2666, a bill to establish a Minnesota basic income grant program to allow entities to provide regular cash payments to eligible recipients to disrupt poverty, build wealth, advance equity, and support their basic needs.

Guaranteed basic income programs have been shown to improve health and education outcomes by supporting several social determinants of health that are proven to impact a child's healthy growth and development. Studies show that after one year of monthly cash support, young children in low incomes families exhibited greater cognitive brain development. By disrupting poverty on the individual level, recipients can address their basic needs while investing in the long-term health, success, and economic stability of their family.

HF 2666 will address Minnesota's maternal health inequities by empowering pregnant people and their families to overcome the financial barriers inhibiting them from accessing nutritious food, transportation, quality education, health care and mental health services.

The Birth Justice Collaborative urges you to join us in supporting HF 2666, to establish a Minnesota basic income grant program to empower families and positively position them to support the healthy growth and development of their children. Please contact Corenia Smith at corenia@collectiveactionlab.com with any questions, concerns, or for more information about the Birth Justice Collaborative.

Thank you,

The Birth Justice Collaborative

Cultural Wellness Center,
Division of Indian Work,
Minnesota Indian Women's Resource Center,
Native American Community Clinic,
Liberty Northside Healing Space

University of Minnesota Robert J. Jones Urban Research and Outreach Engagement Center.

MINNESOTA BASIC INCOME GRANT PROGRAM



A basic income is a monthly, cash payment given directly to individuals with the intent to disrupt poverty, advance racial and gender equity and support basic needs. It is unconditional, with no strings attached and no work requirements. A basic income is meant to supplement, rather than replace, the existing social safety net.

KEY PROVISIONS OF THE BILL

Builds on the success and lessons learned from Basic Income programs implemented in Minneapolis, St. Paul, Otter Tail County, and over 80 communities across the nation.

Targeted to Minnesotans receiving any public benefit or with an income at or below 300% of the poverty guideline.

Funded by both state and private dollars.

Grantees will participate in a Basic Income Community of Practice and program evaluation requirements. Grantees will design their program based on community need with insights from people intended to be served by the program.

Grantees will work with an independent research-based entity to provide an evaluation of the program.

Disbursed as competitive grants to local municipalities, tribal governments and nonprofits to create localized demonstration projects.

Monthly payments will be \$500/month at minimum for at least 18 months.

Potential to help stabilize thousands of the most at-risk Minnesota individuals, children, and families.

EXPECTED
IMPACTS OF
THE BILL

Increased employment and career growth

Improved mental health

Increased ability to withstand unexpected events in life

Improved child development outcomes

Prove viability of a statewide basic income program

WHAT WE KNOW SO FAR



In their own words: **Impact on Families** and Individuals

"The guaranteed income payments took a weight off my shoulders. It helped me go from survival mode to feeling like my family is going to be okay, no matter what. The sense of relief is real. It shows that government really can make a difference in our lives."



"The People's Prosperity Pilot was a "life raft" and felt "like a brighter pathway opened up for my kids" and "like a little weight - a big weight, actually - just kind of lifted."



"I was able to do a training program to learn software coding and find a new job with that new skill."

Basic Income...

Alleviates **Barriers** to Full-Time **Employment** Findings from the first year of the SEED pilot in Stockton, CA found that the unconditional cash helped recipients find full-time employment.

Improves Mental Health **Outcomes**

In the Stockton pilot, participants were less anxious and depressed, both over time and compared to the control group.

Reduces Impact of **Unexpected** Economic Shocks

Basic Income prevents the tailspin of trying to make ends meet when emergencies surface.

Improves Infant and Toddler **Developmental Outcomes**

In 2022, The Baby's First Year Experiment, which included Saint Paul families, found that receiving unconditional cash changed babies' brain activity at age one in ways associated with stronger cognitive development.

Payments Overwhelmingly Spent on **Immediate** Needs

Data from 20 Basic Income pilots from across the Country show that 40% of monthly payments were spent at retailers and discount superstores on things like clothes, food, household goods, and hygiene products, 27% was spent at grocery stores, 9% was spent on transportation costs, and 7% went to housing and utilities.

SUPPORTERS



















CONTACT

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🔀 Info@youthprise.org 📞 612 564 4858

March 11, 2024

Dear Chair Pinto and Members of the Children's Finance and Policy Committee,

On behalf of Youthprise, we write in support of HF 2666, the MN Basic Income Bill. Within Youthprise, we prize opportunities for young people to powerfully launch into their careers and to build wealth. We know that for many young people with multiple barriers, this is a critical way to support people to take care of immediate needs, support the strategic moves for higher quality jobs, and improve the wealth and health of their immediate community.

Your committee was already supportive of the Homeless Youth Stipend Pilot, an innovative pilot for a target population to receive basic income as they find housing stability and launch. Young people already told us that this is what will be needed to get to a more secure adulthood. While we are in process of launching, with rigorous research, we are fielding asks from other counties that already want to align to move this forward. State resources will help to bring this critical tool to housing stability for young people to scale across the state.

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 - ✓ Reduces the impact of unexpected economic shocks

This bill is an easy way to ensure Minnesotans have the income they need to increase their economic wellbeing which in turn increases their physical and mental health and housing stability, all of which are critical components of safe, thriving communities. We urge you to support HF 2666.

If you have any questions, please do not hesitate to contact us.

Sincerely,

Kristy Snyder,

Policy & System Transformation Officer