

March 20, 2024

Chair Mohamud Noor  
Human Services Finance Committee  
Minnesota House of Representatives

**Re: HF 2666 – Minnesota Basic Income Grant Program**

Chair Noor and Members of the Human Services Finance Committee,

The City of Minneapolis is pleased to write in support of HF 2666, the Minnesota Basic Income Grant Program.

Minneapolis has joined many other cities across the country in creating its own Guaranteed Basic Income (GBI) pilot program. The Minneapolis GBI pilot provides \$500 a month for two years to 200 Minneapolis households earning 50% of the Area Median Income or below.

GBI is beneficial because it allows families to use the money in a way that makes sense to them. This can be short-term expenses, or long-term. The money helps families with what needs arise month-to-month and not just on one single thing. It gives families flexibility to use money the best way they see fit.

The Minneapolis Federal Reserve has been studying Minneapolis' GBI pilot and released [an article](#) earlier this year outlining early results of the program. They noted:

“One year after GBI payments began, an evaluation conducted by our team of researchers at the Federal Reserve Bank of Minneapolis shows that the randomly selected recipients have better mental health, more stable finances, and higher food security than households with the same poverty status and from the same areas of the city who did not receive payments.”

The Minneapolis GBI program was funded with American Rescue Plan Act (ARPA) dollars to help families with recovery from the Coronavirus pandemic. Families began to receive payments in June 2022, and the program will end in June 2024.

State funding would assist communities, like Minneapolis, in extending our successful pilot initiative and would allow more communities across the state to create GBI programs. We urge the committee to support HF 2666.

Sincerely,



Katie Topinka  
Director, Intergovernmental Relations