

# MINNESOTA BASIC INCOME GRANT PROGRAM HF2666 (HOLLINS) / SF2559 (FATEH)

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, Saint 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
economically stabilize
thousands of individuals,
children, and families across
Minnesota.

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

### **IMPACT**



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. Source: University of Pennsylvania, 2021.

**Improves** Mental Health **Outcomes** 

In the Stockton pilot, participants were less anxious and depressed, both over time and compared to the control group. In the Saint Paul pilot, participants' hope for a better future grew and improved over time. Source: University of Pennsylvania, 2021, 2023

Reduces Impact of **Unexpected Economic** Shocks

Basic Income prevents the tailspin of trying to make ends meet when emergencies surface. Source: Research from 10+ guaranteed income studies.

**Improves** Infant and Toddler **Developmental Outcomes** 

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. Source: Columbia University, 2022.

**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. Source: Stanford Basic Income Lab

#### **COALITION SUPPORTERS**













minnesota







Birth Justice Collaborative MN

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Homes for All



