

February 6, 2025

Dustin Hare, Economic Security Policy Advisor Kansas Action for Children Written-only Proponent Testimony on HB 2101 House Committee on Welfare Reform

Chairman Awerkamp and members of the Committee:

Thank you for the opportunity to provide testimony in opposition to HB 2101, which would prohibit municipalities from adopting and implementing a guaranteed income program.

Kansas Action for Children is a nonprofit advocacy organization working to make Kansas a place where every child has the opportunity to grow up healthy and thrive. We work across the political spectrum to improve the lives of Kansas children through bipartisan advocacy, partnership, and information-sharing on key issues, including early learning and education, health, and economic security for families.

Basic income pilots have been implemented in more than 150 municipalities around the country. Many of the programs allocate funds by debit card, which allows them to track how the money is spent. This means there is a lot of data available to evaluate the effectiveness of such programs, and the evidence overwhelmingly shows they help improve lives and move families toward self-sufficiency.

Across the programs, participants consistently spent nearly all the money on everyday needs like food, housing, transportation, utilities, and clothing. In the Austin, Texas, pilot program, participants spent nearly 60% of the funds on housing costs and saw a double-digit increase in housing security over the course of the one-year program.¹ Participants in a program in Vancouver, Canada, "spent 52% of their money on food and rent, 15% on items such as medications and bills, and 16% on clothes and transportation."² In Birmingham, Alabama, mothers participating in a program were able to significantly decrease their utility debt and

² Watson, B. (October 7, 2020). A B.C. Research Project Gave Homeless People \$7,500 Each – The Results Were 'Beautifully Surprising.' https://www.cbc.ca/news/canada/british-columbia/new-leaf-project-results-1.5752714



¹ Bogle, M., Noble, O., and Fung, L. (January 2024). *Austin Guaranteed Income Pilot: Participant Outcomes at 12 Months.* Urban Institute. https://www.urban.org/sites/default/files/2024-

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reported a 17% increase in feeling financially secure.³ In Providence, Rhode Island, basic income helped alleviate homelessness and allowed participants to move into better neighborhoods.⁴

Basic income programs also led to better employment opportunities in many cases. A program in Stockton, California, led to a 12% increase in full-time employment among participants. Multiple participants also testified that the program allowed them to afford transportation to get to work.⁵ Full-time employment for participants in Providence increased by 16% over the course of the 18-month program.

Some programs have seen very small decreases in the number of hours participants were working. When we dug into this to try to find out why, we found the reasons to be inspiring. In short, people were pursuing education, working fewer hours at more meaningful jobs, or spending more time with their families. One participant was able to leave a low-paying job to take an internship, which unlocked new opportunities that wouldn't have been possible without the sustainment of the basic income.⁶

One study that followed participants over multiple programs found that people were able to go from multiple jobs to just one job and "spend more time choosing the job they would take instead of jumping at the first that became available." One woman described how she was able to take a pay cut to pursue a better career. Two years later, she was making nearly six figures.⁷ Other examples show participants are seeking college education and job training, working fewer hours to spend more time caring for their family, and paying for extracurricular opportunities for their kids. In the Providence program, participants were found to be "significantly more likely to attend parent-teacher conferences and PTA meetings."

We were hard pressed to find any negative analysis of basic income programs. Instead, we found dozens of articles and websites praising their success. The only negative analysis we came across was not that the programs were ineffective, but rather a critique of the programs for being anti-work, a myth that doesn't hold up when you examine the results.⁸

⁸ Opportunity Solutions Project. (May 5, 2023). *Wisconsin Is at a Crossroads.* https://solutionsproject.org/resources/wisconsinis-at-a-crossroads/



³ Guaranteed Income Works. (n.d.). *Guaranteed Income Works: Data from Birmingham.* https://www.guaranteedincomeworks.org/data-from-birmingham

⁴ Guaranteed Income Works. (n.d.). *Guaranteed Income Works: Data from Providence, RI.* https://www.guaranteedincomeworks.org/data-from-providence

⁵ Stockton Economic Empowerment Demonstration. (2021). *Key Finding: Employment*. https://www.stocktondemonstration.org/employment

⁶ West, S., Castro Baker, A., Samra, S., and Coltrera, E. (2021). *Preliminary Analysis: SEED's First Year*. https://static1.squarespace.com/static/6039d612b17d055cac14070f/t/603ef1194c474b329f33c329/1614737690661/SEED_Pre liminary+Analysis-SEEDs+First+Year Final+Report Individual+Pages+-2.pdf

⁷ Carrazana, C. (July 22, 2024). *The Results of the Biggest Study on Guaranteed Income Programs Are Finally In.* https://19thnews.org/2024/07/study-guaranteed-income-program-results/

In Kansas, where 1 in 5 kids experience food insecurity,⁹ it makes no sense to prohibit the implementation of pro-family programs that set people on a path toward self-sufficiency. In fact, Kansans could use more basic income programs to help support families in the state, since our laws governing assistance programs are some of the most restrictive in the country.¹⁰ It should remain the purview of locals and their municipal leaders to set priorities for their neighborhoods and communities. Instead of denying democratically elected bodies the autonomy to create programs that show great success rates, the Legislature should consider the value and effectiveness of basic income programs to help Kansas families.

Thank you for the opportunity to provide testimony on this topic, and please do not hesitate to contact me at <u>dustin@kac.org</u> if you have additional questions.

¹⁰ National Center for Children in Poverty. (2024). A 50-State Comparison of Restrictions on TANF Access. https://www.nccp.org/wp-content/uploads/2024/11/TANF-Restrictions-2024-FINAL.pdf



⁹ Kansas Action for Children. (2024). KIDS COUNT Data Center, Food Insecurity. https://datacenter.aecf.org/data/tables/10238-foodinsecurity?loc=18&loct=2#detailed/2/any/false/1095,2048,574,1729,37,871,870,573,869,36/any/19818