

NOVEMBER 2021



Protecting Benefits in Guaranteed Income Pilots:

Lessons Learned from the Abundant Birth Project

Table of Contents

3	EXECUTIVE SUMMARY
4	About this Brief
4	About the Authors
5	Acknowledgements
6	INTRODUCTION AND BACKGROUND
6	The Abundant Birth Project
7	The Need to Mitigate Loss of Public Benefits
8	PROTECTING BENEFITS: LESSONS LEARNED
8	A. Getting Started: Identifying Benefits and Stakeholders
8	Identifying Critical Benefits and Conduct Community Planning
8	Collaborate with Practitioners, Policymakers and Other Stakeholders
9	B. Choosing a Pathway to Protect Benefits
11	C. From Easy to Impossible: Which Benefits Can Be Protected?
11	Benefits Already Protected by Gift Exclusions
12	Local Benefits Protected by Relationship-Building and Consultation
13	Most Difficult to Protect: SSI, WIC and non-MAGI Medi-Cal
14	D. Protecting Benefits via State Waiver or Local Policy Change:
	CalWORKS, CalFresh, and Public Housing
14	CalWORKS (TANF) and CalFresh (SNAP)
16	Housing Benefits/Subsidies
18	E. Legislative Reforms and Policy Advocacy
20	CONCLUSION
21	APPENDIX

Executive Summary

Interest in guaranteed income programs providing continuous, unconditional cash transfers is surging, with more than 30 pilot programs in development or underway in the U.S. alone. Guaranteed income is a policy response to systemic poverty and rising inequality, particularly during a pandemic that has brutally exacerbated these problems, and differs from traditional safety net policies by providing a steady and predictable flow of cash that recipients can use without limitations. The amount of money provided by current U.S. pilots is not sufficient for participants to live on, so many low-income recipients will continue to depend on public benefit programs to help bridge the gap.

Safety net programs are effective in reducing poverty, especially deep poverty, and many benefit recipients rely on these programs to survive. However, the majority of these programs have restrictive, complex, and shifting eligibility requirements around household income and assets. People relying on benefits face a well-documented “benefits cliff” problem, where even small increases in earnings or assets can result in sudden and often unexpected reductions, or even total losses, in public benefits.

This brief offers lessons learned about how to protect recipient benefits, particularly in California, through the lens of the Abundant Birth Project (ABP), a pilot program aimed at reducing birth health disparities and improving birth outcomes for Black and Pacific Islander pregnant women in San Francisco by providing \$1,000 per month for six months during pregnancy and six months post-partum.

This brief places particular focus on strategies to attain waivers that will exempt guaranteed income cash transfers from income eligibility determinations in various public benefits.

Lessons learned include:

- **Locally controlled benefits are likely easiest to navigate – if your local government is in alignment.** Local benefit decisions are dependent on political environments and receptive city and county agencies, but in San Francisco ABP found that most locally controlled benefit programs (such as transportation, childcare, and local housing subsidies) are willing and able to exempt cash transfers in ABP or similar pilots.
- **Benefits that exclude gift income from eligibility determinations can be protected.** Public benefits like MAGI Medi-Cal (Medicaid), Unemployment Insurance, and Social Security Disability Insurance (SSDI) do not count gift income in their income eligibility determinations, and thus should not be impacted, assuming pilots structure guaranteed income payments as gifts.
- **There are pathways to waive cash transfers for federally funded welfare, food, and housing benefits.** The state of California recently created a path to apply for and receive income waivers that protect both CalWORKS (TANF) and CalFresh (SNAP) benefits, though strict requirements indicate the need for robust research partnerships. The Department of Housing and Urban Development (HUD) has clarified that Public Housing Authorities (PHAs) can now exclude “research-related cash payments” for public housing eligibility and should soon be able to apply the same exclusion for the housing choice voucher program (section 8); in the meantime, HUD will consider voucher program income waiver requests.

- **Some federal benefits are likely impossible to protect.** These unprotected benefits include Supplemental Security Income (SSI) and Special Supplemental Nutrition Program for Women, Infants and Children (WIC); pilot participants receiving these benefits are at risk of having their benefits reduced or losing eligibility entirely. A narrow SSI exception may be possible for guaranteed income programs that use income as a factor of eligibility and are funded wholly by a state or a city.
- **Other strategies exist to address the impact of guaranteed income cash transfers on recipient benefits, but these are less effective than waivers.** Beyond waivers, pilots can utilize other strategies to protect participants' benefits or at least inform them of potential impacts. These strategies include screening out participants who utilize at-risk benefit programs to avoid potential impacts; securing informed consent and counseling participants regarding potential impacts on benefits; and creating a "hold harmless fund" to make participants who lose benefits whole.
- **Legislative reforms and administrative policy changes offer long-term hope to further protect public benefits.** California has applied its statutory authority to create income exclusions (via waiver) for both TANF and SNAP eligibility, via policy change. In other states, pilots have passed legislation that exempts GI payments from eligibility determinations for benefits like TANF and SNAP. Further legislative and policy changes at the federal level can help create and sustain broad and long-term benefits protection.

About this Brief

The structure of this brief is as follows: First, it describes the Abundant Birth Project in the context of the broader movement to develop, implement, and evaluate guaranteed income interventions. Then it describes the problem of risk to recipients of losing important public benefits, outlines key individual benefit programs, and assesses the potential to mitigate or eliminate loss of these benefits due to cash transfers in a guaranteed income program. Lastly it outlines key considerations for practitioners and policymakers seeking to protect benefits in implementing guaranteed income pilots.

This report does not intend (or pretend) to address the entire universe of potential benefits interactions, nor does it examine each of the myriad ways in which diverse basic income, guaranteed income, or cash transfer projects might need to tackle the issue of protecting benefits, depending on the unique circumstances of each project. There is, however, a broad interest and plenty of common ground to be found in this issue, and we hope that this brief is helpful for emerging pilot programs seeking to protect their participants from losing important public benefits.

About the Authors

San Francisco Office of Financial Empowerment

The San Francisco Office of Financial Empowerment (OFE) is a unique private-public partnership housed within the Office of the Treasurer & Tax Collector that convenes, innovates and advocates to strengthen economic security and mobility for all San Franciscans. For more than a decade, under the leadership of Treasurer José Cisneros, OFE has engaged partners inside and outside City Hall to equip San Franciscans with knowledge, skills and resources to strengthen their financial health and well-being. At the same time, the OFE has leveraged innovative pilot programs to model what is possible across the country.

Bay Area Regional Health Inequities Initiative

The Bay Area Regional Health Inequities Initiative (BARHII) is a coalition of the San Francisco Bay Area's 9 county public health departments committed to advancing health equity. BARHII's mission is to transform public health practice for the purpose of eliminating health inequities using a broad spectrum of approaches that create healthy communities. BARHII leverages the power of 9 counties and their health departments along with its 250+ community partners to create health equity and economic opportunity through action, systems change, and expanding possibilities for Bay Area residents.

Expecting Justice

Expecting Justice (EJ) is a Black-led collaborative, mobilizing leaders from across San Francisco to take action for healthy Black and Pacific Islander births. EJ is aligning knowledge, resources, and efforts to name and repair the impact of racism on the health of mothers, families, and children in our city. This cross-sector initiative consists of city agencies, community-based organizations, health providers, and most importantly, community members. EJ is taking an innovative, multi-component approach, using racial equity as a framework, to address key dimensions of vulnerability faced by Black and Pacific Islander women during pregnancy and childbirth.

Acknowledgements

We want to acknowledge and highlight the fantastic research that has been done on public benefit protections by the Stockton Economic Empowerment Demonstration (SEED) and their research partners at the University of Pennsylvania and the University of Tennessee-Knoxville. This team, including Professors Amy Castro Baker and Stacia Martin-West, Sukhi Samra from SEED (and now Mayors for a Guaranteed Income, or MGI), and Meagan Cusack from the US Department of Veterans Affairs, authored a foundational article "[Mitigating loss of health insurance and means tested benefits in an unconditional cash transfer experiment: Implementation lessons from Stockton's guaranteed income pilot](#)" published in SSM Population Health in March 2020. Their research was also utilized to develop a public benefits overview within MGI's memo "[Guaranteed Income Program Design Considerations](#)". Our brief was informed by their research, and we hope that we have continued to build on these prior articles to expand practical knowledge and resources for the guaranteed income field.

This brief could not have been completed without the support, advice, and expertise of an amazing group of people. Thank you to everyone who helped us understand this complex landscape of public benefits, including: Steven Weiss and Raegen Joern, Bay Area Legal Aid; Amy Eisenstein, Kim Drew, Kathryn Socha, Heartland Alliance; Crystal Godina, University of Chicago; Jim Pugh, Universal Income Project; Susie Smith, Christine Lou, Izzy Clayter, San Francisco Human Services Agency; Priti Rane, San Francisco Department of Public Health; Steven Nunez, Jain Family Institute; Grace Peter, Mary Durden, UpTogether; Aly Bonde, Oakland Thrives; Sean Kline, Stanford Basic Income Lab; Katherine Magnuson, University of Wisconsin, Lauren Meyer, Teachers College, Columbia University (Baby's First Years); Rachel Black, Aspen Institute; Elizabeth Rhodes, Open Research; Teri Olle, Economic Security Project; Noelle Simmons, San Francisco Department of Homelessness and Supportive Housing; Shirley Yee, Fahad Qurashi, MyPath; Kathrine Cagat, Sukhi Samra, Mayors For a Guaranteed Income; Harish Patel, Economic Security for Illinois; Sarah Berger-Gonzalez, Chapin Hall at the University of Chicago; Julia Parrish, Maria Tapia-Hernandez, Legal Aid at Work; Stephanie Immah, Emma Guttman-Slater, Yerba Buena Center for the Arts; Lenita Wheeler, Destination Home Silicon Valley; Matt Vander Sluis, BARHII; Ameya Pawar, Open Society Foundation; Anne Romero, Jackie Tsou, San Francisco Mayor's Office of Housing and Community Development; Denise Muha, National Leased Housing Association; Tom Azumbrado; and Emmett Nelson, San Francisco Municipal Transportation Authority.

Introduction and Background

There is growing momentum in the state of California and across the nation to pilot and promote unrestricted, ongoing cash payments -- often referred to as a guaranteed income -- to families and communities to help them weather economic instability, meet their basic needs, and cultivate long-term financial resilience. Far from a novel concept, Rev. Dr. Martin Luther King Jr. called for guaranteed income in 1967 as a simple solution to abolishing poverty. His call was taken up by former Stockton Mayor Michael Tubbs, who launched the Stockton Economic Empowerment Demonstration (SEED) in February 2019, a first-in-the-nation guaranteed income project developed in partnership with the Economic Security Project. Mayor Tubbs now leads a national group of Mayors advocating for a guaranteed income, including pilots in many cities. In San Francisco, The Abundant Birth Project (ABP) builds on prior pilots and brings an explicit racial- and health-focused

lens to guaranteed income, using monthly transfers to provide support to pregnant Black and Pacific Islander women to reduce health disparities and improve birth outcomes.

It is important to note that the growth of these pilots nationally comes at a time when increasing awareness of the racial wealth (and health) gap is taking shape as the COVID-19 pandemic disproportionately devastates Black, Latinx, and Pacific Islander communities. The disparate, and awful, public health and economic outcomes experienced by these communities have laid bare racial inequities and uncovered deep structural flaws in social and economic systems. The generations-long disinvestment, wealth stripping, violence, and trauma at the hands of our racist systems have left these communities utterly unprepared for this pandemic and suffering the most infections and deaths from it.

The Abundant Birth Project

To combat the catastrophic disparities in maternal and infant health and economic security outcomes, Expecting Justice (a nonprofit housed within the San Francisco Department of Public Health) is piloting the Abundant Birth Project to provide Black and Pacific Islander pregnant women \$1,000 per month for six months during pregnancy and six months after. This pilot is testing cash transfers as an economic and reproductive health strategy, demonstrating trust in mothers to make the right choices for themselves and their families. Pilot organizers and researchers hypothesize that decreasing the underlying stress of financial

insecurity could reduce rates of premature birth.

The City and County of San Francisco has some of the nation's largest income inequality as well as some of the worst maternal health and birth disparities for Black and Pacific Islander (PI) women. The median annual household income for Black and Pacific Islander families in San Francisco is around \$30,000 and \$67,000 respectively, compared with over \$104,000 citywide. This income inequity mirrors disparities



in birth outcomes where Black infants are twice as likely to be born prematurely compared to white infants with Pacific Islander infants not far behind, and Black families represent half of all maternal

deaths and over 15 percent of infant deaths despite representing only four percent of all births.

The Need to Mitigate Loss of Public Benefits

Guaranteed income programs are intended to boost economic security. They are also intended to be additive interventions that combine with safety net programs and other existing supports to lift people out of poverty and provide agency and dignity. Guaranteed income is not, primarily, a strategy that is intended to “wean” people from public benefits.

Contrary to popular belief (especially among white people), poverty and welfare use are “as American as apple pie.” Between the ages of 20 and 65, about two-thirds of Americans will use a safety net program such as food stamps or Temporary Assistance for Needy Families (TANF) program. Many more are likely to claim other local government benefits, including housing, transportation, or childcare subsidies.

Safety net programs are effective in reducing poverty, especially deep poverty, and many benefit recipients rely on these programs to survive. However, the majority of these programs have restrictive, complex, and shifting eligibility requirements around household income and assets. People relying on benefits face a well-documented “benefits cliff” problem, where even small increases in earnings or assets can result in sudden and often unexpected reductions, or even total losses, in public benefits.

The benefits cliff penalizes families for making more money or saving, and actively prevents people from achieving economic security. For example, a study by the Federal Reserve Bank of Atlanta described how a single mother in Oregon could lose \$15,000 in housing subsidies due to an increase of only \$1,000 in additional income per year. Even the fear of hitting a cliff impacts behavior, preventing people from taking on additional hours at work. The Ohio State Chamber of Commerce Research

Foundation found that 20 percent of businesses reported that they had struggled to hire, promote or increase wages for employees because of the benefits cliff or the fear of the benefits cliff.

Benefits cliffs trap families in a system that provides a safety net only if they remain poor. Further, the process required to re-establish eligibility and enrollment in public benefits if someone loses access can be incredibly complex, even byzantine. This increases the risk of losing benefits, even if temporarily, and underlines the importance to guaranteed income programs of maintaining benefits eligibility for participants.

For the Abundant Birth Project, it became clear that identifying, understanding, and mitigating loss of public benefits must be a core program requirement. Like most if not all guaranteed income pilots, ABP participants are highly likely to include people who rely on local, state and federal safety net programs to survive, and the additional income from the pilot could result in participants facing a benefits cliff. Analysis of Black and Pacific Islander mothers in San Francisco who were pregnant or had a child six months and under and who were enrolled in either CalWORKS (TANF) or CalFresh (SNAP) in 2019 estimated that 25 percent of CalFresh recipients and seven percent of CalWORKS recipients would lose their eligibility entirely – and that all mothers would likely be impacted through reductions in their monthly benefits. The \$1,000 per month may not be enough to make up for the loss of combined benefits like SNAP, TANF, childcare subsidies, or Housing Choice Vouchers – and even a relatively remote possibility of losing healthcare benefits could deter program participation. Below we share some lessons learned as ABP staff and collaborators seek to protect benefits for pilot participants.

Protecting Benefits: Lessons Learned

Over the course of more than seven months, a team of regional stakeholders convened to pursue waiver, exemption or other protection strategies for public benefits that could impact ABP participants. Out of this collaborative effort, best practices and learnings emerged that may assist other jurisdictions and pilots in charting their own path to protecting their participants from benefits cliffs. These best practices include strategies to identify priority benefits, marshal resources, and seek benefits protections, especially via waivers.

A. Getting Started: Identifying Benefits and Stakeholders

Identify Critical Benefits and Conduct Community Planning

One of the first steps to protect benefits is identifying which benefits are most critical to participants. Pilots can accomplish this by talking with potential participants about benefits they rely on, doing a landscape analysis of benefits available, and analyzing data around benefits usage for the target population. For the Abundant Birth Project, a crucial benefit to protect was health insurance and, in particular, MediCal eligibility, given participants would all experience a major health event (birth). Additionally, talking with participants highlighted the importance of childcare subsidies. Lastly, Expecting Justice worked with the San Francisco Human Services Agency to do a limited landscape analysis of benefits usage for the target population: identifying the percentage of potential pilot participants living in federally subsidized housing as well as the potential impacts of this cash on CalWorks and CalFresh, finding that this additional cash would result in a reduction in benefits or a complete loss of benefits for all participants.

Beyond identifying critical benefits for potential participants, it is important to understand the level of difficulty in protecting benefits. For example, it was relatively simple for the Abundant Birth Project to secure waivers for local benefits (like a discounted transit pass) because the departments administering the discount programs were supportive of the initiative. In contrast, it is typically most difficult to secure federal waivers, because federal programs have the most bureaucracy and least flexibility. Unfortunately, partisan politics have been a driver of the bureaucracy and other barriers that make eligibility and access to public benefits so difficult. Pilot organizers must weigh benefits of waivers with the time and energy cost of securing them to determine where to allocate their limited resources.

Collaborate with Practitioners, Policymakers and Other Stakeholders

To identify best practices and create an effective advocacy strategy, it is helpful to identify key allies with expertise in benefits and to gather stakeholders who wish to achieve a common

goal. ABP was able to enlist a number of City and County departments as key allies in their work to secure benefits waivers, including the City’s Human Services Agency (HSA), which administers many public benefit programs. Additionally, OFE and BARHII convened a group of Bay Area guaranteed income practitioners to create a learning community and identify opportunities for advocacy to protect recipient benefits.

This regional group was then invited to join an emerging statewide group of GI pilot researchers,

leaders, state policy advocates and organizers, based on relationships that had been developed. By including more stakeholders, an administrative or legislative ask becomes more persuasive. Practitioners also learn from an expanded circle of experts and colleagues who either have studied or tried to gain benefits protections. Along the way ABP benefited from the knowledge and experience of numerous experts, advocates, and practitioners; see the “Acknowledgments” section above for more on those who provided their expertise, insight, and support.

B. Choosing a Pathway to Protect Benefits

There are numerous strategies that a guaranteed income pilot or program can use to protect or mitigate the impact on people’s benefits. These strategies are briefly outlined below.

1. Provide counseling/onboarding and ensure informed consent. Guaranteed income pilots should develop and implement an onboarding process that provides recipients with information about potential impacts on benefits. This practice emphasizes informed consent and participant autonomy and self-determination. Though all benefits may not be protected, counseling during onboarding provides people with the opportunity to decide whether the additional cash outweighs the reduction in or loss of benefits that they might experience.

This can also be a standalone strategy to mitigate negative benefits outcomes for pilots that opt not to seek extensive income waivers or other protections. For example, the Magnolia Mother’s Trust, which offered \$1,000 per month to 20 Black mothers living in extreme poverty initially (later expanding to another 210 women), did not seek to protect benefits and instead spoke extensively with participants about potential loss of benefits and received their informed consent to participate.

County social service agencies are key starting points to provide counsel on benefits eligibility and procedures but are often not oriented toward

a holistic counseling role, and guaranteed income programs will likely need to look to nonprofit benefits eligibility specialists or case managers for benefits counseling. Counseling can also address the issue of asset limits, for example explaining to people how saving this money might impact their benefits, in a way that income-focused waivers do not.

Unfortunately, there aren’t many counseling resources that address the unique circumstances of guaranteed income programs, though new benefits cliff calculators, such as those developed by the [Federal Reserve Bank of Atlanta](#) and the nonprofit [LeapFund](#), also have the potential to enhance counseling. Legal Services Organizations may also be an emerging resource; for example, Bay Area Legal Aid (BayLegal) has begun to provide benefits counseling via referral for participants in a small pilot focused on people exiting rapid rehousing in San Francisco.

Anyone who is receiving a means-tested public benefit will likely have to report their income and assets (potentially even when these are not counted toward eligibility), and the administering agency may look at their bank account during an annual or semi-annual recertification. As a best practice, guaranteed income programs should consider supplying a verification letter, explaining the eligibility for the GI payments, amounts, frequency and when they end. It would be

helpful to also include an explanation about why guaranteed income is not taxable income.

Further, the recipient may encounter someone from the administering agency who is unfamiliar with applicable rules or applies them incorrectly – erroneously reducing a benefit, calculating an overpayment, or cutting someone off. The rules are one thing, the reality of moving through the program is another – and human error happens. One way to prepare for this when counseling participants who receive public benefits prior to participation would be to acknowledge this reality (that there are no guarantees), informing people of the basis for excluding GI from the benefits (so they can explain it to someone) and explaining their appeal rights if something goes haywire. A program may also want to make sure participants understand who in their area provides public benefits advocacy/representation in the event someone needs an advocate.

2. Seek administrative waivers and/or policy changes. The second strategy to protect benefits is to seek administrative waivers to exempt payments from a guaranteed income pilot from being considered when determining benefits eligibility. A pilot may seek these waivers on the local, state or federal level, and may identify opportunities to pursue changes to administrative rules that similarly reduce or eliminate income testing. The processes, opportunities, and challenges to seek waivers are addressed extensively below in this piece.

3. Replace benefits lost due to guaranteed income cash transfers. The third strategy to mitigate impacts on benefits is to reimburse recipients for the loss of certain, or all, benefit reductions incurred. Stockton SEED, for example, created a “hold harmless fund” in conjunction with their local housing authority to reimburse residents who faced increased housing costs due to the pilot payments. One caveat around replacing benefits is that it is difficult to estimate potential benefits losses across numerous benefit programs given the number of compounding factors that can impact someone’s eligibility in these programs.

4. Design eligibility criteria to maximize benefit protection. This “sampling” strategy has been used by several current guaranteed income pilots to mitigate the impacts on benefits by excluding participants who rely on certain benefits that cannot be protected. For example, some pilots exclude people who live in federally subsidized housing or rely on Supplemental Security Income (SSI) or other at-risk benefits that cannot be protected and will likely be impacted. For some pilots, there may also be an opportunity to shift the recipient to reduce the burden on benefits. For example, Stockton SEED, which offered \$500 per month to 125 randomly selected households for 24 months, allowed people to self-select within households to minimize their own exposure to benefits loss.

5. Pass legislation. The fifth and final strategy to protect benefits is to seek legislation exempting income from benefits eligibility. For example, Baby’s First Years, which provides either \$20 or \$333 per month for 40 months to 1,000 mothers across four sites, worked to pass legislation in [Nebraska](#) and [Minnesota](#) to exempt these cash transfers from impacting TANF, SNAP, Low-Income Home Energy Assistance Program (LIHEAP), and other benefits. In California, advocates introduced AB 1338 this year, a bill that proposed to exempt cash transfers in guaranteed income demonstration or research programs from CalWORKS and CalFresh income eligibility determinations. The bill, which would have also required the California Department of Social Services (CDSS) to develop a registration process for such guaranteed income programs, was held in Assembly Appropriations and failed to move forward.

Advocates are also working on federal strategies to change income eligibility rules for benefit programs such as TANF, SNAP, and WIC. Passing legislation or otherwise changing income eligibility rules to protect benefits is likely the most labor and politically intensive strategy, but it also creates more long-term impact and is a more inclusive strategy that can support pilots that emerge in the future and bring issues of social safety net protection and the benefits cliff to the fore.

C. From Easy to Impossible: Which Benefits Can Be Protected?

Once a pilot has selected a strategy, the next step is to understand the complexity and opportunities involved in protecting a benefit or obtaining a waiver or exemption for your pilot participants. The difficulty and opportunity will typically depend on the level of government that must grant the exemption and whether there is a process in place to request exemptions easily. Below we explain which benefits are already protected by gift exclusions, opportunities to navigate locally controlled benefits, and what benefits are currently impossible to protect, and then do a deep dive on income exclusion waivers ABP was able to obtain for CalWorks, CalFresh, WIC and public housing.

Benefits Already Protected by Gift Exclusions

The good news about benefits is that many may already be protected so long as the cash transfer meets the IRS definition of a gift. Under federal tax law (26 U.S.C. § 102) a gift “must proceed from a ‘detached and disinterested generosity,’ ... ‘out of affection, respect, admiration, charity or like impulses.’”¹ In general, a payment from a nonprofit to an individual that does not come with any strings attached (like a requirement to work) will meet this standard of ‘detached and disinterested generosity.’ Most existing and proposed guaranteed income pilots structure payments as gifts to protect benefits so that programs do not need to issue 1099s and recipients do not need to report payments on their tax filings. One thing to note though these pilots are called guaranteed income pilots, it is helpful to refer to the payments as gifts in communication with recipients to bolster the claim that these payments are gifts and not income.

If a government is disbursing the money instead of a nonprofit, the payment can still be nontaxable and considered a gift. Payments of any amount from a government to individuals are generally non-taxable

and non-reportable for federal and state income tax purposes under the “general welfare exclusion” if they meet all of the following criteria:

1. The payments are made to individuals, not entities or businesses;
2. The payments are made under a governmental program to promote the general welfare (e.g., payments to adoptive parents for support and maintenance of the adopted child);
3. Recipients are selected based on need (e.g., are limited to low-moderate income status or are victims of a disaster);
4. The payments are not tied to any services provided (e.g., job training where recipient is doing the job for which they are training); and
5. The expense (if any) compensated by such payment is not otherwise compensated for by insurance or otherwise.

Numerous benefits programs follow the IRS’s definition of income in defining eligibility, meaning that if payments are exempt from federal income tax as gifts or under the general welfare exclusion, they should not impact benefits. Benefits protected via this gift exemption include:

MediCal (Medicaid): Medicaid (known as MediCal in California) is the nation’s public health insurance program for low-income people. Gift income is excluded from both MediCal and Children’s Health Insurance Program (CHIP) income eligibility determinations. These programs use Modified Adjusted Gross Income (MAGI), as defined by the IRS; gifts – like guaranteed income payments – are non-taxable income that is not countable for MAGI (See [26 U.S.C. 36B\(d\)\(2\)\(B\)](#); [42 CFR 435.603\(e\)](#) and [435.603\(d\)\(3\)](#), or check out [these slides](#) from the Centers for Medicare & Medicaid Services, especially slide 36). Note: seniors and people with disabilities accessing Medicaid may be subject to

¹ Commissioner v. Duberstein, 363 U.S. 278, 285 (1960).

additional income or asset testing (see below for further discussion of “non-MAGI” Medicaid).

Social Security: Social Security retirement benefits provide replacement income for qualified retirees and their families and can be claimed starting between age 66 and 67, depending on year of birth. Social Security is likely not at risk, as it is based on previous contributions, not on need, and gifts do not impact benefits.

Social Security Disability Insurance (SSDI):

Administered by the Social Security Administration, SSDI pays benefits to individuals and certain members of their family if they are “insured,” meaning that they worked long enough and paid Social Security taxes. Gifts are not considered in determining eligibility, which is based on previous contributions to Social Security and inability to work.

Unemployment Insurance (UI): Unemployment insurance provides temporary financial assistance via payments to unemployed workers. California unemployment benefits should be low-risk so long as the transfers are considered gifts, meaning they were given without regard for return and not as compensation for personal services (Sections 1252 and 1279 of the California Unemployment Insurance Code.)

California state disability insurance and paid family leave payments: These benefits, administered by in California by the Employment Development Department (EDD), should be similarly low-risk so long as cash transfers are considered gifts and not wages, per Section 926 of the California Unemployment Insurance Code.

Local Benefits Protected by Relationship-Building and Consultation

OFE and ABP identified a range of local benefit programs, and through research and outreach were able to determine that these benefits could largely, if not entirely, be protected against reduction or loss. Exempting cash transfers from county- and city-administered benefit eligibility determinations may depend on the local political climate, and on receptive agency staff. In San Francisco, supportive

local agencies provided uniformly good news: cash transfers through ABP will not cause recipients to lose local benefits (like transportation, childcare, and utility discounts or subsidies). To operationalize this, agencies would exclude payments received by ABP participants through the pilot from being considered ‘income’ when certifying or re-certifying participants for these benefits. This can be achieved by providing letters certifying the identity of ABP participants, training staff on the pilot and its impact on recertification, and in some cases developing administrative guidance and a (simple) reporting system.

The success of this approach has been largely due to strong, established relationships between local agencies and the ABP team, including OFE, BARHII, and Expecting Justice. This process underlines the importance of stakeholders who know and understand how to work with municipal agencies (it is worth noting that San Francisco is both a city and a county, which further streamlines the process).

The ABP team was able to confirm exemption of participant payments for benefits including*:

- Utility discounts (e.g., water and sewer discount programs)
- Transportation discount programs (e.g., discounted MUNI passes in San Francisco)
- Childcare subsidies (e.g., preschool and Head Start)
- Local housing subsidies (e.g., local operating subsidies to support rapid rehousing for homeless families or permanent supportive housing)
- Home visitation services

**Note: the benefit programs above are San Francisco-specific. Other jurisdictions may have similar programs, but services and administrative authority will vary – as always, consult with your own local experts and agencies.*

GI payments currently cannot be exempted from eligibility and benefits determinations for SF’s local cash assistance program, County Adult Assistance Program (CAAP). CAAP’s limited income exemptions are outlined in legislation and HSA’s online manual (p.167).

Having local governments alignment on policies to protect benefits is, of course, crucial in achieving these exemptions for locally controlled benefits. For example, San Francisco has made a commitment to preserve eligibility for childcare subsidies, regardless of income. Even if a family no longer qualifies for a state or federally-funded childcare program due to income (or any other reason), San Francisco’s Office of Early Care and Education does not allow a program to dis-enroll their child(ren). Rather, San Francisco backfills the costs until the child reaches kindergarten. Similarly, San Francisco has made the decision to preserve access to home visitation services that may have state or federal eligibility requirements (including enrollment in Medi-Cal or CalWORKS); county funding is used to backfill any resulting gaps.

San Francisco’s commitment to preserving access to subsidized programs and services like Head Start, preschool, childcare, and home visitation is unique, and may prove more challenging in other cities. Nonetheless, while it may not always be easy to GET an income exemption, it is at least easier to approach local agencies to make the ask.

Most Difficult to Protect: SSI, WIC and non-MAGI Medi-Cal

These three benefits currently look nearly, if not fully, impossible to protect against the impact of cash transfers in guaranteed income pilots or programs. In each case, income is defined at the federal level, without much wiggle room for state or local government to create exemptions or waivers. Further, income is defined broadly to include gifts within eligibility guidelines. Each of these benefit categories is discussed below.

Supplemental Security Income (SSI) is a federal program that provides financial help to children with disabilities and adults who have disabilities or are over 65. SSI is distinct from Social Security Disability Insurance (SSDI), which pays benefits to adults with disabilities who have paid enough FICA taxes over the course of their working history to be “insured”. The Social Security Administration administers the program, but SSI is funded by general tax revenues (not Social Security taxes).

To qualify for SSI, you must have limited income and few assets. Social Security requires SSI recipients to have less than \$2,000 in assets, for a single person, and \$3,000 for a couple (not counting money in an ABLE account). Though income limits and rules for SSI are complicated, countable income includes wages or any money earned from working plus money from other sources like unemployment, Social Security retirement, free food or shelter – or gifts (see 416 CFR 1100-1124), including presumably gifts from a guaranteed income pilot. We are not aware of any guaranteed income pilots that have been able to negotiate an exemption to SSI eligibility rules. Securing an exemption would likely require federal rulemaking or legislation.

There may be one possible pathway to exempting guaranteed income payments for SSI recipients. Under what the Social Security Administration calls “Assistance Based on Need” (ABON), payments can be excluded from counting as income for purposes of SSI if they are “provided under a program which uses income as a factor of **eligibility**” (not just to determine the amount of payments), and the program is “funded **wholly** by a State . . . a political subdivision of a State, or a combination of such jurisdictions” (which includes cities and counties). This may be a narrow exception, given that most pilots have been funded at least in part by private donations, but could also be an important lifeline for programs funded entirely by local or state government.

Supplemental Nutrition Program for Women, Infants, and Children (WIC) provides food vouchers as well as nutrition education and referrals for low-income pregnant and postpartum women and to infants and children up to age five who are found to be at nutritional risk. WIC is administered at the federal level by the US Department of Agriculture (USDA) and supervised in California by the state Department of Public Health (CDPH). To qualify, participants must show they are currently enrolled in Medi-Cal health insurance, CalWORKS cash assistance, or CalFresh nutrition assistance – or that their income is under 185% of the federal poverty line (currently \$49,025 for a family of four).

WIC rules have a fairly broad definition of countable income, and have exclusions for gifts

(compared to other benefits outlined above). San Francisco’s Department of Public Health, which administers WIC locally, initially granted a temporary WIC income waiver for Abundant Birth Project participants, while awaiting further guidance from CDPH and/or USDA. This updated guidance came on August 10th, 2021, when CDPH issued a WIC Information Notice clarifying that cash transfers in guaranteed income programs would be considered household income, and must be included for determining WIC eligibility:

“Per federal regulation 246.7(d)(2)(ii), public assistance or welfare payments and other cash income are considered income for WIC eligibility determinations and must be included when determining gross family income for a new applicant and/or a participant’s family unit. Refer to [WPPM 210-03](#).”

This ends San Francisco’s ability to grant temporary WIC income waivers and shifts the focus to federal advocacy for changes in WIC eligibility rules that

would allow for a guaranteed income exemption. While the closure of this path to seek WIC income waivers is unfortunate, pilot organizers should note that automatic WIC eligibility based on enrollment in Medi-Cal (Medicaid), CalWORKS (TANF), or CalFresh (SNAP) benefits can mitigate the impact of cash transfers on WIC benefits for many families.

The most common form of Medi-Cal is Modified Adjusted Gross Income (MAGI) Medi-Cal. It uses tax rules to determine eligibility. **Non-MAGI Medi-Cal** provides health coverage for people who are 65 or older, disabled, or blind, and uses other rules to count property, household income, and size to determine eligibility. Under California’s Code of Regulations ([22 CA ADC § 50507](#)), the definition for gross unearned income for Non-MAGI Medi-Cal includes gifts. Further, Non-MAGI Medi-Cal has asset limits, defined federally as “property.” Property includes land, houses, bank accounts, stocks, bonds, and cash on hand, trusts and vehicles; limits vary according to family size and program category but for most non-MAGI Medi-Cal Programs a household of four cannot have more than \$3,300 in property or assets.

D. Protecting Benefits via State Waiver or Local Policy Change: CalWORKS, CalFresh, and Public Housing

The ABP team devoted substantial time and effort to strategies to secure income waivers for CalWORKS, CalFresh, and public housing subsidies. Over the past year, our optimism has grown as pathways to protect these benefits have been developed or clarified. Each program is ultimately governed by federal law, but state and local agencies have authority to create waivers or other policy exemptions to protect benefits.

CalWORKS (TANF) and CalFresh (SNAP)

CalWORKS is California’s version of the federal

Temporary Assistance for Needy Families (TANF) program and provides cash grants and job services to pregnant women and low income families with children. CalFresh, federally known as the Supplemental Nutrition Assistance Program (SNAP), issues monthly electronic benefits that can be used to buy most foods at many markets and food stores. CalWORKS and CalFresh benefits are administered at the county level by the San Francisco Human Services Agency (SFHSA) and overseen by the California Department of Social Services (CDSS). These benefits are important to protect, because they offer significant aid with an average CalWORKS grant in California of \$583 and a

CalFresh benefit of about \$200 per month.

In pursuing CalWorks and CalFresh income waivers, OFE and ABP leaned heavily on collaboration with SFHSA, which has been an invaluable source of guidance and technical assistance during this process. The team also benefitted from the hard work of prior guaranteed income programs, in particular the Stockton Economic Empowerment Demonstration (SEED), which created a precedent in applying for and receiving a CalWORKS income waiver.

Earlier this year, CDSS formalized an application process to request CalWORKS waivers, and utilized its statutory authority under 7 CFR 273.9(c)(19) to automatically provide a CalFresh income exemption waiver for any pilot that receives a CalWORKS waiver.² These waivers are project-specific and are only available to pilots with an IRB-approved research project. If it is a crucial to a pilot to protect CalWORKS and CalFresh, then the pilot design must include a significant research component.

In May 2021, the California Department of Social Services outlined the new process that pilot programs may use to request waivers that exempt guaranteed income from both CalWORKS and CalFresh income eligibility determinations. Pilot programs must work with county social services organizations who will formally make the request for CDSS to waive the following CalWORKS policy: Manual of Policies and Procedures (MPP) Section 44-101(g), Section 44-102.14, and Section 44-315.31.

Per CDSS, a waiver request letter must be submitted via email to incomewaiverproject@dss.ca.gov and include the following components:

- A. Description and purpose of the pilot, including pilot duration, number of participants, cash transfer amount/frequency, and source(s) of funding
- B. Actual or estimated number of CalWORKS recipients who will participate in the pilot
- C. Research overview, including methodology, indicators and research questions related to

improving social welfare

D. Attachments:

- a. Institutional Review Board (IRB) approval letter
- b. Participant consent forms, including potential impact of payments on benefits eligibility
- c. Evaluation plan

CDSS estimates that it may take two to three months following a waiver to receive approval, assuming the pilot project meets all requirements. Once CDSS approves a waiver, CDSS has significant legal requirements that it must fulfill to initiate a CalWORKS demonstration project (WIC § 18204 et seq. and § 18230 et seq.) including:

- Adopt a formal order by the Director of Social Services waiving the enforcement of pertinent statutes, regulations, and standards in the county seeking to conduct and administer a demonstration project.
- Notify the Legislature 30 days prior to project approval.
- Publish a comprehensive plan, including an analysis of expected costs, in a newspaper of general circulation (note: this requirement can be done by pilot program and county social service agency while the application is under review by the state, and the comprehensive plan should have similar content as the waiver request itself; SFHSA is clarifying how a “newspaper of general circulation” is defined).
- Send a copy of the comprehensive plan to the Rules Committees of each house of the Legislature.
- Seek review and approval through California Health and Human Service’s Committee for the Protection of Human Subjects (CPHS).

CDSS is expected to circulate an “all-county letter” to social service agencies across the state, which may contain additional details. In the meantime, we recommend reaching out to CDSS with any questions about the process.

² This language within the federal statutes allows state SNAP programs to adopt income definitions that they have applied to their TANF programs.

Housing Benefits/Subsidies

Federal housing subsidies are overseen on the federal level by the U.S. Department of Housing and Urban Development (HUD) and implemented through local Public Housing Authorities; for ABP, this is the Housing Authority of the City and County of San Francisco (SFHA), which is responsible for promulgating and enforcing local rules and guidance. Though there are numerous federal housing assistance programs, ABP focused on Housing Choice Vouchers, project-based rental assistance, and multi-family public housing, given the target population³. These federal housing assistance programs are highly valued because they typically limit rent to 30 percent of a household's income, a significant benefit given San Francisco's extreme cost of housing.

In partnership with SFHA, the ABP team protected housing subsidies by excluding cash transfers to pilot participants from the annual income used to determine eligibility. The ABP team clarified that for the Low Income Public Housing (LIPH) program, Public Housing Authorities (PHAs) can accomplish this income exemption through local policy change (specifically, by amending the PHA Admission and Continued Occupancy Policies (ACOP). For the Housing Choice Vouchers (HCV) program (formerly known as Section 8), PHAs currently need to apply for a program-specific federal waiver, which HUD granted for ABP participants. It is likely that this HCV income exclusion will also be available through local policy change in the near future. Confirming these protections was an important step forward, as federal housing subsidies were initially deemed to be among the hardest benefits to protect.

OFE and the ABP team provided information to SFHA about the Abundant Birth Program and its participants and had several meetings to discuss potential ways to protect housing benefits. Then SFHA drafted a letter to HUD requesting an exemption to the annual income requirement in 24 CFR § 5.609(c) utilizing an exception found in 5.609(c)(8)(iii), which exempts:

Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program.

HUD responded roughly two months later to address this request. Their letter (which may be found in the Appendix) states that:

“According to 24 CFR 5.611(b), a public housing agency (PHA) may adopt additional deductions from annual income for its Public Housing program other than the mandatory deductions listed in 5.611(a). However, the agency must establish a written policy for the permissive deductions. On April 25, 2018, the PHA Board of Commissioners approved the amendment of the PHA Admission and Continued Occupancy Policies (ACOP) and Annual Plan to establish a deduction for the research-related cash payments received by selected public housing families. Accordingly, a waiver of 24 CFR 5.609 is not required to deduct from annual income the research-related cash payments for the public housing participants.”

Based on this guidance, SFHA drafted an amendment to its ACOP to establish this income deduction (essentially an exemption). The exemption covers families who reside in LIPH housing sites and SFHA will be able to expand the list of qualifying guaranteed income pilots upon individual review and approval. OFE will field inquiries for San Francisco pilots seeking income exemptions and share with SFHA.

HUD further clarified that while the Housing Choice Voucher program (Section 8) does not currently allow agencies to establish additional deductions outside of those permitted by 24 CFR 5.611(a), this

³ It should be noted that multifamily subsidized housing is overseen by HUD, through its regional and national Multifamily Housing offices, and not local Public Housing Authorities. Tenants in multifamily housing cannot take a subsidy someplace else, it stays with the development. Multifamily housing does not, at this time, have the same options for income waivers or exemptions described elsewhere in this section.

will become possible once the Housing Opportunity Through Modernization Act of 2016, Public Law 114-201 (HOTMA) is implemented. Their letter stated that:

HUD will grant a limited waiver of 24 CFR 5.609(b)(7), which requires participant income including “periodic and determinable allowances...and regular contributions or gifts received from organizations or from persons not residing in the dwelling.” This waiver is granted specifically to allow SFHA to exclude from income the research-related monthly supplement provided to Housing Choice Voucher families participating in the Abundant Birth Project to further the goals of the research. At the time HOTMA is implemented, this waiver will expire and SFHA will need to adopt a permissive deduction in its Administrative Plan for the Housing Choice Voucher program as it has already done in its ACOP for the Public Housing program.

HUD’s clarification of local ability to create income exemptions for PHA public housing programs – and the precedent of HUD granting a Housing Choice Program waiver for ABP participants – should make the path easier for pilots seeking to protect federal housing benefits.

The process for applying for and receiving exemptions from rental determinations relies heavily on the discretion and orientation of the local PHA. It is important to be a good partner and craft an argument that is compelling to them. In San Francisco, SFHA was persuaded by the goal of improving birth outcomes, especially with ample data highlighting disparities in birth outcomes, access to services, and income/wealth inequality among the target population. SFHA noted – and argued to HUD – that providing a monthly income supplement to a targeted population for a specific

period of time is no different from similar subsidy programs like the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), which can already be exempted from HUD income eligibility rules.

Other pilots have made slightly different arguments to their local PHAs. For example, the [Compton Pledge](#) relied on an existing exemption included in the definition of income for the purpose of federal housing subsidies in 24 CFR § 5.609(a), which states that “temporary, non-recurring, or sporadic income (including gifts)” is not counted as income under this statute. Therefore, as part of its waiver process, the Compton Pledge requested that the Compton Housing Authority exempt its cash transfers as temporary and sporadic income under this regulation, and the housing authority agreed to grant this exemption. In Oakland, the Oakland Housing Authority (OHA) worked with Oakland Thrives (a partner in the [Oakland Resilient Families](#) pilot) to pursue income waivers. OHA participates in the federal Moving to Work (MTW) program and included in their FY2022 MTW Annual Plan a proposal to exclude income of guaranteed income pilot participants from the income calculation used to determine rent; HUD approved this plan in August 2021.⁴

Another strategy being explored in at least one jurisdiction is to work with the local PHA to request that pilot participants’ annual income recertification be done out of schedule -- immediately before they begin receiving cash transfers, protecting against potential loss of housing subsidies for at least one year. Per HUD rules, recipients of GI payments would be expected to report this income to their PHA, but it would not impact their rent during this year between income recertifications.

To secure a waiver, pilots will need to approach their local PHA to determine their willingness to cooperate and to work with them to construct a process.

⁴ Participation in the Moving to Work (MTW) demonstration program may create flexibility for income exemptions. MTW exempts participating PHAs from many existing public housing and voucher rules and provides funding flexibility, allowing them to change income eligibility rules if they feel the changes are justified, and especially if the changes might positively impact employment or economic self-sufficiency. [Currently, there are 70 MTW PHAs nationwide](#), and HUD plans to expand the program to an additional 69 PHAs by 2022.

E. Legislative Reforms and Policy Advocacy

While guaranteed income programs, including ABP, have used multiple strategies to protect benefits in the short term, achieving widespread and sustainable benefits protections will require state and federal policy changes that go beyond waivers. Some long-term reforms can be accomplished via administrative rulemaking, but others will require legislation. Below are some examples of state and federal legislation focused on protecting benefits for GI recipients that have recently been passed or introduced.

Legislation to exclude cash transfers from eligibility determinations has already been passed in several states. In Illinois, [SB 1735](#) (2019), championed by the nonprofit Heartland Alliance, established fairly broad protections against loss of benefits for guaranteed income pilot participants. This law amending Illinois' Public Aid Code, provides that:

"...for purposes of determining eligibility and the amount of assistance under the Code, the Department of Human Services and local governmental units shall exclude from consideration, for a period of no more than 60 months, any financial assistance, including wages, cash transfers, or gifts, that is provided to a person who is enrolled in a program or research project that is not funded with general revenue funds and that is intended to investigate the impacts of policies or programs designed to reduce poverty, promote social mobility, or increase financial stability for Illinois residents if there is an explicit plan to collect data and evaluate the program or initiative that is developed prior to participants in the study being enrolled in the program and if a research team has been identified to oversee the evaluation."

Similar legislation was passed in both [Minnesota](#) (starting at line 39.19) and [Nebraska](#). These efforts, championed by partners in the [Baby's First Years](#) guaranteed income pilot, exclude income from

recipients in certain research or demonstration projects. In Minnesota, the legislation specifically exempts payments made to families participating in the Baby's First Years pilot. In Nebraska, the income exemption is narrowly tailored to focus on "participation in grant-funded research on the impact that income has on the development of children in low-income families, except that such exclusion of income must not exceed four thousand dollars per year for a maximum of four years."

In California, [AB1338](#) (Low) proposed excluding financial assistance, including cash transfers, or gifts, received for a period of no more than 60 months, that is provided to a person who is enrolled in a program or research project from being considered "income" for eligibility in CalFresh and CalWORKS, as well as for Earned Income Tax Credit (EITC) eligibility. Unfortunately, this bill, which could have provided an upstream preventative solution to the benefits cliff dilemma for GI research pilots, failed to move out of committee.

It is important to note that some of these state legislative reforms remain targeted and narrow, requiring research components or targeted to only a small number of potential GI pilots. Ideally, future legislation will be broader and not overly limit applicability for pilots.

Federal legislation or administrative rulemaking to reform benefits eligibility and income disregards, while likely a more arduous undertaking, provides the most transformative and sustainable path to protection of benefits for guaranteed income recipients. In particular, federal policy reforms are necessary to address safety net programs that lack state or local mechanisms to exempt guaranteed income, including SSI, WIC, and Non-MAGI Medicaid. The timing is advantageous for this federal policy work, as advocates are buoyed by national momentum to embrace cash transfers as part of ambitious anti-poverty investments.

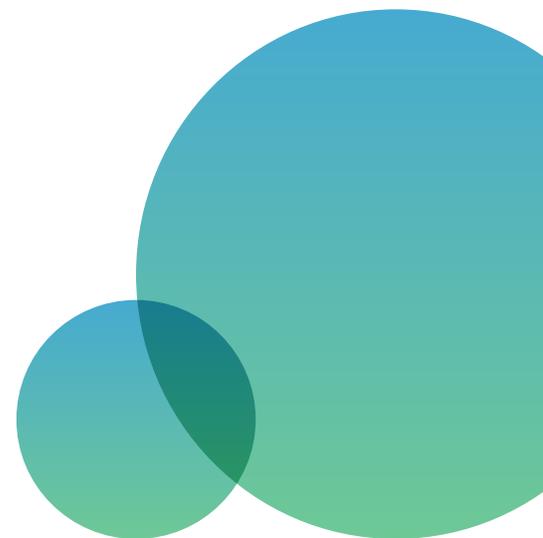
Long-overdue improvements to the SSI program were under consideration in the ambitious

reconciliation package that is currently drafted and debated in the fall of 2021 when this report was being written. As President Biden recognized in his campaign platform, SSI has been left to wither on the vine for more than 30 years, and an array of outdated program rules mean that SSI no longer provides the basic economic security that it once did. Important updates to SSI, many of which were outlined in the SSI Restoration Act of 2021 ([H.R. 3824/S. 2065](#)) and could potentially be included in the reconciliation bill, include increasing the minimum benefit to at least the federal poverty level, eliminating rules about “in-kind” support, and updating outdated income disregards.

As is the case with SSI, Non-MAGI Medicaid has income eligibility restrictions that will disparately impact disabled and older populations in any guaranteed income programs. While advocates for unconditional cash transfers would like to see enhanced flexibility in eligibility rules for Non-MAGI Medicaid (for example by utilizing the same exceptions for gifts that MAGI Medicaid allows), the current debate over healthcare policy in the reconciliation package focuses on other priorities. Democratic leaders are pushing for four major health care components to the bill: expand Medicare benefits; close gaps in Medicaid coverage in states that have not expanded eligibility under the Affordable Care Act (ACA); extend recently enacted ACA subsidies that help middle-income people buy insurance; and allow Medicare to negotiate prices with drug makers. Reforms to Non-MAGI Medicaid income eligibility rules may well get left out of this hotly contested debate.

The prospects for WIC eligibility reforms could be more promising. It is possible that such changes could be taken up through the Child Nutrition Reauthorization (CNR), Congress’s process of making changes to the permanent statutes that authorize WIC and other child nutrition programs. Every five years, CNR provides Congress with an opportunity to improve and strengthen the child nutrition and school meal programs. Although the current law, expired on September 30, 2015, the programs continue to operate with extensions. The National WIC Association is supportive of changing eligibility guidelines through the CNR.

Lastly, while this brief mostly focuses on income eligibility for public benefits, it is also important that asset limits in benefit eligibility don’t hurt cash recipients. Asset limits create perverse disincentives for benefit recipients to save money, often impeding their path to financial stability. While California has more restrictive asset limits than many states, there has been recent progress on this front. For example, as part of a 2019 budget deal signed by Governor Newsom, lawmakers increased the total savings that people can have while receiving CalWORKS from \$2,250 to \$10,000, and recipients can own vehicles worth up to \$25,000 instead of \$9,500. A more aggressive [bill](#) introduced by Sen. Scott Wiener, a San Francisco Democrat, would eliminate the asset limits altogether, but it was gutted during budget negotiations.



Conclusion

The social safety net includes a complex web of federal, state, local, and even privately administered benefits. Together, these programs can protect people from the impact of economic shocks, keep struggling families afloat, and represent a vital foundation supporting the financial, physical, and mental stability and resilience of millions of American families. Unfortunately, government has created a morass of means testing, complicated eligibility requirements, and program restrictions that can keep low-income families trapped in a violent cycle of poverty, often facing impossible choices between career advancement and increased income or sustaining vital benefits. Guaranteed income pilots are quickly accelerating in California and across the country, and they can play a vital role in combating poverty and creating financial stability. However, guaranteed income can only accomplish these aims if they can mitigate or eliminate the harm of benefits cliffs. Guaranteed income pilots have pursued multiple pathways to mitigate or eliminate the loss of public benefits, including sampling strategies, onboarding and counseling, harm reduction funds, benefit waivers, and pursuing legislative reform.

In San Francisco, a regional group of stakeholders have come together to protect benefits, with a focus on pursuing waivers for the most important benefits received by low-income Black and Pacific Islander pregnant mothers—two groups who suffer the largest maternal and infant health disparities in the state and the country. So far, ABP and its allies and partners have made significant strides both locally and at the state level to understand the impacts of various benefits and develop pathways to exempt or protect guaranteed income payments from being offset by benefit loss or reduction. This brief has highlighted one set of pathways to attain waivers that will exempt guaranteed income cash transfers

from income eligibility determinations in various public benefits, though it certainly does not address the entire universe of potential benefits interactions. To that end, ABP is a proponent of continuing to expand the guaranteed income communities and legislative pathways that have been created thus far, including the work of the California Guaranteed Income Collaborative, [Mayors for Guaranteed Income](#), and a newly emerging Community of Practice championed by the Economic Security Project, Springboard To Opportunities, the Stanford Basic Income Lab, Mayors for a Guaranteed Income, the Center for Guaranteed Income Research, and the Asset Funders Network.

This brief—and the process it describes—demonstrates that it takes multi-disciplinary, collaborative and persistent efforts to achieve success in protecting benefits. We are thankful to all of the many partners, experts, advocates, and community members who have joined in this effort. We hope that this brief offers a clear step-by-step guide for those looking for an immediate and short-term solution to the benefits cliff issue while launching their guaranteed income pilots, and that it ushers towards long-term thinking and action that will one day close the racial wealth equity gap, and help us all bring Rev. Dr. Martin Luther King Jr.'s foresight to life:

“I am now convinced that the simplest approach will prove to be the most effective – the solution to poverty is to abolish it directly by a now widely discussed measure: the guaranteed income.”

Appendix

Summary Table: Overview of Priority Benefits

BENEFIT	DESCRIPTION	POTENTIAL IMPACT OF GI PAYMENTS
MAGI Medi-Cal	Free or low-cost insurance that pays for a variety of medical services.	No impact, GI is considered a non-taxable gift and therefore should not count against Medi-Cal eligibility.
CalWORKs	Monthly cash aid and other free services to low-income families with children.	GI considered unearned income and can impact CalWORKS eligibility – but research projects can apply for a state waiver.
CalFresh	Monthly benefits that can be used to buy most foods at many markets and food stores.	GI considered unearned income and can impact CalFresh eligibility – but research projects can apply for a state waiver.
Public Housing	Subsidized rent for low-income families.	Public Housing Authorities (PHAs) can make local policy changes to exempt GI payments for residents in the Public Housing Program. HUD may grant local waivers for Housing Choice Voucher Program participants, and once the Housing Opportunity Through Modernization Act of 2016 is fully implemented, PHAs will also be able to grant income exemptions through local policy change.
Non-MAGI Medi-Cal	Provides health coverage for people who are 65 or older, disabled or blind.	Non-MAGI Medi-Cal benefits may be reduced or recipients could become ineligible since the non-MAGI Medi-Cal income definition includes gifts.
Child Care Benefits	Financial assistance to pay for childcare partially or completely from birth to age 13 – including Head Start, preschool, and childcare vouchers or discounts	In San Francisco, childcare subsidies for low-income families should not be impacted by GI; pilots in other counties will need to consult with local administrators.

BENEFIT	DESCRIPTION	POTENTIAL IMPACT OF GI PAYMENTS
WIC (Supplemental Nutrition Program for Women, Infants, and Children)	WIC helps families get healthy food, nutrition, education, breastfeeding support and more. WIC serves babies and children up to age 5, pregnant women, and new mothers.	WIC benefits may be reduced, or recipients could become ineligible. California's Department of Public Health has clarified that guaranteed income payments are countable under WIC income eligibility rules.
Social Security or Social Security Disability Insurance (SSDI)	Retirement benefits and supports for people with disabilities who have a qualifying work history.	No, neither Social Security nor SSDI benefits should be impacted.
Unemployment, state disability insurance, and paid family leave	Short-term benefits issued by the state to replace wages for people who are unemployed or need time off work.	No, unemployment, disability, or paid family leave should not be impacted.
Supplemental Security Income (SSI)	Provides financial help to children with disabilities and adults who have disabilities or are over 65.	Yes, SSI benefits may be reduced, or recipients could become ineligible.
Homeless Prenatal Program	A nonprofit resource center providing services including prenatal care, family bonding, housing, job training, and more.	No, you should be able to continue to receive services from the Homeless Prenatal Program.
Utility Discounts	Discount on water, sewer, or power bills.	No, utility discounts should not be impacted.
Muni Lifeline Pass	50% discount on adult monthly Muni pass.	No, MUNI Lifeline Pass should not be impacted.

CalWORKs and CalFresh Waivers – General Information

For more information about the process of requesting these waivers from California Department of Social Services (CDSS), see <https://www.cdss.ca.gov/inforesources/guaranteed-income-exemption-requests>.

For guaranteed income pilots in San Francisco seeking information about how to request a waiver, contact San Francisco Human Services Agency via email: HSA.GI.Support@sfgov.org.

CalWORKs and CalFresh Waivers – Abundant Birth Project’s Waiver Request



SAN FRANCISCO
HUMAN SERVICES AGENCY

Department of Benefits
and Family Support

Department of Disability
and Aging Services

Office of Early Care
and Education

P.O. Box 7988
San Francisco, CA
94120-7988
www.SFHSA.org

London Breed
Mayor

Trent Rhorer
Executive Director

A REQUEST FOR PILOT WAIVER

June 24, 2021

Dear Director Johnson:

The purpose of this letter is to request a CalWORKs pilot waiver retroactive for the City of San Francisco’s Abundant Birth Pilot (ABP) project.

Purpose of the Pilot:

A partnership between the San Francisco Department of Public Health, the Hellman Foundation and the UCSF Preterm Birth Initiative, the Abundant Birth Project (ABP) seeks to understand how unconditional guaranteed income can improve birth outcomes for Black and Pacific Islander mothers and their children in San Francisco. Black and Pacific Islander families in San Francisco, and throughout California and the nation, have historically faced stark health disparities in birth outcomes, including low birthweight, premature birth, maternal death, and infant mortality¹; extensive research has demonstrated that these disparate health outcomes are associated with income disparities.²

Specifically, from 2012-2016, Black infants in San Francisco were almost twice as likely to be born prematurely compared to white infants (14% compared to 7%).³ Despite representing only 4% of all births, Black families account for half of the maternal deaths and over 15% of infant deaths in San Francisco.⁴ Similarly, Pacific Islander mothers face comparable deleterious birth and maternal outcomes,

¹San Francisco Department of Public Health, Population Health. (2016). San Francisco Community Health Needs Assessment.

²Chambers, B.D., Baer, R.J., McLemore, M.R. et al. Using Index of Concentration at the Extremes as Indicators of Structural Racism to Evaluate the Association with Preterm Birth and Infant Mortality—California, 2011–2012. *J Urban Health* 96, 159–170 (2019). <https://doi.org/10.1007/s11524-018-0272-4>

³ San Francisco Department of Public Health, Population Health. (2016). San Francisco Community Health Needs Assessment.

<https://www.sfdph.org/dph/hc/HCAgen/HCAgen2016/May%2017/2016CHNA-2.pdf>

⁴ San Francisco Health Improvement Partnership. (n.d.). Maternal and Infant Mortality. <http://www.sfhip.org/chna/community-health-data/maternal-and-infant-mortality/>

and Pacific Islander infants have the second-highest preterm birth rate (11%). Research has shown that disparities in Black and Pacific Islander

maternal and infant outcomes are rooted in racism and the marginalization of Black women and women of color and their birth practices.⁵ For example, Black and Pacific Islander mothers’ poor birth outcomes have been associated with uneven access to services, social determinants of poor health, institutional barriers to quality care, all of which are interrelated with income disparities.⁶ In San Francisco, Black and Pacific Islander families face a significant degree of income inequality: the median annual household income for both these populations ranges in San Francisco from \$30,000 to \$67,000 compared to over \$100,000 citywide.⁷

In order to counteract the impact of income disparities on birth outcomes resulting from racism and its associated structural inequities, ABP seeks to provide a \$1,000 monthly supplement, funded entirely by private dollars, to 150 Black and Pacific Islander pregnant women in San Francisco through the first six months of their baby’s life. This program seeks to decrease the underlying toxic stress and other impacts of financial insecurity, which contribute to the disparate rate of poor birth outcomes in these communities, through direct and unconditional supplemental income.

Beginning in July 2021, the demonstration project will provide 150 Black and Pacific Islander pregnant mothers a guaranteed monthly income of \$1,000 for a 12-month period. The income will be unconditional, meaning there are no work requirements and no restrictions on how the money can be spent. To be eligible, the Black or Pacific Islander women must be no later than their second trimester of pregnancy with annual household incomes less than \$100,000.⁸ ABP aims to make the first disbursement in June 2021, and the final disbursement will be in July 2023, with a rolling admissions process.

Evaluation of Impact

The recipient selection process and evaluation of ABP will be led by the Preterm Birth Initiative–CA at University of California, San Francisco (UCSF) and University of California, Berkeley (UCB). The UCSF/UCB research team will start with a formative evaluation to structure the program, followed by a subsequent outcomes evaluation, which will examine related health and economic impacts. Through an optional storytelling pool, ABP will also be empowering program participants to share their experiences.

⁵ Chambers, B.D., Baer, R.J., McLemore, M.R. et al. Using Index of Concentration at the Extremes as Indicators of Structural Racism to Evaluate the Association with Preterm Birth and Infant Mortality—California, 2011–2012. *J Urban Health* 96, 159–170 (2019). <https://doi.org/10.1007/s11524-018-0272-4>

⁶ Wang, D., Gee, G.C., Bahiru, E. et al. Asian-Americans and Pacific Islanders in COVID-19: Emerging Disparities Amid Discrimination. *J GEN INTERN MED* 35, 3685–3688 (2020). <https://doi.org/10.1007/s11606-020-06264-5>

⁷ San Francisco, CA. Data USA. (n.d.). <https://datausa.io/profile/geo/san-francisco-ca>.

⁸ The Abundant Birth Project was co-designed with Black and PI women from the community. Area Median Income in San Francisco is \$106,550 for a household of two.

This mixed methods process and outcomes evaluation seeks to accomplish the following research objectives:

1. To determine the feasibility and acceptability of administering and evaluating an income supplement to Black and PI pregnant people.
2. To examine if additional income in pregnancy suggests improvements in maternal and infant health outcomes, including mental health and stress.
3. To understand how a monthly income supplement impacts financial stability, employment, and benefit utilization.

Evaluation Design

In an effort to assess differences in maternal and infant stress and wellbeing, the research team will recruit a comparison group to participate in the evaluation. There will be two arms of the comparison group (n≈300): 1) a SF waitlist control and 2) a neighboring county control group from Bay Area counties with similarly high costs of living and where birth disparities exist for Black and PI people. Participants will be matched, using propensity scores or stratification based on variables such as race/ethnicity, income, and gestation in pregnancy at enrollment.

Participants who are eligible for the ABP will have the option to enroll in the research and evaluation project whether or not they are accepted into the program. Participation in the evaluation will be optional and will not affect participation in the ABP pilot program. Comparison group study participants from neighboring counties must meet all ABP program criteria, aside from living in San Francisco.

Data sources will include: surveys; in-depth interviews; medical record review; administrative data, and program data.

Program Measures

The primary outcome measures include birth outcomes: Gestational age, PTB, birthweight, LBW, SGA. Secondary outcomes include: perinatal mental health; financial security, savings, financial strain, stress, hope and agency, food security, health behaviors and breastfeeding. (Please see the attached Evaluation Plan for more details.)

Number of CalWORKs Recipients in Demonstration Project:

Given the incompatibility between ABP’s income eligibility criteria (\$100,000 per household) and the CalWORKs Program’s, is it difficult to predict precisely how many CalWORKs families may be impacted by the additional income. It may be that most or all of the program participants meet the CalWORKs income threshold and may therefore be impacted or it may be that none does. Based on a prior analysis, in 2019, there were 258 Black or Pacific Islander mothers enrolled in CalWORKs who were pregnant and/or had a child 6 months or younger. Of these, 2 already had annual income above 100% FPL. Of the remaining 256 mothers, 18 (7% of all the CalWORKs Black/PI mothers) would have incomes above 100% FPL and therefore lose CalWORKs eligibility with an additional \$1,000 per month. However, for those mothers who would not lose CalWORKs eligibility altogether, the

CalWORKs and CalFresh Waivers – Abundant Birth Project’s Waiver Request **CONTINUED**

additional \$1,000 income would very likely have resulted in a decrease of their CalWORKs monthly benefit payment.

To provide a sense of the universe of Black and Pacific Islander mothers who may have been eligible for ABP that same year, there were a total of 449 Black and Pacific Islander births in San Francisco in 2019; 238 (53%) of these were insured through Medi-Cal.

Policy to be Waived for Demonstration Project:

The City of San Francisco requests that policies set forth in the Manual of Policies and Procedures (MPP) Section 44-101(g), Section 44-102.14, and Section 44-315.31 be waived so that the universal basic income funds provided to families in this demonstration project are not counted as income for purposes of CalWORKs benefit determination (both eligibility and benefit amount).

Duration of Demonstration Project:

The duration of the demonstration project will be July 1, 2021 through June 30th, 2023 with ongoing enrollment. The program has set aside a flexible pool of funding so support families who are discontinued from benefits while CDSS reviews this waiver application.

City and County of San Francisco Contact Person:

The contact person in San Francisco County will be Susie Smith, Deputy Director of Policy and Planning for the San Francisco Human Services Agency. Ms. Smith’s email address is susie.smith@sfgov.org and her phone number is 415 307-3291.

Thank you for your consideration.

Sincerely,



Trent Rhorer
Executive Director

Attachments:

- IRB Approval
- Informed Consent Form for Research
- Evaluation Plan

CalWORKs & CalFresh Waivers – Abundant Birth Project Client Explanation of Income Exclusion (SFHA)



SAN FRANCISCO
HUMAN SERVICES AGENCY

Department of Benefits
and Family Support

Department of Disability
and Aging Services

Office of Early Care
and Education

P.O. Box 7988
San Francisco, CA
94120-7988
www.SFHSA.org



London Breed
Mayor

Trent Rhorer
Executive Director

September 23, 2021

Dear San Francisco Human Services Eligibility Worker:

In July 2021, the City of San Francisco, California, in collaboration with the San Francisco Department of Public Health, launched the Abundant Birth Project (ABP): an initiative to provide a supplemental guaranteed income (GI) of \$1,000 monthly for a 12-month period to 150 Black or Pacific Islander pregnant mothers within the City who have annual household incomes less than \$100,000 and are no later than their second trimester of pregnancy.

Pursuant to Section 18204 of the Welfare and Institutions Code, on September 23, 2021, the California Department of Social Services Director Johnson approved San Francisco Human Services Agency's waiver request to exclude Abundant Birth Project participants' \$1,000 per month guaranteed income from:

- **CalWORKs eligibility determination and re-determination, and benefit amount.**
- **CalFresh eligibility determination and re-determination, and benefit amount.**

Below is an excerpt of CDSS's approval letter, dated September 23, 2021:

"Under this waiver, income received through the Abundant Birth Project will not count against the CalWORKs household for purposes of eligibility or cash grant maximum aid payment calculation. Subsequently, at State option, CalFresh will also exclude said income in accordance with 7 CFR 273.9(c)(19)(iv).

Provisions

Portions of the following WIC and Manual of Policies and Procedures (MPP) Sections are being waived for purposes of this Demonstration Project in accordance with provisions in WIC Section 18204:

WIC Sections 11265.1, 11265.2 and 11265.46

These sections establish that counties shall redetermine CalWORKs recipient eligibility and grant amounts on a semiannual or annual basis using reasonably anticipated income. *For Abundant Birth Project participants, the \$1,000 received through the ABP each month will not be counted as income or "reasonably anticipated income" for the purposes of program eligibility.*

MPP Sections 44-101 to 44-133

CONTINUED

**SAN FRANCISCO
HUMAN SERVICES AGENCY**

P.O. Box 7988
San Francisco, CA
94120-7988
www.SFHSA.org

These sections set forth the treatment of all income for CalWORKs assistance units (AU) in determining initial and ongoing eligibility. *For Abundant Birth Project participants, the \$1,000 received through the ABP each month will not be counted as income or reasonably anticipated income for the purposes of program eligibility.*

WIC Sections 11265.3 and 11265.47 and MPP Section 44-316.324

These sections describe the level of income that triggers the need for a CalWORKs AU to report a change in income, or that renders an AU financially ineligible for CalWORKs. *For Abundant Birth Project participants, the \$1,000 received through the ABP each month will not be considered income for the purposes of income reporting or program eligibility.*

WIC Section 11450, 11450.12 and 11450.5 and MPP Sections 44-313 to 44-315

These sections set forth the prospective budgeting methods used to compute CalWORKs aid payment amounts. *For Abundant Birth Project participants, the \$1,000 received through the ABP each month will not be used in the calculation to determine the amount of cash aid for the payment period.”*

If you have any questions about this waiver approval or how Abundant Birth Project participant’s guaranteed income should be treated for the purposes of eligibility or re-determination, please contact Jai Partnoff at (415) 802-6664 for questions about CalWORKs and Janet Mendoza at (415) 558-1222 for questions about CalFresh.

Thank you,

Anna Pineda

Anna Pineda
Deputy Director Economic Support and Self-Sufficiency
San Francisco Human Services Agency

Public Housing – San Francisco Housing Authority Waiver Request and HUD Approval Letter



**HOUSING AUTHORITY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

Tonia Lediju, PhD
Acting Executive Director
Transition Lead

DELIVERED VIA E-MAIL

February 3, 2021

Attention: Trevor Auser
U.S. Department of Housing and Urban Development
San Francisco Regional Office-Region IX
One Sansome Street, Suite 1200
San Francisco, California 94104-4430

Re: *Waiver to Annual Income Requirement (24 CFR 5.609(c)) for Abundant Birth Project Participation*

Dear Mr. Auser:

The Housing Authority of the City and County of San Francisco (Authority) is requesting a waiver to the annual income requirement in 24 CFR 5.609(c) in support of Abundant Birth Project, a new initiative in the City and County of San Francisco (City).

In December 2020, San Francisco Mayor London Breed announced the launch of Abundant Birth Project, a pilot income supplement program that provides a \$1,000 monthly supplement to 150 Black and Pacific Islander women in San Francisco for the duration of the pregnancy and through the first six months of their baby's life. The goal is to improve birth outcomes for Black and Pacific Islander families, who have historically experienced stark health disparities. According to the San Francisco Department of Public Health data from 2012 to 2016, Black infants are almost twice as likely to be born prematurely compared to White infants (14% compared to 7%). Despite representing only 4% of all births, Black families account for half of the maternal deaths and over 15% of infant deaths. Pacific Islander infants have the second-highest preterm birth rate (11%) and face similar disparities as black families.

Research has demonstrated that maternal and infant mortality is rooted in racism and the marginalization of Black and women of color and their birth practices. This is evidenced by uneven access to services, social determinants of health, other institutional barriers to quality care, further underscored by the wealth gap. It is unconscionable to ignore that Black and Pacific Islander families face a significant degree of income inequality in San Francisco, where the median annual household income for both these populations ranges from \$30,000 to \$67,000 compared to \$104,000 citywide. The Abundant Birth Project seeks to decrease the underlying stress of financial insecurity that has been well-documented to contribute to the high rates of premature birth in these communities through direct, unconditional supplemental income.

1815 Egbert Avenue, San Francisco, CA 94124
Main Line: (415) 715-5200 • TTY: (415) 467-6754 • www.sfha.org

February 3, 2021
Page 2 of 2

As a program participant in the Housing Choice Voucher Program (HCV) or a resident in the Low-Income Public Housing (LIPH) program, reporting of all income received is required. The Abundant Birth Project does not seek to cause any of its participants financial harm by its monthly stipend qualifying as income, which contributes to a higher rent calculation. For this reason, the Authority seeks a waiver to 24 CFR section 5.609(c)(8)(iii):

Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program.

Furthermore, joining a program wherein a monthly income supplement is provided to a targeted population for a specific period of time is no different from a program such as the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), which, similar to the Abundant Birth Project, is only provided to women during pregnancy and after giving birth and does not result in a rent increase. Therefore, participation in the Abundant Birth Project merits a waiver and aligns to the fundamental values of programs such as WIC.

The Abundant Birth Project is a partnership between the San Francisco Department of Public Health, the Hellman Foundation and UCSF Preterm Birth Initiative. With HUD's approval to this waiver request, the Authority and HUD will provide low-income pregnant women of color a meaningful and limited opportunity to improve their and their baby's outcomes including inching one step closer to self-sufficiency. Your consideration of this request is appreciated.

In Service,



Tonia Lediju
Acting Executive Director and Transition Lead
Housing Authority of the City and County of San Francisco



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

Ms. Tonia Lediju
Acting Executive Director and Transition Lead
Housing Authority of the City and County of San Francisco
1815 Egbert Avenue
San Francisco, CA 94124

4/13/2021

Dear Ms. Lediju:

This is in response to your letter requesting a waiver of 24 CFR 5.609 for the Housing Authority of the City and County of San Francisco (SFHA) to deduct or exclude a monthly supplement from annual income for families participating in the City of San Francisco's Abundant Birth Project. The Abundant Birth Project will provide a \$1,000 monthly supplement to 150 total recipients for up to 12 months, though not all recipients will be Housing Choice Voucher or Public Housing program participants. The goal is to improve birth outcomes for Black and Pacific Islander families who have historically experienced stark health disparities. The City of San Francisco along with its partners will conduct a mixed-methods evaluation to examine the impact of the payments on stress, financial security, health, and well-being.

According to 24 CFR 5.611(b), a public housing agency (PHA) may adopt additional deductions from annual income for its Public Housing program other than the mandatory deductions listed in 5.611(a). However, the agency must establish a written policy for the permissive deductions. On April 25, 2018, the PHA Board of Commissioners approved the amendment of the PHA Admission and Continued Occupancy Policies (ACOP) and Annual Plan to establish a deduction for the research-related cash payments received by selected public housing families. Accordingly, a waiver of 24 CFR 5.609 is not required to deduct from annual income the research-related cash payments for the public housing participants.

The Housing Choice Voucher program, however, does not currently allow agencies to establish additional deductions outside of those permitted by 24 CFR 5.611(a). The Department of Housing and Urban Development (HUD) is in the process of implementing the *Housing Opportunity Through Modernization Act of 2016, Public Law 114-201* (HOTMA) which will allow permissive deductions for the Housing Choice Voucher program. Until HOTMA is implemented, HUD will grant a limited waiver of 24 CFR 5.609(b)(7), which requires participant income including "periodic and determinable allowances...and regular contributions or gifts received from organizations or from persons not residing in the dwelling." This waiver is granted specifically to allow SFHA to exclude from income the research-related monthly supplement provided to Housing Choice Voucher families participating in the Abundant Birth Project to further the goals of the research. At the time HOTMA is implemented, this waiver will expire and SFHA will need to adopt a permissive deduction in its Administrative Plan for the Housing Choice Voucher program as it has already done in its ACOP for the Public Housing program.

www.hud.gov

espanol.hud.gov

2

If you have any further questions, please contact Sylvia Whitlock, Housing Program Specialist, Public Housing Management and Operations Division at Sylvia.C.Whitlock@hud.gov, or Ashley Matthews, Housing Program Specialist, Housing Voucher Management and Operations Division at Ashley.E.Matthews@hud.gov.

Sincerely,

Danielle Bastarache

Danielle Bastarache
Deputy Assistant Secretary
for Public Housing and Voucher Programs

Public Housing – Oakland Moving to Work Income Exemption

Oakland's Resilient Families pilot worked with the Oakland Housing Authority (OHA) to propose changes to OHA's Annual Plan under the federal Moving to Work (MTW) program that will exempt cash transfer payments for public housing residents.

OHA included within their FY22 MTW Annual Plan a proposal to partner with local programs for increasing economic self-sufficiency via the Moving To Work fund's existing alternative recertification schedule activities. On page 56 of the [FY2022 Plan](#), OHA proposed to exclude income of GI participants from the income calculation used to determine rent. OHA submitted the plan for local comment and to their Board in April 2021 and received HUD approval in August 2021. The relevant section is copied below:

Planned Non-Significant Changes: OHA plans to exclude income reporting requirements for additional income due to participation in pilot programs designed to test the concept of guaranteed income. It is expected that these programs will be relatively short term (1-2 years) in duration and OHA expects to prioritize re-certifications for participants in these programs to occur at the beginning of their pilot program participation.

Unemployment, State Disability, Paid Family Leave – Client Guidance from Legal Aid at Work

Below is a multilingual handout developed by Legal Aid at Work, providing guidance to guaranteed income recipients that they do NOT need to report gifts (like guaranteed income payments) to the California Employment Development Department (EDD) for purposes of receiving unemployment insurance, paid family leave, or state disability insurance.

Do I have to report gifts to the Employment Development Department?

The Employment Development Department (EDD) requires you to report any **wages** you earn while receiving State Disability Insurance (SDI), Paid Family Leave (PFL), or Unemployment Insurance (UI). However, **gifts** are not considered wages because they are not given in exchange for work or services. **So, you do not need to report gifts to the Employment Development Department. Gifts will not impact your eligibility for benefits or the amount you receive.**

If you have additional questions about your rights during pregnancy or as a new parent, please call Legal Aid at Work's Work and Family Helpline for free, confidential legal advice.

(800-880-8047 or <https://legalaidatwork.org/wf>)

¿Tengo que reportar regalos al Departamento del Desarrollo del Empleo?

El Departamento del Desarrollo del Empleo (EDD, por sus siglas en inglés) requiere que usted reporte cualquier **salario** que gane mientras recibe beneficios del Seguro de Incapacidad (SDI, por sus siglas en inglés), Permiso Familiar Pagado (PFL, por sus siglas en inglés) o seguro del desempleo (UI, por sus siglas en inglés).

Sin embargo, los **regalos** no se consideran salarios porque no se dan a cambio de trabajo o servicios. **Por lo tanto, usted no necesita reportar regalos al Departamento del Desarrollo del Empleo. Los regalos no afectarán su elegibilidad para beneficios o la cantidad que usted recibe.**

Si tiene preguntas adicionales sobre sus derechos durante el embarazo o como nuevo padre, llame a la línea de ayuda de Legal Aid at Work programa del Trabajo y la Familia para obtener asesoramiento legal confidencial y gratuito.

(800-880-8047 o <https://legalaidatwork.org/wf>)

我是否要把礼物告诉给失业局?

失业局EDD要求你告诉他们，在领取加州伤残保险 State Disability Insurance (SDI)、带薪家庭假 Paid Family Leave (PFL), 或者失业金 UI 期间赚取的工资。不过，礼物馈赠不算工资，因为它们不是凭工作或者提供服务换取的报酬。所以，你不需要告诉失业局你得到的礼物。礼物不会影响你的失业金资格以及数额。

如果你有任何有关怀孕期间或者作为新父母的权利问题，请致电劳工法律中心的工作和家庭项目，获取免费和保密的法律咨询。

(800-880-8047 o <https://legalaidatwork.org/wf>)

**LEGAL
AID AT
WORK**