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City Attorney's Office

OAKLAND CITY COUNCIL 88661

RESOLUTION NO. _____ C.M.S.

INTRODUCED BY COUNCILMEMBER LOREN TAYLOR

RESOLUTION SUPPORTING THE STUDY AND IMPLEMENTATION OF UNCONDITIONAL GUARANTEED CASH TRANSFER POLICIES AND PILOTS PROMOTING RACIAL EQUITY FOR LOW INCOME OAKLANDERS AT THE LOCAL, STATE, AND NATIONAL LEVELS

WHEREAS, one of the deadliest underlying conditions in America is systemic racism; and for generations, racial and economic segregation has limited the mobility of Black and Indigenous People of Color (BIPOC) Oaklanders, resulting in the concentration of low-income BIPOC residents in socio-economically disadvantaged communities – communities experiencing significantly worse educational, health, and economic outcomes relative to other communities in Oakland and across the Bay Area; and

WHEREAS, the COVID-19 pandemic amplified the disparities facing Black and LatinX communities and on May 19, 2020, and amended on June 2, 2020, the City Council declared a Local Health Emergency For Oakland's Black And Latinx Residents due to the COVID-19 pandemic which cited reports, data and information provided by governmental, health, community and other organizations documenting the devastating and unequal impacts of COVID-19 on Oakland's Black and Latinx residents; and

WHEREAS, the City Council recognizes that the Oakland unemployment rate in the City has dramatically risen due to the COVID-19 pandemic due to wage/job loss and business closures, with disproportionate high impact on low-income Black and Latinx communities; and

WHEREAS, the Oakland City Council is committed to redressing social and economic inequity and has adopted the Oakland Equity Indicators Report (2018) as a guide to redress persistent inequity and clarifies that one's life outcomes and socioeconomic status are specifically linked to their race and where they live; and

WHEREAS, Rev. Dr. Martin Luther King Jr. stated, "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"; and

WHEREAS, the Black Panther Party, founded in Oakland in 1966 stated in their Ten-Point Program: "We believe that the federal government is responsible and obligated to give every man employment or a guaranteed income"; and

WHEREAS, experts believe that unconditional cash transfers help to curb poverty, provide financial security for communities in need; allow for creative and useful forms of unpaid labor to flourish, and improve mental well-being and overall quality of life, all of which are desired components of a response to the disparities faced by Black, Latinx and BIPOC communities; and

WHEREAS, cash transfers have been proven to protect people's standards of living during crises, help stabilize the economy during recessions allowing residents to <u>more quickly recover</u> their lost assets, and have a significant long-term impact on communities and their residents after the immediate crisis ends; and

WHEREAS, cash transfer programs can come in various forms including both (i) a guaranteed income (GI) program that delivers an unconditional monthly, cash payment given directly to individuals with no strings attached and no work requirements, and can be a tool for race and gender equity by providing the cash assistance to those with the greatest need, and (ii) a Universal Basic Income (UBI) program which is meant to deliver an equal cash payment to everyone without considering their level of need; and

WHEREAS, implementing cash transfer programs at the scale needed to fully address poverty across the United States will require significant federal government investment, and such large-scale investment at the federal level will require a body of evidence that demonstrates the potential impact cash transfer programs can have - a body of evidence that gained through conducting smaller more focused pilot studies in various cities across the country; and

WHEREAS, many government officials across the world have already implemented cash transfer programs to alleviate financial losses and uplift underserved communities and there are successful UBI and guaranteed income pilot programs that have shown positive results including:

- The state of Alaska's UBI program that was initiated in 1982
- A 2017-2018 national, government-backed basic income experiment by the Finnish government compared outcomes for unemployed residents receiving a UBI versus those unemployed residents who received normal unemployment benefits
- A basic income study called 'Mincome' which was conducted in the small, rural town of Dauphin, Canada, where families were guaranteed \$16,000 annually and the study saw rates of hospitalizations fall, improvements in mental health, and a rise in the number of children who graduated from high school
- The Stockton Economic Empowerment Demonstration (SEED) whereby former Stockton Mayor Michael D. Tubbs started a pilot program that gives \$500 a month to 125 local families in Stockton, California and the City of Stockton found that providing a cash payment to residents increased economic security for working-class families, experienced less mental strain and depression than the control group, improved overall wellbeing, and were generally more satisfied with their lives and had more confidence in the future; and

WHEREAS, Mayors for Guaranteed Income (MGI), formed in June 2020 as a coalition of mayors and city leaders to advocate for a guaranteed income—direct, recurring cash payments—that lifts all of our communities, building a resilient, just America. This coalition includes more than 25 mayors from around the country, several of whom are committed to launching guaranteed income pilots in their cities in 2020 and 2021; and

WHEREAS, Oakland is an ideal location to pilot cash transfer policies and programs to generate the desired learnings that will inform state-level and national policy on implementing cash transfer programs at scale and contribute to the overall body of evidence for the potential of such programs at the state and federal levels; and

WHEREAS, On March 23, 2021, Oakland Mayor Libby Schaaf joined the Mayors for a Guaranteed Income, The Families Independence Initiative, and Oakland Thrives to launch Oakland Resilient Families, one of the largest guaranteed income pilot programs in the country to eliminate racial wealth disparities; which will provide 600 families with \$500 per month for 18 months; and

WHEREAS, Oakland Resilient Families is targeted to support families with the greatest wealth disparities per the <u>Oakland Equity Index</u>, with low-incomes and at least 1 child under 18, regardless of documentation status. Families will receive \$500 per month for 18 months, unconditionally, to use however they choose. They have the option of participating in periodic surveys and interviews but are not required to; and

WHEREAS, Oakland's Human Services Department is exploring a guaranteed income program for homeless transitional aged youth (ages 18-24) with the goals of increased housing stability, increased income, and increased health; and

WHEREAS, many Oakland civic leaders and community organizations are also exploring the creation of guaranteed income or universal basic income programs in Oakland; and

WHEREAS in addition to Oakland, a growing number of US cities are implementing or considering implementing cash transfer programs to uplift under resourced and underserved communities, including:

- In January, 2021 Compton Mayor Asia Brown <u>announced The Compton Pledge</u>, a guaranteed income pilot program whereby Compton residents will receive \$1800 every three months for two years
- On April 19, 2021, the Mayor of Los Angeles, Eric Garcetti announced the BIG: LEAP program, a 24 million anti-poverty program, the largest guaranteed income pilot in the nation, which will provide 2,000 families with \$1,000 for a year. \$24 million; and
- On March 23, 2021, Marin County officials announced a guaranteed income pilot program that will provide \$1,000 monthly grants to 125 low wage-earning women of color who are raising at least one child in Marin County over a two-year period
- On March 25, 2021 San Francisco Mayor, London Breed <u>announced a guaranteed income pilot program for San Francisco artists</u> in partnership with Yerba Buena Center for the Arts to implement \$1,000 per month economic relief for approximately 130 San Francisco artists hardest hit by the COVID19 pandemic

WHEREAS, Oakland has the opportunity to be a national leader by exploring additional pilots in Oakland, producing additional evidence to support a national guaranteed income program, and supporting the overall movement toward wealth equality; now, therefore, be it

RESOLVED: That the Oakland City Council expresses its support for the continued study and implementation of unconditional guaranteed cash transfer policies and pilots promoting racial equity across the country at the local, state, and national levels to the immediate and future benefit of low-income Oaklanders.

IN COUNCIL, OAKLAND, CALIFORNIA,

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PASSED BY THE FOLLOWING VOTE:

AYES - FIFE, GALLO, KALB, KAPLAN, REID, TAYLOR, AND PRESIDENT FORTUNATO BAS — 7

ATTEST:

ASHA REED

City Clerk and Clerk of the Council of the

City of Oakland, California