

## Testimony on HB 2101 to prohibit guaranteed income programs

## Presented to Kansas House Committee on Welfare Reform

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Chairman Awerkamp and members of the committee:

My name is Liesel Crocker, testifying on behalf of Opportunity Solutions Project in support of HB 2101 to ban guaranteed income programs in Kansas.<sup>1</sup>

Guaranteed income programs are gaining in popularity across the country. These programs, often run by local or city governments, distribute no-strings-attached cash payments. Recipients can spend the payments on whatever they like, and there are no work or education requirements. Nationwide, there have been more than 150 programs implemented using both taxpayer and private dollars.<sup>2</sup>

According to proponents of these programs, the purpose isn't simply research—it is to build a case for a federal-level, taxpayer-funded universal basic income program.<sup>3</sup> Such a program would cost trillions of dollars, completely undermine the value of work, and cause economic turmoil.<sup>4</sup>

Studies of guaranteed income programs across multiple states have shown what we know from common sense—guaranteed income is ineffective, reduces work, and traps people in government dependency.

One recent study showed that guaranteed income did not improve recipients' health outcomes, food security, or economic wellbeing.<sup>5</sup> Those receiving a monthly payment worked less than the control group and spent more time on leisure activities.<sup>6</sup> Participants

<sup>&</sup>lt;sup>1</sup> House Bill No. 2101, https://kslegislature.gov/li/b2025\_26/measures/documents/hb2101\_00\_0000.pdf.

<sup>&</sup>lt;sup>2</sup> Stanford University, "Basic income lab," Stanford University (2023), <a href="https://basicincome.stanford.edu/experiments-map/">https://basicincome.stanford.edu/experiments-map/</a>.

<sup>&</sup>lt;sup>3</sup> Liesel Crocker, "Why states should ban universal basic income schemes," Foundation for Government Accountability (2024), <a href="https://thefga.org/research/why-states-should-ban-universal-basic-income-schemes/">https://thefga.org/research/why-states-should-ban-universal-basic-income-schemes/</a>.

<sup>&</sup>lt;sup>4</sup> Ibid.

<sup>&</sup>lt;sup>5</sup> Sarah Miller et al, "Does income affect health? Evidence from a randomized control trial of guaranteed income," University of Illinois at Urbana-Champaign (2024), <a href="https://public.websites.umich.edu/~mille/ORUS\_Health.pdf">https://public.websites.umich.edu/~mille/ORUS\_Health.pdf</a>.

<sup>&</sup>lt;sup>6</sup> Eva Vivalt et al, "The employment effects of a guaranteed income: Experimental evidence from two U.S. states," University of Illinois at Urbana-Champaign (2024), <a href="https://evavivalt.com/wp-content/uploads/Vivalt-et-al.-ORUS-employment.pdf">https://evavivalt.com/wp-content/uploads/Vivalt-et-al.-ORUS-employment.pdf</a>.

also did not seek out better jobs or education.<sup>7</sup> At the end of the three-year program, recipients of guaranteed income had worse personal finances and more debt.<sup>8</sup>

According to surveys of participants across 30 pilot programs, only nine percent of funds were spent on housing and two percent on health care. The largest category of spending was on retail sales, such as a purchase from Walmart or Target. In Washington D.C., participants of a program reported spending the money on a vacation to Miami, splurges on clothes, and birthday parties.

Here's the bottom line: Guaranteed income is a bad policy, regardless of who receives a check or what they choose to spend it on. Guaranteed income programs disincentivize work and trap people in government dependency.

In California, local pilot programs led to a new state policy to provide guaranteed income at a cost of \$35 million.<sup>11</sup> That's why four states have already taken action to protect their economies and ban these socialist programs. State lawmakers in Kansas can do the same by prohibiting local governments from administering guaranteed income programs. I encourage the committee to support HB 2101.

Thank you for your time.

<sup>7</sup> Ibid.

<sup>&</sup>lt;sup>8</sup> Racehl Greszler, "Universal Basic Income: Not the panacea it's advertised as," Heritage Foundation (2024), https://www.heritage.org/taxes/commentary/universal-basic-income-not-the-panacea-its-advertised.

<sup>&</sup>lt;sup>9</sup> Guaranteed Income Pilots Dashboard, Center for Guaranteed Income Research (2024), <a href="https://guaranteedincome.us">https://guaranteedincome.us</a>.

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<sup>&</sup>lt;sup>11</sup> Cinnamon Janzer, "Guaranteed income initiatives are moving from pilots to policies," Next City (2022), https://nextcity.org/urbanist-news/guaranteed-income-initiatives-are-moving-from-pilots-to-policies.