MOTION BY SUPERVISORS HOLLY J. MITCHELL AND SHEILA KUEHL

May 18, 2021

ESTABLISHING A LOS ANGELES COUNTY POVERTY ALLEVIATION POLICY AGENDA AND CREATING A COUNTYWIDE GUARANTEED INCOME PROGRAM

Long before the dual pandemic - both public health and economic – caused by COVID-19, the United States' (U.S.) and Los Angeles' economies have been plagued by instability, much of it caused by staggering levels of inequality. As we endeavor to create a more resilient economy and Los Angeles County (County), we must explore guaranteed income and other measures of poverty alleviation as permanent County policy, not just as an emergency measure to help with this crisis. The coronavirus crisis has heightened and made more vivid what was already clear to many: the inequities in our economy have been a matter of life and death for many of our most vulnerable County residents. Prior to the COVID-19 epidemic, the safety net failed to address the structural issues that have been keeping many children and their families trapped in poverty.

For the past five decades, the Black unemployment rate has remained close to double the white unemployment rate, even in labor markets where overall unemployment rates were in the very low single digits.¹ Racial discrimination by employers continues to be a significant factor. Housing discrimination and exclusionary zoning have kept Black families and other families of color locked out of neighborhoods from which good jobs, good schools, parks, and community amenities are easily accessible. We must fundamentally shift the idea that people who face financial insecurity have somehow failed, and instead recognize that it is the inequity and lack of access built into our economy and government assistance programs that have failed us.

Additionally, we know that occupational segregation by race and gender is a factor, and that

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¹ On the Persistence of the Black-White Unemployment Gap. Center for American Progress. Olugbenga Ajilore, February 24, 2020.

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female-dominated industries have lost the most jobs since the onset of the pandemic. For example, in December 2020, the U.S. economy lost 140,000 net jobs, and all the jobs lost were held by women, with women losing 156,000 jobs and men gaining 16,000. Moreover, even before the pandemic, women and people of color tended to be working in lower-paying jobs than their counterparts, and these disparities are amplified at the intersection of race and gender.

To combat poverty and the inequitable distribution of wealth, there is growing community of practice supporting guaranteed income programs in cities and counties across the nation. The concept of guaranteed income (sometimes referred to as universal basic income) dates back centuries when philosopher Thomas Paine called for a basic income in the U.S. in the late 1770s. Martin Luther King, Jr. supported the concept to alleviate poverty in the 1960s. Negative income tax trials were conducted in Seattle and New Jersey starting in the 1960s. In recent years, countries such as Finland have successfully implemented basic income programs.

Lead by former Stockton mayor Michael Tubbs, Mayors for a Guaranteed Income was launched to help incubate these programs, giving groups of mostly lower-income residents a few hundred dollars to \$1,000 monthly with no restrictions on allowable spending for a year or more. It is also taking shape in the U.S. Congress through a variety of proposed tax credits or allowances. The movement for guaranteed income, started by Stockton, has gained currency amid the economic carnage wrought by the COVID-19 pandemic, which has left 10 million Americans unemployed, and heightened awareness of racial inequities after the death of George Floyd while in police custody. A Guaranteed Income program provides households with financial stability during sharp economic swings, alleviates stress and broadens recipients' horizons, allowing them the time to complete deferred schooling and plans to fully participate in their communities. Importantly, these programs come without the scrutiny and work requirements of programs such as welfare and food stamps.

With a once-in-a-generation opportunity to rebuild our economy and leverage potential Federal stimulus dollars, the Board of Supervisors (Board) seeks to declare equitable economic recovery, with the implementation of a guaranteed income program at its foundation, as a Board Directed Priority.

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In 2015, the Board established four Board Priorities, now referred to as Board Directed Priorities (Priorities): The Sheriff's Department/Justice Reform; Child Protection; Health Integration; and the Homeless Initiative. Since then, the Board has added four additional priorities: Environmental Oversight and Monitoring, Immigration, and adopting an Antiracism Diversity and Inclusion Policy Agenda. A Board Directed Priority is the Board's collective response to complex challenges that have adverse impacts on the health, safety, and well-being of County residents and/or its institutions. Given the gravity of the economic recovery ahead and the opportunity to reimagine economic opportunity and create wealth building opportunities, the County must address poverty alleviation at a regional level, with a sustained focus, and include partnerships with philanthropy and the private sector.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

- Recognize, affirm, and declare that poverty and economic opportunity is a matter of public health in Los Angeles County (County) and that economic inequity exacerbated by the COVID-19 pandemic is affecting our County's public health, resulting in large disparities in family stability, economic stability, health and mental wellness, education, employment, public safety, criminal justice and housing.
- 2) Direct the Chief Executive Officer (CEO) to establish a ninth Board Directed Priority to establish a Countywide Poverty Alleviation Initiative (Initiative) that builds on the work of multiple County departments and serves as a regional leader to address the growing wealth gap across multiple cross-sections of the County population and report back to the Board in writing in 90 days with:
 - a. a strategic plan (Plan) and policy platform articulating the mission, vision, values and timeline with deliverables of the Initiative;
 - b. establishment of a Countywide oversight mechanism and incubation of the Initiative that includes collaboration with other initiatives and programs currently housed in the CEO's office including the Anti-racism, Diversity and Inclusion Initiative, the Homeless Initiative, and the Economic Development Unit, and that is dedicated to working with the Board to implement the Plan and priority programs of Initiative;

- c. a comprehensive set of policy recommendations for Board consideration that could be enacted to close the racial and gender wealth gap and provide opportunities for economic opportunity and self-sufficiency; and.
- d. plans to coordinate with the City of Los Angeles and any other jurisdictions throughout the County who endeavor to undertake similar poverty alleviation measures.
- 3) Direct the CEO to, within 60 days, establish a Guaranteed Income Pilot Program (Pilot) Implementation Plan within the Initiative. The Pilot shall include:
 - a. Within 30 days, identify appropriative funding and administrative support for a Pilot to serve no fewer than 1000 County residents for three years;
 - b. Working with the Board, within 30 days engage a consultant or consultants to design the Pilot based on best practices from other jurisdictions including: identification of target population, method to choose participants, engaging community organizations, advocates and service providers, and mechanism for disbursing funding;
 - c. Engage a consultant or consultants to conduct research throughout the duration and beyond the length of the Pilot and determine appropriate impact metrics to demonstrate the efficacy of such a Pilot for the target population;
 - d. Establish a target population that will receive, at a minimum, a monthly income support of \$1,000 and consider as part of the Pilot's target population the inclusion of women living at or below poverty level who were released from incarceration in the last seven years, Transition Age Youth (TAY) head of households, and/or Domestic Violence Survivors head of households; and
 - e. Within 180 days, return with a recommendation for long-term Countywide administration of such an Initiative.

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4) Direct the CEO to recommend and advocate for relevant legislative policies that improve outcomes and reduce racial disparities and support local, regional, state, and federal initiatives that support Guaranteed Income as a poverty alleviation policy and that facilitate full receipt of all state and Federal benefits regardless of participation in a Guaranteed Income program.

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