

FOR IMMEDIATE RELEASE

September 3, 2020

Contact:

Peter Leggett

peter.leggett@ci.stpaul.mn.us

651-307-8603

SAINT PAUL, MN - Today, Mayor Melvin Carter signed **Executive Order 2020-24** authorizing the creation of the People's Prosperity Pilot, Saint Paul's Guaranteed Income Demonstration Program. Led by the Office of Financial Empowerment, the People's Prosperity Pilot will provide up to 150 Saint Paul families with \$500 per month in guaranteed income for a period of up to 18 months. The projected budget of up to \$1.5 million will be supported through the Mayors For Guaranteed Income national network, philanthropy and City of Saint Paul CARES funds. Households will be randomly selected from CollegeBound Saint Paul families from the city's most racially diverse and lowest wealth neighborhoods. The first cash payments to participants are expected to start this fall.

"More than ever before, this economic crisis has pushed families into crisis, struggling to maintain basic necessities for their children," **said Mayor Melvin Carter**. "This demonstration pilot is an exciting new approach to support our most vulnerable families while helping build the case for permanent guaranteed income programs at state and federal levels."

"The divide between the 'haves' and 'haves nots' has never been more clearly on display. In our rich, developed nation, billionaire employers hire people at poverty wages and government programs are errantly designed to keep people stuck in low wage jobs with no path upward," **said Council President Amy Brendmoen**. "I am proud that leadership in Saint Paul continues to create innovative ways to break cycles of poverty. The guaranteed income pilot program gives us an opportunity to directly impact our most vulnerable community members by leveraging private partnerships and non local funding sources. It is my hope that this 18-month test will demonstrate a new approach that can be taken to a broader level."

"A guaranteed income for St. Paul families who are struggling more than ever is an essential step for the stability our residents deserve," **said Ward 4 Councilmember Mitra Jalali**. "Our city has the chance to both help our residents in a crisis and contribute to national research that could restructure a more fair economy for all."

SELECTION PROCESS

Led by the Office of Financial Empowerment, 150 households will be randomly selected from enrolled CollegeBound Saint Paul families in the city's most racially diverse and lowest wealth neighborhoods. These areas include the following zip codes:

- 55104 (St. Paul: Midway, Frogtown, Union Park)

The City is working to determine tax implications for participants and is pursuing an income and asset exclusion from the State of Minnesota to minimize impacts on public benefits.

BUDGET

The budget for the program is projected to be up to \$1.5 million, with up to \$1.35 million of the total budget for direct cash benefits to participants. Identified funding for the program includes support from the Mayors For Guaranteed Income national network, philanthropy, and City of Saint Paul CARES funds.

ADVISORS & EVALUATION

In collaboration with the Mayors for Guaranteed Income Network, the City of Saint Paul is assembling a circle of advisors to provide guidance and expertise in evaluating the pilot. The evaluation will support advocacy efforts to advance guaranteed income policies at the state and federal levels.

ABOUT EXECUTIVE ORDER 2020-24

Emergency **Executive Order 2020-24** authorizes the establishment of the People's Prosperity Guaranteed Income Demonstration Pilot and directs the City of Saint Paul's Office of Financial Empowerment to implement the program.

ABOUT GUARANTEED INCOME AND 'MAYORS FOR A GUARANTEED INCOME'

A guaranteed income is a monthly, cash benefit distributed directly to participating individuals. It is unconditional, with no strings attached and no work requirements. A guaranteed income is meant to supplement, rather than replace, the existing social safety net and can be a tool for racial and gender equity.

Mayor Carter joined Mayors for a Guaranteed Income along with a cohort of mayors from across the country earlier this year to advocate for guaranteed income policy at the state, and federal level, invest in narrative change efforts to highlight the lived experiences of economic insecurity and invite other cities to join in its efforts by providing technical assistance and funding support for new pilots. Learn more about Mayors for a Guaranteed Income at <https://www.mayorsforagi.org/>.

ADDITIONAL INFORMATION

Updates and additional information about the People's Prosperity Guaranteed Income Pilot Program will be available at stpaul.gov/prosperity.

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Last Edited: September 3, 2020

EMERGENCY EXECUTIVE ORDER 2020-24

I, Melvin Carter III, Mayor of the City of Saint Paul, on September 3, 2020, pursuant to Saint Paul Legislative Code Section 13.06, do hereby issue the following Executive Order:

WHEREAS, on March 13, 2020, Minnesota Governor Tim Walz issued Executive Order 20-01 declaring a Peacetime Emergency and coordinating Minnesota's strategy to protect Minnesotans from COVID-19 pursuant to Minn. Stat. § 12.31, subd. 2. This Declaration has been extended and remains in effect; and

WHEREAS, on March 15, 2020, I issued an Emergency Declaration in response to the COVID-19 pandemic pursuant to Minn. Stat. § 12.29, which the City Council consented to on March 17, 2020, and which I extended, and such extension was approved by the City Council on June 10, 2020; and

WHEREAS, on March 25, 2020, the United States Senate unanimously passed (96-0) the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"); and

WHEREAS, on March 27, 2020, the House of Representatives passed the CARES Act, and the bill was subsequently signed into law, thereby providing Economic Impact Payments to many American households; and

WHEREAS, the CARES Act also established and appropriated \$150 billion to the Coronavirus Relief Fund ("Fund"), which was to be used to make payments to state and local governments; and

WHEREAS, according to guidance from the U.S. Department of the Treasury, local governments are authorized to expend CARES Act funds to provide emergency financial assistance to individuals and families directly impacted by a loss of income due to the COVID-19 public health emergency; and

WHEREAS, the entire City of Saint Paul is currently responding to immediate effects of the public health emergency, in the form of employment loss, food shortages and housing hardships suffered by Saint Paul residents; and

WHEREAS, although the impacts of COVID-19 have hit hard across our entire city, according to a July 31, 2020 report by Wilder Research and Family Housing Fund, some neighborhoods and households are "feeling the effect disproportionately and are at greater risk of housing instability"; and

WHEREAS, based upon zip-code level data showing new and continuing unemployment compensation claims, and known housing cost burden (defined as paying more than 30% of their income on housing costs) the July 21, 2020 study identified 55104 (St. Paul: Midway, Frogtown, Union Park), 55106 (St. Paul: Dayton's Bluff, Payne-Phalen), 55119 (St. Paul: Battle Creek – Highwood), and 55117 (St. Paul: North End, Thomas-Dale) as hardest hit by unemployment and housing hardships; and

WHEREAS, according to the U.S. Census Bureau, since the beginning of the COVID-19 pandemic, adults in households with children have been more likely to report permanent loss of employment, food shortages, and low confidence in their abilities to pay mortgage or rent; and

WHEREAS, a U.S. Census Bureau Household Pulse Survey conducted June 18-23, 2020, shows that households with children were more likely to use CARES Act Economic Impact Payments to

pay for ongoing expenses—as opposed to saving or paying off debt—when compared to all households surveyed; and

WHEREAS, because households with children are more likely to spend direct financial assistance on expenses rather than saving or paying off debt, the Household Pulse Survey suggests that directing necessary financial assistance to these households will serve to stimulate the local economy; and

WHEREAS, according to the most recent U.S. Census Bureau American Community Survey, 29% of Saint Paul households with babies (under one year of age) were living in poverty, and 32% of Saint Paul households with babies were enrolled in food stamps, compared with 22% of all Saint Paul residents, signaling that financial insecurity was disproportionately experienced among Saint Paul residents with babies prior to COVID-19, and is likely exacerbated by the COVID-19 public health emergency; and

WHEREAS, by using data reported by Wilder Research and Family Housing Fund, contact information provided by CollegeBound Saint Paul participants, and CARES Act and other funding, the city is uniquely positioned to provide necessary financial assistance to households with children located in the neighborhoods disproportionately impacted by the COVID-19 public health emergency; and

WHEREAS, Saint Paul Leg. Code Chapter 13.06(b) provides that, “whenever necessary to meet an emergency . . . the mayor may by executive order promulgate regulations . . . for which adequate regulations have not been adopted . . . respecting the conduct of persons and the use of property during emergencies; the repair, maintenance and safeguarding of essential public services; emergency health, fire and safety regulations; and all other matters which are required to protect public safety, health and welfare in emergencies.”

WHEREAS, providing guaranteed monthly income to residents in neighborhoods hardest hit by the effects COVID-19 is a necessary and appropriate means of protecting the safety, health and welfare of residents living in those neighborhoods, and the economic health of the city as a whole.

NOW, THEREFORE, MAYOR MELVIN CARTER III, OF THE CITY OF SAINT PAUL DECLARES, REQUESTS, AND DIRECTS AS FOLLOWS:

1. Directs the Office of Financial Empowerment (OFE) to develop and implement a program that provides payments in an amount not to exceed \$500 in monthly guaranteed income to as many as 150 randomly selected Saint Paul residents, subject to the requirements of this Executive Order.
2. Directs OFE to prepare an application for randomly selected residents, and further directs OFE to notify applicants that timely submission of the application does not ensure that they will receive guaranteed income payments, and that OFE may reject inaccurate or incomplete applications.
3. Directs OFE to create eligibility criteria for guaranteed income program applicants, including that the applicant must:
 - a. not hold public office in the City of Saint Paul or be a city employee; and

- b. be the parent or guardian of a CollegeBound Saint Paul beneficiary whose contact information at the time of enrollment into CollegeBound Saint Paul indicates residence in zip codes 55104, 55106, 55119 or 55117; and
- c. demonstrate a COVID-19-related adverse financial impact, such as:
 - i. adverse financial consequences experienced by the applicant as a result of being quarantined, being furloughed or laid off, or having work hours reduced due to COVID-19; or
 - ii. adverse financial consequences experienced by the applicant as a result of being unable to work due to the applicant's COVID-19 diagnosis, or a spouse's or dependent's COVID-19 diagnosis; or
 - iii. adverse financial consequences experienced by the applicant as a result of lack of childcare due to COVID-19; or
 - iv. adverse financial consequences experienced as a result of closing or reducing hours of a business that the applicant owns or operates due to COVID-19; or
 - v. other demonstrable adverse financial consequences experienced by the applicant due to COVID-19.
4. Directs OFE to review all applications for completeness and accuracy, and in order to determine whether applicants are eligible for guaranteed income payments. OFE is further directed to select recipients of guaranteed income payments from the pool of randomly selected and verified eligible Saint Paul residents.
5. Directs OFE to provide up to 18 guaranteed income payments to randomly selected, verified eligible residents in an amount not to exceed \$500 per month, excluding any CollegeBound Saint Paul incentive monies paid.
6. Directs that OFE notify recipients that it may use any legal means to recapture payments made to recipients who are later deemed ineligible for the Program, or who violate any laws, rules or regulations governing the Program.
7. Directs that OFE prepare a statistical and financial report that analyzes the impacts of guaranteed income payments on recipients, neighborhoods, and the City as a whole, including whether guaranteed income payments impact income volatility, economic agency, and financial well-being, as well as the impact of guaranteed income payments combined with any CollegeBound Saint Paul incentives paid. OFE may enter into an agreement with a third-party to complete this study.

Pursuant to Chapter 13 of the Saint Paul Legislative Code, this Executive Order is in immediate effect upon my signature and, if not sooner rescinded or later extended, shall expire at the end of forty (40) days after its effective date or at the end of the declared local emergency to which it relates, whichever occurs first.

Dated this 3rd day of September, 2020.


Mayor Melvin Carter III

St. Paul guaranteed income helps families of color: Struggling households are receiving \$500 per month in guaranteed salary test.

By **Shannon Prather** Star Tribune

FEBRUARY 2, 2021 — 9:39PM

They were 150 young families already on fragile financial footing when COVID-19 inflicted even more pain.

All welcomed newborns to their families in 2020. They all suffered direct economic fallout from the pandemic, including furloughs, lost jobs and lost child care. More than 80% of families identify as people of color and nearly half live on the city's East Side.

That is an early snapshot of the recipients of an 18-month guaranteed income program, an initiative aimed at providing direct aid to families during the pandemic, but also to test a new model for helping people in need.

Muneer Karcher-Ramos, St. Paul director of the Office of Financial Empowerment, shared the overview of the People's Prosperity Pilot on Tuesday. He emphasized that the goal is not to make this a permanent city aid program, but to see if the idea can help shape the national debate about assisting low-income residents.

"It is really intended to push on federal policy and state policy, in particular, to look at how does this become part of the tool kit within our social safety net," he said.

Each family is receiving \$500 a month in income defined as "unconditional, no strings attached and no work required," Karcher-Ramos said.

Payments for some families started in October, and the program was fully operational by November.

The aid is meant to supplement the existing social safety net money, not replace it, he said.

Mayor Melvin Carter was a founding member of the nonprofit Mayors for a Guaranteed Income group. Under his leadership, St. Paul became the second city in the nation, behind Stockton, Calif., to [launch](#) a guaranteed income program last fall. About 30 cities across the country are participating in similar demonstration projects now.

"In a country that works for all of us, no one who works full time should be stuck in poverty or worried about making ends meet," Carter has said in explaining his motivation.

St. Paul is the only program in the nation that focuses on young families with newborns, Karcher-Ramos said. That's because the city used its new infant college savings account program, CollegeBound St. Paul, to recruit families for the income program.

Karcher-Ramos said 40% of participating families identify as Black; 25% as Asian, 13% Hispanic and 2% Native American. All are at or below federal poverty guidelines.

The presentation Tuesday did not have names or specific details about individual recipients.

Sixty-four of the families live in the two wards that make up most of St. Paul's East Side; 29 live in the Fifth Ward, which includes the North End and Payne-Phalen; and 23 live in the First Ward, which includes Frogtown and Summit-University.

"The number of people we are reaching is incredible. The initial reports are really heartwarming," said City Council President Amy Brendmoen, who represents the Fifth Ward.

Income guarantee programs have gained momentum this past year as scholars study the impact of direct payments as part of federal COVID-19 relief packages.

But Karcher-Ramos said Martin Luther King Jr. wrote of the concept in the 1960s.

"The idea of a guaranteed income is not that new," he said. "It is having its reawakening right now."

He said data from the first pilot program in Stockton, Calif., already show that families are using the additional money to buy groceries and pay for utilities and car repairs.

The program will cost \$1.53 million, and the city has already distributed about \$350,000. The city has secured the program's funding through a variety of sources including the federal CARES Act, state funding and [philanthropic dollars](#). Kasey Wiedrich, St. Paul's financial capability program manager, said participant families are still learning to fully trust the program. She said that for many, it initially sounded "too good to be true."

Wiedrich said that in a year of uncertainty, some families said the guaranteed income gave them a little room in their budget to celebrate the holidays.

"There was just a sense of relief from families about knowing that this money was coming," she said.

A dark teal banner with a white border. On the left is a stylized icon of a vaccine vial with a green cap and a blue base. To the right of the icon, the text 'Get your free COVID-19 vaccine.' is written in white. On the far right is the Ramsey County logo, which consists of a white outline of the county and the text 'RAMSEY COUNTY' below it.

☰ MAIN MENU



St. Paul guaranteed income pilot shows early success

February 12, 2021 - by MSR News Online





Charles Hallman/MSR News Online

“No one who works full time should be stuck in poverty or worried about making ends meet,” said St. Paul Mayor Melvin Carter

Earlier last week St. Paul shared the progress of its pilot project designed to lift families struggling with poverty. The guaranteed income program named the People’s Prosperity Pilot was introduced with much fanfare by the City and Mayor Melvin Carter when it was implemented in November 2020.

“It is really intended to push on federal policy and state policy, in particular, to look at how does this become part of the tool kit within our social safety net,” said Muneer Karcher-Ramos, St. Paul director of the Office of Financial Empowerment.

According to Karcher Ramos, every family in the project receives \$500 monthly with no work requirement or strings attached. The aid is meant to supplement the existing social safety net money, not replace it, he said.

St. Paul is only the second U.S. city along with Stockton, Calif. to launch a guaranteed income program. Several other cities are said to be considering similar projects.

“In a country that works for all of us, no one who works full time should be stuck in poverty or worried about making ends meet,” Carter has said in explaining his motivation.

St. Paul is the only program in the nation that focuses on young families with newborns, Karcher-Ramos said. In fact, St. Paul used its infant college savings account program, “CollegeBound St. Paul,”

to recruit families for the income program.

According to Karcher-Ramos, the overwhelming majority of participating families are BIPOC and all are either at or below the federal poverty guidelines.

Sixty-four of the families live in the two wards that make up most of St. Paul's East Side; 29 live in the Fifth Ward, which includes the North End and Payne-Phalen; and 23 live in the First Ward, which includes Frog Town and Summit-University.

"The number of people we are reaching is incredible. The initial reports are really heartwarming," said City Council President Amy Brendmoen, who represents the Fifth Ward.

Income guarantee programs have gained momentum this past year as scholars study the impact of direct payments as part of federal COVID-19 relief packages. "The idea of a guaranteed income is not that new," explained Karcher Ramos, pointing out that it has a history dating back to Martin Luther King. "It is having its reawakening right now."

He said data from the first pilot program in Stockton already show that families are using the additional money to buy groceries and pay for utilities and car repairs.

The program will cost \$1.53 million, and the City has already distributed about \$350,000. The City has secured the program's funding through a variety of sources including the federal CARES Act, State funding and philanthropic dollars.

Kasey Wiedrich, St. Paul's financial capability program manager, said participant families are still learning to fully trust the program. She said that for many, it initially sounded "too good to be true."

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About the People's Prosperity Guaranteed Income Pilot

The City of Saint Paul is launching the People's Prosperity Guaranteed Income Pilot, which will provide up to 150 Saint Paul families with \$500 per month in guaranteed income for a period of up to 18 months. The People's Prosperity Pilot is being offered to families participating in [CollegeBound Saint Paul](#), the City's college savings initiative which is providing every child born to a Saint Paul resident on or after January 1, 2020 with a college savings account and a \$50 seed deposit. In addition to the \$500 families will receive each month through the Pilot, their child will receive a \$10 bonus deposit in their CollegeBound Saint Paul account.

The goal of our guaranteed income pilot is simple: get cash to families in our community with no strings attached so they can buy the things they need like food, housing, and other essentials. For far too long, too many programs that provide support have focused on telling families on how much, where and what to spend resources on. Because families know best what they need, our program gives them the flexibility to determine how to spend these resources.

Who is Eligible for the People's Prosperity Pilot?

People's Prosperity Pilot participants will be selected at random from families with CollegeBound Saint Paul savings accounts and will meet with staff from the City's Office of Financial Empowerment to enroll in the program. The Office of Financial Empowerment will reach out to families through mail, email, or phone to inform them that they have been selected. Since only the families that are randomly selected are eligible, there is not an open application to apply to the People's Prosperity Pilot.

Those randomly selected to participate are eligible if they meet the following criteria:

- They are Saint Paul resident with a child with a CollegeBound Saint Paul account.
- They are not employees of or elected officials in the City of Saint Paul.
- They must have been impacted financially by the COVID-19 pandemic, such as:
 - being furloughed, laid off, or having work hours reduced due to COVID-19;
 - or

- being unable to work due to a COVID-19 diagnosis for you, your spouse or partner, or your dependent; or
- being unable to work due to a lack of childcare due to COVID-19; or
- closing or reducing hours of a business that you own or operate due to COVID-19;
- They must meet the income eligibility guidelines.

For the People's Prosperity Pilot's purposes, no one will ask you for your social security number over the phone. If you feel like you have been contacted by a scam that is using the name or concept of this pilot program, please reach out to us at Prosperity@ci.stpaul.mn.us or 651-266-8680.

Last Edited: March 22, 2021

The People's Prosperity Pilot is Providing Financial Relief for CollegeBound Saint Paul Families

Tuesday, April 20, 2021

In September 2020, the city of St. Paul, MN, launched a guaranteed income pilot championed by Mayor Melvin Carter—a member of the network, [Mayors for a Guaranteed Income](#). [The People's Prosperity Pilot](#) became fully operational in November 2020 and will provide up to 150 families with \$500 per month in guaranteed income for an 18-month period. The program is intended to address economic hardships faced by families in the city.

The city recruited families for the pilot program directly from participants in its CSA program, [CollegeBound Saint Paul](#), which launched in January 2020. All the families participating in the pilot are at or below the federal poverty level, and more than 80% of the families identify as people of color. In addition to monthly payments, selected pilot families also receive a \$10 bonus deposit into their children's CollegeBound CSA. The recurring monthly income payments have no strings attached and can be used for food, housing assistance or other resources at each family's discretion. This financial relief helps lift some of the burden of meeting immediate needs, mitigates some of the economic fallout from the pandemic and may enable families to save in their children's CSA.

While the pilot is providing much-needed aid to families during the pandemic, the long-term goal of the program is to provide a model to inform a national conversation around guaranteed income legislation. "It is really intended to push on federal policy and state policy, in particular, to look at how does this become part of the tool kit within our social safety net," according to Muneer Karcher-Ramos, director of the St. Paul Office of Financial Empowerment. St. Paul is one of several cities that have launched similar programs, including Stockton, CA, which launched the first guaranteed income pilot in February 2019. The People's Prosperity Pilot has distributed \$350,000 since November, and the program is expected to cost the city \$1.53 million, including funding through the federal [CARES Act](#).

As the city of St. Paul navigates the impact of the COVID-19 pandemic, the People's Prosperity Pilot offers direct relief to CSA families who are balancing immediate financial concerns with their longer-term savings goals. The pilot places specific emphasis on providing support for low-income families of color to address economic inequities in St. Paul, while also ushering in a model for guaranteed income that could be replicated on the federal level. Click on these links to learn more about [CollegeBound Saint Paul](#) and the [People's Prosperity Pilot](#), and follow CollegeBound on [social media](#) for recent updates!