Guaranteed Income in Durham, NC: Political Feasibility Prospective

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**Table of Contents**

*Executive Summary* ........................................................................................................................................... i

*Policy Question* .................................................................................................................................................. 1

*Issue Background* ............................................................................................................................................... 4

*Literature Review* ............................................................................................................................................... 8

*Methods* ............................................................................................................................................................ 15

*Analysis* ............................................................................................................................................................ 19

*Discussion* ......................................................................................................................................................... 27

*Conclusion* .......................................................................................................................................................... 33

*References* ........................................................................................................................................................ 34

*Appendix A: Stakeholder Analysis* ................................................................................................................... 38

*Appendix B: Interview Guide* .......................................................................................................................... 40
Executive Summary

Child economic insecurity continues to be a prevalent issue in the United States, and in Durham, NC. Grown in Durham (GiD), the childcare initiative spawned from Durham County’s Early Childhood Action Plan, seeks to address this issue. GiD used a community-based approach to determine its priorities by including local parents and childcare experts in the planning process. One of the top priorities identified was a guaranteed income pilot program to provide supplemental cash assistance to Durham families facing economic insecurity. This policy solution was chosen because of the versatility of cash benefits and positive outcomes from other guaranteed income pilots across the country, including one already conducted in Durham. Given these pilot program successes, GiD anticipates their own guaranteed income pilot would have similarly positive outcomes.

Thinking ahead of pilot success, this descriptive study seeks to understand the future of guaranteed income efforts in Durham. GiD asks “what is the political feasibility of a city or county-wide guaranteed income program serving families with children facing economic insecurity in Durham, NC?” Literature review of large-scale guaranteed income efforts, interviews with local elected officials and subject matter experts, and stakeholder analysis of local municipal government systems provide insights for this policy question. The multiple streams framework is employed to determine political feasibility as a function of cohesion in understanding of the problem of child economic insecurity and the policy of guaranteed income as a solution in the context of Durham politics.

Review of relevant literature illuminated guaranteed income pilot program success in generating positive outcomes for participants facing economic insecurity and analyzed examples of similar policies that have been implemented at the state and national level. Regardless of
overwhelmingly positive outcomes, individual support for guaranteed income and other social service provisions is ultimately dependent on one’s values, particularly the role of work in determining deservingness of support, and acknowledgment of systemic factors. These values do not exclusively fall along partisan lines, affording a more nuanced analysis of guaranteed income support. Policies closely resembling guaranteed income employed by Alaska, a traditionally conservative state, and at the national level demonstrate this nuance.

Local elected officials and guaranteed income subject matter experts were interviewed to gauge the political feasibility of a scaled guaranteed income program in Durham. Elected officials included city councilmembers and county commissioners, and subject matter experts included administrators of guaranteed income pilot (and related) policies in Durham. An interview guide was developed to gather data in the multiple streams framework and facilitate further conversation about anything that may dictate guaranteed income’s political feasibility in Durham.

Interviews revealed the perception of a high amount of guaranteed income support from both Durham’s elected officials and general public. Interviews indicated a general consensus around the understanding of the problem of child economic insecurity, guaranteed income as a policy solution, and elected official and public support of such a policy. This stream alignment is encouraging for political feasibility. Funding was identified as the main logistical roadblock in implementing a city or county-wide guaranteed income for families with children experiencing economic insecurity. Municipal funding restrictions would need to be addressed to utilize this funding source at this crucial stage between pilot success and scaling beyond the municipal level by utilizing state or federal funding. A local stakeholder analysis provides political system context through which a municipally funded guaranteed income policy would have to pass.
Interview respondents also corroborated the significance of personal values in dictating guaranteed income support.

Interview and literature review insights prompted the following recommendations for GiD to implement to sustain guaranteed income’s political feasibility into the future:

- Advocating for the resolution of municipal funding restrictions.
- Developing clear and inclusive communication about what guaranteed income is, how it addresses economic insecurity, who it benefits, and destigmatizing welfare recipients.
- Intentionally maintaining momentum around guaranteed income as a policy solution (e.g., strengthening a local advocate network, periodic communications, and informational programming).

The future of guaranteed income in Durham is bright, and GiD can hold the light to lead the way.
Policy Question

What is the political feasibility of a city or county-wide guaranteed income program serving families with children facing economic insecurity in Durham, NC?

Client Background

This question is answered for Grown in Durham (GiD), the initiative to implement Durham County's Early Childhood Action Plan (ECAP). Grown in Durham is staffed by team of community leaders (e.g., Durham Collective for Equity in Early Childhood) and the Durham County Early Childhood Coordinator at the Durham County Cooperative Extension (DCCE). The DCCE is staffed by the North Carolina Cooperative Extension network, a collaborative organization between local universities and all levels of government. DCCE is the local Durham branch of this organization, seeking to provide "education and technology that enrich the lives, land and economy" of the community and its members.¹

Durham County's ECAP was developed in 2020 with partner organization Durham Children's Initiative, making Durham the first county in North Carolina to create its own ECAP to promote child health and development.²³ ECAP transitioned to GiD in 2021. Like the state-level plan, GiD strives for healthy, safe, and nurtured children who are learning and ready to succeed.⁴ During its inclusive planning process, GiD engaged over 1,000 Durham parents,

¹ NC Cooperative Extension Durham County Center, accessed October 25, 2022, https://durham.ces.ncsu.edu/
guardians, and caregivers. One of the common themes that materialized from these conversations was the importance of having economic security to provide for children’s basic needs. This connection between resources and child outcomes is commonplace in academic literature. The GiD Steering Committee, comprised of parents, early-childhood providers, and community, non-profit, institutional, and business leaders developed a set of strategies to address economic insecurity, among other needs. One of the short-term action strategies identified was cash payments to families with young children, directly impacting economic insecurity. To act on this strategy, GiD plans to raise funds and identify a community partner to conduct a guaranteed income pilot program for families with young children to promote economic security and meet children’s basic needs.

Project Summary

Pilot programs are not intended to be the final destination of a policy journey. Their results serve to advise future decision-making. Considering the wealth of knowledge that informed GiD's choice to prioritize a guaranteed income as a means of helping meet children's basic needs, the pilot program expects to achieve positive outcomes. However, positive results do not always translate to policy passage. As guaranteed income pilots become more common in the United States, the next logical step is to consider scalability of this policy option. This subject of research can be conceptualized as the “politics” stream in John Kingdon’s multiple streams framework. The politics stream follows the “problem” stream of child economic insecurity, and the community-backed “policy” stream of guaranteed income as a solution. I seek to assess the political feasibility of guaranteed income in Durham, NC through a literature review, stakeholder

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analysis of municipal government systems, and interviews with local elected officials and subject matter experts.
Issue Background

What is Guaranteed Income?

Guaranteed income refers to recurring, unrestricted, unconditional cash payments. More specifically, cash payments are distributed on a schedule, can be spent at the recipients’ complete discretion, and do not require recipients to complete specific activities to receive payment. Guaranteed income is similar to universal basic income, but is not necessarily “universal” in its disbursement, often being provided to a specific target group. For instance, the future GiD guaranteed income pilot will only provide payments to families with young children experiencing economic insecurity. There are currently no permanent, periodic, unconditional cash transfer programs in the United States. Many pilot programs have achieved positive results, but these programs have yet to be scaled.

Why Guaranteed Income?

The United States safety net does not adequately provide economic security to its impoverished residents. Social service programs are need-specific or means-tested, meaning the type of support might not match the recipients’ immediate need, provided they qualify for assistance in the first place. While nation-wide decline in poverty over the last 50 years has been attributed to economic security programs, the poverty rate remained at 12.8% in 2021, and even higher for vulnerable populations, like children. Child poverty highlights poverty’s intergenerational and systemic nature, as well as the potency and durability of its impacts. Many

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children in Durham, NC experience economic insecurity. Durham’s Partnership for Children cites the high cost of childcare and the prevalence of economic insecurity: in 2022, 28.1% of children in Durham live below the poverty line, and over half live below 200% of the poverty line (it is important to remember that cost of living is often above the poverty line, meaning the poverty rate can underestimate the number of people unable to meet their basic needs). A guaranteed income would alleviate economic insecurity by providing cash to be used at recipients’ discretion.

The results from prominent guaranteed income pilot programs are striking. Perhaps the most well-known pilot program, the Stockton Economic Empowerment Demonstration (SEED), drew national attention to guaranteed income as an innovative and effective policy option. The Stockton, California pilot treatment group boasted reductions in income volatility (32%), better preparedness for covering unexpected expenses, as well as an increased capacity to find work. Approximately half of the treatment group who received direct benefit from the monthly, unrestricted $500 payments had children. The Magnolia Mother’s Trust (MTT) guaranteed income pilot in Jackson, Mississippi has achieved similar results for black mothers living in extreme poverty. Multiple cohorts have shown appreciable gains in ability to pay bills, manage debt, save money, and more with the help of monthly, unrestricted $1,000 payments.

Furthermore, there are a myriad of indirect benefits to cash assistance, including improved mental and physical health, hope, agency, and happiness.\textsuperscript{11,12}

Guaranteed income can directly contribute to positive health and developmental outcomes by providing for basic needs. Especially for families experiencing economic insecurity, additional cash resources can be used to purchase necessities such as food, shelter, healthcare, and childcare. Guaranteed income has even been shown to directly boost developmental outcomes in young children.\textsuperscript{13} The Baby's First Years study provides $333 per month to a treatment group of low-income mothers over four years. Brain activity is measured after the first year, and compared to the control group, those who received cash assistance show "increased brain activity patterns associated with the development of thinking and learning."\textsuperscript{14}

In addition to positive outcomes, guaranteed income considerable public support. Most polling around this issue has been framed as support for a $1,000 monthly \textit{universal} basic income, opposed to a guaranteed income.\textsuperscript{15} Polling data for universal basic income hovers around 50\% nationally. When cash payments are discussed in the context of crisis relief (e.g., the COVID-19 pandemic), support increases. The amount of support for recurring, unrestricted, unconditional cash merits further inquiry into political feasibility. Perhaps most importantly,

\begin{itemize}
\item \textsuperscript{13} “Study Shows Cash Support for Low-Income Families Impacts Infant Brain Development,” Duke Sanford School of Public Policy, last modified January 24, \url{https://sanford.duke.edu/story/study-shows-cash-payments-low-income-families-impact-infant-brain-development/}.
\item \textsuperscript{14} Ibid.
\item \textsuperscript{15} How to Frame Guaranteed Income Policy A review of literature, Jain Family Institute, last modified May, 2021, p. 6-8, \url{https://www.jainfamilyinstitute.org/assets/how-to-frame-guaranteed-income-policy-lit-review-jfi.pdf}.
\end{itemize}
guaranteed income is being elevated as a policy by community members and grassroots organizations, making it representative of the interests of the population it would serve.\textsuperscript{16}

Other guaranteed income programs are already underway in Durham, NC. Excel is a pilot program under the Mayors for Guaranteed Income umbrella, administered by StepUp Durham. Starting in winter of 2021, Excel provided over 100 formerly incarcerated individuals with $600 per month for one year to assist this population in trying to find jobs, housing or overcoming other barriers.\textsuperscript{17} StepUp’s executive director, Syretta Hill, credits the city’s progressive, social justice temperament for the implementation of this pilot program. Durham is also home to the Durham Neighbors Fund, a collaboration between Durham Free Lunch and Ninth Street Bakery. Durham Neighbors provides microdonations of $50 per month to those with financial burden pay for things like food and utilities.\textsuperscript{18} These programs, and the potential GiD guaranteed income pilot, exemplify the pivotal role cities have in generating evidence and advancing advocacy for guaranteed income.\textsuperscript{19}


\textsuperscript{17} Sarah Krueger, “Durham launches long-awaited guaranteed basic income program,” \textit{WRAL News}, March 31, 2022, https://www.wral.com/durham-launches-long-awaited-guaranteed-basic-income-program/20214019/?fbclid=IwAR39QrlFX6ZQM8ebWMAUJO9jzv7na96OKVkgiXPS6fx3-h9xJ0EDUpF8wY.


Literature Review

Significance of Political Feasibility: Multiple Streams Framework

The assessment of political feasibility fits into the politics stream of John Kingdon’s multiple streams framework.20 Multiple streams framework analyzes policy by explicitly defining a problem, potential policies to address said problem, and the political details impacting the passage of said policy. These make up the problem, policy, and politics streams, respectively. The framework also operates under the assumption that resources, including time, are limited. Understanding these limitations, and the assumption that each stream functions independently, can reveal windows of opportunity for policy passage when all three streams are aligned.

The politics stream is dependent on the general public, elected officials, and relevant interest groups. For a policy to be feasible, there must be political will from these parties for its advancement. However, policy preferences of decision makers are not static, and can therefore be influenced by the way the problem and policy are framed. Political inflections, such as elections or crises, can have significant political implications. Understanding when, how, and why a window might appear is therefore crucial to the passage of policy.

Partisanship and Values

Understanding partisan preferences is integral to evaluating the politics streams in the United States’ two-party political system. Support for guaranteed income is generally aligned along party lines, enjoying more support on the left side of the aisle and from young, minority

citizens.21 Additionally, cash transfer policies are usually championed by candidates on the left, such Democratic presidential candidate Andrew Yang and his universal basic income platform.22 This reflects a broad pattern of Democrats’ preference for public spending on social welfare policy, while Republicans exhibit a preference for tax breaks to address the same policy concerns.23 This general partisan alignment on welfare policy dates back to the 1970s, after Republican president Richard Nixon’s failed Family Assistance Plan.24

Despite the general trend of progressive social policy coming from the left, Democrats have advanced non-progressive social policy legislation. For instance, President Bill Clinton’s replacement of Aid to Families with Dependent Children with Temporary Assistance for Needy Families (TANF) in 1996 resulted in a marked decline of families in poverty receiving cash assistance.25 TANF legislation, imposing time limit and work requirement restrictions on benefit recipients, is indicative of underlying attitudes regarding deservingness of economic support from the government. TANF legislation exemplifies how these attitudes about deservingness are deeply ingrained in American culture regardless of political affiliation, and don’t always present themselves along partisan lines. This connection is confirmed by Faricy, who finds that “voters’ perception of the deservingness of socioeconomic beneficiaries of social welfare is the largest predictor of social policy preferences,” more so than partisan affiliation.26

In the context of welfare, opinions about deservingness can be informed by many factors, such as perceptions of control, attitude, reciprocity, identity, and need. These factors often manifest themselves around the concepts of work, shared values, and racialization. American cultural individualism also assumes that those in poverty have complete autonomy over their economic situation, opposed systemic attribution. The relationship between work and deservingness holds true for preferences about guaranteed income, and therefore has implications for its political feasibility. Thus, the underlying personal values that influence the perception of deservingness of support can provide a deeper level of contextualization for guaranteed income support than partisanship alone. By accounting for personal values, we can see that guaranteed income has the potential for support across party lines. For instance, recent research has shown that conservatives are more supportive of guaranteed income when it is framed as promoting autonomy from government, opposed to protecting from economic insecurity and job loss.

Guaranteed Income’s Politics Stream

Guaranteed income proponents understand the importance of political will in advancing pilot programs, and work to shape policy preferences through communication strategies that

account for attitudes about deservingness and work.\textsuperscript{31,32} Continued effort to address attitudes around deservingness will be necessary for scaled implementation of guaranteed income, as politics and public understanding will be integral to the advancement of guaranteed income policy.\textsuperscript{33} Other notable barriers to achieving scaled implementation of guaranteed income include gaps in evidence between different pilot programs and the lack of a contingency plan for potential expansion after the pilot stage.

National and local momentum, a growing wealth of evidence, and significant public support contribute to the potential opening of a policy window for guaranteed income. As it has for other social policies, the COVID-19 pandemic may contribute to this opening.\textsuperscript{34} Despite guaranteed income being exclusively administered through pilot programs in the United States, there are similar policies that have achieved passage, providing relevant examples of multiple stream alignment and political feasibility.

\textit{Alaska Permanent Fund Dividend}

The Alaska Permanent Fund Dividend (PFD) is run by the Alaska State Department of Revenue and distributes a yearly cash payment to citizens with permanent residency in Alaska (during the previous year) without felony convictions.\textsuperscript{35} The PFD therefore does not meet the

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\textsuperscript{32} Talib Visram, “What will it take to make basic income programs permanent?” Basic Income Today, May 4, 2022, \url{https://basicincometoday.com/what-will-it-take-to-make-basic-income-programs-permanent/}.  \\
\textsuperscript{33} Chris Taylor, “Three reasons universal basic income pilots haven’t led to policy change – despite their success,” The Conversation, April 11, 2022, \url{https://theconversation.com/three-reasons-universal-basic-income-pilots-havent-led-to-policy-change-despite-their-success-180062}.  \\
\textsuperscript{35} “Eligibility Requirements,” Alaska Permanent Fund Dividend, last modified 2023, \url{https://pfd.alaska.gov/eligibility/eligibility-requirements}.  \\
\end{flushleft}
unconditionality criteria of guaranteed income, but it is still less restrictive than other means-tested social programs. PFD provides variable payments dependent on state mineral revenue, which have fluctuated between $878 and $2,072 over the past decade. Alaska's 1970s oil boom led to large investments from companies seeking drilling land and rights. Because there was no existing fund to manage this influx of revenue, the PFD was created to save, invest, and periodically distribute a portion of this revenue to Alaskans. The expressed intent of PFD is to ensure oil revenue is used to "benefit current and future generations” and to protect against misappropriation.36 The program contains progressive elements, such as a “hold harmless” program to prevent revocation of eligibility status for social programs after payment disbursement.37 Despite Alaska's historic status as a red state, the PFD is one of the closest examples to guaranteed income in the United States.

By analyzing the PFD through the multiple streams framework, we can learn more about how this seemingly unlikely policy came to pass. The problem PFD addresses is the potential misappropriation of wealth rapidly flowing into Alaska from the oil industry. The policy and politics streams are the legislation establishing the PFD, and the political will for passage. At the fund’s inception, the general problem definition allowed “the fund to gain support across a broad political spectrum from those in favour of limited public spending to those concerned about the ability of the state to support a large variety of public programmes.”38 Widerquist and Howard outline how PFD is also consistent with republicanism’s emphasis on the “importance of material resources to ensure individuals’ social and economic independence, which in turn is a

necessary (but not sufficient) condition for individuals to retain a free status within a variety of social relations.” This exemplifies the potential of support for cash payment policy beyond the progressive, social welfare context. Evidence of the PFD’s popularity can be found in the politics stream, as politicians boast their defense of the program.

Child Tax Credit Expansion

The Federal Child Tax Credit (CTC) is a progressive tax credit program targeting families with children under a specific yearly income threshold (e.g., $75,000 as a single filer). The CTC is a credit distributed yearly, dependent on filing of taxes, to provide economic relief for families. In response to the COVID-19 pandemic, the American Rescue Plan Act (ARPA) of 2021 increased the maximum credit from $2,000 to $3,600. ARPA also allowed for the provision of full tax credit to families who had previously been ineligible because they did not meet the minimum income threshold. For the latter six months of 2021, the Treasury Department issued fractional payments of the credit monthly, in advance of the usual refund date. This monthly tax credit distribution mimicked the recurring nature of a guaranteed income. Projections put child poverty reduction at 40% from expansion of the credit.

ARPA’s expansion of CTC was the policy solution advanced to address the problem of economic insecurity caused by the COVID-19 pandemic. Despite effects of the pandemic being felt across the breadth of the population and political spectrum, ARPA was heavily contested legislation during its journey to passage. ARPA narrowly passed along party lines in both the House of Representatives (219 to 212) and the Senate (50 to 49) before being passed by Democratic president Joe Biden. The proposed legislation received significant media coverage and was lamented by the right as a veiled expansion of the welfare state and other partisan priorities (e.g., reparations) under the guise of COVID-19. Critics cited tropes about welfare and work in their disapproval of the policy, calling it “an expensive welfare scheme that would deter parents from working by providing cash aid regardless of whether they had jobs.” However, republicans had provided similar direct cash payments for pandemic relief the year before. Despite CTC expansion’s success in reducing child poverty, the expansion was not renewed in 2022. Democrats said little about its expiration. Political scientists noted the absence of protest as the political alienation of the poor. Partisan disagreement in ARPA’s politics stream provides insight into guaranteed income’s political feasibility.

Methods

Research Framework

Accurately assessing the political feasibility of a specific policy is not an exact science and therefore benefits from a comprehensive approach. Reviewing literature, stakeholder analysis, and qualitative data collection and analysis are all informative for an inductive assessment of political feasibility. I adopt a pragmatist framework, as this project advances questions that are “‘important’ in the real world.”47 Pragmatists view the nature of reality subject to research as whatever is practical or useful. In the context of my research question, any details about the political process and opinion about guaranteed income are considered of use. Pragmatist methodological assumptions include anything that can contribute to solving the problem at hand, which is why I plan to interview subject matter experts and local elected officials and conduct a stakeholder analysis.48

Assessing political feasibility informs how to address political will by describing alignment in the politics stream. Understanding any points of contention may prove useful in securing support of both funders and influential advocates, such as politicians. Interviews of subject matter experts also help establish the template for a local guaranteed income network. Political feasibility is location-dependent, so a Durham-specific analysis provides necessary nuance.

Stakeholder Analysis

Relevant political processes to contextualize the local politics stream are outlined for the city of Durham, NC through a stakeholder analysis. Stakeholder analysis outlines the path a scaled guaranteed income program would need to take to become law. This technique is frequently used in the public policy field, tracing steps in the political process and relevant actors along the way.\(^49\) A structure of legality provides a functionally objective framework for policy to be advanced through, as accounting for unlikely changes in how legislation is passed is beyond the scope of this project. Analysis omits personal details for the sake of privacy. With this information, advocacy strategies can be better informed and more effective in facilitating desired policy outcomes.

Interviews: Elected Officials and Subject Matter Experts

Interviews with subject matter experts and elected officials generated rich data about the political feasibility of guaranteed income. Interviews were conducted virtually, recorded, and transcribed for analysis. Such interviews have historically yielded ground-breaking information in the field of policy.\(^50\) While observational data is useful for understanding the politics stream, interview data captures nuance and increases accuracy. Beamer identifies relevant guidelines for conducting elite interviews:


“1. Identify the constructs of interest and develop observable instrumentation to tap into them
2. Develop sampling procedures to maximize the validity
3. Conduct interviews and collect corroborative data
4. Analyze data”

Instrumentation was developed to capture data about Durham’s political landscape, guaranteed income, and values informing opinions about social policy. Interviews also provided insight into the public’s opinions of and attitudes towards guaranteed income. Snowball sampling was used to identify and collect data from relevant interviewees.

Subject matter experts are defined as those familiar with guaranteed income, local Durham politics, or both. There are currently two other active guaranteed income-adjacent programs in Durham, and a plethora of other progressive policy initiatives. There are many individuals involved in these efforts who have unique knowledge around guaranteed income and its political feasibility.

Interviews with elected officials provide insight into underlying attitudes that may influence opinions about social support. As elected officials (and the public they represent) directly impact the passage of law, a deeper understanding of this group is relevant to the political feasibility of guaranteed income. Elite interviews often generate valid and reliable data, and officials are often more accessible at lower levels of government. Political constructs known to these individuals can otherwise be difficult to examine. Literature has revealed the role of values underlying partisan patterns of social policy like guaranteed income, setting the stage for the collection of more in-depth data.

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Combining stakeholder analysis results with qualitative interview data helps paint a picture of guaranteed income’s political path, as well as attitudes of elected officials and the general public. These details provide a new level of understanding of the political reality of a scaled guaranteed income program for children in the city of Durham. This political feasibility data can be used to inform guaranteed income advocacy and help advance policy.
Analysis

Individual Families, Systemic Issues, Multifaceted Solutions

Subject matter experts and elected officials attributed child economic insecurity to various factors. For example, respondents identified the high cost of housing, food, and transportation as significant contributors. One subject matter expert commented on the growing wealth gap in Durham being an important driver of poverty. These factors undoubtedly impact families with children in Durham, exemplified via heavy utilization of public housing by (single parent) families with children, and the high rate of free or reduced lunch usage in Durham public schools. Respondents noted that poverty is disproportionately experienced by Durham’s Black and Hispanic residents. Several elected officials characterized these issues as systemic and interconnected, highlighting the dire need for investment in children at an early age to alleviate the compounding negative effects of underinvestment.

While all respondents agreed guaranteed income would be an effective way to reduce child economic insecurity, many pointed to the absence of higher paying jobs and other barriers to participating in the formal economy as contributors to economic insecurity. A subject matter expert estimated that approximately one-third of jobs in Durham are low wage.

Outcomes and Other Programs

Interview respondents reported that guaranteed income creates positive outcomes, like increased opportunities for career advancement and improvements in mental and physical health via greater access to medical services, better diet, and improved sleep. Being in a state of economic insecurity takes up time and energy, whether that means working long, low-wage
hours or general stress about one’s financial situation. Respondents noted that guaranteed income counters these effects by promoting productivity and contributing to peace of mind.

Elected officials and subject matter experts described guaranteed income as a supplement to existing social service programs. In fact, the threat of losing benefits to existing programs deterred participation in Durham’s Excel program. Investment is needed in both guaranteed income and existing programs in order to assist future generations, as well as those who are currently facing economic insecurity. A subject matter expert noted: “what’s the point of investing in a child at the beginning when they’re going to still end up in an environment that is unsafe and doesn’t invest in their education or their health care, or the employment of their family, or be really inclusive if their family has some significant barriers?” Respondents understood that guaranteed income was only a part of the solution to economic insecurity.

Public Support Expected, but Ambiguous

Subject matter experts and elected officials anticipate wide-spread public support of a scaled guaranteed income program for families with young children. Durham has a progressive voting base, and Excel program participants have avoided recidivism. Respondents expect even higher support for a targeted program that targets families with young children compared to the city pilot targeting formerly incarcerated individuals. Respondents also mentioned that relative to other cities in North Carolina, Durham’s public has generally expressed approval for both progressive and experimental policies. Despite anticipated public approval, elected officials and subject matter experts generally agree on the need for more public education about guaranteed income programs.
While most viewed the public as supporters of a guaranteed income program, some subject matter experts anticipated resistance to the program. Although Durham residents may support the policy in theory, they may not vote for the program when the time comes. Views about deservingness and personal responsibility may dampen support for the program. Further, the public’s general fear of scarcity and higher cost of living may undermine public support for guaranteed income. Economic pressure may be prompting broad financial conservativism, which could reduce appeal for a guaranteed income for middle class Durhamites: “I think there's a real sense of like that nostalgia factor of like oh, Durham's not what it used to be, or you know people are clinging to the things that they feel comfortable with, and guaranteed income is not one of those yet.”

The deservingness narrative and rising cost of living are at odds with public support of guaranteed income. However, a subject matter expert noted that progressive public policy passage in Durham has not necessarily been dependent on a strong public push in the past. Instead, an active political class is credited with political progress in Durham. Given the potential divisiveness of a guaranteed income policy, respondents doubted that a guaranteed income policy would come to fruition without significant public involvement.

**Elected Officials Voice their Support**

All interview respondents anticipated elected officials continuing to support guaranteed income activities in Durham. Respondents attributed this support to progressive values, success of the Excel program, and a history of increased investment for successful pilot programs. In the spring of 2023, Mayor Pro Tempore Mark-Anthony Middleton made a request for $1 million municipal dollars for another year of piloting the Excel program. Durham County commissioners
Brenda Howerton and Nida Allam recently joined the Counties for Guaranteed Income initiative. While ideological differences exist on the city council, statements of support have already been made, and council members have consistently acted on their commitments, reducing the likelihood of reneging on said support.

However, respondents expressed different views on how a scaled guaranteed income program would operate. One elected official described a scaled policy as a universal basic income distributed to all Durham residents regardless of need. Others discussed potential external administration of the program. Some envision participation in a guaranteed income program being inherently temporary. Respondents viewed funding as paramount in dictating program scope and operation. Despite acknowledging the existence of overwhelmingly positive outcomes from numerous guaranteed income pilot programs around the country, several elected officials felt additional pilot testing would be necessary. This contrasts with other elected officials expressing that sufficient outcome data already exists.

One subject matter expert acknowledged the existence of logistical concerns but stated that support would ultimately be determined by personal values, similar to the general public, and worried that creative opposition arguments against guaranteed income may be a front for underlying value judgments. A subject matter expert and an elected official stated supporting such a policy could be politically risky. Another subject matter expert noted that Durham leadership is still quite development-minded and pro-business, attributes that do not generally correspond with progressive resource redistribution.
Funding and Related Hurdles

Funding is the biggest concern for elected officials in supporting a scaled guaranteed income program. A city councilmember stated:

“I don't think guaranteed income on a local level is a viable public policy strategy just because of the lack of resources that exist on a local level to do it at scale. If you do it on a local level, it's more like another social services charity program. It's like rental assistance or childcare subsidies that you can do if you have a limited amount of money, and you can do them locally. But we've got huge waiting list for rental assistance and for childcare subsidies.”

On the county side, a backlog of spending needs, namely public school upkeep, take up a significant portion of the budget.

Municipal spending restrictions are also imposed by the state constitution. North Carolina is a Dillon’s Rule state where municipalities can only use tax dollars on activities explicitly listed in the state constitution. Additionally, property taxes, the main source of municipal funding, are set at a flat rate, meaning lower-income individuals often pay a higher proportion of their income on these taxes than wealthy individuals. Several elected officials and one subject matter expert identified these as significant barriers to funding a guaranteed income program exclusively with municipal funds. Solutions to these restrictions are currently being explored by local officials.

Respondents noted that funding for a scaled guaranteed income program would likely need to come from other sources. Several elected officials mentioned the importance of private market involvement to help overcome funding limitations. ARPA funds were also noted as a potential funding source. Several elected officials advocated for funding coming from the private sector, while other respondents advocated for funding to ultimately come from the state or federal government. Several elected officials mentioned the importance of private market involvement to help overcome funding limitations. However, some subject matter experts felt that funding was not out of the realm of possibility at the local level with proper reallocation.
Policy and Political Momentum

Subject matter experts and elected officials both acknowledged the importance of continuous local and national momentum around guaranteed income. Commitments to ongoing guaranteed income efforts are not directly tied to funding, and as such, subject matter experts expressed concern over officials’ capacity to stall these efforts and dampen momentum. Elected officials themselves felt these commitments were reliable.

Some subject matter experts also expressed concern about a general decrease in progressive momentum after COVID quarantine regulations were loosened. As folks return to their pre-pandemic patterns, subject matter experts reported a decline in general progressive momentum that had risen from the George Floyd murder and associated BLM advocacy. Subject matter experts noted the importance of a political figure championing this policy and/or making it a campaign focal point to maintain political momentum.

Collaboration between the city of Durham and Durham County was suggested to help with costs given the scale of a potential guaranteed income program. Since the city and county traditionally have their own areas of focus (e.g., city – housing, county – education), respondents noted it will be important to find a way for the city and county to work together in a way that plays to their strengths and does not create discord.

The Importance of Messaging

Respondents also expressed that successful advocacy for a scaled guaranteed income program will heavily depend on effective communication about the policy. As previously noted, respondents affirmed public support for a scaled guaranteed income program for families with young children. However, respondents acknowledged that a more nuanced understanding of how
a guaranteed income works, why it is effective, and the issues it seeks to correct is an important step in maintaining and increasing political support and momentum.

Several respondents noted the presence of stigma around populations receiving financial assistance – stereotypes such as assistance promoting dependency, eroding desire to work and personal responsibility, and even pathological justifications. Nearly all respondents expressed the importance of values opposing this stigma, including the relevance of systemic factors, dignity, second chances, justice, economic security as a right, and trust in those who are receiving assistance. Respondents felt a better understanding of the economic reality faced by families in poverty and how guaranteed income serves as an immediate solution to a systemic problem can help increase empathy for those receiving financial aid and help portray guaranteed income as something that can benefit all Durham residents. An elected official also noted the importance of guaranteed income being around a specific policy issue and outcomes for a specific population, crediting Durham’s receptiveness to policy evaluation. Several respondents noted the importance of a guaranteed income policy being a solution for any family with children facing economic insecurity in Durham, not just specific groups of people (e.g., racial groups).

Some respondents acknowledged the potential for reduction in spending on other social programs in their description of guaranteed income outcomes. The Excel program provides an excellent example. An elected official described the absence of recidivism in the program’s preliminary analysis and the associated reduction in government spending on feeding, clothing, and housing prisoners. These costs are significant and could easily be more expensive than periodic guaranteed income payments. Economic impacts of guaranteed income are also demonstrated through increased formal economy participation.
Another significant messaging consideration is the role of a guaranteed income at the municipal level. Municipalities have the capacity to test experimental policies and run pilot programs, and Durham is not an exception. Several respondents noted the importance of advocating for local guaranteed income to the ultimate goal of setting an example and promoting the policy at a state or national level where there is greater funding capacity. With that said, a subject matter expert estimated the potential for a city/county-wide guaranteed income in Durham in as little as five to ten years.
**Discussion**

The political feasibility of a city or county-wide guaranteed income program for families with young children facing economic insecurity in Durham, NC appears to be high, but not likely to come to fruition in the immediate future. Interview respondents confirmed both residents and elected officials in Durham generally understand local child economic insecurity and want to do something about it. Similarly, interview respondents affirmed general support for a scaled guaranteed income program targeting this population from both the public and elected officials. Such consistency within and amongst the streams of problem, policy, and politics is indicative of multiple stream framework alignment, an indicator of political feasibility.\(^5^3\)

*Political Discrepancy*

However, there is some political discordance. Regardless of assumed or even expressed support, the public is still expected to rely on personal values when making voting decisions. Efforts to destigmatize welfare recipients would likely increase the political feasibility of the proposed guaranteed income program. Such efforts may become less effective if economic conditions worsen, which would put the policy target population in greater need, but also exacerbate feelings of scarcity for all Durhamites. Tenuous economic conditions spell uncertainty for public support of guaranteed income. Even though Durham has passed progressive legislation in the past without overwhelming public support, such support will likely be necessary for a novel policy like guaranteed income.

Elected officials, particularly city councilmembers and council commissioners are integral to policy passage at the city and county level, respectively (Appendix A). Elected officials are also ultimately expected to vote their values, but several city councilmembers and county commissioners who vote consistently have already expressed support, upon which reneging would not be politically advisable.

A contradiction regarding the necessity of additional pilot testing of guaranteed income arose during the interviews. Some elected officials expressed the need for more pilot testing, while also acknowledging existing, comprehensive evidence of guaranteed income’s success. This incongruence begs the question of how much pilot testing is needed for a novel policy to successfully scale. Differences in program conceptualization could also have political implications. However, a scaled guaranteed income policy is currently theoretical, so discrepancies in program conceptualization are neither surprising nor permanent at this stage. Increased political coalescence of the public and elected officials will increase the political feasibility of a guaranteed income program in Durham.

Funding

Funding appears to be the largest factor in determining guaranteed income’s political feasibility. All interview respondents expressed support for the policy, but only one subject matter expert felt that funding would not be a significant barrier to its implementation. One year’s worth of monthly $500 cash transfers provided to Durham County’s ~6,000 children living below the poverty line would amount to approximately $38.2 million. Compare this to Durham County’s $749.8 million budget and the city of Durham’s $568.9 million budget for
fiscal year 2022-23.\textsuperscript{54,55} However, elected officials spoke about a backlog of funding demands that take political precedence. Funding for a guaranteed income program could be achieved through several different avenues, but each presents its own roadblocks.

Elected officials do not believe a scaled guaranteed income program is politically feasible using city or county municipal funds. Cash transfers are currently regarded as an unconstitutional usage of property taxes, and as such, municipal attorneys have advised against considering municipal dollars to fund any guaranteed income efforts. However, there is room for interpretation of these laws, and different attorneys have different thoughts about what they believe is legally feasible. Councilmembers and commissioners appoint city and county attorneys, respectively. The appointment of an attorney who would accept the political risk of advising for municipal funds to be spent on cash transfers is a real possibility.

North Carolina’s flat property tax structure also presents a barrier to municipal fund usage for a guaranteed income. Because property tax rates are the same regardless of your income, low-income individuals may pay a higher proportion of their income on property taxes than those with high-income, even if their property is worth significantly less compared to properties of high-income earners. This creates the potential for regressive taxation, with low-income individuals paying a higher proportion of their income on property taxes. This is not desirable, and changes to the municipal property tax structure would have to go through the state legislature.

Another state level roadblock reduces the political feasibility of guaranteed income – benefit waiver restrictions. As previously mentioned, guaranteed income should not be regarded

as the sole policy solution to child economic insecurity. Individuals may lose benefits from existing means-tested programs they currently participate in if a guaranteed income is legally considered as a source of income. A benefits waiver would exempt guaranteed income benefits from counting as income, preventing a benefit tradeoff. Obtaining benefits waivers for existing programs could have both positive and negative effects on political feasibility, the former for proponents, and the latter for opponents, respectively. State law limits other methods of addressing economic insecurity, such as the implementation of a living wage standard. Addressing the aforementioned state restrictions would have significant implications for the political feasibility of guaranteed income and other social service programs.

If municipal funding is used for a guaranteed income program, joint funding between city and county would provide a greater pool of resources, increasing political feasibility. Durham County usually handles child-related programming, so the county may be a better fit to house a joint effort. The ability to navigate city-county government dynamics will determine the effectiveness of collaboration.

If state level restrictions remain in place, political feasibility of a scaled guaranteed income policy will depend on the availability of alternate funding sources, whether that be private, or public dollars from the state or federal level. Obtaining public funding at the state or federal level for guaranteed income is the ultimate goal for several of Durham’s elected officials. However, a jump from municipal pilots directly to scaling with state or federal funding does not seem likely. A scaled guaranteed income program funded at the municipal level may be necessary pretext for eventual state or federal funding.
Momentum and Messaging

With the Excel program recently ending and its renewal uncertain, Durham’s current guaranteed income activities are slowing. This comes at a time when several local guaranteed income commitments have been made by elected officials, but also when individuals are focusing their energy on a more consistent post-COVID lifestyle, which may lead to a reduction in social activism. Consequently, guaranteed income’s political feasibility would benefit from continued discussion and new efforts to maintain its relevance in public and political spheres. For example, Mayor’s for Guaranteed Income will be sending a representative to cities participating in their initiative to discuss program results and keep the conversation around guaranteed income going. The establishment of a local guaranteed income champion would also help facilitate conversations about the policy, maintain a local guaranteed income effort network, and increase political feasibility. Social movement momentum helps progressive policy ideas remain relevant, whether it’s general progressive momentum or momentum directly linked to guaranteed income.

Respondent interviews corroborated the importance of messaging around guaranteed income found in the literature review. Political feasibility for guaranteed income will be dependent on the messaging of the following topics:

- Clear explanation of how a guaranteed income benefits both the target population and the community at large.
- How guaranteed income fits into the greater landscape of support programs, and the importance of addressing economic insecurity through multiple avenues.
- Advocacy for a shared sense of community responsibility, and how welfare recipient stigmas are dehumanizing and not reflective of reality.
- Positive outcomes of the Excel program.
- Return on investment from decrease in other program usage and increase in formal economic participation.
Big-picture, inclusive framing of guaranteed income connecting this policy to the broad issue of economic insecurity serves to unify Durhamites and combat “othering.” Communications could also benefit from acknowledging how guaranteed income fits in with other supports and policies (e.g., living wage, existing social service programs, housing reform, etc.) that impact child economic insecurity. Both the public and elected officials have been receptive to pilot program outcomes for other progressive policies, which is encouraging considering the initial positive outcomes of the Excel program. Messaging about the return on investment for a guaranteed income policy is particularly important given the significant role funding plays in determining political feasibility.

Recommendations

Given these findings, recommendations have been generated for GiD to implement in order to sustain guaranteed income’s political feasibility. Recommendations include:

- Advocacy for the resolution of municipal funding restrictions
- Development of clear and inclusive communication about what guaranteed income is, how it addresses economic insecurity, who it benefits, and destigmatizing of welfare recipients
- Intentional guaranteed income policy momentum maintenance (e.g., strengthening a local advocate network, periodic communications, and informational programming)
Conclusion

Child economic insecurity is a persistent problem requiring new solutions. Guaranteed income is a policy option capable of solving this problem. Guaranteed income is at a crossroads in America, poised to increase in scale after success of programs such as PFD, the 2022 CTC expansion, and numerous guaranteed income pilots. Durham is in a unique position to implement a city or county-wide guaranteed income program compared to other American cities.

Progressive voters and elected officials are likely to continue supporting this policy option in Durham beyond the pilot stage, especially with GiD targeting economically insecure families with children.

More than partisanship, implementation will ultimately depend on the underlying values of voters and elected officials. As such, clear, consistent communication about what guaranteed income is and how it addresses economic insecurity is critical. Funding issues have been identified and solutions are currently being explored. Problem, policy, and politics stream alignment revealed by respondent interviews is encouraging. Funding resolution, intentional communication about the program, and maintaining momentum will be integral for guaranteed income’s continued feasibility.
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Appendix A: Stakeholder Analysis

Durham City Government

Actors who can introduce legislation

- **Mayor** (term end)
  - Elaine O’Neale (2023)
- **City Council** (title, term end)
  - Mark-Anthony Middleton (Mayor Pro Tempore, 2025)
  - Javiera Caballero (2023)
  - DeDreana Freeman (2025)
  - Monique Holsey-Hyman (2023)
  - Jillian Johnson (2023)
  - Leonardo Williams (2025)
- **City Department Heads** (appointed)
  - City Manager’s Office
  - Budget & Management Services
- **Public**

Other relevant actors

- City attorneys
- City boards, committees, and commissions
- Influential stakeholders

Budgetary Process

- **City department heads** communicate their desired budgetary allocation for the year to the city budget & management services staff
  - Department heads can identify and advocate for specific policies and programs their department would administer
- City manager relays relevant findings from last year’s budget cycle, along with city council priorities to departments at the budget kickoff meeting
- **Departments** and budget & management services staff develop proposed budget
- **City council** hosts budget retreats to converse with departments about budget priorities
  - Public can attend and observe
- City manager continues to work with departments to create final draft of proposed budget, which is then proposed to the city council
  - City council can advance new policy propositions at this stage
- **City council** and mayor host a public budget hearing to receive input from the community
  - Budget is either approved, or final changes are requested
- **City council** and mayor vote to approve final budget
Durham County Government

Actors who can introduce legislation

- **County Commissioners** *(title, term end)*
  - Brenda Howerton (Chair, 2024)
  - Wendy Jacobs (Vice Chair, 2024)
  - Nida Allam (2024)
  - Nimasheena Burns (2024)
  - Heidi Carter (2024)

- **County Department Heads** *(appointed)*
  - County Manager Department
  - Budget & Management Services Department

- **Public**

Other relevant actors

- County attorneys
- County boards and commissions
- Influential stakeholders

County Budgetary Process

- **County commissioners** go on a policy retreat to brainstorm funding priorities
- **County department heads** and budget staff take brainstormed ideas and use as outline to create first budget draft
- **Commissioners** give feedback to department heads through county managers on budget draft
  - Feedback can include new policy propositions
- **Department heads** and budget & management services staff review updated draft
  - Some of these working sessions are open to public comment
  - **Commissioners** can still introduce policy ideas at this stage
- **Commissioners** vote to approve budget
Appendix B: Interview Guide

Pre-Interview Script:

My name is Zach Stamper, I am an MPP student at Duke’s Sanford school of public policy. For my master’s project, I am assessing the political feasibility of a guaranteed income of children in low-income families in Durham, NC. Grown in Durham, the initiative to implement Durham’s Early Childhood Action Plan, has prioritized the development of a guaranteed income pilot program for low-income families with children in order to reduce economic insecurity. Grown in Durham is continuing to engage families and partners in the development of a plan for the pilot. This comes on the heels of many other guaranteed income pilot programs being launched all around the country over the last five years. These pilot programs have yielded promising results in reducing economic insecurity. As such, a scaled guaranteed income program could have considerable impact on low-income families with young children in Durham.

Do I have your consent to record this interview?

Please state your name, age, race, and your affiliation with Durham.

- **Problem Stream**
  - Can you describe your understanding of child economic insecurity in Durham?
- **Policy Stream**
  - How do you think child economic insecurity could be addressed in Durham?
    - Kinds of policies?
    - Sources of funding?
  - Can you describe your understanding of the concept of guaranteed income?
    - In the context of Durham?
    - What do you think the public’s understanding is?
    - [if subject matter expert] What do you think city and county leadership’s understanding is
  - How do you think guaranteed income could potentially address child economic insecurity in Durham?
    - Understanding of positive pilot outcomes
    - Acknowledgement of community support
    - Positive externalities
  - What are some potential drawbacks to implementing a guaranteed income program for young children in Durham?
    - In comparison to other policies?
    - Economic costs
    - Conception of deservingness
    - Negative externalities
  - How do you think personal values influence attitudes toward guaranteed income?
- **Politics Stream**
  - What is the political feasibility of guaranteed income as a solution to address child economic insecurity in Durham?
    - Why?
What are the biggest barriers to the passage of a guaranteed income in Durham?
  - What could help overcome [___] barrier?
  - What is the first step to addressing [___] barrier?
  - What other factors would passage of guaranteed income in Durham depend on?
    - How might these factors be addressed?

Describe the support or opposition you anticipate from the general public for a scaled guaranteed income program for low-income families with children in Durham?
  - What role do you see personal values playing in this support/opposition?
  - What are these values?
  - How do you see them influencing opinion on guaranteed income?
  - How have Durham residents supported similarly progressive policies in the past?
  - How has awareness and public support of these programs changed over time?
    - What has contributed to these changes?

How do you think [elected officials/bodies|you] would respond to a guaranteed income proposal for low-income families with young children?
  - Mayor, city council, county commissioners
  - Assuming positive outcomes? Specific cost?
  - Describe your anticipated support and/or opposition
    - How could proponents of the guaranteed income address said opposition?
  - What role do you see [elected officials/bodies|your] personal values playing in the passage of a guaranteed income policy in Durham?