# Mincome Briefing and Basic Income Design Options

Ronald S. Hikel for the State of Maine Legislature November 22, 2019

# Outline

- Background about Mincome
- What is Basic Income?
- Suggested actions to increase the probability of implementing a Basic Income program
- Questions and answers

### Mincome Background

- Federal-Provincial controlled social science experiment lasting 5+ years
- Defined research program and organization including social scientists and data processing and payment specialists
- Three research components
  - Dispersed sample in Winnipeg
  - Dispersed sample in rural communities
  - Saturation site in Dauphin

# Mincome Background (2)

#### • Dauphin site

- All residents eligible for payments based on family size and income below specified minimum
- Support payments varying with reported earned income is key to reducing financial insecurity
- Increased income reduced support by only 50%
- Data warehoused and not analyzed for 30+ years
- The Town With No Poverty, Evelyn Forget

#### What is Basic Income?

#### My view:

- A government-run system capable of assuring that every resident of Maine has regular and sufficient income to meet at least the basic costs of a decent human existence.
- The overall program would be based on public law, largely financed by tax-based revenue, with delivery operations overseen by an agency accountable to the state government.

### Suggested Approach

- Accept that political, financial and technical barriers exist
- Basic Income is not just an appealing concept
  - Implementation requires effective and efficient administration taking advantage of advance information processing technology
  - Heed lessons from failed attempts

# Suggested Approach (2)

- Establish basic behavioral, financial and social development objectives to be achieved for the people of Maine
- Do not do another research project
  Enough know already, time to move on
- Commission independent report to compile what is already known

# Suggested Approach (3)

- Select a specific evidence-based core delivery and operational design for program
  - Select a strong project leader, known and trusted
  - Public-private collaboration on payments system
  - Independent advisory/oversight body
- Place primary design emphasis on
  - Rewarding increased work effort and income
  - Lowering cost to administer
  - Making fraud very difficult

# Suggested Approach (4)

- Try to design system that could replace existing income support programs
- Map out and cost operational design then run administrative test of program in various locations
  - Only eligibility criterion family income under specified threshold
- Review by oversight body before full rollout

# Thank you

#### Questions?