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(Original Signature of Member)

117TH CONGRESS
1ST SESSION

H. R.

To establish a pilot program providing certain individuals with a guaranteed monthly income, to study the effect of a guaranteed monthly income on such individuals, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mrs. WATSON COLEMAN introduced the following bill; which was referred to the Committee on _____

A BILL

To establish a pilot program providing certain individuals with a guaranteed monthly income, to study the effect of a guaranteed monthly income on such individuals, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Guaranteed Income
5 Pilot Program Act of 2021”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) Too many Americans cannot achieve finan-
2 cial stability due to income volatility, the rising cost
3 of living, wage stagnation, and a lack of affordable
4 housing.

5 (2) Real wages have failed to keep pace with in-
6 flation, meaning the purchasing power of American
7 households has not changed in 40 years.

8 (3) Income volatility, defined as an annual in-
9 come fluctuation of 25 percent or more, impacts
10 nearly half of the United States population.

11 (4) 40 percent of American households indicate
12 that they would face difficulty covering a \$400
13 emergency expense with readily available cash or a
14 checking account.

15 (5) Full-time minimum wage earners cannot af-
16 ford an average 2-bedroom apartment anywhere in
17 the United States.

18 (6) The changing nature of the economy, in-
19 cluding the rise of the gig economy, unemployment
20 risks posed by automation, and the fluctuating na-
21 ture of waged labor, will result in increased income
22 volatility and prohibit upward economic mobility.

23 **SEC. 3. GUARANTEED INCOME PILOT PROGRAM.**

24 (a) IN GENERAL.—The Secretary, in consultation
25 with the Commissioner of Internal Revenue, shall establish

1 and implement a 3-year pilot program (hereinafter re-
2 ferred to as the “program”) to provide a guaranteed
3 monthly income to certain eligible individuals in accord-
4 ance with this section.

5 (b) INCOME SUBSIDY.—

6 (1) SELECTION OF PARTICIPATING ELIGIBLE
7 INDIVIDUALS.—The Secretary, in consultation with
8 the Commissioner and the external partner selected
9 pursuant to subsection (d), shall develop selection
10 criteria that the Secretary will use to select 12,000
11 total eligible individuals for participation in the pro-
12 gram.

13 (2) AMOUNT OF INCOME SUBSIDY.—Of the eli-
14 gible individuals participating in the program, 6,000
15 shall receive a cash payment each month equal to
16 the fair market rent for a 2-bedroom home in the
17 zip code in which the eligible individual resides, or
18 a substantially similar amount as determined by the
19 Secretary, in consultation with the Commissioner
20 and the external partner.

21 (3) MONTHLY DISTRIBUTION OF INCOME SUB-
22 SIDY.—Each participating eligible individual shall
23 receive the cash payment on the 15th day of each
24 month.

1 (c) RESPONSIBILITIES OF COMMISSIONER OF INTER-
2 NAL REVENUE.—The Commissioner of Internal Revenue
3 shall be responsible for—

4 (1) providing the Secretary access to tax
5 records to administer and study the program under
6 this section;

7 (2) updating the Secretary and the external
8 partner on changes to the taxable income of a par-
9 ticipating eligible individual.

10 (d) EXTERNAL PARTNER.—

11 (1) SELECTION.—The Secretary shall select an
12 external partner to provide assistance with the de-
13 sign, administration, and evaluation of the program.

14 (2) QUALIFICATIONS.—An organization selected
15 to be the external partner shall have demonstrated
16 experience in—

17 (A) mixed-methods experimental design;

18 and

19 (B) implementing cash-transfer programs.

20 (3) CONFIDENTIALITY.—The external partner,
21 and any employee of the external partner, shall be
22 treated as a Federal employee for purposes of sec-
23 tion 6103 of the Internal Revenue Code of 1986.

24 (4) DATA COLLECTION.—The external partner
25 shall collect data from participating eligible individ-

1 uals as necessary to complete the study and reports
2 required under section 4, and to conduct any addi-
3 tional research as the Secretary determines nec-
4 essary.

5 (e) DISREGARD OF CASH PAYMENTS FOR PURPOSES
6 OF ALL FEDERAL AND FEDERALLY ASSISTED PRO-
7 GRAMS.—Notwithstanding any other provision of law, any
8 payment made to participating eligible individuals under
9 this section shall not be taken into account as income, and
10 shall not be taken into account as resources for a period
11 of 12 months from receipt, for purposes of determining
12 the eligibility of such eligible individual (or any other indi-
13 vidual) for benefits or assistance (or the amount or extent
14 of benefits or assistance) under any Federal program or
15 any State or local program financed in whole or in part
16 with Federal funds.

17 **SEC. 4. STUDY AND REPORT.**

18 (a) STUDY ON PILOT PROGRAM.—The Secretary, in
19 collaboration with the Commissioner and the external
20 partner, shall conduct a study on outcomes of the pro-
21 gram.

22 (b) INTERIM REPORT.—Not later than 24 months
23 after participating eligible individuals have been begun
24 participating in the program, the Secretary, in consulta-
25 tion with the Commissioner of Internal Revenue and the

1 external partner, shall provide an interim report on the
2 program under section 3 to the Congress.

3 (c) FINAL REPORT.—Not later than 12 months after
4 the conclusion of the program under section 3, the Sec-
5 retary, in consultation with the Commissioner of Internal
6 Revenue and the external partner, shall provide a final re-
7 port on the program to the Congress, including an analysis
8 of—

9 (1) the effect of the monthly income subsidy
10 provided in section 3 on—

11 (A) micro-economic outcomes of partici-
12 pating eligible individuals;

13 (B) the health of participating eligible indi-
14 viduals;

15 (C) the social costs of income volatility, in-
16 cluding connections with income fluctuation and
17 health, education, employment, childcare, and
18 other outcomes as determined appropriate by
19 the Secretary; and

20 (2) the feasibility of expanding the program
21 under section 3 to include a larger number of par-
22 ticipants.

23 **SEC. 5. DEFINITIONS.**

24 In this Act:

1 (1) COMMISSIONER.—The term “Commis-
2 sioner” means the Commissioner of the Internal
3 Revenue Service.

4 (2) ELIGIBLE INDIVIDUAL.—The term “eligible
5 individual” means an individual taxpayer between
6 the ages of 18–65.

7 (3) EXTERNAL PARTNER.—The term “external
8 partner” means a non-partisan research agency or a
9 non-profit academic institution with expertise in so-
10 cial science experimentation.

11 (4) FAIR MARKET RENT.—The term “fair mar-
12 ket rent” means the applicable fair market rent es-
13 tablished under section 8(c) of the United States
14 Housing Act of 1937 (42 U.S.C. 1437f(e)).

15 (5) SECRETARY.—The term “Secretary” means
16 the Secretary of Health and Human Services.

17 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

18 There is authorized to be appropriated to carry out
19 this Act \$285,000,000 for each of the fiscal years 2022
20 through 2025.