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AB-661 The California Guaranteed Income Statewide Feasibility Study Act. (2025-2026)



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CALIFORNIA LEGISLATURE — 2025-2026 REGULAR SESSION

ASSEMBLY BILL NO. 661

> Introduced by Assembly Members Lee and Schultz (Principal coauthor: Assembly Member Celeste Rodriguez)

> > February 14, 2025

An act to add Chapter 15.9 (commencing with Section 18996.9) to Part 6 of Division 9 of the Welfare and Institutions Code, relating to public social services.

LEGISLATIVE COUNSEL'S DIGEST

AB 661, as introduced, Lee. The California Guaranteed Income Statewide Feasibility Study Act.

Existing law requires the State Department of Social Services, subject to an appropriation for this purpose in the annual Budget Act, to administer the California Guaranteed Income Pilot Program to provide grants to eligible entities for the purpose of administering pilot programs and projects that provide a guaranteed income to participants. Existing law requires the department to prioritize funding for pilot programs and projects that serve California residents who age out of the extended foster care program and pregnant individuals. Existing law requires the department, in consultation with relevant stakeholders, to determine the methodology for, and manner of, distributing those grants, subject to certain requirements. Existing law requires the department to review and evaluate the pilot programs and projects funded pursuant to these provisions, provide a report to the Legislature regarding that review and evaluation, and post a copy of the report on its internet website.

This bill, the California Guaranteed Income Research and Expansion Act, would require the State Department of Social Services to contract with one or more entities, subject to specified requirements, to develop and provide comprehensive recommendations on how to design, fund, and implement a permanent, statewide Guaranteed Income Program. The bill would require the contractor, among other things, to examine the benefits and challenges of scaling up permanent guaranteed income programs to reach a larger proportion of California's socially and economically vulnerable populations, focusing on regions with a high cost of living and insights from best practices and lessons learned from the California Guaranteed Income Pilot Program. The bill would require specified state departments to disclose necessary data to the State Department of Social Services and require the contractor to convene a steering committee composed of various stakeholders, as provided. The bill would require the department to, on or before January 1, 2028, publish on its internet website and provide a report to the Governor and the Legislature on the feasibility and benefits of expanding the California Guaranteed Income Pilot Program statewide based on the outcomes of the act.

This bill would authorize the State Department of Social Services to implement, interpret, or make specific the act without taking any regulatory action, as specified, and accept and, subject to an appropriation, expend funds to administer and implement the act

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Chapter 15.9 (commencing with Section 18996.9) is added to Part 6 of Division 9 of the Welfare and Institutions Code, to read:

CHAPTER 15.9. The Guaranteed Income Research and Expansion Act

18996.9. This chapter shall be known, and may be cited, as the Guaranteed Income Research and Expansion Act.

- **18996.91.** (a) The State Department of Social Services shall contract with one or more qualified entities to implement the Guaranteed Income Research and Expansion Act. The contracted entities shall develop and provide comprehensive recommendations to design, fund, and implement a permanent, statewide Guaranteed Income Program that achieves all of the following overarching objectives:
 - (1) Identify sustainable funding mechanisms to ensure the program's long-term viability and sustainability.
 - (2) Make recommendations on needed administrative infrastructure and program design, including, but not limited to, all of the following:
 - (A) State and local department and agency collaboration and necessary data sharing to reach Californians with low incomes.
 - (B) Determining the duration of the program.
 - (C) Setting appropriate payment amounts.
 - (D) Identifying key target populations.
 - (3) Identify pathways to ensure the program does not threaten eligibility for other social safety net programs, thereby maintaining comprehensive support for participating individuals and families.
- (b) The contractor chosen by the department pursuant to subdivision (a) shall do all of the following:
 - (1) Determine the administrative capacity, infrastructure, and data-sharing requirements, across state and local departments and agencies, that will be necessary to execute a sustainable statewide guaranteed income program, prioritizing populations in greatest need with the goal of scaling the program to reach all low-income Californians.
 - (2) Examine the benefits and challenges of scaling up a statewide, permanent guaranteed income program to reach a larger proportion of California's socially and economically vulnerable populations with a focus on both of the following:
 - (A) Regions with a high cost of living.
 - (B) Insights from best practices and lessons learned from the California Guaranteed Income Pilot Program established pursuant to Chapter 16 (commencing with Section 18997).
 - (3) Explore progressive, innovative, and equitable funding mechanisms, partnerships, and sustainable revenue sources to support permanent guaranteed income programs' expansion and long-term viability, emphasizing wealth distribution.
 - (4) Recommend a data-driven approach to identify priority populations, considering the intersections of social, gender, economic, and racial disparities in California, ensuring that the program targets those most in need. Priority populations include, but are not limited to, all of the following:
 - (A) Single heads of household.
 - (B) Survivors of intimate partner violence.
 - (C) Undocumented immigrants.
 - (D) Seniors experiencing poverty.
 - (E) CalWORKs recipients.

- (F) Formerly incarcerated individuals.
- (G) Transition-age foster youth.
- (H) LGBTQ+ individuals.
- (5) Identify local, state, and federal resources, benefits, and services that seek to prevent and end poverty in California and how to preserve access to those benefits and maintain federal contributions for them under a statewide guaranteed income program, considering how eligibility, income thresholds, and benefits calculations are structured.
- (6) Identify necessary data-sharing partnerships among groups and individuals including, but not limited to, local government agencies, participants in the United States Department of Housing and Urban Development's assisted housing, federal agencies, nonprofit, private, and community-based entities working to implement guaranteed income pilot programs, and state agencies and departments, including, but not limited to, the Franchise Tax Board, the Treasurer's office, the State Department of Social Services, the County Welfare Directors Association of California, the State Department of Health Care Services, the State Department of Public Health, the Interagency Council on Homelessness, the Employment Development Department, and other statewide institutions that deliver services to low-income Californians.
- (7) Identify the need and potential for local, state, and federal entities to coordinate existing funding and applications for competitive funding. Any action taken shall not restructure or change existing allocations or allocation formula.
- (8) Present policy and procedural recommendations to legislators and other governmental entities to introduce a permanent statewide guaranteed income program.
- (c) Notwithstanding any other state law, each of the following state departments shall disclose necessary data to the department to the extent permitted by federal law, for the purposes of this chapter:
 - (1) The State Department of Health Care Services.
 - (2) The State Department of Public Health.
 - (3) The Employment Development Department.
 - (4) The Interagency Council on Homelessness.
 - (5) The Franchise Tax Board.
- (d) (1) On or before January 1, 2028, the State Department of Social Services shall publish on its internet website and provide a report to the Governor and the Legislature on the feasibility and benefits of expanding the California Guaranteed Income Pilot Program statewide based on the outcomes of the Guaranteed Income Research and Expansion Act.
 - (2) (A) The requirement for submitting a report imposed under paragraph (1) is inoperative on January 1, 2029, pursuant to Section 10231.5 of the Government Code.
 - (B) A report to be submitted pursuant to paragraph (1) shall be submitted in compliance with Section 9795 of the Government Code.
- (e) (1) The contractor chosen by the department pursuant to subdivision (a) shall convene a steering committee composed of the following stakeholders:
 - (A) Three organizations that operate or have operated a local or state-funded guaranteed income pilot program. One person shall be from the northern region, one person shall be from the central region, and one person shall be from the southern region of California.
 - (B) Nine participants in a current or concluded, California-based guaranteed income program who live in California. At least one person shall have participated in a locally or state-operated guaranteed income program and be from the northern region of California, at least one person shall have participated in a locally or state-operated guaranteed income program and be from the central region of California, and at least one person shall have participated in a locally or state-operated guaranteed income program and be from the southern region of California.
 - (C) One researcher with knowledge and expertise in social determinants of health who convenes administrators of guaranteed income programs in California and nationally.
 - (2) The contractor chosen by the department pursuant to subdivision (a) shall select two community-based institutions to facilitate the steering committee. One shall be an independent, community-based administrator of a guaranteed income pilot program with experience with one state-funded guaranteed income program and a minimum of two additional local guaranteed

income programs, focusing on the priority populations described in paragraph (4) of subdivision (b), and one shall be an antipoverty and advocacy coalition that advocates for statewide wealth and income redistribution and economic racial justice.

- (3) The two facilitating organizations selected pursuant to paragraph (2) shall provide guidance on an equitable process to select steering committee members and assemble the steering committee by July 1, 2026. The steering committee shall meet quarterly, at minimum, until the conclusion of the term of the contract entered into pursuant to subdivision (a).
- (f) The contractor chosen by the department pursuant to subdivision (a) shall be limited to academic research institutions based in California with expertise in poverty, such as developing proposals related to poverty that are specific to California and proposals related to basic income. To the extent possible, the contractor shall provide equitable compensation for participants in local guaranteed income pilot programs participating in subparagraph (B) of paragraph (1) of subdivision (e).
- **18996.92.** (a) Notwithstanding any other law, contracts awarded pursuant to this chapter are exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, the Public Contract Code, and the State Contracting Manual.
- (b) Notwithstanding any other law, contracts awarded pursuant to this chapter are not subject to the approval of the Department of General Services or the Department of Technology.
- (c) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) or any other law, the department may implement, interpret, or make specific this chapter without taking any regulatory action.
- **18996.93.** Notwithstanding any other law, the department may accept and, subject to an appropriation for this purpose, expend funds from any public or private source to administer this chapter.

18996.94. Implementation of this chapter shall be subject to an appropriation by the Legislature.