



metrounitedway.org/yalift

General Frequently Asked Questions (FAQs)

What is guaranteed income?

Guaranteed income is a monthly cash payment given directly to individuals. It is unconditional—no strings attached, no work requirements—and is meant to supplement, rather than replace, current income and existing social safety net programs. It can also be a tool to advance racial and gender equity.

Guaranteed income recognizes the reality that people are the experts on their own lives and need cash to achieve the goals we all share—health, safety, opportunity, and fulfillment. Part of the solution is to provide baseline resources for individuals and families to financially take care of their basic needs based on their definition of care.

How will Louisville benefit from the YALift! guaranteed income pilot project?

More cash in people's pockets means more financially secure families and more activity in our local economy. YALift! is investing in young adults – the impact from [previous guaranteed income pilots](#) has demonstrated many positive benefits including reduced income volatility, increased wellbeing, and increased participation in the workforce.

Why were young adults chosen as the target population?

Economic downturns through the 2000s combined with the impact of COVID-19 have created a particular challenge for young adults seeking living wages and career-track employment.

- Focusing on 18-24-year-olds can help set a stable foundation for the financial future of our young adults and our community
- In some instances, devastating trends we are facing in our own community, such as increased gun violence, are tied to the economic circumstances of young adults. Providing guaranteed income creates a safety net that can support public health and safety.

What is the YALift! pilot program offering to the Louisville young adult community?

The guaranteed income pilot is a powerful tool to raise the income floor for Louisville's young adult population, defined as individuals who are 18-24 years old, to support the belief that everyone should have the resources needed to live. We believe that this investment in young people helps them build a strong foundation for the future, complete

their education, provide for themselves and their families, and make empowered career choices.

Why is this only available to young adults in Russell, California, and Smoketown neighborhoods?

We know these neighborhoods in our community are historically under-resourced and the need is the highest. Data shows large gaps in education, employment, home ownership, health and life expectancy. Starting here with the pilot will make the largest and most immediate impact and is similar to what other pilot cities have successfully implemented.

This sounds expensive. How will you pay for it?

A growing body of research shows that recipients of direct cash programs such as guaranteed income overwhelmingly use the money on basic needs – housing, utilities, food, and unexpected medical costs or other financial emergencies. Some social safety net programs, such as Temporary Assistance to Needy Families (TANF) and Supplemental Nutrition Assistance Program (SNAP) impose requirements, particularly for employment. Guaranteed income seeks to remove barriers for individuals to access resources. People know how to spend money in ways that best help them, and this pilot demonstrates the trust our community has in our young people.

Louisville's guaranteed income payments are being funded philanthropically.

Why not just invest in services like education and healthcare?

There are many efforts in our community to invest in education, healthcare, racial equity and other issues to improve our community. Research shows that individuals that receive direct payments such as guaranteed income overwhelmingly use the money on their basic needs – housing, utilities, food, unexpected medical costs, or other financial emergencies. Many social safety net programs are restrictive and difficult to navigate. The benefits often come with burdens that outweigh them.

Won't giving people free money keep them from working?

This is a common misconception about guaranteed income as well as other social safety net programs. However, research on several cash transfer initiatives over decades has shown that they have no negative effect on the labor market. More recent research shows recipients increased their participation in the workforce. Additional data from Alaska, where there has been a guaranteed income in the form of the permanent fund dividend (PFD) for nearly 40 years, shows that receiving cash did not stop people from working. Most guaranteed income payments are rather modest and would not provide ample income to justify an individual leaving their job or remaining out of the workforce.

What do people tend to do with the money?

Research shows that recipients of cash transfer programs overwhelmingly use the money on their basic needs – housing, utilities, food, unexpected medical costs, or other financial emergencies.

How was the community involved in the planning of the pilot program?

YALift! Advisory Coalition is a group of community members, young adults, and Louisville youth/young adult organization representatives that advise the pilot's coalition partners on the best approaches and implementation strategies to direct the project in the most effective, equitable, and impactful manner. The coalition supports the project through connection with their young adult and community networks to ensure project success and meaningful outcomes for participants.

Advisory Coalition members are representatives from Louisville Urban League, Bridge Kids International, MOLO Village, Bates Community Development Corporation (BCDC), Territorium and Louisville community members.