

Austin Guaranteed Income Pilot: How Cash Payments Affect Social Networks

Lauren Fung, Mary Bogle, Owen Noble, and Rodrigo Garcia

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Participants we surveyed reported **feeling more connected to the people in their community** over the pilot period.

The cash enabled some participants to invest in job training and deepen their networks of job contacts, **building the skills and relationships they needed to move into more secure jobs and earn higher wages.**

Participants shared that as a result of the cash payments, they were able to spend more time engaging with community organizations, **both to receive the help they need and to help others.**

The Austin Guaranteed Income Pilot tests how direct cash could help individuals and families with low incomes weather their unstable housing circumstances in some of the highest-poverty and most rapidly gentrifying neighborhoods in Austin, Texas. In September 2022, UpTogether and 10 community-based partners enrolled 135 households to receive \$1,000 each month from September 2022 to August 2023.

This fact sheet uses data from baseline, six-month, and one-year surveys of participants, as well as information from participant interviews, to present a snapshot of how Austin residents with low incomes used the cash to connect with people who could offer them resources, jobs, and emotional support to advance their social and economic prospects by the completion of the program.

THE IMPORTANCE OF SOCIAL NETWORKS

A social network is a set of relationships. Social networks exist at the individual level between friends, families, and coworkers, as well as at the institutional level between people and their employers, schools, helping entities, and governing bodies. Although there is no single social network theory, all assume interactions among people and entities that facilitate the exchange of information, resources, and influence among network members. Research shows that connections to other people are particularly important for social and economic well-being. Strong and positive social ties, for instance, are correlated with positive mental health outcomes. Perhaps surprisingly, weak social ties—our relationships with people we are acquainted with but do not know well—are often more important than strong ties in terms of connecting people to employment opportunities, promotions, and better wages (Smith 2016; Wegener 1991).

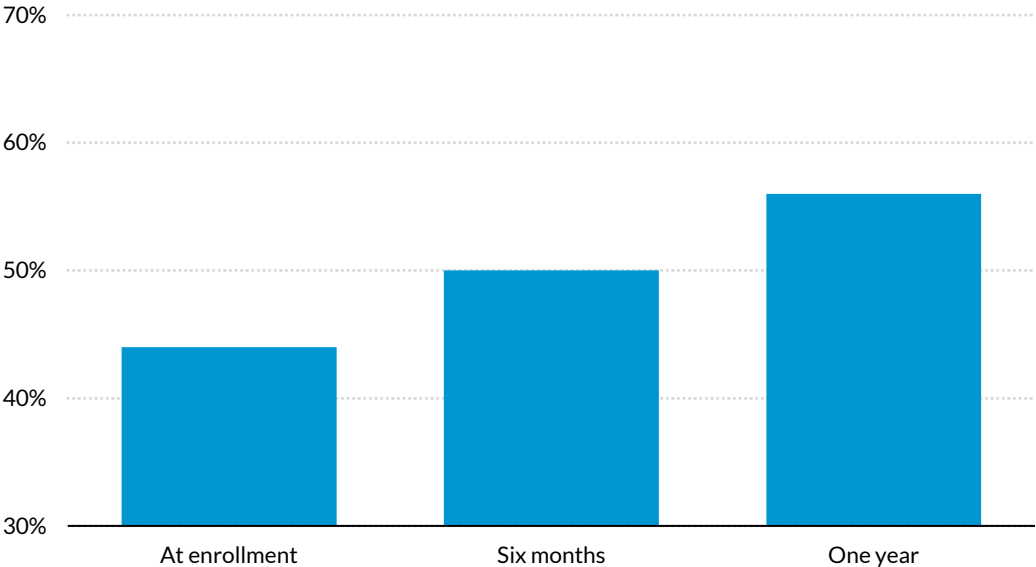
THE EFFECT OF THE AUSTIN CASH PAYMENTS ON SOCIAL NETWORKS

Data from other guaranteed income pilots suggest that even minor infusions of cash may encourage participants to expand or access their social networks in ways that lead to better outcomes for mental health, job attainment, and housing stability. However, this hypothesis has not been widely explored.

To better understand if and how direct cash might affect the social networks of recipients, the research team analyzed relevant survey data from participants

enrolled in the Austin Guaranteed Income Pilot. In addition, we coded data gathered from four participants as sociograms, which provide detailed visual representations of individuals' relationships with others.

FIGURE 1
Participants Felt More Connected to the People and Places in Their Neighborhoods
Share of survey respondents who reported feeling somewhat or very connected



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Source: Results from social connectedness metrics from the baseline, 6-month, and 12-month surveys.
Notes: This figure includes 50 responses from participants who reported feeling “somewhat” to “very” connected to the people or places in their neighborhoods. Only completed responses across all three surveys were included.

Data from our baseline, 6-month, and 12-month surveys show that the number of participants' close social relationships stayed the same throughout the pilot, with the median number of friends and relatives respondents reported seeing or calling for support in the last three months remaining at around three and two people, respectively. However, respondents also reported feeling more connected to their neighbors over the pilot period. This resulted in a 12 percent increase in respondents who felt “somewhat” to “very” connected to the people and places in their neighborhoods, from 44 percent at baseline to 56 percent at 12 months. Survey data do not explain why people who were not otherwise expanding their close relationships felt substantially more connected to people and places in their communities by the end of the pilot. The analysis below of how the cash affected the social networks of four pilot participants offers potential explanations.

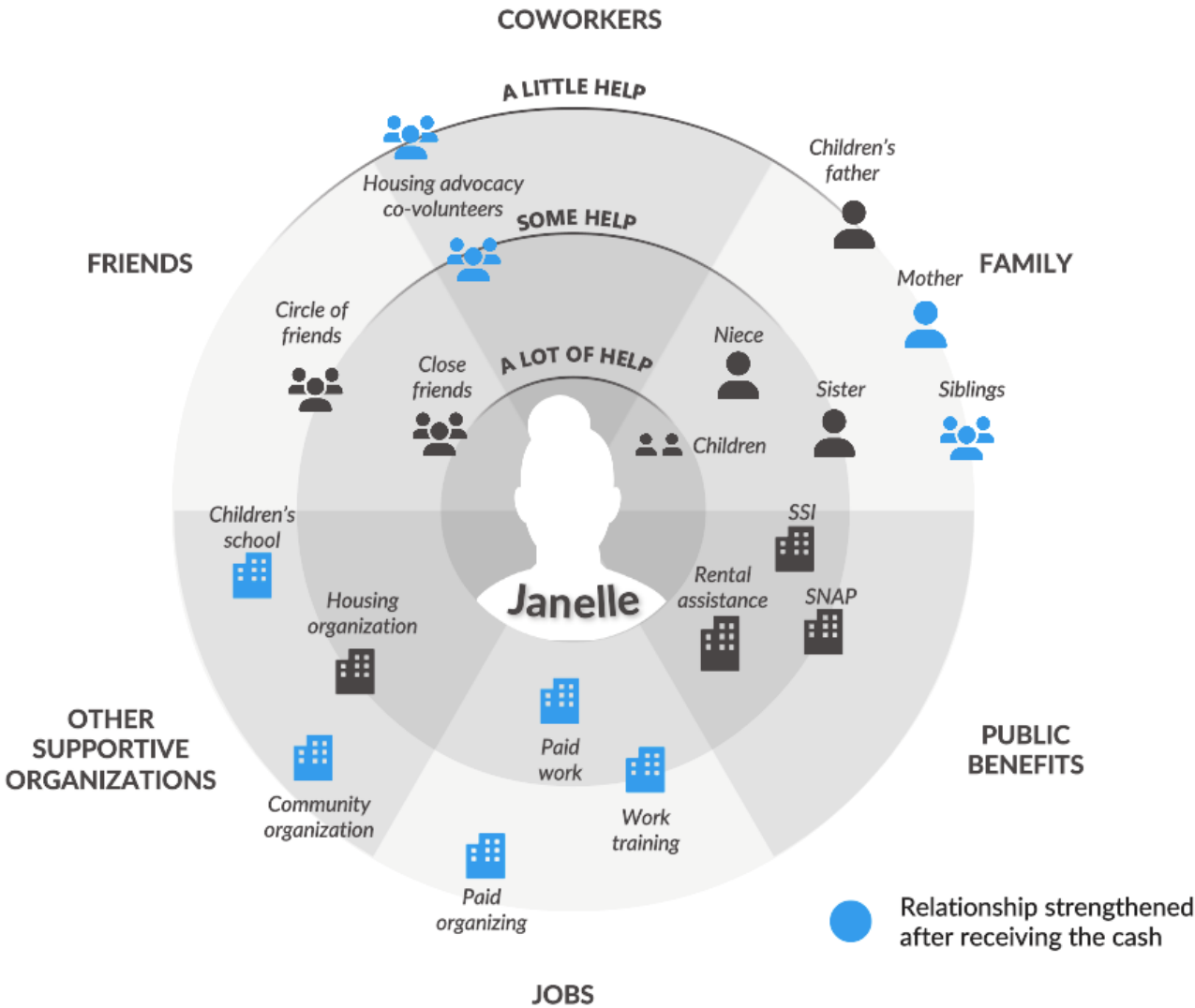
The research team developed sociograms for four participants who are broadly representative of the enrollment pool: a Black mother with young children, a married Burmese refugee who is the father of two young children, a white middle-aged woman who is unhoused, and a precariously housed Black mother with teen children. We asked these participants to describe relationships they found helpful and to rate the degree of help across a 3-point scale, ranging from “a little” to “some” to “a lot.” Finally, we asked each interviewee to reflect on if or how the cash payments improved, added, or diminished the helpfulness of these connections. Interviewees did not identify any instances where the cash had a negative effect on a relationship, though one participant did say that they did not tell family or acquaintances about the monthly cash for fear of being pressured to share it in ways that would diminish its usefulness to their immediate family.

The sociograms we used to analyze and illustrate each story (figures 2–5) feature icons representing the people each person is connected to, such as friends, family, coworkers, social workers, and others. Where meaningful, the icons show the organization or institution a connection might represent. The icons in blue represent relationships that participants say emerged or grew stronger as a result of having the extra cash; the icons in gray represent relationships that were not affected by the cash payments. “Other supportive organizations” include social services organizations, congregations, schools and teachers, and other professional helpers. Public benefits include government-sponsored programs.

Janelle’s Story

The cash payments have helped Janelle form new relationships and strengthen existing ones important to job seeking, her children’s education, community building, and family functioning.

FIGURE 2
How the Cash Payments Affected Janelle’s Connections



Janelle is a mother of two living in southeast Austin. She has two children: a preschooler and a second grader with special needs who she adopted from a sibling who could not provide the care the child requires. She also takes care

of her disabled mother and lends financial support to her siblings when she can. Janelle previously worked full time in an administrative position but decided to pursue temp work because of her children's often significant educational needs and a personal health challenge that impairs her mobility and has made it increasingly difficult to get to work without a car. Janelle and her children receive a few public benefits, such as Supplemental Security Income (SSI) and the Supplemental Nutrition Assistance Program (SNAP), which she says are quite helpful. However, she also notes that it has been difficult to get ahead since the combination of her work income and benefits barely covers rent, utilities, food, and necessities for her children.

Shortly after receiving her first cash payment, Janelle began using it to pay for skills-building classes she hoped would increase her earning power after the completion of the pilot. The cash also allowed her to reduce her temp job hours so that she had time for the training as well as time to volunteer with a local community organization that works on preserving affordable housing in east Austin. Occasionally, the organization paid Janelle to go door to door to organize her neighbors and provide them with information on resources related to affordable housing, transportation, and internet services. Reflecting on her unpaid activities, Janelle said, "I really appreciate being a part of the program and the doors it has opened to me," noting that her new and strengthened relationships with the staff and other volunteers of the community organization in particular have expanded the circle of people who provide her with useful information and emotional support.

The reduction in her temp hours also gave Janelle more time to volunteer in her children's classrooms and talk with their teachers—involvement she sees as essential to their educational success. Additionally, the cash has bolstered Janelle's already strong relationship with her mother and improved previously strained relationships with four of her siblings. For example, Janelle has used pilot cash to hire a rideshare service to take her and her mother to doctor's appointments on time and without the discomfort people with mobility challenges often encounter on public transportation.

Shortly before the pilot ended, Janelle's new skills and connections helped her secure a full-time position as a leasing agent for an apartment complex near her home. The new job has increased her earnings by about \$2,000 more per month than what she was making before the pilot began, resulting in a net gain of about \$1,000 per month in income. Though her additional income has resulted in a decrease in her SNAP benefits, Janelle feels fortunate to be able cover the higher grocery bill with her increased job earnings. She is also grateful for the time the pilot cash gave her to find a school more appropriate to her second grader's needs, and she remains engaged with her children's teachers.

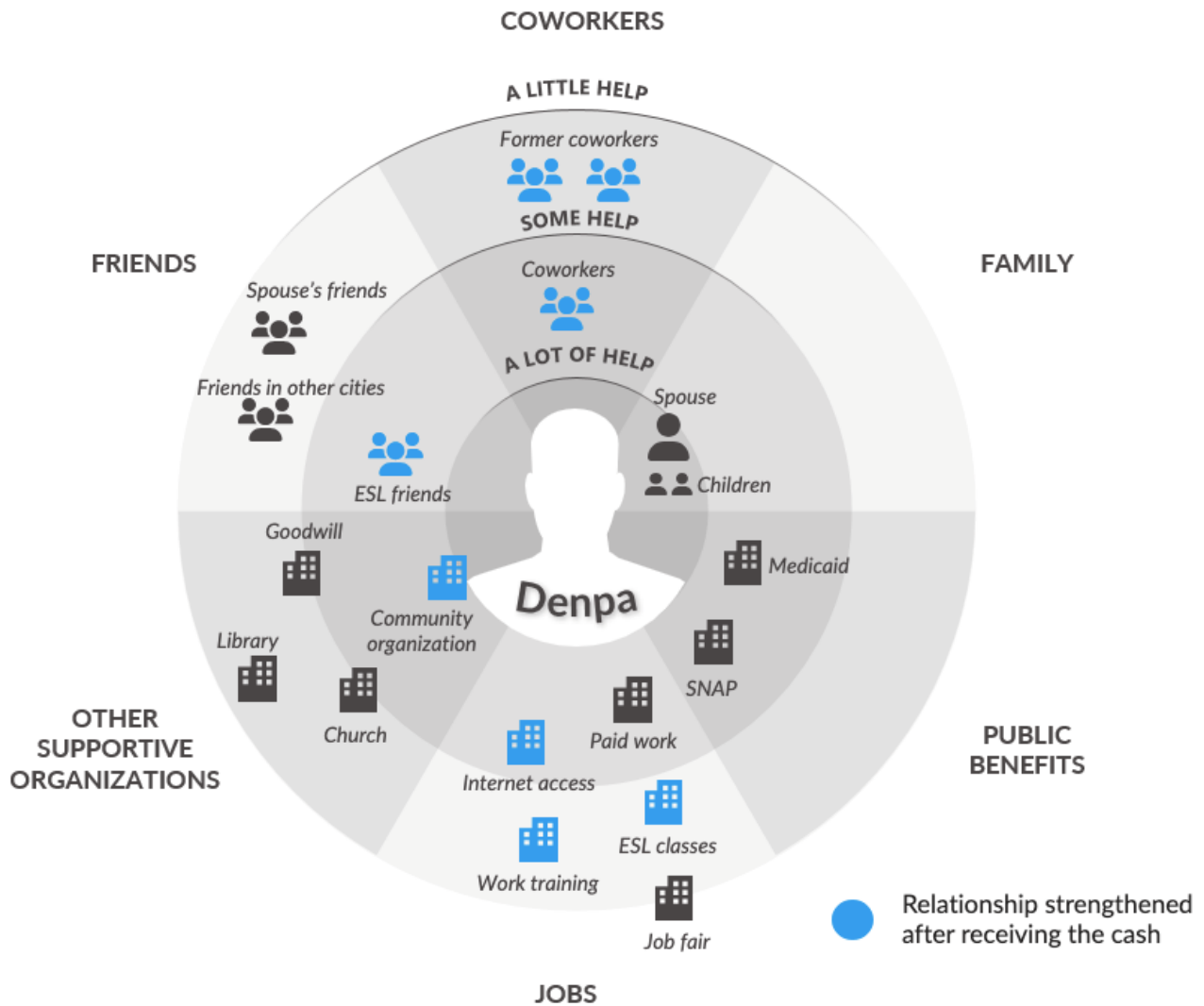
Denpa's Story

The cash payments have helped Denpa strengthen relationships important to economic mobility and community building. Denpa is a father of two living in northern Austin. He immigrated to the United States in 2016 as a refugee from political violence in his home country. Forced to leave behind extended family, Denpa and his wife have worked to build a strong sense of community in Austin, where they are deeply involved with a local church and support networks for Asian American immigrants.

Prior to receiving the pilot cash, money was tight in Denpa's household because his part-time job with a supportive employer did not pay enough to cover his family's high rent and food expenses. Because Denpa wanted to advance in his current job rather than leave it, he used the cash to invest in courses at Austin Community College and was subsequently promoted and given more hours. He also purchased Wi-Fi for his home so that he and his wife could take English classes together online. Denpa also uses his Wi-Fi access to serve as an online translator for other immigrants in his community.

FIGURE 2

How the Cash Payments Affected Denpa’s Connections



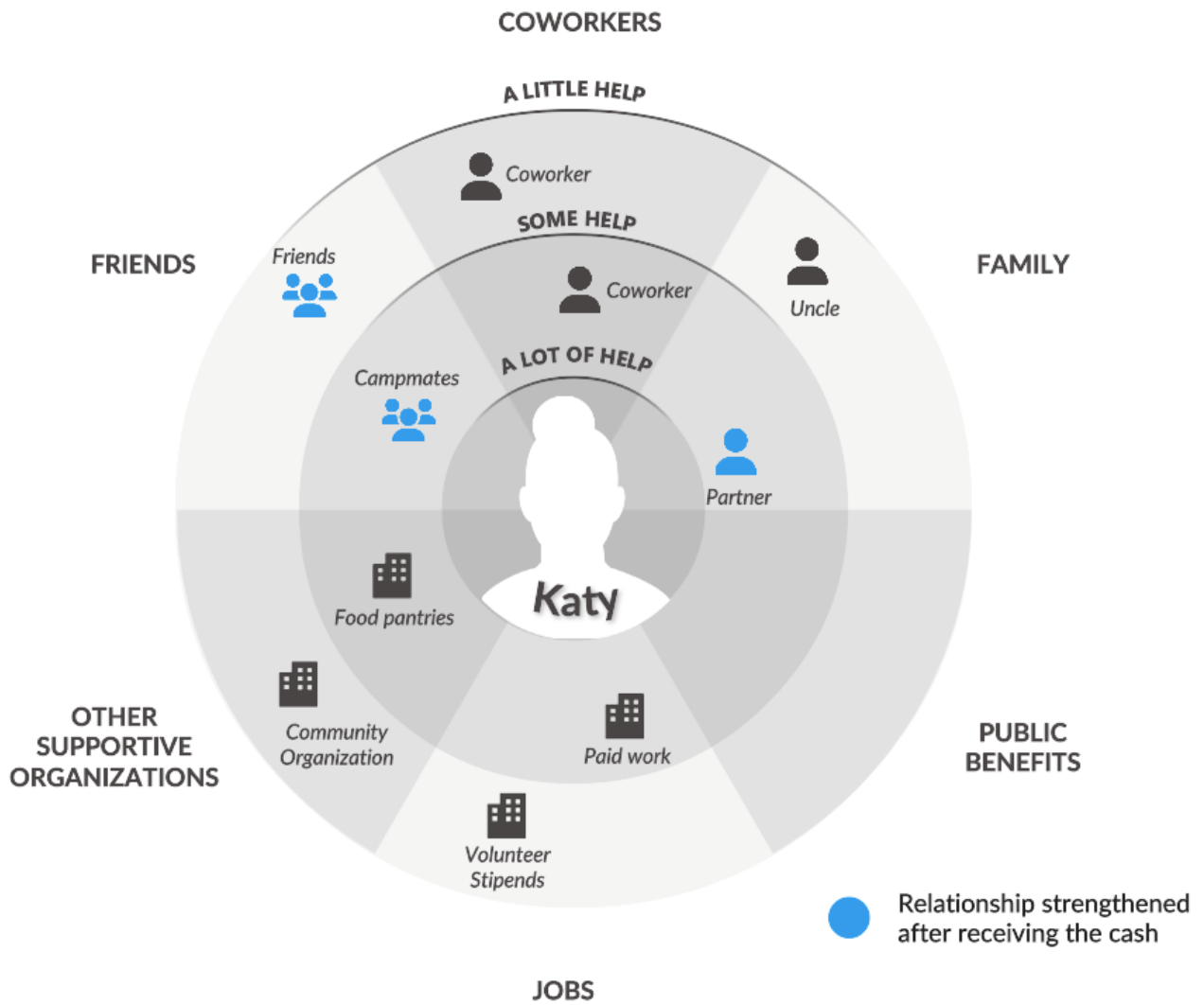
At the end of the pilot, Denpa shared, “I’m confident. I learned technical computer skills and English and my career is better. I have more hours now.” He has lost access to Medicaid as a result of his increased income, but he and his wife are working on securing health insurance benefits through Austin’s Medical Access Program at higher rates. He recognizes that the dual transition out of the pilot and benefits loss has increased his financial strain, but he plans to continue his education to secure higher-paying positions. He emphasized that the flexibility of the cash assistance was key for freeing up the time and resources he needed to invest in his long-term career goals. “I just want to say thank you to the pilot,” he reflected. “It was very good for people who are very busy and low-income so they can get promoted up.”

Katy’s Story

The cash payments have helped Katy meet basic needs and maintain a social network that is protective and emotionally supportive. Katy received emergency housing after Winter Storm Uri hit Austin hard in February 2021. After a series of job setbacks and the expiration of the emergency housing benefit, Katy became unhoused. She now lives with a male partner and a few close friends in a small campsite. She receives modest stipends for her work doing

outreach and representing the concerns of unhoused people in community forums. Katy has been on a waitlist for permanent supportive housing with wraparound services for six years. She qualifies for this option because of longstanding mental health issues arising from a chaotic childhood and abuse from previous intimate partners. Katy has been unable to qualify for SSI and does not receive SNAP or other public benefits, in part because the work requirements Texas places on benefit recipients are difficult for people who experience challenges like unstable housing and sporadic work opportunities.

FIGURE 3
How the Cash Payments Affected Katy's Connections

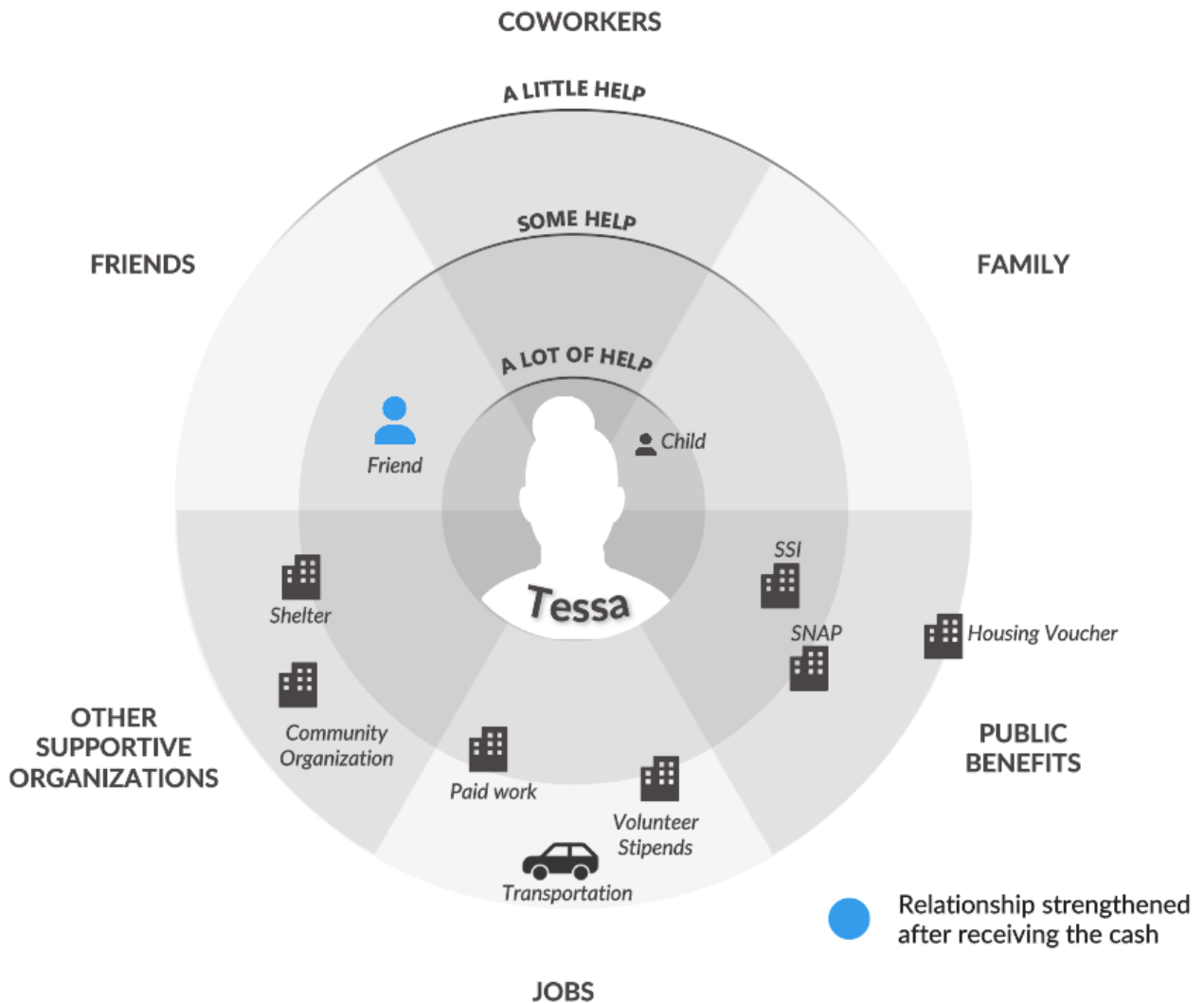


Katy has primarily used the pilot cash to pay for food, water, and other survival items, but the amount has not been enough to allow her to secure housing while she waits for her permanent supportive housing to come through. Katy is very generous with her monthly cash allotment. When another outreach worker lost her housing, Katy used funds from the pilot to help her find another option. She has used some of the cash to buy snacks, toiletries, and other items for her campsite mates. Katy discussed how such sharing is necessary and especially common among the unhoused because friend groups rely heavily on one another for physical protection, emotional support, and other basics they need to manage the harsh and unsafe conditions often found in encampments.

Tessa's Story

The cash payments have helped Tessa maintain housing and begin saving for independent transportation options to access higher-paying work. Tessa moved out of her home in 2021 after filing a restraining order against her abusive partner who had made it impossible for her and her children to keep living there. Tessa relied on Texas rent relief to temporarily secure new housing. When the program ended, she relied on SSI for her younger child with special needs, SNAP, and house cleaning to support her family. She could not keep up with rent and was forced to leave her home in the summer of 2022, just before she enrolled in the guaranteed income pilot.

FIGURE 4
How the Cash Payment Affected Tessa's Connections



Tessa's youngest child moved in with extended family, but Tessa and her older daughter had to move into a family shelter. When her older daughter turned 18 in early 2023, they had to leave the shelter. Tessa received an emergency rental voucher but struggled to find a suitable apartment that also met regulatory fair market rent standards for applying her voucher.

Tessa used her pilot cash to secure housing options after she and her daughter had to leave the family shelter. When not staying in low-cost hotels, Tessa and her child "couch surf" in the home of an acquaintance who was also enrolled

in the cash pilot. She used the cash to pay a modest rent to the acquaintance while she focused on aligning her housing, work, and transportation situations. Tessa continues to pick up work as a house cleaner but has a standing job offer for a well-paying job as a hostess in a cafe on the outskirts of east Austin. The cafe is not accessible by Austin bus routes, so Tessa saved a portion of her pilot cash each month toward buying a very cheap used car. Once she secures the car and the higher source of income, she plans to reunite with both her children in a home that is within a reasonable commuting distance from the cafe.

CONCLUSION

Social ties play an essential role in participants' social and economic well-being. Our data suggest that recipients of pilot cash use it to create, maintain, and grow networks that help them achieve goals related to job advancement, their children's education, emotional support, and community building. Survey data indicate that many pilot participants connected with their neighbors more as a result of the cash payments, and interview data suggest that the flexibility of cash is essential to forming and building the kinds of social ties and resources people need to surmount crises and secure living-wage jobs.

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ABOUT THE AUTHORS

Lauren Fung is a research assistant in the Metropolitan Housing and Communities Policy Center at the Urban Institute. Their research focuses on guaranteed income, housing affordability, and maternal health.

Mary Bogle is a principal research associate in the Metropolitan Housing and Communities Policy Center at the Urban Institute. Her research often sits at the intersection of whole-family support, social networks, and economic development at the neighborhood level.

Owen Noble is a research analyst in the Metropolitan Housing and Communities Policy Center at the Urban Institute. Their research covers how rental property ownership trends affect tenant and community outcomes, inclusive LGBTQ+ data collection, and issues at the intersection of housing affordability and stability, zoning and land use, and transportation justice.

Rodrigo Garcia is a research assistant in the Metropolitan Housing and Communities Policy Center at the Urban Institute.

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