

[Chelsea is about to become the country's biggest experiment in giving out no-strings-attached checks](#)
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Some Chelsea residents got \$400 a month, no strings attached. Here's what happened next.

The city plans to launch a new version of the program in 2023 after Harvard research and a documentary highlighted its effectiveness.

By [Janelle Nanos](#), Globe Staff, Updated December 7, 2022



Huge demand at food pantries in Chelsea in the summer of 2020 helped inspire the city's largest-of-its-kind experiment with universal basic income, which gave \$400 a month, no strings attached, to roughly one-sixth of the city's households for about a year. - Pat Greenhouse/Globe Staff

CAMBRIDGE — Chelsea Eats was crafted out of chaos. But the lessons from the city's COVID-era effort to give needy families \$400 a month, no strings attached, are proving to be a boon for Harvard University researchers seeking to explore guaranteed income as a solution to poverty.

Five months into the pandemic, in the summer of 2020, Chelsea city manager Tom Ambrosino floated the concept of handing out debit cards to residents. At the time, Chelsea had the highest rate of COVID-19 infection in Massachusetts, and lines at food pantries were stretching around the block. Because a sizable number of Chelsea's 39,000 residents are undocumented and unable to receive other forms of

federal assistance, city resources were being drained to pack, transport, and distribute 40,000 pounds of food a week.

“At some point we all sort of came to the conclusion that there has to be a better way,” Ambrosino said.

Ambrosino was familiar with guaranteed income programs, an increasingly popular idea in economic circles to provide direct cash assistance to people experiencing poverty. He was also aware that such a concept might get some blowback from city leaders concerned about possible abuse. So he played down the big-picture theorizing.

“We didn’t promote it as universal basic income,” he said. “We promoted it as a solution to problem.”

But the result was an experiment staggering in its scope: In just three weeks, Ambrosino cobbled together \$4 million, between city funds, federal COVID relief, and a grant from the Shah Family Foundation, and launched Chelsea Eats, which provided debit cards to over 2,000 households, roughly one-sixth of Chelsea’s population (an additional \$2 million was raised to extend the program by three months). From November 2020 through August 2021, each recipient got up to \$400 a month. At the time, it was the largest guaranteed income program in the country, and Jeffrey Liebman at Harvard University’s Rappaport Institute for Greater Boston jumped at the chance to track how it actually worked.

In the weeks before the cards were handed out, Harvard researchers began texting surveys to participants entered in the Chelsea Eats lottery. From the start, Liebman says he was floored by how deep the economic need was in the city.

“Fifty-four percent of the kids were not getting enough food to eat. It’s heartbreaking,” he said. “I’ve never seen a number like that in the US.”



Demand for essentials such as diapers and baby formula at Chelsea food pantries continued after the end of a program that gave \$400 a month to residents. - Pat Greenhouse/Globe Staff

Because the funds were distributed on debit cards, researchers could track exactly how they were being spent. When Liebman culled data from the first five months of the program, he found that the [funds were being spent overwhelmingly on food](#): three-quarters of it was spent at grocery stores, restaurants, wholesale clubs,

markets, and convenience stores. A third of all the money spent at grocery stores went to a single Market Basket in Chelsea.

A second round of research released this week went further, comparing people who received the cards with those who did not. Liebman found that Chelsea Eats recipients spent more money overall on food, and bought more fresh vegetables, meat, and fish. They described greater food satisfaction and said they felt less financial distress. They worked about the same number of hours at jobs, and they were less likely to move from their homes, which could demonstrate that the extra income provided them a bit more stability.

The data, Liebman said, suggest helping needy people with direct cash can have multiple benefits, from helping them eat better to having them feel more connected to the community.

“Being able to buy what they want — to actually go out and buy some beef or pork to put in your stew versus only having beans, that’s a big difference,” he said.

“It’s helped me supplement my earnings to pay rent. It’s a big help,” Chelsea resident Amelia Soto told documentary filmmakers in “[Raising the Floor](#),” which was screened at an event hosted at Harvard on Tuesday evening in conjunction with the release of Liebman’s findings. The film also featured interviews with program recipients and local business owners who said they all benefited from the program, and Liebman’s research bore that out: Half of all of the funds were spent inside the Chelsea community, suggesting that guaranteed income not only supports families in need, but also the local business community.

But by August 2021, the money had run out, and Chelsea Eats wound down. The need, though, remains.

Cara Cogliano, the director of Chelsea Community Connections Coalition, says that she’s still providing free diapers to over 250 families a month. Food pantries run six days a week. So while she’s happy that Chelsea Eats is providing an example of what’s possible, Cogliano argues that guaranteed income programs don’t address the root causes of poverty.

“It’s a foundation-funded initiative to see what happens, but these are people’s livelihoods,” Cogliano said. “Being a kind of the guinea pig or the tester of that kind of program was awesome. But what did happen to those families, how are they surviving today?”



Roughly one-fourth of all the money distributed through the Chelsea Eats guaranteed income program was spent at Market Basket in Chelsea. - Josh Reynolds for The Boston Globe

A cash-strapped city like Chelsea can't support this sort of program — which cost \$700,000 a month — indefinitely, said Ambrosino. It made sense in an emergency, but as a long-term effort, it would need dedicated money from somewhere else.

“Is it sustainable?” he said. “The answer to that is emphatically no. Not for a municipality the size of Chelsea.”

But he's willing to try it again on a smaller scale: On Tuesday, Ambrosino announced that a second round of Chelsea Eats would launch in the coming weeks. This shorter-term program, which will run January through March of 2023, will help up to 650 families and be covered through over \$800,000 in ARPA funds. Ambrosino said that the program was the direct result of asking the community how they wanted to spend the federal funds.

And no matter how long it lasts, Ambrosino said, the experiment has helped shift the conversation about how exactly the government should help poor people.

Before the pandemic, he said “there was a sense that local governments shouldn't be involved in social programs.” But since launching Chelsea Eats, he said it's prompted a “deeper conversation about what is the local government's role and what is the federal government's role” in supporting these programs long term, and how much to rely on philanthropy.

Liebman concurred and suggested one possible solution would be to expand guaranteed income opportunities on the federal level, by allocating more funds to preexisting programs like the Child Tax Credit or Supplemental Security Income. He

also suggested focusing on providing guaranteed income to specific populations like homeless people or those aging out of foster care. Regardless, he said, his research in Chelsea suggests there's one clear lesson.

“Any time we're testing a social program,” he said, “we should always have an arm where we just give people cash.”

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