PRESS RELEASE – FOR IMMEDIATE RELEASE

California Policy Lab awarded $100K for anti-poverty research with California Franchise Tax Board

Innovation grant will support evaluation of how behavioral "nudges" can improve public programs

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Berkeley – Today, the California Policy Lab received $100,000 to conduct research in partnership with the Franchise Tax Board (FTB) to encourage low-income households to claim a valuable new state tax benefit that lifts thousands of Californians out of poverty each year.

The policy lab, which leverages experts at UC Berkeley and UCLA to work on applied policy research, will also work with the tax agency to encourage honesty and accuracy among the state's tax filers through the use of behavioral "nudges."

The grant was awarded by J-PAL North America, a research center based at the Massachusetts Institute of Technology, as part of the J-PAL State and Local Innovation Initiative, which supports US state and local leaders in using randomized evaluations to generate new and widely applicable lessons about which programs work, which work best, and why.

 "We are thrilled to be working with the Franchise Tax Board to improve awareness of this valuable tax benefit and to improve the accuracy and honesty of tax filers," said policy lab Executive Director Evan White. "We thank J-PAL North America for their support of these projects that we hope will lift thousands of Californians out of poverty."

The California Policy Lab, launched in 2017, uses data and research to solve the state's urgent social problems. The lab is closely partnered with the FTB to pilot innovative new methods of ensuring fair and accurate tax filings.

The grant aims to improve outreach for the refundable California Earned Income Tax Credit, or CalEITC, which provides up to $2,775 for many households making less than $22,300. This state tax credit was created in 2015 and recently expanded by the legislature, authorizing hundreds of millions of dollars in total benefits for working poor Californians. It supplements a similar federal tax credit that provides over $7 billion to low-income Californians annually.

But each year, Californians leave more than $2 billion of these tax credits unclaimed, which has spurred the state legislature this session to authorize millions of dollars in awareness campaigns. The policy lab's partnership with the FTB would inform that outreach.

"We are always looking for new ways to connect California families with the EITC, and we are delighted to have new partners who are committed to helping us build engagement with this

powerful anti-poverty program," said Selvi Stanislaus, Executive Officer of the California FTB.

This grant is the second received by the California Policy Lab from J-PAL North America. In May, it received $100,000 to improve outreach for the state's Cal Grant program, which provides over $2 billion in college scholarships low-income, high achieving students. That project has already succeeded in increasing student registrations for the scholarship's website by 14 percent.

"We are excited to partner again with the California Policy Lab and with new partner FTB to generate rigorous evidence on effective ways to lift families out of poverty," says Mary Ann Bates, Executive Director of J-PAL North America and co-chair of the State and Local Innovation Initiative. "We applaud the California Policy Lab's leadership in utilizing research to inform important policy decisions in California and across the country."

About the California Policy Lab

The California Policy Lab is a new initiative at UC Berkeley and UCLA designed to create data-driven insights for the public good. CPL's mission is to partner with California's state and local governments to generate scientific evidence that solves California's most urgent problems, including homelessness, poverty, crime, and education inequality. CPL facilitates close working partnerships between policymakers and researchers at UCLA and UC Berkeley to help evaluate and improve public programs through empirical research and technical assistance. California Policy Lab is led by faculty directors Jesse Rothstein (Berkeley) and Till von Wachter (UCLA) and executive directors Evan White (Berkeley) and Janey Rountree (UCLA).

Learn more about the California Policy Lab at: http://www.capolicylab.org/

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