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## Purchasing Population Growth

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# Purchasing Population Growth

EDWARD W. DE BARBIERI\*

*State and local lawmakers compete to attract new populations of workers to purchase homes, grow the tax base, and develop local economies. Even before the pandemic, lawmakers used a variety of tax incentives and other legal levers to attract new residents. Increasingly, in some cases bolstered by the Coronavirus Aid, Relief, and Economic Security (CARES) Act funds, local governments are attracting high-paid, well-skilled, remote workers with cash gifts and other direct economic benefits.*

*Although cash incentives for remote workers have been increasing in popularity, they remain unproven with respect to intended outcomes and have yet to face legal challenge. The public purpose doctrine, among other legal doctrines, has traditionally been used to limit government spending of scarce tax resources to benefit private individuals. Relatedly, incentives to attract new remote workers exceed the public purpose justifications used in the Supreme Court's Takings Clause cases, including Kelo v. City of New London.*

*This is the first law review article to study the unique legal questions posed by, and to analyze the effectiveness of, population attraction efforts for remote workers. Early analysis suggests that only cities already experiencing population inflows during the pandemic may benefit from efforts to attract remote workers. At the same time, the most likely beneficiaries of government incentives to relocate are the relocating workers who, in many cases, would move even without a direct economic incentive. Local lawmakers should reconsider cash payments in favor of law and policy approaches that lower housing costs, such as land use and zoning reform, community land trusts, and other programs that benefit both new and existing residents.*

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#### INTRODUCTION

In 2012, local leaders in Chattanooga, Tennessee, had a stroke of creativity. Seeking to attract well-paid remote technology workers, they created a program

called “Geek Move” to offer incentives to workers who relocate to Chattanooga.<sup>1</sup> The program offered a \$10,000 forgivable mortgage and \$1250 in cash to relocating workers.<sup>2</sup> The “gig city” was touted for its fiber network, affordable home prices, and attractive climate.<sup>3</sup>

In many ways, Chattanooga’s program was ahead of its time.<sup>4</sup> Since the COVID-19 pandemic, states and cities across the country have rushed to create their own incentive programs to attract remote workers.<sup>5</sup> This trend taps into an inchoate desire among some well-paid professional services workers to achieve wealth and a sense of life on their own terms.<sup>6</sup> Management scholars have found data to support the increased productivity of workers permitted to “work-from-anywhere.”<sup>7</sup>

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1. Colleen Kane, *Calling All Geeks: Chattanooga Pays Techies to Relocate*, CNBC, <https://www.cnb.com/id/49292712> [<https://perma.cc/D5NJ-BDNK>] (Dec. 2, 2012, 1:43 PM).

2. *Id.* The program initially yielded about thirty applicants and made ten awards. *Id.*

3. John Cook, *The ‘Gig City’ of Chattanooga Looks to Lure Tech Geeks with \$10,000 Relocation Program*, GEEKWIRE (Sept. 18, 2012, 1:00 PM), <https://www.geekwire.com/2012/chattanooga-aka-gig-city-lure-geeks-10000-relocation-program/> [<https://perma.cc/9ADL-8PTY>]. In 2012, the median list price was \$153,500, compared with Seattle’s, at the time, of \$399,000. *Id.* The average high temperature is seventy-two degrees, the average low temperature is fifty degrees, and the rainfall average is 52.48 inches. *Climate Chattanooga - Tennessee*, U.S. CLIMATE DATA, <https://www.usclimatedata.com/climate/chattanooga-tennessee/ united-states/ustn0084> [<https://perma.cc/ZG6X-7RM8>].

4. In 2019, the City of Tulsa offered a \$10,000 relocation incentive for remote workers and attracted 10,000 applications for 250 slots. Prithwiraj (Raj) Choudhury, *Our Work-from-Anywhere Future*, HARV. BUS. REV. (Nov.–Dec. 2020), <https://hbr.org/2020/11/our-work-from-anywhere-future> [<https://perma.cc/X2HR-CHPZ>].

5. Jeff Ostrowski, *Working Remotely? Some Cities, States Will Pay You to Move In*, SEATTLE TIMES, <https://www.seattletimes.com/business/working-remotely-some-cities-states-will-pay-you-to-move-in/> [<https://perma.cc/7G7Q-R7S4>] (Feb. 18, 2021, 8:54 AM). For a presentation of the data collected by the author and two research assistants about current population attraction incentives, see *infra* Part II.

6. In one of the most satisfying reads of summer 2021 for this author, one *Wall Street Journal* reporter highlighted efforts among remote workers to work multiple jobs during the pandemic. Rachel Feintzeig, *These People Who Work from Home Have a Secret: They Have Two Jobs*, WALL ST. J. (Aug. 13, 2021, 10:55 AM), <https://www.wsj.com/articles/these-people-who-work-from-home-have-a-secret-they-have-two-jobs-11628866529> [<https://perma.cc/F24P-DP8K>]. On another extreme, workers have embraced the self-help, motivational work of Timothy Ferriss to define, eliminate, automate, and liberate their work and recreational lives. See generally TIMOTHY FERRISS, *THE 4-HOUR WORKWEEK* (2009). Finally, recent data from WFH Research has found workers who were able to work from home during the COVID-19 pandemic prefer a hybrid, remote work arrangement, and employers would need to increase pay nine percent for workers to prefer in-person work. Jose Maria Barrero, Nicholas Bloom & Steven J. Davis, *Why Working from Home Will Stick* (Nat’l Bureau of Econ. Rsch., Working Paper No. 28731, 2021).

7. See, e.g., Prithwiraj Choudhury, Cirrus Foroughi & Barbara Zepp Larson, *Work-from-Anywhere: The Productivity Effects of Geographic Flexibility*, 2020 ACAD. MGMT. ANN. MEETING PROC., <https://journals.aom.org/doi/10.5465/AMBPP.2020.225> [<https://perma.cc/3LJG-R4D2>] (finding for U.S. Patent and Trademark Office examiners, there was a 4.4% increase in output following a work-from-home to “work-from-anywhere” transition).

Are population attraction incentives effective at influencing the location decisions of well-paid remote workers? Or are such tools popular with state and local law and policymakers because of the need to appear competitive in the marketplace for residents? Based on the relocation trends of wealthy workers during the pandemic, from expensive cities like New York and San Francisco to less expensive ones,<sup>8</sup> and to the suburbs,<sup>9</sup> relocation incentives likely have little to do with where many remote workers relocated.<sup>10</sup>

Yet what is apparent is that during the pandemic many young families accelerated their move to the suburbs, and some workers relocated to less expensive urban areas.<sup>11</sup> Cities such as Tulsa, Oklahoma, which began attracting “work-from-anywhere” workers in 2018, have experienced some growth in their remote workforce.<sup>12</sup> Yet for more isolated, smaller towns, offering an incentive to relocate appears unlikely to wield significant influence in where residents locate.<sup>13</sup> If there are winners in the population attraction incentive market, it is the remote workers, many of whom would have relocated anyway to the areas they chose.<sup>14</sup>

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8. See Marie Patino, Aaron Kessler & Sarah Holder, *More Americans Are Leaving Cities, but Don't Call It an Urban Exodus*, BLOOMBERG (Apr. 26, 2021), <https://www.bloomberg.com/graphics/2021-citylab-how-americans-moved/> [https://perma.cc/463S-TMK7] (showing evidence of internal relocations within states such as California and New York, along with Sun Belt city population gains in Phoenix and Austin).

9. See Arjun Ramani & Nicholas Bloom, *The Donut Effect of Covid-19 on Cities* (Nat'l Bureau of Econ. Rsch., Working Paper No. 28876, 2021).

10. Perhaps the most significant incentive to relocate that a city might offer is low housing prices, which may be achieved through relaxed zoning laws without adding any additional municipal costs. For an excellent study of state-level efforts to liberalize local zoning laws to aid in the creation of more affordable housing, see John Infranca, *The New State Zoning: Land Use Preemption amid a Housing Crisis*, 60 B.C. L. REV. 823 (2019).

11. See Richard Florida, *The Forces That Will Reshape American Cities*, BLOOMBERG (July 2, 2020, 6:00 AM), <https://www.bloomberg.com/news/features/2020-07-02/how-coronavirus-will-reshape-u-s-cities> [https://perma.cc/8CKV-3P54] (discussing the ways the pandemic accelerated shifts that were already happening for years).

12. See Daniel Block, *Move to Berrien County, Michigan, for the Beaches—and the \$15,000*, ATLANTIC (July 23, 2021), <https://www.theatlantic.com/technology/archive/2021/07/moving-incentives-are-overhyped/619543/> [https://perma.cc/U4AU-XHXN] (finding that around 1000 participants relocated to take advantage of the \$10,000 incentive offered by Tulsa Remote and pointing out the modest impact such an increase has on a city with a population of over 700,000).

13. See *id.* (finding only one individual relocated to a Michigan town with an incentive program, and that the individual would have relocated without the incentive because of family connections).

14. Media reports indicate stories of individuals and families lured to an area because of an incentive; however, many of those who relocate were already likely to move to an area because of family connections. See, e.g., *Remote Workers Wanted: Small Cities Offer Cash to Those Who Relocate*, WALL ST. J. (Feb. 22, 2021, 7:00 AM), <https://www.wsj.com/video/series/in-depth-features/remote-workers-wanted-small-cities-offer-cash-to-those-who-relocate/5966BBAE-196E-41B0-9A8C-1B0601683C86> [https://perma.cc/HQ3M-M63U] (highlighting the story of a family that relocated from Silicon Valley to Northwest Arkansas); Block, *supra* note 12.

Bolstered by CARES Act funds allocated to state and local governments, incentive programs abound, regardless of outcomes. Yet, if the results of population attraction incentives are mixed at best, should states and cities continue to develop and expand them? Should the source of law and the source of funds matter in this analysis? The U.S. Supreme Court has granted flexibility in how state and local governments engage in economic development activity. But direct cash payments to newly arrived workers seem incredibly different from the sort of economic development activity blessed by the Justices in *Kelo*.<sup>15</sup>

Economic incentives for relocating remote workers are paid for with funds donated from wealthy individuals,<sup>16</sup> foundations,<sup>17</sup> or government taxes.<sup>18</sup> Spending scarce resources on worker relocation efforts may be misguided, though certainly not illegal. For charitable foundations and wealthy individuals donating to them, such investments are likely unsuccessful and may even run afoul of Internal Revenue Service interpretations of charitable activities.<sup>19</sup> For tax-funded projects, based on the research this author performed, there are better uses of funds.<sup>20</sup>

A significant challenge presented by attracting newer arrivals with remote work jobs is that focus and attention may be diminished from programs to support existing residents. There are distributional concerns about spending scarce tax revenue attracting high-income workers who may not need or be most deserving of government funds. The general trend is the opposite: cities often impose new *costs* on newcomers through exactions on new developments, which are in some instances occupied by newcomers who pay higher rents or purchase prices.<sup>21</sup> In addition, population attraction incentives are likely more of a marketing tool designed to

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15. The leading case in this area is *Kelo v. City of New London*, 545 U.S. 469 (2005) (finding that government use of eminent domain to take a private residence for the purpose of a private economic development project did not violate the Takings Clause of the U.S. Constitution).

16. See, e.g., Rachel Trent, *Remote Workers Can Get Paid \$12,000 to Move to West Virginia*, CNN BUS., <https://www.cnn.com/2021/04/18/us/west-virginia-move-incentive-remote-workers-trnd/index.html> [<https://perma.cc/2P39-4N93>] (Apr. 18, 2021, 5:27 PM) (describing how a former CEO of tech company Intuit donated \$25 million to create a relocation incentive in West Virginia).

17. See, e.g., *Frequently Asked Questions*, TULSA REMOTE, <https://tulsaremove.com/faq/> [<https://perma.cc/7CNR-CPTA>] (describing program financial support from the George Kaiser Family Foundation).

18. See, e.g., S.B. 62, 2021 Gen. Assemb., Reg. Sess. (Vt. 2021).

19. Admittedly, charitable purposes as defined under § 501(c)(3) of the Internal Revenue Code are very broad, and include, among other terms, “lessening the burdens of government,” “combatting community deterioration,” and “relieving poverty,” each of which a donor could make the case that population attraction payments do. For a discussion of the history of the Internal Revenue Service’s interpretation of “lessening the burdens of government,” see Lars G. Gustafsson, “*Lessening the Burdens of Government*”: *Formulating a Test for Uniformity and Rational Federal Income Tax Subsidies*, 45 U. KAN. L. REV. 787, 808 (1997).

20. See *infra* Part IV.

21. See, e.g., Ira Michael Heyman & Thomas K. Gilhool, *The Constitutionality of Imposing Increased Community Costs on New Suburban Residents Through Subdivision Exactions*, 73 YALE L.J. 1119 (1964).

convey the appearance of competitiveness rather than a means of actually growing a population base.<sup>22</sup>

What is at stake in this Article is the future of how subnational law and policymakers approach the growing population of “work-from-anywhere” professionals.<sup>23</sup> This Article argues that the government should be cautious to spend scarce tax resources to attract new arrivals over improving conditions for existing residents.<sup>24</sup> Similar to the lack of provability in efforts to influence business location,<sup>25</sup> attempts to influence population location should not be obvious choices for all states and cities.

This Article proceeds in the following manner: Part I presents the problem perplexing subnational government officials with respect to attracting population. Specifically, it discusses tools to influence business and population location decisions and how elected officials are under pressure to appear competitive through the use of such programs.<sup>26</sup>

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22. In this way, attempts to influence population location decisions for “work-from-anywhere” workers mirrors efforts by subnational governments to influence business location decisions. The literature on attempts to influence business location decisions with tax incentives has grown significantly in recent years. For a background of recent academic studies in the fields of political science and economics, see NATHAN M. JENSEN & EDMUND J. MALESKY, *INCENTIVES TO PANDER* (Aseem Prakash ed., 2018); TIMOTHY P. R. WEAVER, *BLAZING THE NEOLIBERAL TRAIL* (2016); TIMOTHY J. BARTIK, *MAKING SENSE OF INCENTIVES* (2019); Cailin Slattery, *Bidding for Firms: Subsidy Competition in the U.S.* (Dec. 11, 2020) (unpublished working paper), <https://static1.squarespace.com/static/5acd55db36099bfff90bf5d6/t/5fd6381b5488895576a5b6fb/1607874589191/Slattery+%282020%29+Bidding+for+Firms.pdf> [<https://perma.cc/N7FS-PZC6>].

23. In 2014, Remote Year began offering “work-from-anywhere” professionals the opportunity to work remotely and travel the world. *Who We Are*, REMOTE YEAR, <https://www.remoteyear.com/company/about-us> [<https://perma.cc/8ZFY-KWE5>]. Although world travel and working remotely is different than settling down in the interior United States, having a home base in an affordable city or town and maintaining lucrative professional employment affords added opportunities to spend money and time on activities, such as travel and other experiences. “Work-from-anywhere” is related to, but distinct from, the portrayal of professionals who “work-from-the-road,” which was popularized in the 2001 book *Up in the Air* by Walter Kirn, which was made into a major motion picture of the same name in the 2009 film starring George Clooney.

24. There are also practical issues—not the least among which is animosity by residents who previously relocated to an area but who were not eligible to or simply did not receive a subsidy.

25. Edward W. De Barbieri, *Lawmakers as Job Buyers*, 88 *FORDHAM L. REV.* 15 (2019) (highlighting the failure of large state tax incentives to keep and retain jobs in major industries in states such as Washington); see RICHARD SCHRAGGER, *CITY POWER* 104–32 (2016) (discussing giveaways to mobile capital and exploitation of existing residents).

26. Economic Innovation Group has identified 232 so-called “legacy communities” that had (1) a population decline from 1960–2010 to 2019, (2) more than a 10% decline in Median Household Income, and (3) a housing vacancy rate above the national average of 8.2% in 2018. Daniel Newman & Kennedy O’Dell, *America’s Legacy Communities: The Industrial Heartland and Beyond*, ECON. INNOVATION GRP. (Aug. 24, 2020), <https://eig.org/americas-legacy-communities-the-industrial-heartland-and-beyond/> [<https://perma.cc/Z9TH-LD5R>]. Efforts among local officials to drive growth in jobs, capital, and population in these areas are

Next, Part II presents a representative, though not exhaustive, study of several dozen existing economic benefit programs to attract population. Part II classes population attraction incentives into various types: cash, gifts, relocation reimbursement, home construction, home ownership, land, student loan payments, and tax incentives.<sup>27</sup> Part II also studies the sources of law enabling such programs and summarizes studies about the effectiveness of such subsidies.<sup>28</sup>

Part III explores legal challenges, potential legal challenges, and additional problems presented by population attraction incentives. The focus here includes the constitutionality of such incentives, including how and to what extent spending of tax revenue for such programs violates the public purpose doctrine, among other legal theories.<sup>29</sup> Finally, Part III also presents original research gained through study, reading the work of other scholars and reporters, and direct interviews with economic development leaders.<sup>30</sup> In summary, evidence to support the effectiveness of population attraction incentives at influencing the location decisions of remote workers is mixed at best.<sup>31</sup>

Moving to the solutions section of this Article, Part IV presents a variety of policy alternatives to spending attempts that influence population location decisions. Such efforts center around reducing housing prices. These include land-use and zoning reform, inclusionary zoning incentives, and subsidies to community land trusts.

The dominant scholarly consensus is that to reduce housing prices, zoning laws need to be liberalized.<sup>32</sup> A number of scholars have defended local zoning authority and have cautioned against reform at the state level that preempts local autonomy.<sup>33</sup> Setting aside the scholarly debate about whether zoning deregulation is best to occur at the state or local level, both camps agree on the need to reform overly restrictive zoning laws. Encouraging the creation of accessory dwelling units, for example, and other nontraditional housing units can reduce housing costs without raising local government budgets.

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particularly strong. *See, e.g.*, Nelson D. Schwartz, *Can Trump Save Their Jobs? They're Counting on It*, N.Y. TIMES (Nov. 12, 2016), <https://www.nytimes.com/2016/11/13/business/economy/can-trump-save-their-jobs-theyre-counting-on-it.html> [<https://perma.cc/W8YY-TUTV>] (highlighting the Trump agenda to keep jobs in the United States, primarily in the industrial heartland such as Indiana).

27. *See infra* Section II.A.

28. *See infra* Section II.B.

29. *See infra* Section III.B.

30. *See infra* Section III.D.

31. Even for cities, such as Tulsa, Oklahoma, that have hit four digits in terms of participants in their remote work incentives, the statistical increase in population is negligible. *See Block, supra* note 12.

32. *See* John Infranca, *Differentiating Exclusionary Tendencies*, 72 FLA. L. REV. 1271 (2020).

33. *See, e.g.*, Richard C. Schragger, *The Perils of Land Use Deregulation*, 170 U. PA. L. REV. 125 (2021); Christopher Serkin, *A Case for Zoning*, 96 NOTRE DAME L. REV. 749 (2020); Ganesh Sitaraman, Morgan Ricks & Christopher Serkin, *Regulation and the Geography of Inequality*, 70 DUKE L.J. 1763 (2021). David Schleicher has written in support of the dominant scholarly consensus for zoning deregulation to lower housing costs. David Schleicher, *Exclusionary Zoning's Confused Defenders*, 2021 WIS. L. REV. 1315.



Incentives to developers to build more housing units affordable to lower-income workers, such as through inclusionary housing-density bonuses, can lower housing costs as well. Finally, transferring public subsidies to community land trusts has the potential to build assets for new and existing residents who reside on land property.<sup>34</sup> Community land trusts are one mechanism by which communities stabilize<sup>35</sup> and remain attractive for enticing new arrivals. In other words, placing focus on strategies to keep land affordable for new and existing individuals and families is another strategy that states and cities can use to improve the attractiveness of a locale.

### I. THE PROBLEM OF POPULATION ATTRACTION

Government officials in areas with declining populations face a wicked problem.<sup>36</sup> The political implications may cost certain members of Congress their very jobs. In particular, declining populations in rural parts of states like Michigan, Illinois, Ohio, West Virginia, Pennsylvania, New York, and elsewhere mean that congressional districts in these areas may be eliminated.<sup>37</sup> At the same time, a lack of economic development activity throughout the Rust Belt of the industrial Midwest and Northeast has accompanied population growth in the Sun Belt.<sup>38</sup>

Governmental actors, therefore, have good cause to adopt policies that lead to economic activity.<sup>39</sup> Economic development incentives to boost economic activity in particular places come in a variety of types and flavors.<sup>40</sup> The broadest sorts of place-

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34. See *infra* Section IV.C.

35. For a comprehensive introduction to community land trusts and their connection to progress property theory, see John A. Lovett, *Community Land Trusts: Institutionalizing the Human Flourishing Theory of Property*, 29 CORNELL J.L. & PUB. POL'Y 621 (2020) (discussing the hundred year or so history of community land trusts and their role in resident wealth accumulation).

36. Wicked problems being those that are not easily solved. See LEON S. FUERTH WITH EVAN M.H. FABER, ANTICIPATORY GOVERNANCE PRACTICAL UPGRADES: EQUIPPING THE EXECUTIVE BRANCH TO COPE WITH INCREASING SPEED AND COMPLEXITY OF MAJOR CHALLENGES 4 (2012) (defining wicked problems as those that lack solutions within customary bureaucratic limits and which unravel into chaos and lack a permanent solution).

37. In Congress, voting districts are dependent on maintaining and growing the population. See Chad Day, *Census Data Show Sunbelt House Districts Saw Biggest Population Gains*, WALL ST. J. (Aug. 12, 2021, 8:07 PM), <https://www.wsj.com/articles/census-data-show-sunbelt-house-districts-saw-biggest-population-gains-11628813233> [<https://perma.cc/W35C-CWTN>] (analyzing recent census data and population flows during the pandemic).

38. *Id.*

39. Whether or not the policies actually lead to increased economic activity and are not simply for the appearance of “doing something” is a different question. See JENSEN ET AL., *supra* note 22 (discussing that giving the appearance of adopting policies related to economic development is also useful for elected officials).

40. Scholarship in recent years on geographic inequality and efforts to engage in place-based economic development is robust. See Sitaraman et al., *supra* note 33; Michelle D. Laysner, *How Place-Based Tax Incentives Can Reduce Geographic Inequality*, 74 TAX L. REV. 1 (2020); Tracy A. Kaye, *Ogden Commons Case Study: A Comparative Look at the Low-Income Housing Tax Credit and Opportunity Zone Tax Incentive Programs*, 48 FORDHAM

based economic development incentives are focused on federal, state, and even local tax codes.<sup>41</sup> Congress even amended the federal tax code in 2017 to attract capital investment in areas designated as ripe for capital investment.<sup>42</sup>

This Part places focus on efforts to influence population location decisions through financial incentives. It explicates the reasons that the government is increasingly engaging in efforts to increase economic activity in certain places. This Part also contrasts population attraction incentives with poverty alleviation policies, such as universal basic income payments and other policies designed to assist the poor, and increasingly, the working poor. Section I.C offers a non-exhaustive, yet representative, study of current poverty alleviation policies in the United States. Policies are divided into state, county, and local levels.

### A. Attracting Population

The reasons for attracting population are both political and economic. With respect to political reasons, elected officials face the decimation of their constituencies to the extent that populations decline. As mentioned above, congressional districts are eliminated as population declines.<sup>43</sup>

With respect to economic reasons, cities and states that fail to grow face declines in tax revenue. Lack of tax revenue leads to declines in infrastructure and the provision of services. Such declines in infrastructure and services lead to further decline in the overall attractiveness of the area.<sup>44</sup> Yet not all growth is positive. One study of residential growth found that income growth did not always follow growth in population since not all jobs created are high wage.<sup>45</sup>

Economic Innovation Group, a self-identifying bipartisan economic development organization behind the “opportunity zone,”<sup>46</sup> has identified so-called “legacy communities” through the industrial Midwest and Northeast.<sup>47</sup> The literature around “legacy communities” and the potential for revitalization is growing.<sup>48</sup> Successful case studies for growth and redevelopment, such as Indianapolis, are often raised up

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URB. L.J. 1067 (2021); Edward W. De Barbieri, *Opportunism Zones*, 39 YALE L. & POL’Y REV. 82 (2020); Cecile Gaubert, Patrick M. Kline & Danny Yagan, *Place-Based Redistribution* (Nat’l Bureau of Econ. Rsch., Working Paper No. 28337, 2021) (finding evidence to support targeting tax credit to poor people in distressed areas).

41. See Michelle D. Layser, *A Typology of Place-Based Investment Tax Incentives*, 25 WASH. & LEE J. CIV. RTS. & SOC. JUST. 403 (2019).

42. I.R.C. §§ 1400Z-1 to -2.

43. See Day, *supra* note 37.

44. See Newman et al., *supra* note 26.

45. IRYNA V. LENDEL, MERISSA PIAZZA, MOLLY SCHNOKE & SHNEUR KUSHNER, *MOVING CLEVELAND ABOVE THE TREND: NEW RESIDENTIAL CENTERS 3* (2021).

46. For the origin story on Economic Innovation Group and the “opportunity zone,” see generally DAVID WESSEL, *ONLY THE RICH CAN PLAY* (2021) (offering a history of “opportunity zones”—low-income census tracts certified by Treasury that permit wealthy investors to reduce and avoid capital gains liability when investing in businesses or real estate in the designated zones).

47. See Newman et al., *supra* note 26.

48. See, e.g., *LEGACY CITIES: CONTINUITY AND CHANGE AMID DECLINE AND REVIVAL* (J. Rosie Tighe & Stephanie Ryberg-Webster eds., 2019).

as models for other city-led efforts to improve such places.<sup>49</sup> Yet, on balance, the Great Recession has left a divide between “superstar” cities on the coasts and the industrial heartland in need of population and capital.<sup>50</sup>

The economic decline brought on by the COVID-19 pandemic led to an initial austere outlook for states and cities.<sup>51</sup> A hot housing market, kept scorching by low interest rates, and a never-before-seen level of stimulus spending from Congress, have increased municipal coffers.<sup>52</sup> Many are turning to local economic development projects supporting small businesses through an inclusive framework.<sup>53</sup> Efforts to attract high-skilled, well-paid service workers are part of the menu of economic development program options.<sup>54</sup>

Individuals who have been able to maintain employment, particularly in high-paying professional services, have experienced significant mobility with respect to housing in recent years.<sup>55</sup> Those individuals have the means and now the flexibility because of the success of “work-from-anywhere” policies in many industries.<sup>56</sup> Far-flung places across the country have all experienced increased population in recent years.<sup>57</sup> It is certainly the case that middle-income and upper-income residents are well housed to the extent that they have choice, ability, and flexibility with respect to movement and location.<sup>58</sup> All this despite increased housing costs brought on by a decreased supply of homes and low interest rates.<sup>59</sup> Moreover, a consequence of

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49. BRUCE KATZ & JEREMY NOWAK, *THE NEW LOCALISM* 89 (2017).

50. See WESSEL, *supra* note 46, at 12–13 (discussing the rise of the “opportunity zone” as a solution to capital and population flight in the industrial core).

51. The United States entered a recession in February 2020, even before COVID-19-related shutdowns came into effect. Jeanna Smialek, *The U.S. Entered a Recession in February*, N.Y. TIMES, <https://www.nytimes.com/2020/06/08/business/economy/us-economy-recession-2020.html> [<https://perma.cc/MT8N-6NKU>] (June 30, 2020). The State of Maine faced an \$883 million revenue shortfall because of the COVID-19 recession. Sarah Austin, *Solving Maine’s Pandemic Revenue Crisis*, ME. CTR. FOR ECON. POL’Y (Sept. 23, 2020), <https://www.mecep.org/wp-content/uploads/2020/09/Solving-Maines-Pandemic-Revenue-Crisis.pdf> [<https://perma.cc/6GPR-BR9B>].

52. See Coronavirus State and Local Fiscal Recovery Funds, 31 C.F.R. pt. 35 (2021).

53. For example, the Enterprise Center in Philadelphia created the Payroll Protection Program Prep in late 2020 to assist in connecting small businesses with entrepreneurial service organizations and lenders or investors, and additional federal funds. Bruce Katz, Della Clark & Colin Higgins, *The Virus and the City: Can Philly Perfect PPP?*, PHILA. CITIZEN (Dec. 22, 2020), <https://thephiladelphiacitizen.org/can-philly-perfect-ppp/> [<https://perma.cc/3M9K-TVS6>].

54. See *infra* Part II.

55. Laura Forman, *The ‘Great Reshuffling’ Is Shifting Wealth to the Exurbs*, WALL ST. J., <https://www.wsj.com/articles/the-great-reshuffling-is-shifting-wealth-to-the-exurbs-11624636827> [<https://perma.cc/F2HU-SY24>] (June 25, 2021, 2:51 PM).

56. See Choudhury et al., *supra* note 7.

57. See Forman, *supra* note 55.

58. See Charles L. Edson, *Affordable Housing—an Intimate History*, 20 J. AFFORDABLE HOUS. & CMTY. DEV. L. 193, 213 (2011) (“The reason [there has never been large scale public concern on housing issues] is simple: the vast majority of Americans are well housed, so the issue is of no real concern to them.”).

59. Against this backdrop, the Supreme Court has demonstrated a lack of willingness, particularly where Congress has failed to act, to intervene in private market housing relations.

population shifts is that the size and boundaries of congressional districts are poised to shift.<sup>60</sup> The results have far-reaching electoral and governance impacts.

Part II presents a study of population attraction payments as one set of levers that government officials are increasingly using to attract population.<sup>61</sup> However, before presenting that study, it is useful for us to review existing place-based incentives for attracting growth and development. In addition, drawing a contrast between population attraction payments and people-based poverty alleviation strategies further narrows the scope of our inquiry. The next Section focuses on place-based economic development strategies achieved through tax incentive tools.

### *B. Contrasting Place-Based Tax Incentives*

Place-based economic development strategies have emerged over the past few decades to achieve a number of direct and indirect policy goals.<sup>62</sup> Such tools have a neoliberal bent, prizing tax reductions for the wealthy as a means to move capital into the pockets of those living in poverty.<sup>63</sup> Those tools focus on reducing capital gains and other tax liabilities of the already wealthy.<sup>64</sup> Examples of these tools include “opportunity zones”—the most recent large-scale economic development tool—at the federal level,<sup>65</sup> as well as state-based enterprise zones.<sup>66</sup>

The legal academic scholarly consensus about such tools is that generally they do not yield the benefit that they promise.<sup>67</sup> Put another way, the government subsidy

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*See Ala. Ass’n of Realtors v. Dep’t of Health & Hum. Servs.*, 141 S. Ct. 2485 (2021) (holding that the Centers for Disease Control and Prevention lacked authority to issue an eviction moratorium during the COVID-19 pandemic). For itself, Congress was unwilling to further limit the ability of landlords to earn income. Rather, Congress allocated rental assistance that could eventually make its way into the hands of landlords. *See Coronavirus State and Local Fiscal Recovery Funds*, 31 C.F.R. pt. 35(I)(A) (2021).

60. *See Day, supra* note 37 (discussing how uneven, population growth across the United States, laid out in new 2020 census data, shows how congressional boundaries were likely to change). A number of states—California, Illinois, Michigan, New York, Ohio, Pennsylvania, and West Virginia—each lost a congressional seat, while Oregon, Colorado, Florida, Montana, and North Carolina all gained one seat, and Texas gained two. *Redistricting 2022 Tracker: New Congressional Maps by State*, POLITICO, <https://www.politico.com/interactives/2022/congressional-redistricting-maps-by-state-and-district/> [<https://perma.cc/4PP4-2S4M>] (Sept. 1, 2022, 12:02 PM).

61. *See infra* Part II.

62. *See WESSEL, supra* note 46, at 61–80 (discussing the origins of place-based tax incentives in the United Kingdom and their migration across the Atlantic to the urban core and rural expanse of the United States).

63. *See WEAVER, supra* note 22, at 25–71 (arguing for the neoliberal roots of enterprise zones and other place-based economic development tools).

64. *See id.*

65. I.R.C. §§ 1400Z-11 to -2.

66. For a seminal take on state enterprise zones, see Ellen P. Aprill, *Caution: Enterprise Zones*, 66 S. CAL. L. REV. 1341 (1993).

67. A recent issue of the *Fordham Urban Law Journal* contains an article and a number of essays on topics related to “opportunity zones.” Professor Tracy Kaye presents a successful case study from Chicago involving a community development corporation. Even a poorly

does not justify the expense. Such programs continue to enjoy political support in large part because advancing policy through a tax incentive avoids the appearance of a payout.<sup>68</sup> Industry perspectives on the “opportunity zone” and other place-based economic development strategies are optimistic.<sup>69</sup>

Other tools involve direct or indirect payments for particular types of development.<sup>70</sup> Community Development Block Grants, for instance, are appropriations that are disbursed at the local level.<sup>71</sup> Such spending struggles at times to compellingly make the case that it ought to continue.<sup>72</sup> Advocates have argued for better demonstrations about the successes of such grants.<sup>73</sup>

### *C. Contrasting Universal Basic Income and Poverty Alleviation Payments*

In contrast to the place-based interventions discussed above, states and cities use people-based interventions to reduce poverty by directing cash payments to constituents.<sup>74</sup> This Section presents research the author and a research assistant performed to present a representative, though not comprehensive, picture of efforts at the subnational government level to make cash payments with a specific people-based, poverty alleviation intent.<sup>75</sup> Such payments are a form of universal basic income, or a minimum wage subsidy.<sup>76</sup>

designed tool is bound to have at least some positive outcomes. Essays by Rashimi Dyal-Chand, Michelle D. Laysner, Anika Singh Lemar, Brandon M. Weiss, Blaine G. Saito, and this author point out shortcomings or proposals to improve the “opportunity zone.” Symposium, *A Taxing War on Poverty: Opportunity Zones and the Promise of Investment and Economic Development*, 48 *FORDHAM URB. L.J.* 1067 (2021).

68. Jason Fichtner & Jacob Feldman, *When Are Tax Expenditures Really Spending? A Look at Tax Expenditures and Lessons from the Tax Reform Act of 1986* (Mercatus Ctr., Geo. Mason Univ., Working Paper No. 11-45, 2011).

69. See, e.g., IRA WEINSTEIN & STEVE GLICKMAN, *THE GUIDE TO MAKING OPPORTUNITY ZONES WORK* (2020).

70. For a detailed study of government interventions in place-based economic development, see De Barbieri, *supra* note 40, at 101–04.

71. See BRETT THEODOS, CHRISTINA PLERHOPLES STACY & HELEN HO, *TAKING STOCK OF THE COMMUNITY DEVELOPMENT BLOCK GRANT* (2017).

72. See De Barbieri, *supra* note 40, at 104.

73. See THEODOS ET AL., *supra* note 71, at 13.

74. For a comprehensive presentation of people-based and place-based interventions at the community level, see Nestor M. Davidson, *Reconciling People and Place in Housing and Community Development Policy Essay*, 16 *GEO. J. ON POVERTY L. & POL'Y* 1 (2009).

75. Data was collected through reading program information online, as well as news reports in August and September 2021. It is not necessarily comprehensive, or exhaustive, yet it is representative of the sorts of policy occurring in states and cities across the country at that time.

76. Some trace the idea of universal basic income back to the 1700s with thinkers such as Thomas Spence and Thomas Paine. See J. E. King & John Marangos, *Two Arguments for Basic Income: Thomas Paine (1737-1809) and Thomas Spence (1750-1814)*, 14 *HIST. ECON. IDEAS* 55 (2006). The notion of universal basic income received additional support from liberal and conservative economists, including Friedrich Hayek and Milton Friedman, on the conservative side. See FRIEDRICH A. HAYEK, *THE ROAD TO SERFDOM* (1944) (advocating for a guaranteed minimum income); MILTON FRIEDMAN, *CAPITALISM AND FREEDOM* (1962)

In contrast to the place-based economic development strategies discussed above and the population attraction incentives that are presented in Part II to follow, the policy intent of universal basic income payments is to create a floor below which individuals and families avoid dropping beneath. Poverty alleviation, in other words, is not an economic development strategy. The author invites the reader to keep this in mind when reading the data presented in this Section and in Part II.

What follows in this Section is a summary of the initial findings of our research on universal basic income policy tools. No doubt, a more fulsome study could uncover more examples. This research is representative of cash transfers at the state, county, and local levels.

### 1. State Level

Our research indicates the oldest continuously running state-level program to deliver an income subsidy directly to residents is the Alaska Permanent Fund.<sup>77</sup> The Alaska Permanent Fund, known colloquially as the “oil dividend,” is a 1976 addition to the Alaskan Constitution.<sup>78</sup> All residents of the state are eligible to receive the dividend, which tends to vary between \$1000 to \$2000 per resident annually.<sup>79</sup>

It is not necessarily surprising that the “oil dividend,” which has not grown in inflation adjusted dollars, is popular among residents.<sup>80</sup> Elected officials have, also unsurprisingly, used the dividend amount to gain political favor.<sup>81</sup> A 2016 study found that the dividend payment, while originally not intended to reduce poverty, has had the impact of reducing poverty by twenty percent.<sup>82</sup> This is significant as policymakers consider how, and on what, to spend scarce public funds.

Another example of a state-run program is in California. In July 2021, Californian pregnant women and individuals aging out of the foster system became eligible for

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(arguing in support of a negative income tax). The Earned Income Tax Credit, introduced at the federal level in the 1970s, and expanded in the 1980s, 1990s, and 2000s, is a form of negative income tax. For a recent deep dive on the Earned Income Tax Credit and a call for reform, see MICHELLE LYON DRUMBL, *TAX CREDITS FOR THE WORKING POOR* (2019).

77. See ALASKA CONST. art. IX, § 15 (amended 1976).

78. See *id.*; THE GOVERNOR’S SOLUTION: HOW ALASKA’S OIL DIVIDEND COULD WORK IN IRAQ AND OTHER OIL-RICH COUNTRIES (Todd Moss ed., 2012).

79. Robyn Sundlee, *Alaska’s Universal Basic Income Problem*, VOX (Sept. 5, 2019, 8:00 AM), <https://www.vox.com/future-perfect/2019/9/5/20849020/alaska-permanent-fund-universal-basic-income> [https://perma.cc/TX45-ME9T].

80. *Id.*

81. In 2018, Republican gubernatorial candidate Mike Dunleavy promised to increase the dividend by six times the previous year’s dividend and won his election against Democrat Mark Begich and Libertarian William Toien. *Id.*

82. MATTHEW BERMAN & RANDOM REAMEY, *PERMANENT FUND DIVIDENDS AND POVERTY IN ALASKA* (2016), [https://iseralaska.org/static/legacy\\_publication\\_links/2016\\_12-PFDandPoverty.pdf](https://iseralaska.org/static/legacy_publication_links/2016_12-PFDandPoverty.pdf) [https://perma.cc/6W5K-6ZXU].

a wage subsidy.<sup>83</sup> The amount of subsidy transferred per month is up to \$1000.<sup>84</sup> Based on the example of this state-wide program, New Mexico is considering following up.<sup>85</sup> Such state-wide programs are, of course, ripe for further study.<sup>86</sup>

In addition to direct cash payments, some states provide higher education at no cost, a form of income subsidy. The Tennessee Reconnect program, for example, allows those living in Tennessee to attend public higher education for no tuition expense.<sup>87</sup> A full investigation of all the educational benefits provided by states is beyond the scope of this Article. Beyond state-wide programs, counties and cities are also experimenting with guaranteed basic income support payments.

## 2. County Level

In May 2021, Ulster County, New York, began piloting a universal basic income program.<sup>88</sup> One hundred residents are receiving \$500 per month.<sup>89</sup> Ulster County is an area where the area median income is \$90,100, which is higher than the state average of \$77,800 and the federal average of \$65,700.<sup>90</sup> For those who fall well below that amount, the additional cash payments can supplement family food budgets, shortfalls in housing costs, or transportation expenses. Both poor and

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83. Eden Harris, *Want to Sign Up for California's Universal Basic Income Program? Here's What You Need to Know.*, ABC10, <https://www.abc10.com/article/news/local/california/californias-basic-income-need-to-know/103-21f50629-49d8-4446-b78a-0f79da79d365> [<https://perma.cc/NEC8-5UD8>] (July 16, 2021, 6:17 PM).

84. Ayelet Sheffey, *Santa Fe Just Agreed to Send Some Parents \$400 per Month – and New Mexico Could Take It Statewide*, BUS. INSIDER (Aug. 13, 2021, 11:06 AM), <https://www.businessinsider.com/universal-basic-income-new-mexico-guaranteed-monthly-payments-santa-fe-2021-8> [<https://perma.cc/7WFF-A28Y>].

85. *See id.*

86. As stated above, they are mentioned here for contrast with the sorts of economic benefit payments made to higher income workers, or to workers without regard for income.

87. *Tennessee Reconnect One-Pager*, TENN. STATE GOV'T, <https://www.tn.gov/nexttennessee/tennessee-reconnect/tennessee-reconnect-one-pager0.html> [<https://perma.cc/X9S2-NJ8P>]. The program is funded through a lottery for education account. TENN. CODE ANN. § 49-4-944 (2021). Another program allowing recent high school graduates to earn an associate degree or technical diploma without paying tuition, Tennessee Promise, was passed by the General Assembly in 2014. TENN. CODE ANN. § 49-4-708 (2021); Lauren Spires & Kristina Podesta, *An Evaluation of Tennessee Promise — What's Working and How to Make It Even Better*, STATE COLLABORATIVE ON REFORMING EDUC. (Sept. 22, 2020), <https://tnscore.org/an-evaluation-of-tennessee-promise-whats-working-and-how-to-make-it-better/> [<https://perma.cc/A9T4-F54G>].

88. Ayelet Sheffey, *Upstate New York's Trial with Universal Basic Income: \$500 per Month to 100 People for 1 Year*, BUS. INSIDER (July 22, 2021, 12:42 PM), <https://www.businessinsider.com/universal-basic-income-upstate-new-york-trial-500-monthly-payments-2021-7#:~:text=Upstate%20New%20York%20launched%20a,American%20to%20get%20permanent%20payments> [<https://perma.cc/WX3F-32XR>].

89. *Id.*

90. *2022 AHC Income Limits*, N.Y. STATE, <https://hcr.ny.gov/ahc-income-limits> [<https://perma.cc/6Z83-234V>] (showing statewide data for the Affordable Housing Corporation (AHC) and the area median income limits for low-income families).

middle-class individuals were included.<sup>91</sup> More specifically, program participants each earn less than \$46,900, which is close to fifty percent of the county's area median income.<sup>92</sup>

Santa Clara County, California—the “silicon valley”—is home to some of the world's largest technology companies, such as Facebook, Apple, and Google.<sup>93</sup> In 2020, the county began transferring \$1000 per month to young adults aged twenty-one to twenty-four who were transitioning out of the foster system.<sup>94</sup> The policy choice to transfer public funds to young adults aging out of the foster system reflects a distributional belief that individuals with that background are deserving of public funds.

### 3. City and Town, Local Level

At the city level, at least a dozen localities are experimenting with a minimum-income support subsidy. In many instances, cities are using federal funds from the American Rescue Plan Act to implement such payments. Given the proliferation of federal spending to support individuals and families through direct cash payments during the COVID-19 pandemic, it is likely that more localities will follow suit as guaranteed income subsidies continue to gain in popularity. What follow are a number of examples of cash transfer activities that the author and a research assistant collected from across the country around August and September 2021.

In July 2021, Washington, D.C., increased its local earned income tax credit for poor residents.<sup>95</sup> To finance the expanded tax credit, the city legislature raised its local income tax on individuals earning over \$250,000 per year.<sup>96</sup> The tax credit expands the district's monthly credit from forty percent to fifty-five percent of earned income, in addition to increasing funding for homeless services and early childhood education.<sup>97</sup> The Washington, D.C., Earned Income Tax Credit program is a clear example of how localities can expand a local universal basic income program.<sup>98</sup>

91. See Sheffey, *supra* note 88.

92. *\$500 Payments as Part of Experimental Universal Basic Income Program Tested in Upstate New York*, KTLA, <https://ktla.com/news/nexstar-media-wire/nationworld/500-payments-as-part-of-experimental-universal-basic-income-program-tested-in-upstate-new-york/> [<https://perma.cc/75EJ-R28T>] (June 20, 2021, 8:04 PM).

93. George Packer, *Change the World: Silicon Valley Transfers Its Slogans—and Its Money—to the Realm of Politics.*, NEW YORKER (May 27, 2013), <https://www.newyorker.com/magazine/2013/05/27/change-the-world> [<https://perma.cc/RX5Q-L5Q7>].

94. Katie Lauer, *Santa Clara County Foster Youth Begin Receiving \$1,000 a Month*, SAN JOSÉ SPOTLIGHT (July 27, 2020), <https://sanjosespotlight.com/santa-clara-county-foster-youth-begin-receiving-1000-a-month/> [<https://perma.cc/FJ2N-BEHG>].

95. Ally Schweitzer & Martin Austerhuhle, *In D.C., a New Tax Measure Could Help Eradicate Poverty — if Residents Take Advantage of It*, DCIST (July 22, 2021, 9:58 AM), <https://dcist.com/story/21/07/22/new-dc-tax-measure-could-help-eradicate-poverty/> [<https://perma.cc/BZ9R-R7E8>].

96. *Id.*

97. *Id.*

98. *Id.* As one D.C. Council Member put it, “[w]hat we’re really talking about is a universal basic income . . . . For low-income households, working families, it is — every



In July 2021, progressive local elected leaders in Alexandria, Virginia, enacted a guaranteed income pilot.<sup>99</sup> The program is funded with three million dollars from the American Rescue Plan Act.<sup>100</sup> The plan is to fund 170 families with household incomes of thirty to forty percent of the area median income.<sup>101</sup>

Cities in the South have also implemented similar minimum wage support programs. In New Orleans, for instance, local government leaders raised \$500,000 in funds for a universal basic income program.<sup>102</sup> Leaders are still determining who will receive the income support. Likely, as in other locales, residents below a certain income threshold will qualify.<sup>103</sup>

In Jackson, Mississippi, a nonprofit organization ran a test program prior to the COVID-19 pandemic outbreak.<sup>104</sup> In this program, twenty African American single mothers, living in public housing, received \$1000 per month without any conditions.<sup>105</sup> This approach began to gain traction at the national level with several top-tier candidates for the Democratic Party's nomination for the presidency embracing distributional income programs.<sup>106</sup>

In the Midwest, in June 2021, Gary, Indiana, adopted a similar program of guaranteed income support.<sup>107</sup> Under the program, 125 residents, out of 4000 who applied, received \$500 per month.<sup>108</sup> The criteria for selection included participants who earned below \$35,000 per year.<sup>109</sup> Chicago and St. Paul have each implemented similar programs.<sup>110</sup>

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month — cash coming in. Whether that's to help pay the bills, put food on the table, buy the kids new clothes, it is deeply impactful and meaningful." *Id.*

99. *The City of Alexandria Guaranteed Income Pilot- Are You Eligible?*, CITY OF ALEXANDRIA, VA., <https://www.alexandriava.gov/economic-support/the-city-of-alexandria-guaranteed-income-pilot-are-you-eligible> [<https://perma.cc/YRJ6-AZYX>].

100. *Id.*; Teo Armus, *Alexandria Will Use Rescue Plan Funds to Give \$500 a Month to Some Low-Income Families*, WASH. POST (Aug. 10, 2021, 6:00 AM), <https://www.washingtonpost.com/dc-md-va/2021/08/10/alexandria-rescue-plan-universal-income/> [<https://perma.cc/N3HD-57M3>].

101. *Id.*

102. Maurie Backman, *Guaranteed Income Has Come to New Orleans*, MOTLEY FOOL: THE ASCENT, <https://www.fool.com/the-ascent/personal-finance/articles/guaranteed-income-has-come-to-new-orleans-heres-how-it-works/> [<https://perma.cc/TQN9-E5XG>] (July 25, 2021).

103. *Id.*

104. Robert Samuels, *\$1,000 a Month, No Strings Attached*, WASH. POST (Aug. 31, 2019), <https://www.washingtonpost.com/politics/2019/09/01/month-no-strings-attached/> [<https://perma.cc/TFB3-NXXU>].

105. *Id.*

106. In the most widely covered program, candidate Andrew Yang focused his entire presidential bid on a "universal basic income" set at \$1000 per month to each adult in the nation. *Id.*

107. Quinn Myers, *Guaranteed Income Pilot Program Launches in Gary, Indiana*, WTTW (June 2, 2021, 4:52 PM), <https://news.wttw.com/2021/06/02/guaranteed-income-pilot-program-launches-gary-indiana> [<https://perma.cc/M768-DBTL>].

108. *Id.*

109. *Id.*

110. See Sheffey, *supra* note 84.

In the West, similar programs are popping up in cities to offer low-income families a guaranteed minimum income for basic necessities. In June 2021, in Santa Fe, New Mexico, government officials followed the statewide example in California and enacted a \$400-per-month payment to one hundred parents under thirty that attend community college.<sup>111</sup> An additional guaranteed income pilot program, this time to undocumented workers, was recently enacted statewide in New Mexico.<sup>112</sup>

Before the pandemic, the City of Stockton, California, experimented with a universal basic income program. In February 2019, then-Mayor Michael Tubbs formed the Stockton Economic Empowerment Demonstration with outside funding<sup>113</sup> to transfer over \$500 per month for two years without conditions to 125 randomly selected residents.<sup>114</sup> Mayor Tubbs argues that a guaranteed income does not disincentivize work. Rather, it increases employment and productivity, helps with well-being, decreases stress, and allows families to pay off debt and spend money on necessities.<sup>115</sup>

Before moving on to Part II, which will shift focus to population attraction payments, a brief mention of shifts in federal policy with respect to distributing cash is needed. The policy response to the COVID-19 pandemic included direct stimulus payments to individuals and families, as well as enhanced unemployment insurance payments.<sup>116</sup> During the Biden Administration, Congress has funded Advance Child Tax Credit Payments.<sup>117</sup> Families, even middle-class earners, are receiving monthly direct deposits in the amount of several hundred dollars.<sup>118</sup> Before the Advance Child

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111. *Id.*

112. Kristin Toussaint, *A New Basic Income Pilot Will Give \$500 a Month to Mixed-Immigration-Status Families*, FAST CO. (Feb. 8, 2022), <https://www.fastcompany.com/90719422/a-new-basic-income-pilot-will-give-500-a-month-to-mixed-immigration-status-families> [<https://perma.cc/QA85-BJ78>].

113. This included funds from the Economic Security Project, co-chaired by Facebook co-founder Chris Hughes. See *Who We Are*, ECON. SEC. PROJECT, <https://www.economicsecurityproject.org/team/> [<https://perma.cc/ASC6-2VH3>].

114. Rachel Treisman, *California Program Giving \$500 No-Strings-Attached Stipends Pays Off; Study Finds*, NPR (Mar. 4, 2021, 10:49 AM), <https://www.npr.org/2021/03/04/973653719/california-program-giving-500-no-strings-attached-stipends-pays-off-study-finds> [<https://perma.cc/6DCQ-62NM>].

115. Michael Tubbs (@MichaelDTubbs), TWITTER (Mar. 3, 2021, 11:03 AM), [https://twitter.com/MichaelDTubbs/status/1367143510592286725?ref\\_src=twsrc%5Etfw%7Ctwcamp%5Etweetembed%7Ctwterm%5E1367143510592286725%7Ctwgr%5E%7Ctwcon%5Es1\\_&ref\\_url=https%3A%2F%2Fwww.npr.org%2F2021%2F03%2F04%2F973653719%2Fcalifornia-program-giving-500-no-strings-attached-stipends-pays-off-study-finds](https://twitter.com/MichaelDTubbs/status/1367143510592286725?ref_src=twsrc%5Etfw%7Ctwcamp%5Etweetembed%7Ctwterm%5E1367143510592286725%7Ctwgr%5E%7Ctwcon%5Es1_&ref_url=https%3A%2F%2Fwww.npr.org%2F2021%2F03%2F04%2F973653719%2Fcalifornia-program-giving-500-no-strings-attached-stipends-pays-off-study-finds) [<https://perma.cc/8WSM-UQK3>].

116. For a comprehensive description and analysis of the federal response to the COVID-19 pandemic, see Michelle D. Layser, Edward W. De Barbieri, Andrew J. Greenlee, Tracy A. Kaye & Blaine G. Saito, *Mitigating Housing Instability During a Pandemic*, 99 OR. L. REV. 445 (2021).

117. *Advance Child Tax Credit Payments in 2021*, IRS, <https://www.irs.gov/credits-deductions/advance-child-tax-credit-payments-in-2021> [<https://perma.cc/3ZQJ-JEL8>] (July 5, 2022).

118. *Fact Sheet: Advance Child Tax Credit*, U.S. DEP'T HOUS. & URB. DEV., <https://www.hud.gov/sites/dfiles/State/documents/FactSheet-AdvanceChildTaxCredit.pdf>

Tax Credit Program, parents would receive the credit when filing taxes, but now they receive a monthly payment instead.<sup>119</sup> From the federal level on down, the notion of paying families monthly has clearly caught on.

## II. ATTEMPTS TO ATTRACT AND RETAIN POPULATION

This Part presents data about attempts that subnational governments make to influence population location decisions. The author and a research assistant collected these data in late August and early September 2021, based on information available in online databases, such as MakeMyMove,<sup>120</sup> as well as new reports and press releases. Undoubtedly, there are new programs that have been created or launched since our study was conducted. In other words, what follows is not necessarily comprehensive. It is, though, based on our study, representative of the type of programs available at the time the research was conducted and through publication.<sup>121</sup>

This Part is organized as follows: Section II.A classes population attraction payments into types. Direct cash payments, gifts, and relocation reimbursements, or a combination of direct cash payments, are most common. Following direct cash payments are home construction incentives, home purchase incentives, and gifts of land. Income tax credits and student loan payments are preferred by some jurisdictions.

Section II.B places focus on the sources of the law for the various types of payments. Most programs were enacted by a local law or statute. In some instances, a local city council authorized the payments outside of a local law. Other programs lack government action. Instead, they are local initiatives organized by chambers of commerce or other economic development groups. Lastly, some efforts are funded solely through philanthropic giving with donations made to a body or entity to administer the program.

### *A. Attempts to Influence Population Location with Payments*

#### 1. Direct Cash Payments, Gifts, and Relocation Reimbursements

By far the greatest type of relocation benefit payments and incentives arrive in the form of direct cash payments. According to our noncomprehensive, representative sample, we identified ten programs that either were open in the past, are open at the time of the study, or will be open in the future, involving direct cash payments. In addition to cash payments, gifts are also common. Since gifts are a form of direct payment, we are including them in this initial category. In our research, we identified eleven city- and region-wide programs that distribute gifts.

Finally, four cities offered relocation reimbursements. Again, since relocation reimbursements are direct payments, we are adding them here and classing them as

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[<https://perma.cc/7YCW-DL6E>].

119. *Id.*

120. MAKEMYMOVE, <https://www.makemymove.com/> [<https://perma.cc/L3NY-ZFA2>].

121. For instance, we have made efforts to update our research based on new programs with a focus on new types of population attraction payments.

a form of direct payment. What follows is a presentation of the twenty-six programs that offer cash, gifts, or relocation reimbursements for relocating to a town, city, or region.

On April 12, 2021, the Governor of West Virginia announced Ascend WV, a relocation program that pays \$12,000 to remote workers relocating to certain cities in the state.<sup>122</sup> The Governor emphasized the usefulness of this program given the remote work that came with the pandemic.<sup>123</sup> A former Intuit CEO and his wife donated twenty-five million dollars to start this program.<sup>124</sup> As a matter of total dollar amount, the West Virginia incentive, at \$12,000, is the greatest out of all the incentives we studied.<sup>125</sup> In the case of Morgantown, with a population of 137,251 and a median home value of \$198,300, the incentive offers a manageable-sized city with affordable living costs.<sup>126</sup> A government official reported 7500 applications received for the Morgantown incentive, with only fifty spots available.<sup>127</sup>

Following Morgantown, two areas offer cash relocation incentives of \$10,000 each. Those regions are Northwest Arkansas<sup>128</sup> and The Shoals, Alabama.<sup>129</sup> With respect to Arkansas, the Life Works Here incentive program launched in November 2020.<sup>130</sup> More than 26,000 people applied to this program.<sup>131</sup>

Montpelier, Vermont, started offering \$7500 in February 2022.<sup>132</sup> Dubois and Orange Counties in Indiana each offer \$5000 to workers relocating for work.<sup>133</sup> Charleston, West Virginia, offers \$5000 as well,<sup>134</sup> and at one point the Work from

122. Trent, *supra* note 16. With additional recreation incentives, the program estimates the benefits of this program to be \$20,000 per relocating worker. *Id.*

123. *See id.*

124. *Id.*

125. *Get Paid to Live in Morgantown Area, West Virginia*, MAKEMYMOVE, <https://www.makemymove.com/get-paid/morgantown-west-virginia> [https://perma.cc/NKM3-4RHZ]. The estimated total value of the incentive, including cash, is \$20,000. *Id.* To be eligible, the individual must be at least eighteen years of age and have a full-time remote position with a company located outside of the state. *Id.*

126. *Id.*

127. Charles Young, *Tourism Officials Working Through Thousands of Ascend West Virginia Applications*, WV NEWS (July 25, 2021), [https://www.wvnews.com/news/wvnews/tourism-officials-working-through-thousands-of-ascend-west-virginia-applications/article\\_24c56aa6-ebcc-11eb-a814-2b578a838433.html](https://www.wvnews.com/news/wvnews/tourism-officials-working-through-thousands-of-ascend-west-virginia-applications/article_24c56aa6-ebcc-11eb-a814-2b578a838433.html) [https://perma.cc/9EG3-S835].

128. *Life Works Here*, FINDING NWA, <https://findingnwa.com/incentive/> [https://perma.cc/ZAM7-TJVS].

129. REMOTE SHOALS, <https://remoteshoals.com/> [https://perma.cc/P3EE-92TL].

130. Heath Higgs, *More than 26,000 People Applied for \$10,000 Cash Incentive to Move to NWA*, KNWA, <https://www.nwahomepage.com/northwest-arkansas-news/more-than-26000-people-applied-for-10000-cash-incentive-to-move-to-nwa/> [https://perma.cc/3XW4-62FV] (Feb. 26, 2021, 12:18 PM).

131. *Id.*

132. *Relocation Incentives*, THINK VT., <https://thinkvermont.com/relocation-incentives/> [https://perma.cc/4NKN-Z75N].

133. *Dubois County Relocation Program*, CHOOSE S. IND., <https://www.choosesouthernindiana.com/dubois-county-relocation-program> [https://perma.cc/4A4X-5PLH]; *Orange County Relocation Program*, CHOOSE S. IND., <https://www.choosesouthernindiana.com/orange-county-relocation-pro> [https://perma.cc/XT5T-K2CH].

134. *Charleston Roots Initiative Relocation Incentive Program Guidelines + FAQs*,

Home Cambria-Somerset Initiative in Pennsylvania also did so.<sup>135</sup> However, there currently is no funding left for this incentive program in Pennsylvania.<sup>136</sup>

While it may seem counterintuitive to have to pay someone to move to Hawaii, that is what happened recently. Honolulu, Hawaii, reimbursed fifty workers, out of 90,000 who applied,<sup>137</sup> for relocating to the area through a program called Movers and Shakas.<sup>138</sup> The application period was closed at the time of the study, but reports indicate additional funds may be available in the future.<sup>139</sup> In addition to the relocation funds, the program places participants with local non-profit organizations, where workers volunteer.<sup>140</sup>

The Savannah Economic Development Authority in Georgia offers a Creative Technologies incentive, which has several incentives, including a \$2000 relocation reimbursement<sup>141</sup> known as the Savannah Technology Workforce Incentive.<sup>142</sup>

Remote workers with at least three children can access a \$1000 incentive to relocate to Curtis, Nebraska.<sup>143</sup> New arrivals in Alaska who stay for at least one year<sup>144</sup> can access a \$1000 incentive as well.<sup>145</sup>

CHARLESTON AREA ALL., [https://3hap5n44gxqekro04clj109n-wpengine.netdna-ssl.com/wp-content/uploads/2021/04/CRI\\_Program\\_Guidelines\\_\\_\\_FAQs\\_2021.pdf](https://3hap5n44gxqekro04clj109n-wpengine.netdna-ssl.com/wp-content/uploads/2021/04/CRI_Program_Guidelines___FAQs_2021.pdf) [<https://perma.cc/2F86-SND9>].

135. Nicole Fuschino, *New Cambria-Somerset County Initiative Offers Remote Workers \$5,000 to Relocate to Area*, WJAC (Apr. 30, 2021), <https://wjactv.com/news/local/new-cambria-somerset-county-initiative-offers-remote-workers-5000-to-relocate-to-area> [<https://perma.cc/443N-785H>].

136. *Cambria Somerset*, CAMBRIA REG'L CHAMBER, <https://www.crchamber.com/choose-our-area/> [<https://perma.cc/73WZ-W5JX>].

137. Ryan Kalei Tsuji & Yunji de Nies, *First Cohort of Movers and Shakas Participants Arrive in Hawaii*, STAR ADVERTISER (Feb. 26, 2021), <https://www.staradvertiser.com/2021/02/26/breaking-news/upcoming-livestream-movers-and-shakas-director-nicole-lim-and-hawaii-covid-collaborative-director-naalehu-anthony-joins-the-honolulu-star-advertisers-spotlight-hawaii/> [<https://perma.cc/49MZ-TT3B>].

138. *Pilot Program Application*, MOVERS & SHAKAS, <https://www.moversandshakas.org/pilot-program-application/> [<https://perma.cc/YB2W-VWEE>].

139. *See id.*

140. *Approach*, MOVERS & SHAKAS, <https://www.moversandshakas.org/approach/> [<https://perma.cc/QH2M-ZD4Q>].

141. *Creative Technologies Incentives*, SAVANNAH ECON. DEV. AUTH., <https://seda.org/resources-and-data/incentives-database/creative-incentive/> [<https://perma.cc/PN73-54D2>].

142. *Id.* Applications under this program are submitted to SEDA Creative Technology Accounting. *Savannah Technology Workforce Incentive*, SAVANNAH ECON. DEV. AUTH., [https://seda.org/wp-content/uploads/2020/06/Savannah\\_Technology\\_Workforce\\_Relocation-Application-FINAL.pdf](https://seda.org/wp-content/uploads/2020/06/Savannah_Technology_Workforce_Relocation-Application-FINAL.pdf) [<https://perma.cc/PM89-QK57>] (Apr. 6, 2020).

143. *Medicine Valley Economic Development*, CURTIS, NEB., <https://www.curtisnebraska.com/medicine-valley-economic-development> [<https://perma.cc/3HYK-HDRW>].

144. *Permanent Fund Dividend - Eligibility Requirements*, STATE OF ALASKA DEP'T OF REVENUE, <https://pfd.alaska.gov/eligibility/eligibility-requirements> [<https://perma.cc/3A98-NXYP>].

145. Evie Carrick, *15 Places That Will Actually Pay You to Move There in 2021*, BUZZFEED (Apr. 18, 2021), <https://www.buzzfeed.com/eviecarrick/places-that-will-pay-you-to-move-2021> [<https://perma.cc/9EHN-5PKB>]. This is in addition to the Alaska "oil dividend"

The incentives do not stop at cash alone. Gifts include coffee and martial arts classes,<sup>146</sup> gift cards to fast food restaurants,<sup>147</sup> access to coworking space,<sup>148</sup> and even a mountain bike.<sup>149</sup> In Bloomington, Indiana, relocating remote workers can access a lifetime membership to a coworking space, as well as real estate relocation services.<sup>150</sup> In West Lafayette, Indiana, Purdue University is offering up to \$5000 in cash payments, as well as discounted remote workspace on campus, in addition to discounted gym services and other benefits for relocating.<sup>151</sup>

In February 2021, the Greater Bemidji Economic Development created the Greater Bemidji 218 Relocate Telecommuter Grant Program, which offers \$2500 in relocation or telecommuting reimbursement and a year's membership at a coworking space.<sup>152</sup> Chattanooga is planning a reboot of the 2012 "Geek Move" incentive discussed above in the Introduction.<sup>153</sup> In August 2021, Discover Puerto Rico, a non-profit destination marketing organization,<sup>154</sup> paid for six workers to each receive a two-week "workation" to work remotely from the island.<sup>155</sup>

discussed in Section I.C.1. See *infra* text accompanying note 204.

146. *Get Paid to Live in Stillwater, Oklahoma*, MAKEMYMOVE, <https://www.makemymove.com/get-paid/stillwater-oklahoma> [https://perma.cc/9CDK-DLA3].

147. In the case of Topeka, Kansas, program participants receive a gift card for \$1000 worth of food from Jimmy John's sandwich shops. *Apply – Greater Topeka Partnership*, CHOOSE TOPEKA, <https://choosetopeka.com/apply/> [https://perma.cc/7F2T-WAK6].

148. *Relocation Incentive Package*, 218 RELOCATE, [https://www.218relocate.com/relocation-incentive-package/#:~:text=Up%20to%20%242%2C500%20in%20reimbursed,Mayflower%20Building%20\(%241%2C500%20value](https://www.218relocate.com/relocation-incentive-package/#:~:text=Up%20to%20%242%2C500%20in%20reimbursed,Mayflower%20Building%20(%241%2C500%20value) [https://perma.cc/82AQ-4WVE]. The Greater Bemidji 218 Relocate Incentive Package is a campaign to attract remote workers to the Bemidji, Minnesota, area. *Id.*

149. *Life Works Here*, *supra* note 128.

150. *The Program*, BLOOMINGTON REMOTE, <https://www.bloomingtonremote.com/our-program/> [https://perma.cc/TC4J-BBL4]. The program here is called Bloomington Remote, which is created by The Mill, a nonprofit center for coworking and entrepreneurship. *Id.*

151. WORK FROM PURDUE, <https://www.workfrompurdue.com/> [https://perma.cc/DAM8-4Z9R].

152. Ann Treacy, *Opportunity: Bemidji's 218 Relocate Campaign Calls and Rewards New Telecommuters to the Area*, BLANDIN ON BROADBAND (Feb. 3, 2021), <https://blandinonbroadband.org/2021/02/03/opportunity-bemidjis-218-relocate-campaign-calls-and-rewards-new-telecommuters-to-the-area/> [https://perma.cc/8ADW-SXAS]; *Relocation Incentive Package*, *supra* note 148.

153. Jennifer Liu, *Some Cities Are Paying People up to \$16,000 to Move There—This Online Directory Will Help You Find Them*, CNBC MAKE IT (Mar. 16, 2021, 10:55 AM), <https://www.cnn.com/2021/03/16/makemymove-online-directory-of-cities-that-pay-you-to-move-there.html> [https://perma.cc/6LB5-R26H]; Kane, *supra* note 1.

154. *Puerto Rico Is Encouraging Remote Workers to Work in Full Color from All Corners of the Island*, PR NEWSWIRE (Apr. 22, 2021, 9:00 AM), <https://www.prnewswire.com/news-releases/puerto-rico-is-encouraging-remote-workers-to-work-in-full-color-from-all-corners-of-the-island-301274954.html> [https://perma.cc/CCH5-WY4C].

155. *Id.*

## 2. Home Construction, Home Purchase Incentives, Rent, and Land

The most lucrative home purchase incentives start at \$15,000. The Move to Michigan incentive offers \$15,000 for new arrivals who purchase homes.<sup>156</sup> Employees relocating to Topeka, Kansas, are eligible for \$15,000 to purchase or rehabilitate a home.<sup>157</sup> Renters in the Topeka area are eligible for \$10,000 in rental assistance in their first year.<sup>158</sup> Bloomfield, Iowa, offers \$10,000 to \$15,000 in incentives to build a new single-family or two-family home.<sup>159</sup>

In Harmony, Minnesota, the Home Construction Rebate Program<sup>160</sup> offers a cash rebate of between \$2000 and \$12,000 for workers or families who build a new home or renovate a dilapidated structure.<sup>161</sup> The City of Ontario, Oregon, provides \$10,000 for new construction of a home.<sup>162</sup> In August 2021, Newton, Iowa, extended a \$10,000 home purchase incentive through 2023.<sup>163</sup>

Tulsa, Oklahoma, to date the most arguably successful attempt to influence population location, offers a home purchase incentive of \$10,000 upon the purchase of a new home.<sup>164</sup> Like many other programs, workers must be employed outside the State of Oklahoma.<sup>165</sup> Stillwater, Oklahoma, offers a \$5000 incentive to first-time

156. MOVE TO MICH., <https://movetomichigan.org/#signup> [<https://perma.cc/7GS9-6DHU>].

157. *Employer Guidelines*, CHOOSE TOPEKA, <https://choosetopeka.com/employer-guidelines/> [<https://perma.cc/92DR-MFQG>].

158. *Id.*

159. *New Housing Incentives*, CITY OF BLOOMFIELD, IOWA, <https://www.cityofbloomfield.org/new-housing-incentives> [<https://perma.cc/Z9G8-VYZS>]. Information on this program is in development. Caelan McGee, *Bloomfield Looks to Attract New Residents by Helping Them Pay to Build a House*, KTVO (June 3, 2021), <https://ktvo.com/news/local/bloomfield-iowa-looks-to-attract-new-residents-by-helping-pay-to-build-a-house> [<https://perma.cc/C9UA-T6VE>].

160. *Harmony Economic Development Authority*, HARMONY, MINN., [https://www.harmony.mn.us/index.asp?SEC=B5EBD35E-C228-4FF4-8A42-43BDA7F748D1&Type=B\\_BASIC](https://www.harmony.mn.us/index.asp?SEC=B5EBD35E-C228-4FF4-8A42-43BDA7F748D1&Type=B_BASIC) [<https://perma.cc/2NNN-W7RP>].

161. *Residential Home Construction Rebate*, HARMONY, MINN., <https://www.harmony.mn.us/?SEC=022F2A6B-7FAA-4E0D-88F0-ED95E1CB6D8C#:~:text=In%20order%20to%20spur%20new,ranging%20from%20%245%2C000%20to%20%2412%2C000> [<https://perma.cc/CF5Z-HH3D>].

162. *Economic Development*, ONTARIO, OR., <https://www.ontariooregon.org/economic-development.html> [<https://perma.cc/39DB-7PEX>].

163. Christopher Braunschweig, *Newton's Housing Initiative Program Extended to 2023*, YAHOO! FIN. (Aug. 9, 2021), [https://finance.yahoo.com/news/newtons-housing-initiative-program-extended-195100915.html?guccounter=1&guce\\_referrer=aHR0cHM6Ly93d3cuZ29vZ2x1LnMvS8&guce\\_referrer\\_sig=AQAAAN6ViuZFCz1kFUFDdMycN92od4M64\\_BtHxESbPKxzIKzLzO4yRkmOQgi0FCwx-GeHWIJ4ZoJfBK-r3V7-JWP8QvMFrOBuellfPxprJe6qDg01EjhVXE0WOHIMJP\\_GFKcGQkHlxKT8O7icM85H\\_9qIDuwWfISXosfeaCkMi74cyf](https://finance.yahoo.com/news/newtons-housing-initiative-program-extended-195100915.html?guccounter=1&guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2x1LnMvS8&guce_referrer_sig=AQAAAN6ViuZFCz1kFUFDdMycN92od4M64_BtHxESbPKxzIKzLzO4yRkmOQgi0FCwx-GeHWIJ4ZoJfBK-r3V7-JWP8QvMFrOBuellfPxprJe6qDg01EjhVXE0WOHIMJP_GFKcGQkHlxKT8O7icM85H_9qIDuwWfISXosfeaCkMi74cyf) [<https://perma.cc/K6D5-D29S>].

164. *Homeownership Initiative FAQ*, TULSA REMOTE, <https://tulsaremote.com/homeownership/> [<https://perma.cc/KW3G-EHM5>].

165. Kate Smith, *Tulsa, Oklahoma, Will Pay You \$10,000 to Move There. But There's a Catch*, CBS NEWS (Nov. 14, 2018, 2:09 PM), <https://www.cbsnews.com/news/tulsa-oklahoma-will-pay-you-10000-to-move-there-but-theres-a-catch/> [<https://perma.cc/E2W5->

home purchasers who relocate to the town.<sup>166</sup> Both local-level home purchase incentives are in addition to a separate state-based home mortgage program for first-time home buyers.<sup>167</sup> In Natchez, Mississippi, Shift South offers \$6000 in home ownership incentives to prompt remote workers to relocate.<sup>168</sup> In addition to the cash incentive mentioned above, the Curtis City Administrator handles applications for free parcels of land for home construction.<sup>169</sup>

Residents of Buffalo, New York, including new arrivals, can apply to purchase city-owned property at below market value through the Urban Homestead Program.<sup>170</sup> Similarly, in Baltimore, Buying Into Baltimore is a lottery award of \$5000 toward a home purchase following Live Baltimore's Trolley Tour event.<sup>171</sup> Other cities and towns are distributing free lots to residential owners who build a home on the lot. The city council in Britt, Iowa, for example, in 2018,<sup>172</sup> unanimously approved a free lot program for eighteen development lots it owned where the city transferred a free lot to individuals so long as they constructed a house on it within a year.<sup>173</sup> Under this program, individuals must follow the city's covenants, including minimum square footage requirements.<sup>174</sup>

Free land and free building lot transfer programs are very popular in towns across the country. In the City of Mankato, Kansas, individuals can obtain a free lot in a development area as long as they complete construction of a home on it within two

8FAZ].

166. *Stillwater Homebuyers: You Could Be Eligible for Financial Assistance*, CITY OF STILLWATER, OKLA. (Feb. 26, 2020), <http://stillwater.org/news/view/id/520?fd=true> [<https://perma.cc/38AF-TS3A>]; see Michelle Charles, *Stillwater City Council Green-Lights Homebuyer Assistance Program*, STILLWATER NEWS PRESS (Nov. 21, 2019), [https://www.stwnnewspress.com/news/local\\_news/stillwater-city-council-green-lights-homebuyer-assistance-program/article\\_6b096179-6c3f-5ee3-9b27-7c7bb9f32bd2.html](https://www.stwnnewspress.com/news/local_news/stillwater-city-council-green-lights-homebuyer-assistance-program/article_6b096179-6c3f-5ee3-9b27-7c7bb9f32bd2.html) [<https://perma.cc/47BF-NQET>].

167. OKLA. STAT. ANN. tit. 46, § 311 (West) (effective Jan. 1, 2020) (allowing the deduction from state tax liability certain funds saved for the purchase of a primary residence for first-time homebuyers).

168. *Shift South: Work Remotely from Natchez & Adams County*, NATCHEZ, INC. ECON. DEV., <http://natchezinc.com/images/uploads/ShiftSouth-Application.pdf> [<https://perma.cc/R4WG-W3KK>].

169. See *Medicine Valley Economic Development*, *supra* note 143.

170. *Urban Homestead Program*, CITY OF BUFFALO, <https://www.buffalony.gov/306/Urban-Homestead-Program> [<https://perma.cc/J5FX-EWXJ>].

171. *Buying into Baltimore*, LIVE BALT., <https://livebaltimore.com/resident-resources/financial-incentives/buying-into-baltimore/#.We5GOVtSzDc%20> [<https://perma.cc/Z8R6-SQKS>].

172. Mary Pieper, *Free Residential Lots Offered in Britt*, SUMMIT-TRIB. (Nov. 13, 2018), [https://globegazette.com/community/brittnewtribune/news/free-residential-lots-offered-in-britt/article\\_d781025c-9110-5302-951c-c5c91460bff8.html](https://globegazette.com/community/brittnewtribune/news/free-residential-lots-offered-in-britt/article_d781025c-9110-5302-951c-c5c91460bff8.html) [<https://perma.cc/5H24-293W>].

173. Ashley Stewart, *Britt Receives Offers for Lots in Sunset Ridge Development*, SUMMIT-TRIB., [https://globegazette.com/community/brittnewtribune/news/britt-receives-offers-for-lots-in-sunset-ridge-development/article\\_5a7fae60-1d70-53d4-a0f6-cf4b31302d75.html](https://globegazette.com/community/brittnewtribune/news/britt-receives-offers-for-lots-in-sunset-ridge-development/article_5a7fae60-1d70-53d4-a0f6-cf4b31302d75.html) [<https://perma.cc/5PFT-MC99>] (June 19, 2019).

174. *Id.* Additionally, the city zoning administrator must approve all site plans before individuals begin their construction. *Id.*



years of receiving the lot.<sup>175</sup> The City of La Villa, Texas, through its Development Program, transfers a free lot to residents who will build a house, as long as they have pre-approved financing and will build a home no smaller than 1200 square feet.<sup>176</sup> In 2005, Elwood, Nebraska, began transferring free building lots in development areas to individuals who begin construction within a year of when they receive title to the lot and occupy a house on the property within two years.<sup>177</sup>

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175. *Free Land*, MANKATO KAN. CHAMBER COM., <https://www.mankatoks.com/free-land> [<https://perma.cc/NL8C-BEM7>]. The city council must interview the individuals. *Id.* The resolution authorizing this program is available on the city council website. *See id.*

176. Taylor Winkel, *City Offering Free Land to Stimulate Economy and Growth*, KRGV (Feb. 8, 2019, 10:37 PM), <https://www.krgv.com/news/city-offering-free-land-to-stimulate-economy-and-growth/> [<https://perma.cc/M828-68CZ>].

177. *Elwood Chamber of Commerce*, ELWOOD, NEB., <https://www.elwoodnebraska.com/freelots.html> [<https://perma.cc/KX4F-N76P>]. The lot requires a \$500 deposit, which is refunded after the home is built. *Id.* This program began in 2005, when the Elwood Village Board bought over five acres of land in an undeveloped area, which was then slated to be transferred to the Elwood Redevelopment Authority. Harry G. Perkins, *Elwood Is Giving Away Lots for Homes*, KEARNEY HUB (Apr. 14, 2005), [https://kearneyhub.com/news/local/elwood-is-giving-away-lots-for-homes/article\\_07afbad0-16ec-55c6-9e30-ad86c1830572.html](https://kearneyhub.com/news/local/elwood-is-giving-away-lots-for-homes/article_07afbad0-16ec-55c6-9e30-ad86c1830572.html) [<https://perma.cc/2T85-JUKT>].

Other cities have similar programs. Claremont,<sup>178</sup> New Richland,<sup>179</sup> Janesville,<sup>180</sup> and Halstad<sup>181</sup> in Minnesota; Lincoln,<sup>182</sup> Wilson,<sup>183</sup> and Marquette<sup>184</sup> in Kansas; and Manilla<sup>185</sup> and Osceola<sup>186</sup> in Iowa each has a building lot transfer program.

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178. The Claremont Buildable Lot Program provides lots to families that meet income and family size requirements. *Empty Lot Program*, CITY OF CLAREMONT, [https://www.claremontmn.com/index.asp?SEC=DAE4923F-822A-4B2C-9679-EB7FC4BDBC1C&Type=B\\_BASIC](https://www.claremontmn.com/index.asp?SEC=DAE4923F-822A-4B2C-9679-EB7FC4BDBC1C&Type=B_BASIC) [<https://perma.cc/3Z3P-4BRS>].

179. The Homestake Free Land Program began in 2004 after a local farmer donated the land to the city. To participate in this program, homebuilders must meet certain construction requirements. *This Small Town in Minnesota Is Giving Away Free Land*, TRULIA: TRULIA BLOG, <https://www.trulia.com/blog/this-small-town-in-minnesota-is-giving-away-free-land/> [<https://perma.cc/6NP6-CM62>]; *Free Land in Our Homestake Subdivision*, CITY OF NEW RICHLAND, MINN., [https://www.cityofnewrichlandmn.com/index.asp?SEC=E4182CA2-FBE7-4271-89BD-2907B9067956&Type=B\\_BASIC](https://www.cityofnewrichlandmn.com/index.asp?SEC=E4182CA2-FBE7-4271-89BD-2907B9067956&Type=B_BASIC) [<https://perma.cc/ZC7Q-VPB8>].

180. Janesville offers a home purchase rebate of \$1730. *Get Paid to Live in Janesville, Minnesota*, MAKEMYMOVE, <https://www.makemymove.com/get-paid/janesville-minnesota> [<https://perma.cc/6F3M-B6EC>].

181. This program offers platted city lots to individuals who will have a house on the property. *Free Lot Housing Program*, HALSTAD, <https://halstad.com/wp-content/uploads/2020/12/Free-Lot-Housing-guidelines-12.07.2020.pdf> [<https://perma.cc/M4VG-UN44>] (Dec. 7, 2020). The program includes deferring special assessments for two years, as well as a five-year city tax abatement. *Take Advantage of Halstad's Free Residential Lot Program*, HALSTAD (Feb. 27, 2020), <https://halstad.com/take-advantage-of-halstads-free-residential-lot-program/> [<https://perma.cc/W3LD-V5PW>].

182. The City of Lincoln Free Home Site Program provides land to individuals seeking to build homes in the town. *Free Home Site Program*, CITY OF LINCOLN, KAN., <http://www.lincolns.org/Housing.html> [<https://perma.cc/4H28-AZZW>]. The city council approves each transfer once the prospective homeowner has met various restrictive covenants and design criteria. *Free Lots (Residential) – Lincoln, KS*, LIVE LINCOLN CNTY. KAN., <https://www.livelincolncounty.com/free-lots-residential/> [<https://perma.cc/A46W-SJVW>].

183. The Wilson Economic Development Corporation is responsible for dealing free residential lots in a specific development area. *Free Land*, WILSON, KAN., ECON. DEV. CORP., <https://www.wilsonks.com/free-land.html> [<https://perma.cc/G28N-ZVW4>] (Sept. 13, 2019).

184. The city first developed the idea of free land in 2005. Nathan Vickers, *This Small Town Will Give You Free Land*, KCTV (Oct. 9, 2019), [https://www.kctv5.com/news/local\\_news/this-small-kansas-town-will-give-you-free-land/article\\_c217cf46-ea03-11e9-8cdb-8b145da85b7c.html](https://www.kctv5.com/news/local_news/this-small-kansas-town-will-give-you-free-land/article_c217cf46-ea03-11e9-8cdb-8b145da85b7c.html) [<https://perma.cc/LT3A-25V8>]. The city raised money through land donations and grants to purchase lots for the program. *Id.*

185. In the program Sunrise Addition Phase II (since Phase I has already been completed), the Manilla Economic Development Corporation is working with the City of Manilla Municipal Utilities to give out sixteen free single family lots for individuals who will build a home. *Sunrise Addition Phase II*, MANILLA, IOWA, <https://www.manillaia.com/business.asp?key=3#Article%20> [<https://perma.cc/E866-EAJM>].

186. The Clarke County Development Corporation created the Osceola Building Incentive Program in 2017 as a means to make land more readily available to developers and new homebuilders. *Osceola Building Incentive Program Boosts New Home Construction and Is Ready for More*, CLARKE CNTY. DEV. CORP. (Dec. 23, 2020), <https://osceolaclarkedev.com/osceola-building-incentive-program-boosts-new-home-construction-and-is-ready-for-more/> [<https://perma.cc/Z8A8-DAAE>].

### 3. Beneficial Business and Taxation Climate

Economic development leaders in Las Vegas hope that Las Vegas is the place for telecommuters. The Las Vegas Economic and Urban Development Department is spearheading a campaign to promote technology workers to move to Las Vegas.<sup>187</sup> The campaign touts Las Vegas’s sunshine, attractive lack of a state income tax, and affordable housing.<sup>188</sup>

More broadly, efforts are taking shape nationally to set a minimum corporate tax.<sup>189</sup> Though negotiated at the federal level, such a movement has impacts at the state level. It is possible that states in the future will set minimum levels at the individual or corporate income rate—however, at the moment such an event seems unlikely.<sup>190</sup>

### 4. Student Loan Payments

The State of Maine reimburses residents for student loan payments upon moving to the state.<sup>191</sup> The Job Creation Through Educational Opportunity Program was established by statute to help Maine residents who receive an associate or bachelor’s degree in Maine and live, work, and pay taxes in state after.<sup>192</sup> There appear to be multiple names to describe this program. In the *Maine Revised Statutes Annotated*, the section that implements this program is called “Credit for Educational Opportunity” and describes what type of credit is allowed.<sup>193</sup> Elsewhere, New York State will pay the public higher education tuition for students who are residents in the state and agree to remain in the state for one to four years after they graduate.<sup>194</sup>

The next Section builds on the four types of payments to influence population location decisions. It places focus on the locus of law and policymaking for where such payments are funded and authorized. Understanding the source of law will offer greater ability to analyze, critique, and suggest reform to attempts to influence population location decisions.

187. Kelsi Maree Borland, *Las Vegas Launches Program to Attract Remote Workers*, GLOBEST (Nov. 23, 2020, 4:00 AM), <https://www.globest.com/2020/11/23/las-vegas-launches-program-to-attract-remote-workers/?slreturn=20220915162827> [<https://perma.cc/T8FY-K5UZ>].

188. *Remote Working*, INNOVATE.VEGAS, <https://innovate.vegas/remote-working> [<https://perma.cc/U9QG-63FL>].

189. See The Journal, *136 Countries Agree to a Global Minimum Tax*, WALL ST. J. PODCASTS (Oct. 13, 2021, 4:14 PM), <https://www.wsj.com/podcasts/the-journal/136-countries-agree-to-a-global-minimum-tax/8e224344-5f9a-423d-bdc0-ded447a43f55> [<https://perma.cc/TR2F-L87H>].

190. *Id.*

191. *Maine’s Student Loan Repayment Credit Reimburses Student Loan Payments for College Graduates Who Live and Work in Maine*, LIVE & WORK IN ME., <https://www.liveandworkinmaine.com/opportunity-maine/> [<https://perma.cc/7YWL-NXTX>].

192. See ME. REV. STAT. ANN. tit. 20-A, § 12542 (West 2022).

193. ME. REV. STAT. ANN. tit. 36, § 5217-D (West 2022).

194. *Tuition-Free Degree Program: The Excelsior Scholarship*, N.Y. STATE, <https://www.ny.gov/programs/tuition-free-degree-program-excelsior-scholarship> [<https://perma.cc/AM32-ZLRQ>].

### B. Sources of Law

Sources of law for cash-based attempts to influence population location decisions fall into four categories. They are state statutes, local law, public/private partnerships, and privately funded programs. Privately funded programs are included on this list even though they are less a “source” of law and more a mechanism of law since private giving takes advantage of the charitable deductions in the federal tax code.<sup>195</sup>

#### 1. State Statutory Authority

A number of population attraction payments have their legislative origins in state law. In the case of West Virginia’s Ascend WV program, for instance, there was a bill for a remote worker relocation grant program, House Bill 3007.<sup>196</sup> The current program is privately funded in the interim.<sup>197</sup>

In 2021, Indiana lawmakers pushed for a bill that would incentivize remote workers to move to the state.<sup>198</sup> The bill, called the New Remote Worker Grant Program, would give grants to new remote workers for qualifying remote worker expenses.<sup>199</sup> If the bill passes,<sup>200</sup> the Indiana Destination Development Corporation would be responsible for administering the program.<sup>201</sup>

Three other states have state-level laws governing payments. With respect to Vermont, in 2021, the state legislature adopted a bill coming out of the Senate for a new relocating worker grant.<sup>202</sup> The Vermont governor signed this bill on June 1, 2021, and the program was implemented subsequently.<sup>203</sup> The Alaska Department of Revenue Permanent Fund Dividend Division, which also administers the “oil dividend” payments, awards the \$1000 cash incentive to new residents as part of

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195. See I.R.C. § 501(c)(3).

196. H.B. 3007, 85th Leg., Reg. Sess. (W. Va. 2021). H.B. 3007 has not moved forward, however, in 2021 West Virginia overhauled its tax code to remote protections from state income taxation if they reside outside West Virginia and work in West Virginia for fewer than thirty days per year. H.B. 2026, 85th Leg., Reg. Sess. (W. Va. 2021).

197. See Trent, *supra* note 16.

198. Katie Wisely, *Proposed Bill Would Pay Remote Workers to Move to Indiana*, WISH-TV, <https://www.wishtv.com/news/local-news/proposed-bill-would-pay-remote-workers-to-move-to-indiana/> [<https://perma.cc/8ZKX-DBCQ>] (Feb. 4, 2021, 7:06 AM).

199. H.B. 1416, 122d Gen. Assemb., 1st Reg. Sess. (Ind. 2021). The bill was adopted by committee but did not make it further.

200. As of October 2021, according to the Lexis indicator of the bill’s progression, it has not passed.

201. Wisely, *supra* note 198.

202. S.B. 62, 2021 Gen. Assemb., Reg. Sess. (Vt. 2021).

203. Kit Norton, *Scott Reups Incentives for Workers Who Move to Vermont, Signs Off on Higher Unemployment Benefits*, VTDIGGER (June 2, 2021), <https://vtdigger.org/2021/06/02/scott-reups-incentives-for-workers-who-move-to-vermont-signs-off-on-higher-unemployment-benefits/> [<https://perma.cc/6YZ3-AEXG>].

their statutory mandate.<sup>204</sup> The Maine Revenue Service administers their educational opportunity tax credit under the Opportunity Maine program.<sup>205</sup>

## 2. Local Laws

Many examples of attempts to attract population are rooted in local legislative action. In Harmony, Minnesota, for instance, the city council authorized the Harmony Economic Development Authority to approve home construction and remodeling rebate applications.<sup>206</sup> In Buffalo, New York, the Buffalo Common Council approves on a regular basis a list of eligible properties within approved Urban Renewal Areas and Comprehensive Code Enforcement Areas.<sup>207</sup> Next, the Buffalo Common Council adopts resolutions authorizing the mayor to execute the deed for the city-owned property to qualified homesteading purchasers.<sup>208</sup>

The Stillwater, Oklahoma, City Council authorized an incentive to assist first-time homebuyers with down payments and/or closing costs and repairs or improvements to a currently owned home.<sup>209</sup> Elsewhere, in Newton, Iowa, the city council there established the Newton Housing Initiative home construction initiative in 2014,<sup>210</sup> which is extended through 2023.<sup>211</sup> Such initiatives are representative of local efforts in cities with available land to attract homeowners.<sup>212</sup>

## 3. Public/Private Partnerships

The final two source of law categories are public/private partnerships, which are presented here, and privately funded programs, which are presented in the next Section. Certainly, there is overlap between these two groups. Specifically, organizations that are nongovernmental spur population attraction incentive payment programs across the nation.

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204. See Carrick, *supra* note 145.

205. *Maine's Student Loan Repayment Credit Reimburses Student Loan Payments for College Graduates Who Live and Work in Maine*, *supra* note 191. The regulation for this credit is Maine Regulation 9512, Department of Education 05-071, Chapter 145.

206. See Jenna Ross, *Harmony, Minn., Will Pay up to \$12,000 for New Residents*, STAR TRIB. (June 28, 2014, 6:08 AM), <https://www.startribune.com/harmony-minn-will-pay-up-to-12-000-for-new-residents/265002081/> [<https://perma.cc/F6QD-ZHRD>].

207. *Agenda Item 19-1335*, CITY OF BUFFALO, N.Y. (Sept. 3, 2019, 2:00 PM), [http://buffalony.iqm2.com/Citizens/Detail\\_LegiFile.aspx?Frame=&MeetingID=1901&MediaPosition=&ID=10288&CssClass=](http://buffalony.iqm2.com/Citizens/Detail_LegiFile.aspx?Frame=&MeetingID=1901&MediaPosition=&ID=10288&CssClass=) [<https://perma.cc/4BUU-45VW>].

208. This allows a variety of prospective homeowners and developers to purchase property. See *id.*

209. Charles, *supra* note 166; see also *Stillwater Homebuyers: You Could Be Eligible for Financial Assistance*, *supra* note 166.

210. *Housing Initiative*, NEWTON ECON. DEV., <https://newtongov.org/806/Housing-Initiative> [<https://perma.cc/P7P2-747Y>].

211. Braunschweig, *supra* note 163.

212. As with any local program, there are local differences. In Newton, homes must cost at least \$190,000. *Housing Initiative*, *supra* note 210. In Stillwater, homes cannot cost more than \$250,000. Charles, *supra* note 166.

The distinction the author makes here is the degree to which the nongovernmental organization cooperates with the local government. For closer connections between nongovernmental and governmental parties, such examples are described in this Section. For programs where our research indicated less of a connection with the government, those programs are described in the following Section. Particular attention in this Section is paid to programs that involve government levied taxes, such as sales tax, which is in place in the first example.

In Alabama, the Remote Worker Incentive Program, or Remote Shoals, is administered based on a partnership between the Shoals Chamber of Commerce and the Shoals Economic Development Authority (SEDA).<sup>213</sup> In 1986, legislation created SEDA which, at the time, was called the Shoals Industrial Development Authority.<sup>214</sup> SEDA is a public-private organization funded by the Shoals Economic Development Fund (SEDF), a 0.5% sales tax designed to facilitate growth.<sup>215</sup> The SEDF was created in 2007.<sup>216</sup> Because the focus of this legislation is promoting economic development, such legislation appears to play a role in the economic benefit program for remote workers.<sup>217</sup>

In Charleston, West Virginia, the Charleston Roots Initiative offers a cash relocation incentive.<sup>218</sup> For this program, the Charleston Area Alliance, a community and economic development organization, is working with the City of Charleston.<sup>219</sup> The mayor of Charleston announced this program in 2021, and the City of Charleston has contributed \$50,000 to the project.<sup>220</sup> No specific legislation exists for this program that the author was able to locate.

In Nebraska, the Medicine Valley Economic Development Corporation is involved with various incentives for people moving to Curtis.<sup>221</sup> The program is listed on the website of the City of Curtis, Nebraska, and appears to be facilitated through the government.<sup>222</sup> The Medicine Valley Economic Development

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213. *Shoals Economic Development Authority Offers Remote Workers \$10,000 to Relocate to Northwest Alabama*, SHOALS ECON. DEV. AUTH. (June 4, 2019), <https://www.seda-shoals.com/blog/shoals-economic-development-authority-offers-remote-workers-10-000-to-relocate-to-northwest-alabama> [<https://perma.cc/MM26-WA2J>].

214. *SEDA's Purpose*, SHOALS ECON. DEV. AUTH. (Apr. 1, 2019), <https://www.seda-shoals.com/blog/seda-s-purpose> [<https://perma.cc/5SCB-CCU9>].

215. *See id.*

216. *See* ALA. CODE § 45-17-91.23 (effective Apr. 22, 2021).

217. *See* William Thornton, *Remote Tech Worker? You Could Make \$10K Relocating to the Shoals*, AL.COM (June 10, 2019, 11:44 AM), <https://www.al.com/business/2019/06/remote-tech-worker-you-could-make-10k-relocating-to-the-shoals.html> [<https://perma.cc/P2JU-S2A2>].

218. *Charleston Roots Initiative Relocation Incentive Program Guidelines + FAQs*, *supra* note 134.

219. *See id.*

220. WSAZ News Staff, *New Initiative Gives People Reason to Move to Charleston*, WSAZ NEWS CHANNEL (Apr. 21, 2021, 12:43 PM), <https://www.wsaz.com/2021/04/21/charleston-roots-relocation-program-announced/> [<https://perma.cc/27FM-UD2L>].

221. *Medicine Valley Economic Development*, *supra* note 143.

222. *Id.*

Corporation was formed on December 21, 2011 and is recognized as tax exempt by the Internal Revenue Service.<sup>223</sup>

The Ontario Business Loan Fund Committee, which finances the home construction incentive in Ontario, Oregon, reviews and recommends applicants to the city council.<sup>224</sup> Buy Into Baltimore is a joint venture between the City of Baltimore and the Live Baltimore Home Center.<sup>225</sup> In Bloomington, Indiana, Bloomington Remote is sponsored by Velocities, a partnership between Bloomington, Columbus, and Elevate Ventures that began in 2019 to develop entrepreneurship and startup growth in South Central Indiana.<sup>226</sup>

Shift South, in Mississippi, was created by Natchez, Inc., an economic and community development agency, during the pandemic to administer home ownership incentives in that area.<sup>227</sup> Natchez, Inc. is a standalone corporation and identifies as a public-private partnership.<sup>228</sup> Natchez, Inc. is listed on the website for the City of Natchez.<sup>229</sup>

#### 4. Privately Funded Programs

A remaining group of population attraction payment programs is privately funded by private chambers of commerce, economic development organizations,<sup>230</sup> individuals, foundations, and other sources of charitable giving. The distinction between these programs and the programs described immediately above is our research indicated less of a connection between the funder and local government. Clearly, local government is a key partner in such endeavors. However, the degree to which the government supports the program through staff time, tax revenue, infrastructure, and other resources is more remote.

223. Tax Determination Letter for Medicine Valley Economic Development Corporation, available at <https://apps.irs.gov/app/eos/> [<https://perma.cc/BCQ8-GU5S>] using search term “Medicine Valley Economic Development Corporation.”

224. See Pat Caldwell, *Ontario Ready to Kick Off Housing Incentive Program*, MALHEUR ENTER. (Jan. 19, 2018), <https://www.malheurenterprise.com/2018/01/19/ontario-ready-to-kick-off-housing-incentive-program/> [<https://perma.cc/L8A3-PFVF>]; *Business Loan Fund*, ONTARIO, <https://www.ontariooregon.org/businessloanfund.html> [<https://perma.cc/BT8V-AGCV>].

225. BALT. HOUS., *BALTIMORE HOMEOWNERSHIP INCENTIVE PROGRAMS 1* (2015), [https://med.baltimorecity.gov/sites/default/files/homeownership\\_incentives.pdf](https://med.baltimorecity.gov/sites/default/files/homeownership_incentives.pdf) [<https://perma.cc/Y895-CU42>].

226. *About Bloomington/Columbus*, VELOCITIES, <https://velocitiesin.com/about/> [<https://perma.cc/KR3M-L7KA>].

227. *City of Natchez Awards First Shift South Incentive*, NATCHEZ, INC. ECON. DEV. (Feb. 1, 2021), [http://natchezinc.com/?/news\\_media/article/163](http://natchezinc.com/?/news_media/article/163) [<https://perma.cc/982U-ANN3>].

228. *About Us*, NATCHEZ, INC. ECON. DEV., [http://natchezinc.com/?/about\\_us](http://natchezinc.com/?/about_us) [<https://perma.cc/7GXY-LN9U>].

229. *Business Resources*, CITY OF NATCHEZ, <https://www.natchez.ms.us/31/Business-Resources> [<https://perma.cc/R736-QLV7>].

230. Economic development agencies often have a government affiliation but frequently are independent from the government and draw revenue from non-governmental sources.

The Tulsa Remote program, for instance, which launched in 2018, is provided for by the George Kaiser Family Foundation.<sup>231</sup> In Arkansas, the Life Works Here incentive was made possible with one million dollars of philanthropic assistance from the Walton Family Foundation, and the Northwest Arkansas Council administers the program.<sup>232</sup> In Pennsylvania, the Cambria Regional Chamber administers the Cambria and Somerset Counties incentive.<sup>233</sup>

In Hawaii, the Movers and Shakas program is administered by a 501(c)(3) nonprofit organization, the Hawaii Executive Collaborative, and is a “completely local initiative.”<sup>234</sup> In this program, volunteer business leaders from various industries came together to promote collaboration and community contribution.<sup>235</sup> Movers and Shakas is one program of several that highlights community connection and contribution opportunities.

The GO Topeka group partners with employers to encourage employees to move to Topeka and Shawnee County, Kansas.<sup>236</sup> Choose Topeka is funded by GO Topeka, an organization in the Greater Topeka Partnership that was created to propel economic growth.<sup>237</sup> The Greater Topeka Partnership is an agency under which several efforts to promote economic development operate.<sup>238</sup>

The nonprofit Cornerstone Alliance is responsible for the Move to Michigan campaign, in conjunction with other entities in Southwest Michigan.<sup>239</sup> In Indiana, the Purdue Research Foundation is responsible for funding the \$5000 stipends for relocating to West Lafayette.<sup>240</sup> The Chattanooga Chamber of Commerce is connected with the current initiative—Chattanooga Calling—that has launched in

231. *Frequently Asked Questions*, *supra* note 17. It does not appear that the State of Oklahoma or the City of Tulsa legislature are furthering this program through a bill or piece of legislation.

232. Alyson Krueger, *Want to Move to Our Town? Here's \$10,000 and a Free Bike.*, N.Y. TIMES, <https://www.nytimes.com/2021/04/30/realestate/bentonville-arkansas-moving-incentive.html> [<https://perma.cc/5AJL-XH55>] (May 2, 2021).

233. *Cambria Somerset*, *supra* note 136.

234. *About Movers and Shakas*, MOVERS & SHAKAS, <https://www.moversandshakas.org/about/> [<https://perma.cc/W9LX-9MK8>].

235. *Id.*

236. Jensen Simons, *Choose Topeka Initiative to Incentivize Talent to Move to Topeka*, VISIT TOPEKA (Dec. 11, 2019, 7:00 PM), <https://www.visittopeka.com/the-gtp/articles/post/choose-topeka-initiative-to-incentivize-talent-to-move-to-topeka/> [<https://perma.cc/XUP7-8V7G>].

237. *See* JOINT ECON. DEV. ORG., GO TOPEKA QUARTERLY REPORT: 2018 - 1ST QUARTER 3, <https://www.jedoececodevo.com/Meeting-Documents/2018/JEDO1stqtr20184.30.18R.pdf> [<https://perma.cc/N49T-JD5V>].

238. *The Partnership*, GREATER TOPEKA P'SHIP, <https://topekapartnership.com/introduction/the-partnership/> [<https://perma.cc/48XG-SQH5>].

239. Kyle Mitchell, *Program Offers Incentives to Relocate to SW MI*, WOODTV, <https://www.woodtv.com/news/southwest-michigan/program-offers-incentives-to-relocate-to-sw-mi/> [<https://perma.cc/EQA3-2ZRJ>] (Oct. 29, 2020, 1:22 PM).

240. Elizabeth Redden, *Recruiting Remote Workers for a Campus*, INSIDE HIGHER ED (June 15, 2021), <https://www.insidehighered.com/news/2021/06/15/purdue-foundation-funds-pilot-program-lure-remote-workers-west-lafayette> [<https://perma.cc/9QGN-TN8U>].



Chattanooga.<sup>241</sup> The Savannah Economic Development Authority, which administers relocation incentives in Savannah, Georgia, is an independently funded organization.<sup>242</sup>

Part II has introduced data about attempts to influence the population location decisions of remote workers through cash and other incentives. It distinguished incentive programs from poverty alleviation tools presented in Part I. In addition, Part II located the sources of law for attempts to influence population location as either creatures of state law, local law, a public/private partnership, or privately funded.

The next Part introduces challenges presented by governmental and private party attempts to influence remote worker location decisions. Attention is placed on when such attempts by the government are warranted, including through the expenditure of tax revenue. In addition, Part III explores the appropriateness of wealthy individuals and charitable organizations paying to attract population. Finally, Part III explores existing data available that point to whether or not such attempts are even successful at attracting remote workers.

### III. CHALLENGES PRESENTED BY POPULATION ATTRACTION TOOLS

This Part turns to challenges presented by the various population attraction tools and sources of law discussed above. Focus is placed on discussing and analyzing the following: (1) When is it appropriate for the government to pay to attract population?; (2) When, specifically, is it appropriate for the government to use scarce tax revenue to attract population?; (3) When is it appropriate for wealthy individuals and charitable organizations to attract population?; and finally, (4) Do attempts to influence population location decisions through cash and related payments even work?

Local leaders everywhere struggle with the question of growth. When confronted with the question, How to grow a great city?, many look to Daniel Patrick Moynihan's poetic solution: "[C]reate a great university and wait 200 years."<sup>243</sup> For many college and university towns, growth and economic development occurs with the arrival of each new incoming class, new faculty and staff and administrative hires, as well as the concomitant service businesses that support these populations.<sup>244</sup>

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241. Mary Fortune, *Chattanooga Hopes to Receive Migrating Remote Workers*, GOVERNING (Jan. 4, 2021), <https://www.governing.com/work/chattanooga-hopes-to-receive-migrating-remote-workers.html> [<https://perma.cc/LBC2-NKG5>]; *Work Remote*, CHATTANOOGA AREA CHAMBER, <https://chattanoogacalling.com/work-remote/> [<https://perma.cc/S3SX-Q9ZC>].

242. *About SEDA*, SAVANNAH ECON. DEV. AUTH., <https://seda.org/about-seda/> [<https://perma.cc/5RDC-GPQJ>].

243. Edward L. Glaeser, *Done Right, New Applied Science Center for New York Makes Sense*, N.Y. TIMES: ECONOMIX (Mar. 22, 2011, 6:00 AM), <https://archive.nytimes.com/economix.blogs.nytimes.com/2011/03/22/done-right-a-new-applied-science-center-for-new-york-makes-sense/?hp> [<https://perma.cc/QBN4-T5DX>].

244. University towns, from Auburn, to Bloomington, down to Urbana, and State College, share some similar features with respect to hospitality, housing, private industry, and professional services. Many businesses ebb and flow with the cycles of the universities and

While not all locales have a “great” university, most vibrant places have some industry, whether agriculture, natural resource, travel and leisure, or are located along key transportation routes, such as rail lines, rivers, or roads.<sup>245</sup>

*A. When is it Appropriate for the Government to Pay to Attract Population?*

This Section explores instances where it is appropriate for the government to pay to attract population.<sup>246</sup> The next Section focuses specifically on when it is appropriate to use scarce tax revenue to attract population.

Here, the focus is on three primary goals that the government has in attracting population. First, is to promote the purchase and acquisition of residential housing. Second, is to grow the state and local tax base, whether through a tax on income, or consumption, for instance, through a sales tax. Third, is to grow and develop local economies broadly.

1. Purchase Homes

Scholars who have studied the costs and benefits<sup>247</sup> of public investment in housing and urban development point out its “primitive” nature as part of the legislative process.<sup>248</sup> The twentieth century included a number of federal efforts—including creating government-backed home mortgage products—to create incentives for families to purchase a home.<sup>249</sup> At its core, local government officials support home ownership because of the manifold benefits: home ownership roots individuals and families in places.<sup>250</sup> Practically speaking as well, new household formation is an important driver of economic activity.<sup>251</sup>

university hospitals that are located within their town lines.

245. Local business leaders, and other less savory folk—think Al Swearngen of the fictional Deadwood, South Dakota—profit from incoming new arrivals to a place.

246. In the private sector, the average relocation cost is in the low to mid \$20,000s, with homeowners reaching much higher at \$60,000 to \$80,000. Heather Hudnall, *How Much Is the Average Relocation Package & What Is Included?*, CAPRELO, <https://www.caprelo.com/insights-resources/program-administration/how-much-is-the-average-relocation-package-what-is-included/> [<https://perma.cc/5J6M-MFPQ>] (Aug. 24, 2021).

247. See CASS R. SUNSTEIN, *THE COST-BENEFIT REVOLUTION* (2018).

248. Arthur Maass, *Benefit-Cost Analysis: Its Relevance to Public Investment Decisions*, 80 Q.J. ECON. 208, 211 (1966).

249. It is academic malpractice not to mention that these tools often segregated residential housing markets. See, e.g., RICHARD ROTHSTEIN, *THE COLOR OF LAW: A FORGOTTEN HISTORY OF HOW OUR GOVERNMENT SEGREGATED AMERICA* 101–14 (2017) (discussing ways that the IRS, Federal Reserve, and other government agencies perpetuated that ability of private organizations, including homeowner associations, to exclude African American homeowners).

250. Mount Laurel, New Jersey, combined exclusive single-family zoning with industrial zoning to create an “ideal” blend of wealthy families and large businesses, each of which supported city government and excluded non-wealthy individuals by limiting multi-family housing.

251. Adam Ozimek, *Estimates Revision: U.S. - Households*, MOODY’S ANALYTICS (Sept. 2, 2016, 10:36), <https://www.economy.com/support/blog/buffet.aspx?did=412CA3F8-92D9->

Researchers at the Wharton School quantified the impact of public investment in various place-based public investments on average home prices in Philadelphia neighborhoods. The investments do not relate to population attraction per se. However, the results are an interesting contrast to population attraction tools since they represent another way to *improve* particular areas.<sup>252</sup>

Median priced Philadelphia homes increased thirty percent when placed in a business improvement district.<sup>253</sup> Streetscape improvements yielded property value increases of twenty-eight percent.<sup>254</sup> Proximity to an attractive commercial corridor increased home values between eleven percent and twenty-three percent.<sup>255</sup> On the other hand, a vacant lot adjacent to a home decreased values by twenty percent.<sup>256</sup> A one percent increase in the crime index was associated with a fourteen percent decrease in home value.<sup>257</sup>

## 2. Support Tax Base

Closely tied to purchasing homes is the tax benefits that flow to the government when individuals and families buy homes. An “improved” building lot is more valuable because of the structure created.<sup>258</sup> Thus, it can be taxed at a greater rate. Higher property values allow state and local elected officials to increase revenues through taxation.<sup>259</sup>

On balance, local governments increase revenue as property values maintain and increase. Revenue is needed for providing essential services, such as education, road and highway maintenance, emergency services, as well as parks and recreation. In light of the research discussed above, local elected officials have options to pursue attempts to increase home values as a means of increasing revenue.<sup>260</sup>

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42F9-9284-B8BEA113467F [<https://perma.cc/TK9K-NP8S>] (“Household formation is an important measure of economic activity.”).

252. SUSAN M. WACHTER & KEVIN C. GILLEN, WHARTON SCH., PUBLIC INVESTMENT STRATEGIES: HOW THEY MATTER FOR NEIGHBORHOODS IN PHILADELPHIA, <https://community-wealth.org/sites/clone.community-wealth.org/files/downloads/paper-wachter-gillen.pdf> [<https://perma.cc/F26A-JYQ7>].

253. *Id.* at 5.

254. *Id.*

255. *Id.* at 4.

256. *Id.*

257. *Id.* at 5.

258. Presumably adding a structure—the cost of the materials, along with the labor involved to assemble them—adds value to vacant land.

259. States, such as Florida, that lack a personal income tax must provide services from consumption taxes, including sales and property taxes.

260. Such interventions are not the only options to maintain or increase property values. Private actors play a key role, too. In one study, proximity to a craft brewery had an appreciable impact on home values. The Academic Minute, *Neil Reid, University of Toledo – Craft Breweries Increase Residential Property Values*, WAMC (Sept. 26, 2019, 12:01), <https://academicminute.org/2019/09/neil-reid-university-of-toledo-craft-breweries-increase-residential-property-values/> [<https://perma.cc/LAM9-B5FG>].

### 3. Grow Local Economies

Also related to home purchases, and supporting tax base, is growing local economies. When an area has an economy with money flowing back and forth in a free exchange, individuals are more inclined to create a new business, or to move to that location. Areas with significant numbers of entrants but not new arrivals have negative impact on local job markets, housing markets, and other markets.<sup>261</sup>

With respect to growing small businesses, a brief presentation of data may prove useful. Specifically, over twenty-seven million small businesses in the United States create approximately half of gross domestic product.<sup>262</sup> Small businesses generate around sixty-four percent of new jobs nationally.<sup>263</sup> In addition to creating jobs, small businesses spark innovation and provide opportunities for historically marginalized workers, including women and members of excluded racial groups, to achieve economic independence.<sup>264</sup>

A cluster of growing small businesses can lead to growth in a local economy. Some proponents of shifting invested capital to main street businesses offered guides for success post-Great Recession.<sup>265</sup> The local currency movement is another example of how some have approached circulating dollars to grow local economies.<sup>266</sup> Given the importance of growing local economies, it is not surprising that local governments would pay to attract population as a means of keeping local economies vibrant. We turn to the appropriateness of spending scarce tax revenue to attract population in the next Section.

#### *B. When is it Appropriate to Use Scarce Tax Revenue to Attract Population?*

There are a number of relevant legal doctrines that are useful in addressing when it is appropriate to use scarce tax revenue to attract population. The ability of states and cities to invest in private activities is curtailed and limited by the application of

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261. Tieboutian sorting theorizes about the flow of individuals into and out of a city based on their preferences. Charles M. Tiebout, *A Pure Theory of Local Expenditures*, 64 J. POL. ECON. 416, 418 (1956).

262. See U.S. SMALL BUS. ADMIN., OFF. OF ADVOC., *THE SMALL BUSINESS ECONOMY: A REPORT TO THE PRESIDENT* app. A (2010) (presenting data on the contributions of small businesses to the economy).

263. U.S. SMALL BUS. ADMIN., OFF. OF ADVOC., *FREQUENTLY ASKED QUESTIONS 1* (2012).

264. Edward W. De Barbieri, *Excluding Disadvantaged Businesses*, 28 GEO. MASON L. REV. 901, 914 (2021) (citing UNIV. OF MINN., *EXPLORING BUSINESS* 176–77 (2016)).

265. See, e.g., MICHAEL H. SHUMAN, *LOCAL DOLLARS, LOCAL SENSE: HOW TO SHIFT YOUR MONEY FROM WALL STREET TO MAIN STREET AND ACHIEVE REAL PROSPERITY* (2012).

266. See Eric Helleiner, *Think Globally, Transact Locally: Green Political Economy and the Local Currency Movement*, 14 GLOB. SOC'Y 35 (2000).

the public purpose doctrine.<sup>267</sup> In addition, state constitutional amendments further limit spending of publicly raised revenue through taxation on public purposes.<sup>268</sup>

Early case law supported enforcing limitations on public spending for private industry.<sup>269</sup> One case from the early 1900s invalidated a tax levied to pay returning veterans of the First World War.<sup>270</sup> However, courts of today are reluctant to overturn the economic development spending approved by state and local legislatures.<sup>271</sup> State and local government law expert Richard Briffault wrote in 2003 that “the public purpose requirement as a constraint on legislative action is a dead letter today.”<sup>272</sup>

What might a court challenge to population attraction payments look like? It is possible for a taxpayer or group of taxpayers to assert claims that such payment programs using tax funds are unconstitutional. The public purpose doctrine could provide grounds upon which to argue that such payments benefit private individuals to the exclusion of the public.<sup>273</sup>

Such a claim is vulnerable on several grounds. First, a plaintiff or plaintiff group would need to survive a standing challenge.<sup>274</sup> Second, as mentioned above, courts are unwilling to overturn economic development incentives approved by legislatures.<sup>275</sup> Third, and finally, many of these incentives to attract employers enjoy political popularity.<sup>276</sup>

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267. For early discussions of the necessity of a public purpose in taxation, see Breck P. McAllister, *Public Purpose in Taxation*, 18 CALIF. L. REV. 137, 137 (1930). “It was to curb governmental expenditures that the doctrine of public purpose was first used in the state courts . . . .” *Id.* See also Howard Lee McBain, *Taxation for a Private Purpose*, 29 POL. SCI. Q. 185, 185 (1914) (discussing the maxim that public authorities may not levy taxes for private purposes).

268. Martin E. Gold, *Economic Development Projects: A Perspective*, 19 URB. LAW. 193, 209 (1987) (discussing the public purpose doctrine and state constitutional prohibitions on spending tax revenue on private activities).

269. See, e.g., *Weismer v. Vill. of Douglas*, 64 N.Y. 91, 103 (1876) (“[T]hese are not the direct and immediate public uses and purpose to which money taken by tax may be directed.”).

270. *People v. Westchester Cnty. Nat’l Bank of Peekskill*, 132 N.E. 241, 247 (N.Y. 1921).

271. One recent study of litigation brought between 1994 and 2014 indicates that, in almost all cases, courts would not limit government outlays based on public purpose claims or related state constitutional prohibitions. Brian Libgober, *The Death of Public Purpose (and How to Prevent It)* 3 (Harv. L. Sch., John M. Olin Ctr. for L., Econ., & Bus., Discussion Paper No. 63, 2016).

272. Richard Briffault, *The Disfavored Constitution: State Fiscal Limits and State Constitutional Law*, 34 RUTGERS L.J. 907, 945 (2003).

273. There are also untested Commerce Clause arguments that Professor Peter Enrich has raised and discussed at length. See generally Peter D. Enrich, *Saving the States from Themselves: Commerce Clause Constraints on State Tax Incentives for Business*, 110 HARV. L. REV. 377 (1996).

274. The U.S. Supreme Court, in *DaimlerChrysler Corp. v. Cuno*, 547 U.S. 332 (2006), held that a group of Ohio taxpayers lacked standing to challenge a tax incentive to an automaker.

275. See Libgober, *supra* note 271.

276. This is not a legal argument, of course, but nevertheless, in the case of job attraction, elected officials in the executive and legislative branches are keen to offer greater incentives to employers, especially during periods before an election. Slattery, *supra* note 22, at 6 (finding, among other results, that governors facing re-election and not term limited are likely

Yet, one must not discount the potentially harmful impacts of legislative action to support economic development. Justice O'Connor quoted an early Supreme Court decision in her dissent in *Kelo v. City of New London*: "A law that takes property from A. and gives it to B: It is against all reason and justice, for a people to entrust a Legislature with such powers; and, therefore, it cannot be presumed that they have done it."<sup>277</sup> In *Kelo*, the majority opinion held that the City of New London, Connecticut, could use a state statute to condemn a private residence through the use of eminent domain to promote an economic development plan.<sup>278</sup> The Court held, by a single vote majority, that the plan to promote economic development "unquestionably serves a public purpose, the takings challenged here satisfy the public use requirement of the Fifth Amendment."<sup>279</sup> In one of the most clear summaries of the majority's decision, Justice O'Connor in her dissent noted: "The specter of condemnation hangs over all property. Nothing is to prevent the State from replacing any Motel 6 with a Ritz Carlton, any home with a shopping mall, or any farm with a factory."<sup>280</sup>

Taking scarce tax revenue, distributing it as a cash incentive to individuals who are blessed by their employment to be able to "work-from-anywhere," is beyond the sort of economic development activity promoted in *Kelo*. The analysis begins with an examination of whether the cash incentive program follows a public purpose. Proponents of the incentives would argue that yes, a public purpose is promoted by attracting new residents: those new residents will consume goods and services in the local economy, those new residents will consume housing through rentals or purchases, and those new residents will pay sales, employment, and, where applicable, state and local income taxes.

With respect to the *Kelo* analysis, there may be room for interpretation too. It is possible that O'Connor in her dissent was objecting to the specific transfer of property to a known entity, such as the pharmaceutical company Pfizer, in *Kelo*. One might distinguish the dissenting argument raised from a cash incentive scenario where applicants are chosen at random.

On the other hand, opponents of cash incentives to remote workers would argue that such incentives are impermissible, unconstitutional transfers to private parties. Supporting these claims, opponents would point to scant evidence suggesting that the limited number of new arrivals actually contribute significantly to local economic development.<sup>281</sup> Further, such opponents would point to evidence suggesting that remote workers are the winners in such schemes, not the economies of local places.

Such payment schemes may be vulnerable to dormant commerce clause, or right to travel, challenges.<sup>282</sup> Subsidizing relocation is merely the converse of penalizing

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to bid up incentives to attract employers with subsidies twenty percent higher than their term limited counterparts).

277. 545 U.S. 469, 494 (2005) (O'Connor, J., dissenting) (quoting *Calder v. Bull*, 3 Dall. 386, 388 (1798)).

278. *Id.* at 484 (majority opinion).

279. *Id.*

280. *Id.* at 503 (O'Connor, J., dissenting).

281. See *infra* Section III.D.

282. See generally Richard C. Schragger, *Cities, Economic Development, and the Free Trade Constitution*, 94 VA. L. REV. 1091 (2008).

it. The law does treat subsidies (or tariffs) and tax incentives differently. But perhaps the most troubling aspect of cash payment programs is that newcomers receive money for arriving, yet old-timers receive nothing additional for staying. Further, the funds used to pay newcomers amount to placing higher taxes on old-timers. Moving and not moving are simply different sides of the same coin.<sup>283</sup>

Reaching the truth in determining whether cash incentives to attract new arrivals requires economic study. However, as has been pointed out, economic findings are mixed. Therefore, a trial court or appellate judge would certainly be within the bounds of reason to find such incentives impermissible if the government enacting them took few steps, if any, to justify the public purpose of such programs.

For states and cities seeking to implement new population attraction incentives for remote workers, it would be therefore wise to clearly articulate with specificity the public purposes of cash incentive programs. Explaining the community benefits of such spending could go a long way to ensuring success upon a potential challenge. Using data to support the spending in attracting residents might assist in this process.

Further, analysis that expresses the manner in which such programs advance equitable ends might be similarly well-received. Specifically, limiting such programs to only new arrivals, as well as to those individuals with the ability to “work-from-anywhere” could appear to favor, or disfavor, particular groups of people should it be determined that individuals within protected classes are more likely to have remote work ability. In the case of Tulsa Remote, recruiting diverse newcomers appears to be a key component of that city’s program.<sup>284</sup> Such features may convince both fact finders and appellate reviewers that cash transfers are acceptable in serving public purpose ends.

*C. When Is it Appropriate for Wealthy Individuals and Charitable Organizations to Pay to Attract Population?*

Philanthropic activity in the United States tends to occur through private foundations because of the “generous tax savings” available.<sup>285</sup> Organizations that are recognized as tax exempt under § 501(c)(3) of the Internal Revenue Code must be “organized and operated exclusively for . . . charitable . . . or educational purposes” without profits inuring to the benefit of “any private shareholder or individual.”<sup>286</sup> Charitable purposes include:

relief of the poor, the distressed, or the underprivileged; advancement of religion; advancement of education or science; erection or maintenance of public buildings, monuments, or works; lessening the burdens of government; lessening neighborhood tensions; eliminating prejudice and

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283. See Tiebout, *supra* note 261.

284. See Choudhury, *supra* note 4.

285. Eric Franklin Amarante, *The Perils of Philanthrocapitalism*, 78 MD. L. REV. 1, 3 (2018).

286. I.R.C. § 501(c)(3).

discrimination; defending human and civil rights secured by law; and combating community deterioration and juvenile delinquency.<sup>287</sup>

Lessening the burdens of government charitable purpose occurs when (1) the activities performed are those that a governmental unit “considers to be its burdens” and (2) the activities must actually lessen “such governmental burden[s].”<sup>288</sup>

Tax-exempt charitable organizations may make grants to individuals in narrow circumstances. Those circumstances include grants for (1) scholarships, (2) awards given to those selected from the general public, and (3) grants with specific objectives, such as producing a report or improving a talent of the grantee.<sup>289</sup> In addition, grants must be made following procedures “approved in advance by the Commissioner” of the Internal Revenue Service.<sup>290</sup>

Are payments to relocating professional services workers allowable under the charitable purposes definition of the Internal Revenue Code? The answer likely depends on how the granting organization characterizes the payments and what procedures it has disclosed and followed in making such grants. Should the organization’s grants fall outside of those allowable by the Internal Revenue Service, such payments would be taxable expenditures subject to tax liability.<sup>291</sup>

An organization’s payments to influence population location decisions may amount to lessening the burdens of government, for instance, if those activities are considered to be burdens by a governmental unit, and the activities lessen the burdens of government.<sup>292</sup> Aligning with the government in extending payments for relocation may satisfy the first prong in that governmental support could amount to the government recognizing its burdens. Actually lessening the burdens of government may prove more difficult if the payments do not actually lessen the government’s burdens. Specifically, the next Section will discuss whether such payments are effective. Since evidence is mixed, the failure of such payments to achieve their stated outcome may fail to lessen the government’s burdens, and as a result, could be deemed taxable expenditures.

Other charitable purposes of payments to influence population location decisions could arguably involve lessening neighborhood tensions or combatting community deterioration. With respect to lessening neighborhood tensions, in some cases, such payments increase neighborhood tensions as existing residents, including those who may have relocated without receiving an incentive payment, view new arrivals receiving incentive payments as undeserving. With respect to combatting community deterioration, again, it depends on the outcome of these payments. Since results are mixed, it could prove difficult for an organization to avoid a determination that these payments are improper and therefore taxable expenditures.

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287. “Charitable” Purposes, IRS, <https://www.irs.gov/charities-non-profits/charitable-purposes> [<https://perma.cc/P6BU-NJ4H>] (Jan. 21, 2022).

288. Rev. Rul. 85-2, 1985-1 C.B. 178.

289. Rev. Rul. 86-77, 1986-1 C.B. 334.

290. *Id.*

291. See I.R.C. § 4945(d)(3) (“[T]axable expenditure’ means any amount paid or incurred by a private foundation . . . as a grant to an individual for travel, study, or other similar purposes by such individual.”).

292. Rev. Rul. 85-2, 1985-1 C.B. 178.



*D. Do Population Purchasing Tools Work?*

A central theme in this Article is assessing whether population attraction payment programs work. To an extent, population attraction devices are the siblings of efforts to influence business location decisions.<sup>293</sup> One policy document from a chamber of commerce in an Alaskan city begins by explaining how “instead of trying to lure whole companies . . . more cities are beginning to target individuals who suddenly have the agency to pick a city on its merits.”<sup>294</sup> A related issue this Article has only glanced at is whether attracting “work-from-anywhere” service sector professionals results in better outcomes than attracting workers without targeting those with particular skills.

Subnational governments have a number of levers to pull to attract business headquarters, plants, and other real property investments. Whether such efforts improve economic conditions in places that bid for businesses is difficult to study because of the lack of transparency and, to the extent that places win business locations, governments’ tendency to overbid incentives.<sup>295</sup>

In the same way that scholars have questioned the utility of tax incentives to lure businesses, this Article explores whether population attraction payments increase social welfare. The remaining paragraphs of this Part are devoted to presenting the results of the author’s study of the effectiveness of attempts to influence population location of high-skilled, well-paid professional services workers.

Data concerning population attraction payments for remote workers is diffuse and hard to find. Websites like [makemymove.com](http://makemymove.com) provide some information regarding current offers to relocate. However, this information is occasionally stale. Further, the individual programs rarely report on the success (or failure) of particular programs.

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293. At present, the scope of efforts to influence business location decisions dwarfs attempts to influence population location decisions. By some measures, state and local spending on attempts to influence business location decisions exceed \$80.4 billion per year. Louise Story, Tiff Fehr & Derek Watkins, *Explore the Data*, N.Y. TIMES (2016), <http://archive.nytimes.com/www.nytimes.com/interactive/2012/12/01/us/government-incentives.html#home> [<https://perma.cc/Q2AL-MYNF>].

294. Greater Ketchikan Chamber of Com., *Remote Workers Recruitment Campaign Key Goals, Indicators, and Timelines*, KRBD, [https://www.krbd.org/wp-content/uploads/2020/12/6926\\_Remote\\_Workers\\_Proposal\\_Ketchikan\\_Chamber\\_of\\_Commerce\\_V2-1.pdf](https://www.krbd.org/wp-content/uploads/2020/12/6926_Remote_Workers_Proposal_Ketchikan_Chamber_of_Commerce_V2-1.pdf) [<https://perma.cc/2SLR-H8T7>].

295. The field of study exploring business location incentives is growing. A recent study by Professor Slattery finds that so-called winning jurisdictions regularly overbid the subsidies they offer. See Slattery, *supra* note 22, at 27 n.44 (explaining how information asymmetries on a firm’s profits can lead to overbidding). As a result, private industry benefits from the bidding process at the expense of public funds. It is perhaps unsurprising that tax incentives paid to private companies threaten other high-value, high-return spending on K–12 education and other needed public services. See TIMOTHY J. BARTIK, MAKING SENSE OF INCENTIVES: TAMING BUSINESS INCENTIVES TO PROMOTE PROSPERITY (2019). For a deep dive into the benefits of various policy initiatives on social welfare and findings to support public investment in children’s health and education, see Nathaniel Hendren & Ben Sprung-Keyser, *A Unified Welfare Analysis of Government Policies*, 135 Q.J. ECON. 1209 (2020).

For this study, the author and two research assistants reviewed all the offers available on makemymove.com. Offers presented above in Part II were tracked in a spreadsheet, along with (1) their source of law, to the extent they were authorized by law, and (2) additional information about the program, which was gathered primarily through local news articles.

In addition, the research team contacted local elected officials over email and phone for interviews concerning the success or lack of success of each program. Through internet research using Google Search and Google Scholar, one similar study completed by a reporter for *The Atlantic* was discovered. No other academic studies on this topic were located.

In July 2021, Daniel Block published his reporting on remote worker attraction programs in *The Atlantic*. His findings indicated that for a number of programs, few, if any, workers have relocated. For one program in Michigan, only one resident had taken advantage of the incentive.<sup>296</sup>

A *Wall Street Journal* report highlighted twenty-five families selected to relocate to Northwest Arkansas, and mentioned over 500 participants in the Tulsa, Oklahoma, program,<sup>297</sup> and thirty workers in the Topeka, Kansas, program.<sup>298</sup> By far, the Tulsa Remote program is the most “successful” program by metrics of remote workers attracted in terms of numbers. Tulsa Remote touts a current total of 1200 remote workers participating in the program.<sup>299</sup> One thousand two hundred multiplied by a \$10,000 incentive amounts to a \$12 million incentive expense. Reports about other local governments hoping to emulate the Tulsa Remote program were supported by emails and conversations the research team had with government officials in other areas.

In one instance, a local government official reported significant national media attention following the announcement of a remote work incentive program.<sup>300</sup> Specifically, in Natchez, Mississippi, the Communications Director of Natchez, Inc., shared that the town estimated a boost in tourism to the tune of \$8.5 million following attention from news outlets, including *CNN*, *MSNBC*, *Southern Living*, and *USA Today*.<sup>301</sup> At the same time, six remote workers relocated in the first fiscal year, and four remote workers relocated in the current fiscal year.<sup>302</sup>

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296. Block, *supra* note 12. Block interviewed a total of eight representatives from programs across the country and found that those with population gains resulted in modest increases and meager economic benefits.

297. Block found over 1000 remote workers moved to the larger City of Tulsa. *Id.* Tulsa Remote indicates that number is now up to 1200. *See Frequently Asked Questions, supra* note 17.

298. *Remote Workers Wanted: Small Cities Offer Cash to Those Who Relocate, supra* note 14 (highlighting, among other aspects, one economic development official reporting a \$50,000 benefit in economic activity for each relocating worker—“it’s \$10,000 well spent,” said one official from Topeka).

299. *See Frequently Asked Questions, supra* note 17.

300. Telephone Interview with Aimee Guido, Commc’ns Manager, Natchez, Inc. (Oct. 28, 2021) (notes on file with author).

301. *Id.*

302. *Id.*

Yet, aside from individual stories, it is unclear (1) whether relocating remote workers is having a meaningful impact on the communities offering incentives and (2) whether remote work opportunities will continue. Further, remote work incentives may influence behavior among inland cities such as Bozeman, Montana; Traverse City, Michigan; or Hudson, New York, because of existing demographic trends.<sup>303</sup> Cities that have not seen any population shifts during the pandemic or have seen significant out-migration would seem unlikely to attract remote work activity simply by offering a five-digit incentive.<sup>304</sup>

The argument that remote workers themselves are the primary beneficiaries of population attraction spending is supported by the overwhelming demand for payments in some parts of the country. For instance, a \$10,000 cash incentive to relocate in Northwest Arkansas attracted more than 26,000 applications.<sup>305</sup> Only twenty-five awards were available.<sup>306</sup> A similar incentive in Hawaii resulted in 90,000 applications for only fifty incentive spots.<sup>307</sup> Further, certain workers may prove adept at incentive hopping by moving from location to location frequently to boost their own bank account balances.

Altogether, this author's research indicates that greater study of the outcomes of remote work attraction payment programs is needed. No comprehensive study of remote work incentives shows outcomes improving the welfare of existing and new residents in the places where such incentives are adopted. Rather, cities, such as Austin, Tulsa, and Boulder, that were already becoming more popular before the pandemic have continued to grow in popularity during the pandemic.

In the next Part, focus is shifted away from remote work incentive payments. Specifically, Part IV explores in depth a potential alternate strategy for spending economic development funds and scarce tax revenue. It suggests community land trusts might provide neighborhood stability, affordable housing, and long-term growth as part of an overall place-based economic development strategy. Particular emphasis is placed on community land trusts as a mechanism to support the health and education of low-income children. Spending on improving the health and educational outcomes of low-income children has proven to yield among the highest return on investment of any governmental policy interventions.

#### IV. ALTERNATIVE APPROACHES TO REMOTE WORK ATTRACTION PAYMENTS

This Part proposes alternative approaches to growing population that do not involve cash and other incentives paid to remote professional services workers. An approach to attracting new arrivals requires an understanding of the various conditions that attract new residents, including affordable housing options, excellent

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303. Block, *supra* note 12 (quoting Richard Florida commenting on the likelihood for successful incentive programs).

304. Analyzing the amount of cash incentive payments related to the various costs of living in a particular city, as well as prior population growth trends, is beyond the scope of this Article. It is possible that cash incentives are more likely to have an impact in certain cities when cost of living, and housing prices in particular, are considered.

305. Higgs, *supra* note 130. This constitutes a dollar amount of \$260 million in demand.

306. *Id.*

307. Tsuji et al., *supra* note 137.

educational opportunities, a vibrant health care system, transportation, and fast and reliable internet, among other amenities.<sup>308</sup> Understanding what amenities are most important to new arrivals allows government officials to better tailor population attraction tools in a way that is both responsible to existing residents and appealing to new arrivals.

The inherent tension in paying for new residents is that existing residents are not directly served through payments. Of course, there are potential indirect benefits to existing residents through growth of a tax base. However, existing residents also face the potential for increases in housing costs, and more competition for other scarce resources. As a result, to transfer and grow wealth among existing residents in addition to, or as an alternative to new arrivals, may prove fruitful.

With respect to alternative proposals, let us now consider other options that states and cities can use to attract or retain population through incentives and transfer. This Part introduces several policy alternatives aimed primarily at addressing high housing costs, including zoning reform, inclusionary zoning, and community land trusts. Finally, expanding universal basic income programs is discussed as another possible alternative to cash incentives for “work-from-anywhere” professionals.

#### *A. Zoning Reform and Housing Costs*

One cannot explore policy related to attempts to influence population location decisions without exploring housing affordability. Scholars who write about state and local government agree that zoning reform is needed to address high housing prices, especially in the nation’s most expensive cities.<sup>309</sup> There is disagreement, however, about whether zoning reform—the process of adjusting laws governing land use—is best at the state level, or at the level of local government.<sup>310</sup>

Setting aside the locus of reform, zoning reform could lead to more flexibility in the housing market. City planners would be open to using various infill housing designs, such as accessory-dwelling units, “in-law” apartments, and other forms of housing that could lower costs. In states where the legislature has acted to relax zoning laws, some local officials have updated building codes to allow for more flexible housing arrangements.<sup>311</sup>

#### *B. Inclusionary Zoning Incentives*

A particular type of zoning reform directed at affordable housing creation is *inclusionary zoning*. A response to exclusionary, racially segregated “snob zoning,”

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308. For the purpose of this Article, we have ignored family ties, which are a significant component of family relocation. However, such a discussion of government efforts to influence family location decisions is beyond the scope of this Article.

309. See Infranca, *supra* note 32; see also Schragger, *supra* note 33.

310. See Schragger, *supra* note 33, at 129 (“Affordable, desegregated housing is a laudable—even essential—goal. But combining it with an anti-local agenda by further restricting cities’ already-limited powers is a strategic mistake.”).

311. Will Parker, *Does Oregon Have the Answer to High Housing Costs?*, WALL ST. J., <https://www.wsj.com/articles/does-oregon-have-the-answer-to-high-housing-costs-11571823001> [<https://perma.cc/AC9A-9484>] (Oct. 23, 2019, 3:42 PM).

inclusionary zoning seeks to compel private developers to create affordable housing units by granting the ability to build denser housing in exchange for offering below market rate units.<sup>312</sup> Proponents of inclusionary zoning argue that it generates more affordable units without increasing local government budgets.<sup>313</sup> Yet, opponents say that inclusionary zoning policies result in increased housing costs by reducing the overall supply of housing, and failing to address the long-term needs of low-income people.<sup>314</sup>

When combined with other zoning reforms, inclusionary zoning policies are attractive policy alternatives, or at least accompaniments, to cash incentive payments to “work-from-anywhere” professionals. Since workers across income levels—not just at the high-end—are attracted to move to areas with low housing costs and high services, increasing the supply of housing at low cost is a sound policy approach. Inclusionary zoning tools allow city planners and elected officials to address racial and social equality by encouraging private developers to build below market housing units.

### *C. Community Land Trusts and Affordable Housing*

Another policy alternative to cash incentive payments is government subsidies to community land trusts. A community land trust approach involves placing land into ownership of a mission-based, not-for-profit organization. Next, individual housing units of whatever type—apartments, townhouses, single family homes—can be leased or sold to individuals and families who earn below a certain income and have less than a certain amount of wealth. Housing units remain affordable so long as excess funds collected by the trust are reinvested in maintaining affordability. Government transfers to support stable homes and stable communities is an alternative to simply offering cash and other economic benefits to new residents.

A community land trust is an entity that holds title to real property and through various membership agreements allows for uses, such as residential housing or community gardening, among others.<sup>315</sup> Land trusts have been used in some markets as a means to keep residential land costs down for residents.<sup>316</sup> As an alternative offering to subsidizing new service-sector based arrivals, governments could use a portion of tax revenue to allow community land trusts to (1) acquire property and (2) develop and maintain affordable rental units.

A benefit of increasing land trust ownership of rental property is that tenants can presumably enjoy high quality housing while at the same time saving or investing income that would otherwise go toward maintaining property. Housing cooperatives,

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312. Benjamin Schneider, *CityLab University: Inclusionary Zoning*, BLOOMBERG (July 17, 2018, 4:15 PM), <https://www.bloomberg.com/news/articles/2018-07-17/inclusionary-zoning-everything-you-need-to-know> [<https://perma.cc/ZX8E-SNGP>].

313. *Id.*

314. *Id.*

315. See Lovett, *supra* note 35, at 625–28.

316. See, e.g., Tom Angotti, *Community Land Trusts and Low-Income Multifamily Rental Housing: The Case of Cooper Square, New York City* (Lincoln Inst. of Land Pol’y, Working Paper No. WP07TA1, 2007); see also DOUGLASS CMTY. LAND TR., <https://douglassclt.org/#origins> [<https://perma.cc/XZR9-UVDD>].

another type of collectively owned property, could function within the land trust context. With many of the same benefits, housing cooperatives can provide affordability and allow residents to increase investment income and savings for other purposes.

It is true that land trusts and housing cooperatives may seem orthogonal to the notion of single-family home ownership, the paragon of “freedom of choice.” However, this is not necessarily a bad thing. A number of popular personal finance authors decry the liability that home ownership brings.<sup>317</sup> Perhaps the use of government-subsidized land trusts can create more owners, and more fiscally sound families.

Early references to community land trusts begin in the literature in the 1970s.<sup>318</sup> Professor John A. Lovett places the very first community land trust in the United States in Southwest Georgia in 1968 as a mechanism to offer African-American farmers security with respect to tenure.<sup>319</sup> Community land trusts offer members the ability to use land for a particular purpose while sharing the administrative and economic burdens of property ownership.<sup>320</sup> Professor Lovett has offered a useful literature review of community land trusts in his 2020 essay.<sup>321</sup>

Lovett discusses how community land trusts can operate at the neighborhood, municipal, or regional level, and how governmental or charitable subsidy can assist with land acquisition or other upfront costs.<sup>322</sup> Instead of subsidizing remote work, or “work-from-anywhere” workers, states and local governments could subsidize community land trusts in areas to make land acquisition more affordable.<sup>323</sup> The government could support efforts to make housing more affordable through incentives to non-profit community land trusts and other groups.<sup>324</sup>

317. See, e.g., PETER MALLOUK WITH TONY ROBBINS, *THE PATH: ACCELERATING YOUR JOURNEY TO FINANCIAL FREEDOM* (2020); ROBERT T. KIYOSAKI, *RICH DAD, POOR DAD: WHAT THE RICH TEACH THEIR KIDS ABOUT MONEY – THAT THE POOR AND MIDDLE CLASS DO NOT!* (2017); GRANT CARDONE, *THE 10X RULE: THE ONLY DIFFERENCE BETWEEN SUCCESS AND FAILURE* (2011).

318. See Lovett, *supra* note 35, at 623 n.11 (referencing a 1972 book by the Center for Community Economic Development about the theoretical and social origins of the community land trust movement).

319. *Id.* at 624.

320. For a time, the author was a board member of a land trust in Brooklyn, New York, which owned title for five community gardens, including one immediately opposite the Barclay’s Center, the second highest grossing indoor sports and entertainment arena in the country. See *BANG*, *BANG LAND TR.*, <https://banglandtrust.org/> [<https://perma.cc/XL8V-WTHF>].

321. Lovett, *supra* note 35, at 624 n.18.

322. *Id.* at 625 nn.20–22, 628.

323. In expensive vacation communities, such as the East End of Long Island, and Martha’s Vineyard, non-profit organizations have worked to create affordable housing opportunities. David E. Rattray, *The Mast-Head: Out of the Box*, *E. HAMPTON STAR* (Oct. 7, 2021), <https://www.easthamptonstar.com/opinion-columnists/2021107/mast-head-out-box> [<https://perma.cc/9USN-B69A>].

324. For a discussion of one community land trust organizing campaign in East London, which borrowed from the American community land trust movement, see Susannah Bunce, *Pursuing Urban Commons: Politics and Alliances in Community Land Trust Activism in East*

Without doubt, there will be those who criticize, critique, and oppose this proposal based on the choice-limiting aspects of the community land trust model. Specifically, these opponents suggest that the government should not pick one wealth-building tool over another and compel individuals to participate in it. A couple words ought to address these critiques.

First, the approach expands choice; it does not limit it. This is because the commitment to build wealth for existing residents, and new arrivals, is the goal. The approach is agnostic about the use of wealth once it is created. Wealth could go toward important life needs, such as buying another home, investing in retirement, or paying for education. Or the wealth could be used to start a business. The approach does not discriminate with respect to how funds are spent once they are created.

Second, the government subsidizes wealth creation all the time. Typically, however, subsidies flow to those who already possess wealth. For instance, allowing homeowners to deduct from their income tax obligations the interest paid on home mortgages is a subsidy to homeowners.<sup>325</sup> Likewise, allowing corporations to deduct expenses for travel and entertainment is a policy to allow those who earn through business activity to keep more of their profits.<sup>326</sup> Permitting employees to deduct health care and childcare costs from their taxable income favors employees over the unemployed.<sup>327</sup>

In addition, the federal government, as well as states, already offers favorable tax and policy treatment for mission-driven organizations that benefit low-income residents. Credit unions,<sup>328</sup> for instance, are treated as tax exempt because of the educational and financial services they offer members to help them earn and grow wealth.<sup>329</sup> The importance of and demand for education cannot be overemphasized in the success of the credit union industry.

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*London*, 48 *ANTIPODE* 134 (2016).

325. *Publication 936 (2021), Home Mortgage Interest Deduction*, IRS, <https://www.irs.gov/publications/p936> [<https://perma.cc/7CSQ-8J4R>] (Jan. 5, 2022); Edward L. Glaeser & Jesse M. Shapiro, *The Benefits of the Home Mortgage Interest Deduction*, 17 *TAX POL'Y & ECON.* 37, 37 (2003) (“[T]he home mortgage interest deduction is a particularly poor instrument for encouraging homeownership because it is targeted at the wealthy, who are almost always homeowners.”).

326. *See, e.g.*, Daniel I. Halperin, *Business Deduction for Personal Living Expenses: A Uniform Approach to an Unsolved Problem*, 122 *U. PA. L. REV.* 859 (1974).

327. *See* Mary L. Heen, *Welfare Reform, Child Care Costs, and Taxes: Delivering Increased Work-Related Child Care Benefits to Low-Income Families*, 13 *YALE L. & POL'Y REV.* 173, 191 (1995).

328. *See generally* Lewis A. Froman, *Credit Unions*, 8 *J. BUS. U. CHI.* 284 (1935).

329. *See* I.R.C. § 501(c)(14)(A).

Around half of the U.S. population is a member of a credit union.<sup>330</sup> In 2019, deposits in credit unions totaled \$1.2 trillion.<sup>331</sup> Educational tools are essential to credit union existence.<sup>332</sup>

A community land trust approach with the support of government dollars furthers choice, freedom, and wealth accumulation. It does so through cooperation and sharing financial success across resident backgrounds. Critiques based on limiting aspects of the approach are misplaced. Such an approach creates more middle class, capitalist-minded individuals and families, not fewer.

#### *D. Universal Basic Income Expansion*

The numerous pilot initiatives discussed above with respect to universal basic income might also be a useful alternative to funds spent to attract “work-from-anywhere” residents.<sup>333</sup> From a political perspective, it would be interesting to test taxpayer preference for subsidizing remote worker relocation, for low-income individuals. It is beyond the scope of this Article to conduct that research.

One study suggests that the highest value of public funds spent are those programs that invest in health and education of low-income children.<sup>334</sup> Instead of paying to attract remote workers, states and cities could spend additional governmental and charitable funds on health and educational outcomes for low-income children. Educating taxpayers about the return on investment of such programs could increase their popular support.<sup>335</sup>

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330. *Number of Members of Credit Unions in the United States from 2013 to 1st Half 2022*, STATISTA (Aug. 2022), <https://www.statista.com/statistics/516855/number-of-credit-unions-members-usa/> [<https://perma.cc/24TM-7S43>].

331. NAT'L CREDIT UNION ADMIN., QUARTERLY CREDIT UNION DATA SUMMARY 2019 Q4, <https://www.ncua.gov/files/publications/analysis/quarterly-data-summary-2019-Q4.pdf> [<https://perma.cc/ES7T-MWVU>].

332. There's a popular phrase in the Irish cooperative movement that credit unions require education. Noreen Byrne, Olive McCarthy & Michael Ward, *No Study, No Credit Union: An Irish Perspective on Education and Training in Credit Unions* (Int'l Coop. All. Eur. & Int'l Coops. Rsch. Conf. on Loc. Soc'y & Glob. Culture, 2002), <https://www.ucc.ie/en/media/research/centreforco-operativestudies/docs/NoStudyNoCreditUnion.pdf> [<https://perma.cc/N7PQ-SQ5L>].

333. *See supra* Section IV.D.

334. *See* Hendren et al., *supra* note 295.

335. With respect to the use of federal funds at the local level, Bruce Katz and others at the Nowak Metro Finance Lab at Drexel University have articulated five principles: targeting investments, supporting whole districts, stacking federal funds with other dollars, focusing on institution building, and developing replicable models. Bruce Katz, Julie Wagner & Colin Higgins, *Building Back Better Requires Smart Spending and Transformative Investments*, NOWAK METRO FIN. LAB NEWSL. (Nowak Metro Fin. Lab, Phila., Pa.), Oct. 7, 2021, <https://www.thenewlocalism.com/newsletter/building-back-better-requires-smart-spending-and-transformative-investments/> [<https://perma.cc/TP56-HRKN>].



*E. Reverse Auction*

If cash payment programs for remote “work-from-anywhere” professionals continue, a reverse auction approach can ensure states and cities do not overpay for relocating workers.<sup>336</sup> A reverse auction would involve a relocating worker bidding on a cash payment, but the bid would be for the least amount of cash a worker would accept in exchange for relocating to a place.<sup>337</sup>

## CONCLUSION

Subnational government efforts to attract population through payments and incentives pose several theoretical and practical challenges. Efforts to purchase population involve a number of levers governments can pull to influence population location decisions. Such incentives can be categorized among other place-based incentives, mostly within the arena of tax. In addition, population location incentives can be contrasted with universal basic income programs and other poverty alleviation programs.

Population attraction incentives may involve direct cash payments, incentives for home purchase or home construction, embracing a beneficial business and tax climate, or student debt payment assistance. These incentives are creatures of state statute, local law, the result of public/private partnerships, or entirely funded by charitable individuals and groups privately. Courts are unlikely to curtail population attraction incentives when duly adopted by state or local legislatures, or quasi-public groups and private bodies. And yet, most academic, disinterested observers agree that attempts to influence population location decisions are unsuccessful and border on waste.

When attracting population, the targeted worker matters. Placing focus on the “work-from-anywhere” professional services worker creates distributional concerns. Such workers were less likely to experience job loss during the pandemic. Further, “work-from-anywhere” workers likely have the mobility to choose their location based on a variety of factors, including cost of living, housing prices, family ties, and other personal preferences.

This Article has argued that when considering enhancing quality of life, overall welfare, and improving the location where people live, state and local leaders ought to consider options other than cash incentives to “work-from-anywhere” workers. Local zoning reform, inclusionary zoning incentives, and subsidies to community land trusts are such options. Policies focused on lowering housing costs attract populations of workers across income levels.

Government subsidies to acquire or develop land in the shared ownership model afforded by community land trusts can improve outcomes with respect to affordable

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336. Anyone who travels commercial airlines is familiar with a reverse auction approach: when air carriers need a volunteer to take a later flight, they ask flyers to tell them the amount of travel credit that would cause the flyer to take a later flight. Such an approach allows airlines to quickly identify the least amount of compensation they can pay to remove a flyer from a flight.

337. For a discussion on a reverse auction approach to state and local incentives to influence business location decisions, see De Barbieri, *supra* note 25.

housing for existing residents and new arrivals. Further, a recent study shows that spending on health and education programming for low-income children yields the greatest return on investment for all policy spending priorities. Lawmakers seeking to make their jurisdiction competitive in the long and short term should consider such priorities rather than engaging in wasteful efforts to influence population location decisions through cash incentives to “work-from-anywhere” workers.