NEW STUDY REVEALS IMPACT OF $500 TO FIGHT POVERTY IN KING COUNTY

Employment more than doubled, savings and debt repayment increased, and quality of life improved across a diverse range of individuals and households.

Seattle, WA (March 27, 2024) – A $500 monthly boost led to significant employment growth, enhanced savings, improved debt management, and better quality of life for diverse King County residents facing poverty. The Guaranteed Basic Income (GBI) Pilot, designed by the Workforce Development Council of Seattle-King County (WDC) and independently evaluated by Applied Inference, showed promising outcomes over its 10-month course.

The GBI pilot program was designed to explore the efficacy of monthly payment incentives in King County, Washington’s priciest region and home to over 27% of the state’s households that struggle to meet basic needs. BIPOC households are especially overrepresented in this group, including more than 45% of Latinx, Black, American Indian, and Native Hawaiian households, which is part of why the WDC prioritized racial equity in program design.

By providing $500 monthly payments to 102 individuals ranging from people with low-income to students and justice-involved adults—88% of whom are BIPOC and 58% women—the WDC sought to lower financial barriers and bridge gaps to careers, housing, and education. Launched in Fall 2022 with support from public and private funders, the pilot yielded a tangible return on investment; most participants secured better-paying jobs with an average increase in income that nearly matched the incentive amount, creating sustainable improvement in their financial well-being.

Employment nearly doubled from 37% to 66%, and job quality dramatically increased with greater employee benefits coverage: retirement plans nearly tripled, and life and disability insurance participation showed considerable improvement. Moreover, the ability to cover expenses was consistently boosted, and the savings rate among families with children leapt from 0% to 42%.

Participants also reported gains in health and well-being, with better mobility and mental health. Their testimonials highlight the GBI’s role in enabling career advancement, education completion, and the affordability of essentials. “This money doesn’t cover all our living expenses,” shared a participant, “but it helps us work toward our career goals.”

Marie Kurose, CEO of the WDC, reflected on the pilot’s achievements: “These results showcase the power of community investment and the necessity of equitable solutions to address persistent barriers. The WDC will continue to use these insights to amplify our impact and drive transformative change in our region.”

Integral to the GBI’s success was the comprehensive support provided to participants, including case management, career planning, and financial education. These wraparound services fostered long-term success and independence.

The initiative was made possible with funding from the Washington State Employment Security Department, King County, and Chase Bank. Services were provided in collaboration with community organizations including workforce development partners, reentry partners, education providers, government agencies, and other organizations with experience serving populations that experience persistent poverty, including justice-involved adults and students.

North Seattle College’s independent assessment underscored the program’s effectiveness with students, with the tech-focused cohort achieving full retention and completion rates. The college’s continued involvement, now with a higher incentive amount, aims to continue this work.
To understand the full impact of the GBI, Applied Inference utilized a multifaceted evaluation model, based on the Bridge to Self-Sufficiency assessment articulated by the Economic Mobility Pathways (EMPath) Mobility Mentoring model. This detailed assessment gathered input on the program’s reach in education, employment, health, and basic needs while soliciting feedback for future improvements.

Encouraged by the outcomes, the WDC is committed to building on the success of the GBI pilot program with a longer program duration. The pilot is already one of the largest payment incentive programs in the nation in terms of number of participants and the size of the financial incentive, according to tracking from the Stanford Basic Income Lab (the Seattle-King program is not yet included in Stanford’s ranking). With two additional cohorts underway, one receiving $500 and another $1,000 monthly, the WDC continues to explore the scalable impact of guaranteed basic income. But the data is clear: financial incentives paired with strategic support can significantly alter the trajectory of people’s lives.

About Applied Inference

Led by Elizabeth Moore, PhD, Applied Inference specializes in research support and program evaluation with over 35 years of experience, spanning roles at the University of Washington, the nonprofit sector, and at Applied Inference since 1987. Moore combines experimental design, quantitative and qualitative methods, and an integrative approach to data analysis to identify underlying patterns that may help improve services to clients or identify unmet need. With a commitment to excellence, Applied Inference turns data into strategic assets for enhancing service delivery and achieving goals.

About the Workforce Development Council of Seattle-King County

The Workforce Development Council of Seattle-King County aspires to lead transformative change that will evolve our region’s workforce development efforts into an innovative industry, community, and outcome-driven system with racial equity at its core. As a nonprofit organization, the WDC collaborates with a diverse set of partners to elevate job quality, economic growth, and prosperity for adults and youth throughout the Seattle-King County region.

For more information about the Guaranteed Basic Income Pilot and other initiatives, please visit seakingwdc.org.

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