



Stockton Economic Empowerment Demonstration Releases First-Round Data

Community dashboard highlights impact \$500 monthly guaranteed income has for recipients

STOCKTON, Calif. - October 3, 2019 - [Stockton Economic Empowerment Demonstration](#) (SEED), the nation's first mayor-led guaranteed income initiative, has released its first round of research data via an online dashboard. The first release contains demographic details about the SEED recipients and the comparison group, as well as the impact that the \$500 monthly unconditional cash (administered via prepaid debit cards) has had for 125 randomly selected recipients in the first five months of disbursements.

In February 2019, SEED, a collaboration between the Office of [Mayor Michael Tubbs](#), the [Reinvent South Stockton Coalition](#), the [Economic Security Project](#), and the residents of Stockton, California, began giving 125 Stocktonians a guaranteed income of \$500/month for 18 months. This income is unconditional, meaning there are no strings attached and no work requirements. A hand up rather than a hand out, SEED seeks to empower its recipients financially and to demonstrate to supporters and skeptics alike that poverty results from a lack of cash, not character.

“Something is structurally wrong when 40 percent of Americans can't afford a single \$400 emergency; when people are working two and three jobs, but can't pay for necessities, like rent, healthcare, and childcare,” said Stockton Mayor Michael Tubbs. “We don't have a work problem this nation, we have an income problem, and it's possible we have found the solution.”

Findings

Spending

Data shows overwhelmingly that recipients are using the funds to feed and house themselves and their families. Approximately 40 percent of tracked purchases each month are on food. The next largest category (sales and merchandise) is about 25 percent of the monthly spend, and includes necessities like clothing, shoes, home goods, discount and dollar stores including WalMart, and appliances. The third largest spending category is utilities (gas, electric, telecommunications), at about 12 percent monthly.

“Food was a big issue because I pay my bills first because I didn't want us to be homeless. I was scared of that so there's days that we... I wouldn't eat and I'd make sure they ate..” - Mekie Summers

Employment

Of the treatment group, approximately 43 percent are working full or part time; 11 percent are looking for paid work; two percent are not looking for work. Many report that they take care of aging parents or young children (11 percent), have a disability that interferes with their ability to



work (20 percent), have retired from the labor force (eight percent), or are students (five percent).

“Having fun with my kids, that’s the biggest thing right now. My son, he loves math. He loves math, drawing and science. He’s a lot like me, and I didn’t get to see that before.” - Tomas Vargas Jr.

Current Financial Situation

The median monthly income of the treatment group is \$1,800 and the average is \$2,700. In comparison to Stockton, the median household income nationally is approximately \$3,500. Nearly half of the treatment group (48 percent) reports that they are just managing to get by financially, and 22 percent are going into debt to take care of themselves and their households.

“If I have to take a sick day, I know that I’ll still be able to make the rent.” - Lorraine Paradela

“In just a few months of disbursements, we’ve heard from so many recipients that they’ve experienced material differences in their lives that will last long past the demonstration,” said Sukhi Samra, Director of SEED. “Even a short-term, hand-up cash infusion is enough to change lives. Imagine what we could do with a long-term solution.”

The research is led by Dr. Stacia Martin-West, University of Tennessee, and Dr. Amy Castro-Baker, University of Pennsylvania, School of Social Policy & Practice, with funding by the Evidence for Action program of the Robert Wood Johnson Foundation. The goal of the SEED research is to determine if guaranteed income can reduce stress and thereby unleash potential and opportunity.

SEED will continuously update the data dashboard through its final disbursement in July 2020. The SEED Community Data Dashboard will be live here following a community launch event October 5, 2019: www.stockondemonstration.org/dashboard.

About SEED

The Stockton Economic Empowerment Demonstration (SEED) is the nation’s first mayor-led guaranteed income initiative. A collaboration between the office of Mayor Michael Tubbs, the Reinvent Stockton Foundation the Economic Security Project, and the residents of Stockton, California. SEED is born out of the simple belief that the best investments we can make are in our people. To learn more visit <https://www.stockondemonstration.org/>

Media Contact:

Amanda Blanton

Communications Advisor, SEED

amanda@stockondemonstration.com