



SEED Shows Cash Spending of Stockton Guaranteed Income Recipients During COVID Crisis

Following first-round data from October, new spending data once again demonstrate case for recurring cash payments

Stockton, CALIF - April 30, 2020 9:00 AM PDT - [Stockton Economic Empowerment Demonstration](#) (SEED), the nation's first mayor-led guaranteed income initiative, has released spending data through March 2020, highlighting how guaranteed income payments were spent as Stockton recipients prepared for and weathered the global COVID-19 crisis.

"This data show that recurring guaranteed income allowed recipients to weather the first month of pandemic," said Stockton Mayor Michael Tubbs. "I am proud to be in partnership with the Stockton community to further demonstrate how unconditional cash provides people the agency to make the right decisions for themselves and their families, especially in times of crisis."

Findings

Food

The most striking change in spending as COVID-19 news escalated was a sharp increase in food spending. Data show food spending peaked in March at 46.5 percent of overall tracked spending, a nearly 25 percent increase over the monthly average and a full 36 percent over March of the prior year. That money came out of Sales and Merchandise and Services spending, which each decreased significantly.

"The SEED money has allowed me to purchase food for my family, so I had enough when the pandemic hit. It's only 500 dollars, but it does make a big difference to a single mother supporting a family. It allows my kids to eat." - Lorraine

"I am able to buy better things, like fruit, which is very high in cost." - Laura Kidd Plummer

Sales and Merchandise

Sales and Merchandise spending decreased by approximately 20 percent in March 2020. Services spending also decreased significantly to 3.38 percent from 6.95 percent, down to less than half the average. As households have moved to secure necessities like food, likely in response to COVID-19, their contribution to the goods and services economy dropped significantly.

“SEED has given me peace of mind. I don't need much since the pandemic, but I have confidence that we'll be ok. For now, I am focused on saving each month so I'm not at zero when this is over.” - Virginia Medina

“I have been able to buy essentials like toilet paper, paper towels, sanitizers and bleach for around the house.” Laura Kidd Plummer

Transportation

Transportation spending decreased by approximately 26 percent in March 2020. This drop could be in response to the widespread stay at home orders and/or job losses that took place in California in March. Although spending on transportation has decreased, we know anecdotally that the guaranteed income has allowed recipients to get to work and avoid public transportation during this public health crisis.

“The SEED money has allowed me to get my car repaired. Even though I am not going many places right now, having my car means I don't have to take the bus when I do leave.” - Laura Kidd Plummer

“The SEED money has helped pay for the gas that I need to take my son to and from work every day, which is the only time I leave the house.” - Virginia Medina

“Without the SEED money, I wouldn't be able to afford my car payment. Without a car, I wouldn't be able to get to work.” - Lorraine

“Guaranteed income payments have allowed SEED recipients to make critical purchases without delay, such as food and housing, in the wake of COVID-19,” said Sukhi Samra, Director of SEED. “This data reveals how guaranteed income payments support people in crisis and enable their upward economic growth.”

SEED will continue to update the dashboard through its final disbursement in July 2020. The SEED Community Data Dashboard is live here: www.stocktondemonstration.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. In February 2019, SEED 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.

SEED research is led by Dr. Stacia Martin-West, University of Tennessee, and Dr. Amy Castro-Baker, University of Pennsylvania, 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.

To learn more visit <https://www.stocktondemonstration.org/>

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