



# Cook County **PROMISE**

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## Guaranteed Income Pilot

Cook County Board of Commissioners – Finance Committee

2/8/2023



## Panelists



**Dom Tocci**, Deputy Bureau Chief, Bureau of Economic Development

**Pete Subkoviak**, Director of Guaranteed Income & Economic Mobility,  
Bureau of Economic Development

**Sarah Moran**, US Country Director, GiveDirectly

**Misuzu Schexnider**, Program Director, University of Chicago Inclusive  
Economy Lab

**Morgan Spears**, Chief Community Engagement Officer, Working Credit

## Goals

Improve financial stability, economic mobility, and health for participants

Learn about impacts of cash on the local economy

Generate learnings to inform a permanent program

## Pilot Program



3,250 households making <25% federal poverty level get \$500/month for 24 months



City and suburban residents

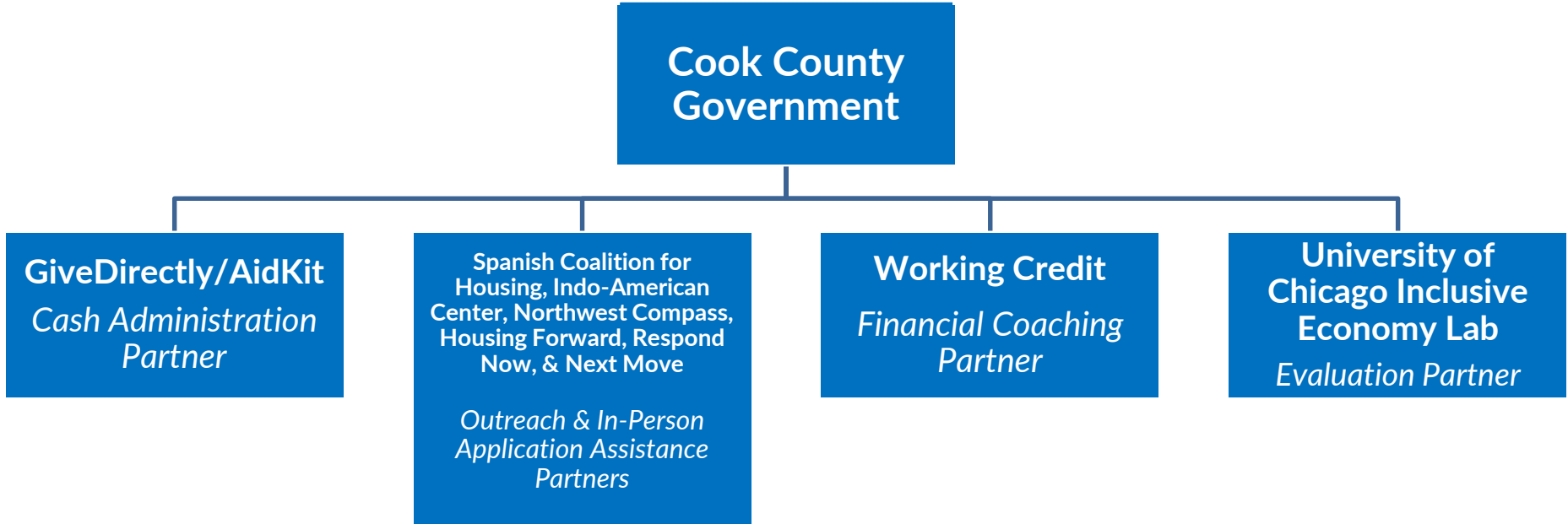


Optional financial counseling



Evaluation component built in

# Program Structure





## Program Eligibility

- Resident of Cook County
- Over the age of 18
- At or below 250% FPL
- Not participating in other guaranteed income pilots, including Chicago's

An estimated **36% of all households** in Cook County were eligible for the Promise Pilot

### Federal Poverty Guidelines

Household/ Family Size	250% FPL
1	\$33,975
2	\$45,775
3	\$57,575
4	\$69,375
5	\$81,175
6	\$92,975
7	\$104,775
8	\$116,575

\*For each additional member over 8, add \$11,800



# Progress Update

## Enrollment

- All 3,250 enrolled as of Feb 1, 2023
- 290 (8.9%) enrolled in-person through 20 events
- After 12/8, GiveDirectly began pulling from the waitlist to fill open slots
- GiveDirectly has a robust fraud prevention and verification system in place

## Payment Issuance

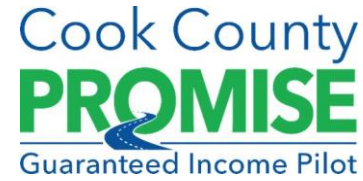
- First payments went out Dec 15, 2022
- Payments via direct deposit or pre-paid debit card

## Financial Counseling

- Working Credit selected as the Financial Counseling Partner in December 2022
- Counseling is expected to **begin in Spring 2023**

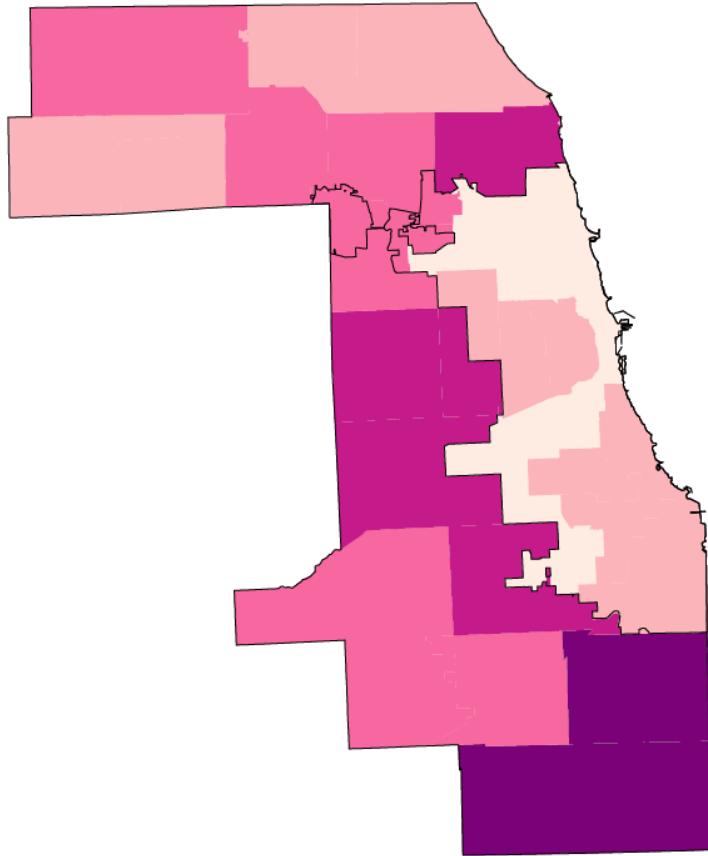
## Evaluation

- UChicago's evaluation includes a **randomized control trial** (RCT) using participant surveys and administrative data, and **qualitative evaluation** using participant and control group interviews
- Qualitative research is underway – baseline interviews with participants and control group members
- **First quarterly surveys will be sent out in Spring '23**



# Promise Pilot Participants

# Promise Pilot Participant Distribution



## Geographic Breakdown:

- 83% Suburban (2,692)
- 15% City (499)
- 2% Unhoused (59)

*\*City of Chicago's Resilient Communities Pilot is supporting 5,000 residents*

## Number of Enrollees

### by PUMA

- 1 - 31
- 32 - 71
- 72 - 151
- 152 - 232
- 233 - 435

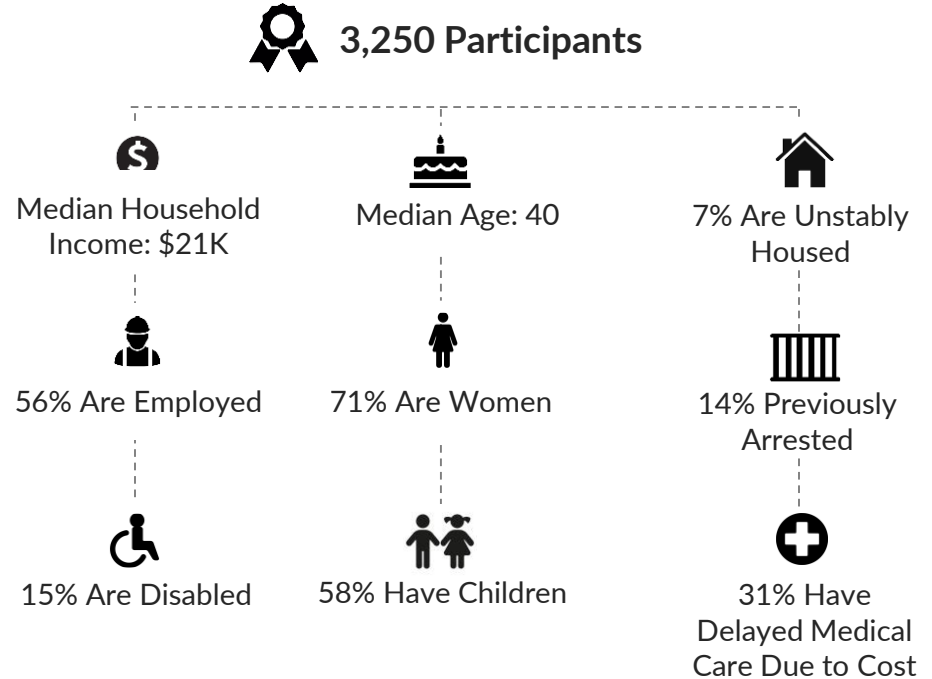


# Promise Pilot Participant Profile



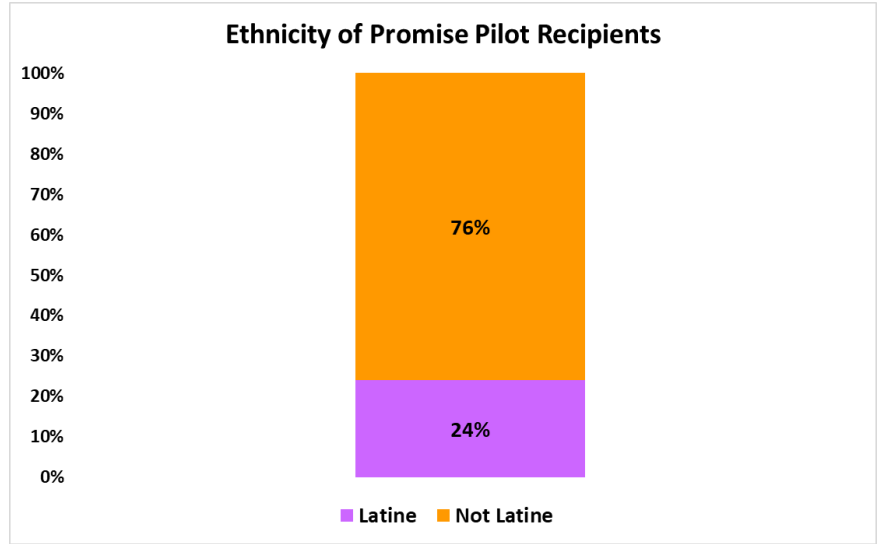
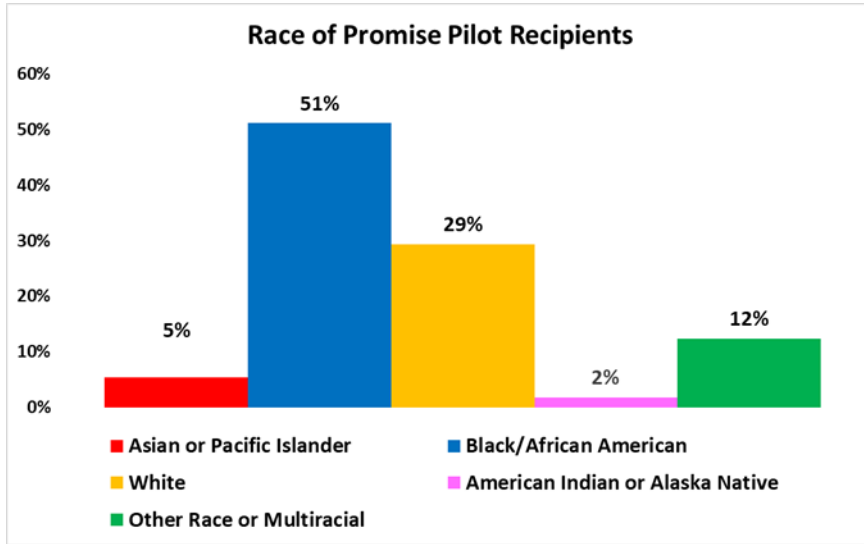
## Highlights:

- The County prioritized outreach to
  - **people with low access to healthcare**
  - **unstably housed individuals**
  - **justice-involved residents**
- More than half are employed
- The high proportion of female recipients with children is typical of Guaranteed Income programs





# Promise Pilot Participant Demographics



*\* Please note that race and ethnicity were collected separately*



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# Promise Pilot Partners

**GiveDirectly**

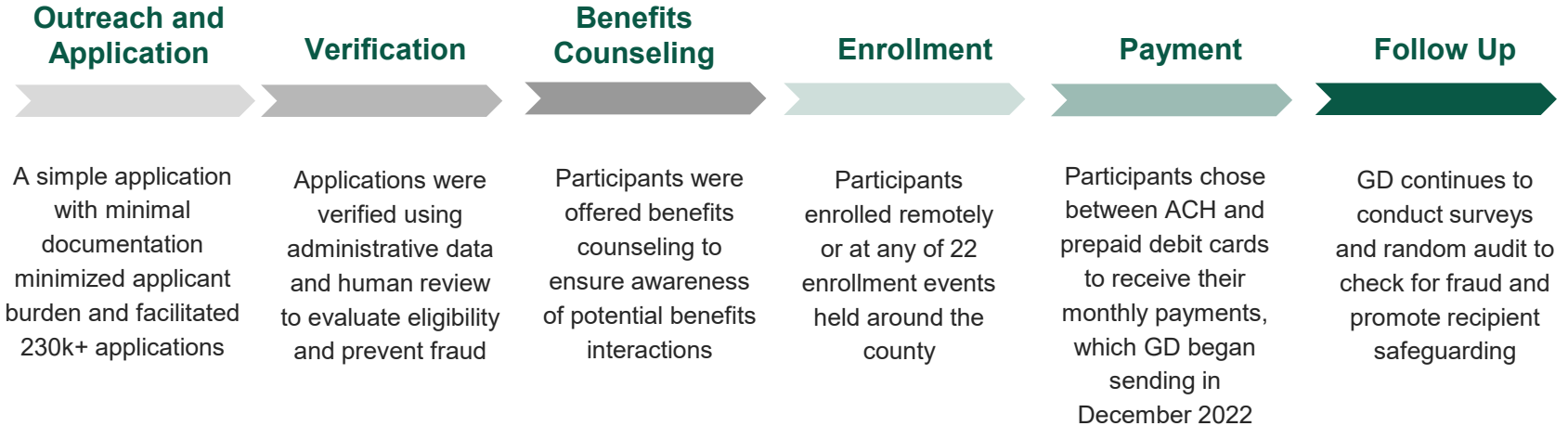
UCHICAGO  URBANLABS  
INCLUSIVE  
ECONOMY  
LAB

Working Credit  
 NFP

# GiveDirectly is proud to work with Cook County to administer the Promise Pilot



- GiveDirectly is the leading non-profit delivering cash across the U.S. and internationally.
- Since 2017, we have committed over \$290 million to over 220,000 low-income Americans.
- We are thrilled to partner with Cook County and our tech partner, AidKit, to deliver cash support to 3,250 Cook County residents.



The Inclusive Economy Lab is conducting a mixed methods evaluation of the Promise Pilot.

**Research Question:** Does an unconditional cash transfer of \$500 each month for two years result in greater financial stability, economic mobility, physical and mental health?

## Administrative Data Analysis

- Compare outcomes between participants and non-participants by securing access to credit bureau, employment, education, health, housing stability, and justice involvement data

## Survey Analysis

- Compare outcomes through quarterly surveys to collect information not captured by administrative data
- Financial incentive per survey

## Qualitative Interviews

- 1:1 interviews of 90 participants at the beginning, middle, and end of the pilot to understand *how* cash impacts outcomes of interest
- Community Based Participatory Research (TBD)
- Financial incentive per interview

**Process Evaluation:** Analysis to synthesize lessons learned and develop best practices for future iterations of the Promise Pilot.

**Economic Impact Analysis:** Understanding of the broader economic impact of the Promise Pilot.



The impact evaluation will leverage administrative and survey data to understand the pilot's effect on various outcomes of interest

*Does an unconditional cash transfer of \$500 per month result in...*

Greater Financial Stability	Greater Economic Mobility	Improved Physical Health	Improved Mental Health
<ul style="list-style-type: none"><li>•Credit score</li><li>•Income, savings, debt</li><li>•Employment, quarterly wages</li><li>•Evictions, use of homeless services</li></ul>	<ul style="list-style-type: none"><li>•Workforce development enrollment</li><li>•Postsecondary education enrollment</li><li>•Attendance, grades for children</li></ul>	<ul style="list-style-type: none"><li>•Self-reported physical health</li><li>•Hospital visits, ER visits</li><li>•Use of non-hospital health care</li></ul>	<ul style="list-style-type: none"><li>•Self-reported mental health</li><li>•Perceived stress scale</li><li>•Overall life satisfaction and sense of control</li></ul>

# Working Credit NFP: Cash+

Credit is key to our financial health. **Credit impacts:**



## Who We Are.

We partner with individuals and communities to interrupt structural racism by providing credit-building education, one-on-one counseling, and access to the products people need to thrive financially.

## The Real Cost of Credit: Expense Inequality

FICO® Score = 580

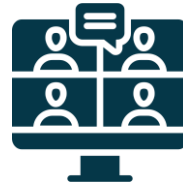


FICO® Score = 710

Annual Household Budget	
<b>Income</b>	
Wages - Annual Gross	\$32,000
Net Wages - After Tax	<b>\$27,200</b>
<b>Expenses</b>	
Rent / Utilities	\$9,200
<b>Car Payment (interest 25%)</b>	<b>3,528</b>
<b>Car Insurance (doubled)</b>	<b>2,182</b>
Groceries	3,800
Cell Phone	780
Prescriptions	990
<b>Refrigerator (Rent-A-Center 400%+)</b>	<b>1,949</b>
Personal Expenses	950
<b>Credit Repair Contract (\$100/month)</b>	<b>1,200</b>
<b>Total Expenses</b>	<b>\$24,579</b>
<b>Net Income</b>	<b>\$2,621</b>

Annual Household Budget	
<b>Income</b>	
Wages - Annual Gross	\$32,000
Net Wages - After Tax	<b>\$27,200</b>
<b>Expenses</b>	
Rent / Utilities	\$9,200
<b>Car Payment (interest 5%)</b>	<b>2,268</b>
<b>Car Insurance</b>	<b>1,658</b>
Groceries	3,800
Cell Phone	780
Prescriptions	990
<b>Refrigerator (22% Credit Card)</b>	<b>657</b>
Personal Expenses	950
<b>Total Expenses</b>	<b>\$20,303</b>
<b>Net Income</b>	<b>\$6,897</b>

## The Interruption: What We Do.



45-minute credit building workshop demystifies the credit system and discusses how to build credit.



One-on-one personalized and tailored financial coaching and counseling.

## Demonstrated Success. Exponential Impact.

Increase credit score, prime credit, amount of available credit. In previous studies, our program has shown a savings impact equivalent to a \$2/hr raise.