

Reviewing gains 6-month out. Evaluation Report, Guaranteed Income Program 2.0

Guaranteed Income Program 2.0 was a program funded by the City of Sacramento in partnership with United Way California Capital Region (UWCCR) and evaluated by Sacramento State.

A quick recap

Eighty Sacramento residents received no-strings-attached, \$500, monthly payments for one year. They were surveyed when they applied, during the last month of receiving payments, and six months later to assess improvements in security, increased agency, wellbeing, and civic engagement. Results were compared to a control group who did not receive payments. The full findings comparing baseline and endline are reported in *Guaranteed Income Program 2.0: 1-Year Evaluation Report* (available from UWCCR).

GI participants reported using the money to buy food, pay off debt, get school clothes for their children, and cover expenses to stave off further hardship.

At program end, Guaranteed Income (GI) participants reported multiple financial gains in comparison to the group of

Sacramentans that did not receive funds monthly. Nearly half of GI participants (49.2%) reported being better off versus 15.5% of control group members. Quality of life and economic worry were lessened. Although, the effect of these payments was not enough to improve participants' overall health, fewer GI Participants than at baseline reported experiencing severe distress. They also held a more favorable outlook toward the future of their community. In alignment with findings from other GI programs hosted in the state, **results in Sacramento demonstrate that by eliminating scarcity and reducing income volatility, unconditional cash paves the way for greater agency, wellbeing, and the ability to make empowered decisions.**

The purpose of this white paper is highlight where gains and positive impacts of the GI program emerged, remained evident, or lost strength 6 months after payments stopped. In what follows, we present what changes were found in financial capability, housing stability, and food security. Then, agency, wellbeing and civic engagement are reviewed. Reference tables of statistical results are included in the appendix to this overview.



"It was an immense relief to my persistent financial hardship."

-GIP participant

Financial Security

Compared to when they applied for the GI program, GI participants saw themselves as better off financially at the end of the program and nearly double the percentage of GI participants were living within their means. GI benefits buffered them against unexpected expenses; the percentage of GI participants that could pay cash for an unexpected \$400 expense was also double that of baseline. Moreover, GI benefits helped participants afford the transportation needed to access healthcare, getting to work, etc.

GI participants' financial security remains stronger than the control group 6 months out, but both groups are slipping.

Six months later,

- 37% of participants compared to 12% of control group members saw themselves as better off financially than 12 months prior
- 35% of participants compared to 17% of control reported living within their means.
- Nearly 3 times the participants reported having enough cash on-hand to cover a \$400 unexpected expense.

Reflecting on these results, ***positive financial effects attributed to participation in the GI program largely held.***¹ Participants' average score on the financial capability scale remained higher than that of the control group (see Table 1). Advantages in participants' ability to cover unexpected expenses were even more pronounced as time went on beyond the payments (Table 2). Nearly 3 participants to every 1 control group member reported having cash on hand for an unexpected expense. This is up from 2 to 1 directly after the end of receiving payments.

Some advantages remain but were less profound than six months before (Table 3). At endline and 6 months later, more participants reported being better off financially than 12 months prior. However, the difference between the groups at 6 months out had narrowed from a 40 percentage-point difference (13%:53%) to a 25-point difference (12%:37%).

Participant Voice

"The payments provided enough of a difference that I was more present for my family as I was less stressed on how I would make ends meet."

Overall, ***GI payments proved to effect immediate financial security gains and lasting impacts.*** Moreover, it seems that participants retain a meaningful buffer against future financial insecurity even where the advantage depreciates.

Housing Security

We asked about 8 difference experiences of housing insecurity – housing cost increase, missing payment, multiple moves, moving in with other people, overcrowded living, living in a home with

¹ **Methods:** Tables in this update are constructed from ordinary least square regression models. Additional analysis models were ran using ordered logistic regression and binary logistic regression wherein ordinal logit models, and each row compares the predicted probability adjusted by regression. All models include the following covariates: age, gender, race/ethnicity, education, income, employment status, and language spoken. P-value tests whether the coefficients in each row are different by group status.

deferred maintenance, lacking a place to stay, being evicted.

At the time of the 1-year evaluation, fewer participants reported not paying or underpaying their rent or mortgage (16% and 30% respectively); this difference did not hold when asked 6 months later when about 30% of each reported non- or underpayment. The one experience where a significant difference was found six months after payments stope was that fewer participants experienced a rent or mortgage increase that made it difficult to pay than members of the control group (50% and 29%, $p < .05$).

Fewer participants reported experiencing a rent or mortgaged increase in the prior 12 months that made it difficult to pay.

Each time we surveyed Sacramentans high percentages of control group members and GI participants experienced multiple forms of housing insecurity suggesting that ***the additional \$500 monthly income, while impactful, was insufficient to stave off most forms of housing security, a multi-factor concern.*** Housing instability remained tragically common in Sacramento in early 2025 (Table 5). More than 2/3 of all respondents in both groups experienced at least one of the eight types of housing insecurity.

Food Security

Far more members of the control group struggle with food security. As shown in Table 6, 59% of control group members experienced very low food security and 34% of GI participants did.

Receiving guaranteed income buffered participants from food insecurity well past the end date.

Wellbeing - Self-Reported Health, Distress, Resilient Coping, and Positive Outlook

Improvements were noted in wellbeing for participants after receiving GI payments. Fewer GI participants were experiencing severe distress at endline than at baseline and more had a positive outlook toward the future of their community than before receiving funds (see *Guaranteed Income Program 2.0: 1-Year Evaluation Report*). However, the differences found at endline do not remain statistically significant, nor necessarily trend in a positive direction for either group.

Differences on the Kessler Distress scale remained large (Table 7), though not statistically significant. More participants showed traits of “likely to be well” ($p=.123$) 6 months out, and fewer showed traits of “severe mental disorder” ($p=.121$) than those in the control group. Concerningly though, each time they were surveyed a higher percentage of participants and control group members scored as “low resilient copers”. Also, the optimism present at endline when a higher percentage of participants thought their community would get better in the next twelve months slipped. The difference 6 months out was statistically no different between participants and non-participants (Table 8).

Civic Engagement

Six months after receiving guaranteed income payments, participants increased their social activity and agency in their own well-being. They averaged more reports of giving to others in the past month, participating in social activities or programs in the last 3 months, and taking agency toward their own betterment, health, and wellbeing (Table 9).

Summary Points

- *GI payments proved to effect immediate financial security gains.*
- *Positive financial effects found at program end largely held 6 months out.*
- *GI benefits seem to help alleviate food insecurity.*
- *Non-material gains in health and resilience were not sustained, highlighting the grinding nature of economic hardship and the need for sustained support of Sacramento households.*

Participant Voices

We asked participants several open-ending questions and report on two here. All responses for each question are included in Appendix B and Appendix C.

How do you think your life is different after having received Direct Investment Payments? Are there any life goals that you have been able to achieve as a result?

In answering this question, GI participants largely noted the same things they provided at the closing of the program. The most emergent themes 6 months after the program's end included being able to pay down debt (n=13), having an improved level of financial security (n=12), and having less anxiety and stress (n=9). All three of these themes were in the top four noted by participants at the program's conclusion.

One area of difference between these two time points of data collection was that several participants mentioned negative turns now that the payments had ended. This is highlighted by one GI participant stating, *"It was different when I was receiving the funds; now it's even more of a hardship because what I was relying on is now gone."* Similarly, another participant noted, ***"It helped me while I was receiving it. But I am homeless, and it is hard to get ahead these days. And no, I have not achieved anything since then."*** Three other GI participants reported that their involvement with the program did not have any meaningful impact on their life.

Outside of these 5 participants, all other responses highlighted the many positive outcomes afforded to them by being involved in program. These were varied and unique to each person's circumstances but there was consensus in the areas of improved food security, being able to start a savings account, being able to handle an unexpected expense, and being able to pay for needing healthcare procedures that had previously been inaccessible due to cost. For some participants, several of the above were noted such as this participant who states, ***"I had a year without worries! But more importantly, I am now finishing my PhD because I had the funding to start again. Now I am eligible for scholarships and am on my way! I also was able to get extensive dental work."***

The responses highlight what the quantitative data reflects; GI program involvement improved financial security and food security among other positive gains 6 months after the program's end.

How would you improve specific parts of the Guaranteed Income Program or the program in general for another group of people who apply and receive payments?

As was seen with the first open-ended question, the responses 6 months after the program's end, largely reflected what GI participants said at its conclusion. The top themes at program's end were participants feeling that it was good program with nothing to improve, advocating for an increase in the monthly payment, and advocating for the program to be extended. For the current data

collection, the most common theme was praising the program and stating there was nothing to improve on (n=15). Slightly less saturated were the other two themes mentioned above, increased amounts of money (n=7) and increased program length (n=5). Other program areas that had multiple participants voices behind them were:

- The exceptional level of transparency in the program (n=4)
- Add additional financial workshops to the program (n=4)
- Improve the level of advertising for program in the future (n=2)

Most other suggestions were voiced by a single participant, but do highlight areas to consider if the program is replicated in the future:

- Make the financial workshops mandatory
- Have food vouchers as part of the program
- Deposit the monthly morning early in the morning
- Allow participants to borrow from future monthly payments for unexpected expenses
- Help prepare participants for the end of the program

APPENDIX A

Methods

Predicted Probability tables in this update are constructed from ordinal logit models, and each row compares the predicted probability adjusted by regression. The regression models include the following covariates: Age, gender, race/ethnicity, education, income, language, employment, public benefits, # of children in households, current/former foster youth, & veteran status. P-value tests whether the predicted probabilities in *each* row are different by group status.

Table 1. Financial Capability Scale Scores

	Baseline, 2023	p	Endline, 2024	p	Post-payment, 6-months	p
Control	2.9	.199	2.8	.001	2.6	.009
Participants	3.3		3.9		3.7	

Table 2. Proportion of respondents who reported enough cash on-hand to cover a \$400 unexpected expense (%)

	Baseline, 2023		Endline, 2024			Post-payment, 6-months		
	Control	Participants	Control	Participants	p	Control	Participants	p
Yes	17	14	16.9	32.6	.034	13.8	37.9	.006

Table 3. Proportion of respondents reporting on their financial situation compared to 12 months prior (%)

	Baseline, 2023		Endline, 2024			Post-payment, 6-months		
	Control	Participants	Control	Participants	p	Control	Participants	p
Worse off	56.8	50.8	45.7	10.1	.000	53.6	22.1	.000
The same	36.9	35.9	41.4	37.3	.387	34.1	41.3	.102
Better off	6.4	8.1	12.9	52.6	.000	12.3	36.6	.001

Table 4. Proportion (%) of respondents who reported very or mostly true regarding the ability to pay for needed transportation

	Endline, 2024			Post-payment, 6-months		
	Control	Participants	p	Control	Participants	p
Yes	34.7	53.7	.034	36.7	51.4	.006

Table 5. Proportion of respondents reporting incidents of housing insecurity in the past year (%)

	Endline, 2024			Post-payment, 6-months		
	Control	Participants	p	Control	Participants	p
An increase in rent or mortgage that made it difficult to pay?	47	46	.92	50	29	.02
Did not pay or underpaid your rent or mortgage?	28	17.5	.11	30.5	27	.73
Moved two times?	15.5	12	.60	8	16	.07
Moved in with other people, even for a little while, because of financial problems?	19	18.5	.92	14.5	25	.21
Lived with others beyond the expected capacity of the house or apartment?	10	15	.23	15	18	.70
Lived in a home with deferred maintenance or in substandard (or potentially unsafe) condition?	10	16	.24	10	24	.10
Lacked a safe, regular, and adequate nighttime place to stay and sleep?	16	13	.58	16	21	.55
Received a written or verbal notice from your landlord stating you must pay your rent or face eviction?	22	15	.24	26	15	.19
None of these?	24	25	.89	27	31	.67

Table 6. Proportion of respondents at three levels of the Food Security Scale (%)

	Endline, 2024			Post-payment, 6-months		
	Control	Participants	p	Control	Participants	p
High security	21.9	32.3	.126	17.6	37.8	.019
Low	28.3	30.8	.157	23.0	27.9	.044
Very low	49.8	36.8	.117	59.4	34.3	.010

Table 7. Proportion of respondents on levels of the Kessler Distress Scale (%)

	Endline, 2024			Post-payment, 6-months		
	Control	Participants	p	Control	Participants	p
Likely to be well	24.4	33.6	.158	25.1	37.5	.123
Mild mental disorder	18.0	18.0	.236	12.9	14.5	.210
Moderate mental disorder	18.9	18.9	.245	27.3	24.9-	.225
Severe mental disorder	38.7	28.8	.165	34.8	23.0	.121

Table 8. Proportion of respondents on level of Coping Resilience Scale (%)

	Baseline, 2023		Endline, 2024		P	Post-payment, 6-months		
	Control	Participants	Control	Participants		Control	Participants	p
Low resilience	26.7	22.5	36.0	32.8	.68	44.1	42.6	.87

Table 9. Average Number of respondents reporting engagement

	Endline, 2024			Post-payment, 6-months		
	Control	Participants	p	Control	Participants	p
Gave more support to others in the last 30 days, (e.g., childcare, volunteering, physical labor, emotional support)						
Yes	3.1	3.2	.836	2.6	3.8	.061
Participated in more social activities and programs, (e.g., exercise class, arts & crafts, religious worship)						
Yes	1.4	1.7	.444	1.2	2.0	.062
Took agency toward their own well-being, (e.g., took time off for rest or pleasure, choose lower-paid more rewarding work, reduced work hours)						
Yes	0.5	1.1	.001	0.6	1.0	.075

APPENDIX B

Life Changes and Goal Achievement

How do you think your life is different after having received Direct Investment Payments? Are there any life goals that you have been able to achieve as a result?

- I felt less anxiety about paying for needed house repairs.
- Was able to pay off debt, buy groceries to make healthy meals that lead to weight loss and improved health status.
- I had a year without worries! But more importantly, I am now finishing my PhD because I had the funding to start again. Now I am eligible for scholarships and am on my way! I also was able to get extensive dental work.
- It helped me while I was receiving it. But I am homeless, and it is hard to get ahead these days. And no, I have not achieved anything since then.
- I have taken my community service skills from volunteer positions to a paid full-time job with the city.
- The payments provided enough of a difference that I was more present for my family as I was less stressed on how I would make ends meet to buy groceries and get caught up on some mounting utility bills. I achieved my goal to reduce those down to current charges by the last payment.
- I was able to pay off a credit card with the extra money I had which has helped raise my credit score and given me more money at the end of the month.
- No big impact.
- El no saber cómo iría la economía de mi familia.
- I was able to pay the other portion of rent and bills that I needed.
- It was different when I was receiving the funds now it's even more of a hardship because what I was relying on is now gone.
- It was a great experience to be able to save a little and take that and learn how to invest it.
- I was able to purchase a washer/dryer for my home and that has made my life a lot easier. I do not have to find people to take me to the laundromat and my body doesn't hurt as much from carrying loads of laundry.
- Less worry overall. It was like having a little bit of a buffer that could be used to pay for unexpected expenses. Replaced car battery and tires.
- Absolutely, without a doubt it changed my life because I was struggling and going through a dark period where it was hard to find a lot of work, but the direct payments helped me have additional time to work on training and looking for a better job. After 4 months of interviewing, I was able to land the best job I've ever had and am much more financially stable than I've ever been with health coverage and dental. With the dental I could finally take care of an infection that would have cost me \$5000 or resulted in losing my teeth which would have affected my appearance severely and made getting a job even harder in the future.
- Yes. It was an immense relief to my persistent financial hardship. The GBI payments allowed me the freedom to pursue several artistic endeavors that I had been wanting to get into

- I was able to catch up on some past due bills and attend a concert.
- Things were smooth because I just had a baby, so I was able to care for him and enjoy him without much stress.
- With the GI \$500 / month, I was able to stay afloat and keep up with rising food costs and was current on utilities.
- No, I gave my winning to homeless so there was no effect on my situation, but I'm still actively trying to change it.
- I was able to keep my car payments current so I could go to school and not worry.
- I was able to pay rent and help with my child's sports the cost is very expensive.
- Yes, I was able to pay car note.
- Yes, life was simpler.
- Not really a difference honestly.
- Yes, it helped me until I could get on my feet until I can receive money from employment
- After receiving direct investment payments, I was able to pay off some credit card debt and pay for childcare.
- I have been able to use the payments to be able to possession myself better by using the money to pay off some debt.
- I have had my mental health taken care of, and I have been able to help family out and provide them with some expenses.
- I felt less anxiety about paying for needed house repairs.
- It helped me with rent, and I was able to save and take my kids on vacation
- It really helped me as a cushion to not have unexpected bills or expenses cause me and my family to have to suffer.
- Yes, I was able to purchase school supplies for my kids and pay for other needs
- Yes, my life is different but not better unfortunately.
- I have had fewer financial worries this past year. I was able to save some money for future problems.
- The payments did impact my life in a positive way without them I could have become homeless.
- I was able to pay off a credit card with the extra money I had which has helped raise my credit score and given me more money at the end of the month.
- Was able to pay off debt, buy groceries to make healthy meals that lead to weight loss and improved health status.
- It helped me with having income, but during the time of my receiving period I had been homeless which it helped me out tremendously but now I have moved into my own place and here is where I need the help the most.
- Recibir ayuda, ya que los costos de vida ahora en California son demasiados altos.

APPENDIX C

Participant recommended improvements

How would you improve specific parts of the Guaranteed Income Program or the program in general for another group of people who apply and receive payments?

- Nothing, it was done well. None
- Tener ahorro suficiente para no vivir de pago en pago.
- I would advertise a little more. but overall, the entire program was very transparent. it was awesome.
- Overall, I really enjoyed the whole program. At times it was a little hard to contact the team but that's all
- Extended longer
- Follow up and communication with the participants throughout the program and after
- I feel the united way and their partners did an amazing job !!
- Include more educational workshops about saving, investing and banking
- Easy process
- Get more than \$500 a month since everything is so expensive now. Or add food vouchers
- I think program is set very efficiently
- Finding a way to work investing into it would be interesting. Like investing part of it in index funds. But I thought the program was great. It was straight forward and honest.
- I think the team there is really thoughtful and compassionate with how they approach the program. I trust their judgment.
- that payment comes early than later on due date
- The Akimbo prepaid MasterCard that I received the funds on was delayed in its implementation at the start of cohort 2
- I'm not sure
- Maybe some in person resources
- I think the program is great, those in charge kept up on communications, keeping us informed.
- With prices of almost all aspects of life on the rise, increasing the amount was a good move, it will definitely help not just with bills and costs of living but also with other things like needs for the kids.
- That the homeless have an opportunity or should be a target area to be someone who has housing
- Budget and remember that the money does stop coming so plan for the loss
- You guys are doing great keep up the great work
- nothing just the way it is
- I would either make it more or longer.

- Maybe a bit longer
- I don't think nothing should be changed I think the way the program is being operated is perfect
- Increase a little bit more time.
- I appreciated having the opportunity to attend monthly virtual financial workshops. I would continue to incorporate virtual financial workshops into the GIP.
- Increase payment
- I would make the payments larger, and I would have people take mandatory financial classes.
- Receive payments earlier in the day
- It seems to be very good as is.
- I would have liked an opportunity to borrow on future months of there were a necessary situation that came up
- Due to current economic crisis and high and skyrocket cost of living and grocery. the total amount should increase to provide more financial support for the families in need
- Just reminders to budgeting and saving is the keys.
- everything seemed to work smoothly.
- Having the funds be secured to fraud or someone stealing your card information and using them.
- Perhaps increased the payment amounts
- Maybe a better way to collect documents. When emailing documents to the staff, there were several duplicate requests.
- It's good help
- Everyone was so respectful and genuinely happy for me and other recipients. The SAFE meetings really helped me, and I have a working budget that includes savings every month. The whole experience was pretty perfect.
- I think the program is great
- More help with saving program
- I wouldn't be so sure about that only that a lot of ppl prides are up there and they're scared of asking for help it be the ones that doesn't know about the program or even how to sign up for it, that needs it the most
- I would extend the payments
- The program was well run, and the services are well chosen. Maybe a job posting clearing house for those looking to transition to full time work would be helpful.
- I would make the payments longer than one year.
- I think everything worked well. It was a little bumpy getting started, but I think that might be with any program. After that, everything was very smooth, and we received a lot of great communications. Direct calls and support throughout were appreciated.
- Tener una casa propia