



TRAINING VOUCHERS, CASH TRANSFERS, AND THEIR EFFECTS ON EMPLOYMENT- RELATED OUTCOMES

A Review of the Literature

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Introduction

Numerous types of interventions to improve individuals' economic circumstances have been conceptualized and implemented throughout the United States and around the world. This paper reviews the literature on two broad types of interventions: training vouchers and cash transfers, including their effects on employment, earnings, or education.

Scope

We first reviewed literature from the most recent 10 years, that is, 2010–2020. Because the body of research is relatively small and some of the training programs predate this period, we also selected older studies, particularly important ones discussed in papers included in the search. Information from these earlier works also provides additional background or context. This literature review focuses on programs in the U.S., but also includes information about programs in other countries with similar economic contexts such as Canada and Germany. This review also excluded the growing literature on cash transfer programs in developing countries.

Not included in this discussion is literature examining the impacts of social service programs, such as Temporary Assistance for Needy Families, Supplemental Nutrition Assistance Program, or the Earned Income Tax Credit. There is a vast body of research on these and other means-tested social service programs that is out of scope for this review.

Sources

Information for this review was gleaned from the following types of sources:

- Scientific journal articles, with a focus on peer-reviewed journals. Examples include *Journal of Applied Social Science*, *The American Economic Review*, *American Economics Journal: Economic Policy*, and *Health Affairs*.
- Research reports, including final and working papers from organizations such as the National Bureau of Economic Research and the Urban Institute.
- U.S. Department of Labor (DOL) -funded reports and evaluations.

Methodology

This literature review examined studies related to cash transfers and training voucher programs. We conducted a search of the literature using the bibliographic databases/search engines Google Scholar, JSTOR, and ProQuest Social Science Premium and searching for terms expressing the concepts of interest: cash transfers and training vouchers, as well as specific training voucher programs identified in the search. We also searched the resources database of the National Bureau of Economic Research for additional relevant works. We added these studies to the ones identified in the broader literature search and selected the most relevant studies for this review. After preliminary test searches retrieved few relevant articles, we took a broad approach that retrieved more than 1,000 studies, reports, and articles. These included numerous non-relevant

articles, requiring extensive scanning of titles and abstracts to determine relevance.¹ Relevant literature was then reviewed in full based on the following criteria:

- For the cash transfer component of the search, we focused on direct cash transfer programs, not on tax credits or other conditional transfers;
- The selected studies examined outcomes limited to employment, earnings, or education, excluding health-outcomes-only studies;
- For the training voucher component, we focused on programs that provided money vouchers instead of direct training; and
- In both searches, the interventions were implemented in industrialized countries.

A summary description of studies included in this report appears in Appendix A. The description includes each study's target population, research design, and its key findings.

Background

Voucher Programs

Workforce training vouchers give recipients the ability to improve their employment and future wages using a sum of money that typically has a capped value and is only accepted by certain training providers (Negoita et al., 2012). Voucher programs are one means of addressing issues, such as unemployment, resulting from the mismatch between the skills of job seekers and skills needed in the labor market, technological advances requiring an increasingly skilled workforce, or localized areas of low-skilled potential employees requiring training to be competitive in the local job market (O'Leary et al., 2004). Voucher programs are used not only for occupational training, but also for other social services such as housing and education. Vouchers are a tool designed to boost customer choice (Negoita et al., 2012).

Individual Training Accounts

According to a meta-analysis of vouchers for employment and training programs, voucher-based programs were rare in the U.S. before passage of the Workforce Investment Act of 1998 (WIA) (Negoita et al., 2012), which introduced the Individual Training Account (ITA). Voucher programs allowed for more customer choice, and the ITAs also provided flexibility to states in deciding how to implement the program.

ITAs, later extended by the 2014 Workforce Innovation and Opportunity Act (WIOA), were created to help eligible workers improve their employment outcomes by purchasing outside training from government-approved sources, such as community colleges or private organizations (Eberts, 2019). States and local Workforce Investment Boards determine the value of the funds, how much guidance counselors can give customers, and the type of training for

¹ For example, a search strategy executed using ProQuest Social Science Premium (“cash transfers” AND loc.Exact (“United States US”) AND stype.exact (“Magazines” OR “Other Sources” OR “Trade Journals” OR “Government & Official Publications” OR “Reports” OR “Books” OR “Working Papers” OR “Scholarly Journals”) AND la.exact (“English”) AND pd (2010-2020)) retrieved 650 items of which 41 were selected for further review along with articles and reports retrieved in additional searches.

which the funds may be used. As such, they are not “pure” vouchers (Negoita et al., 2012, p. II-9). Customers eligible to use ITAs are those participating in the Adult and Dislocated Worker Programs or, to a lesser extent, Youth Programs. Under WIOA programs, ITAs are the primary method used to pay for training services (Eberts, 2019).

Individual Development Accounts

Individual Development Accounts (IDAs) are personal savings accounts aimed at low-income earners. IDAs can include a matched fund as an incentive to save (Mills et al., 2008). These accounts allow adults to put money aside for their training or education, especially since they can be matched by employers. Other types of IDAs may be used to help save for purchasing a home or to build overall financial assets.

Career Advancement Accounts

DOL launched the self-managed Career Advancement Accounts (CAAs) as part of the CAA Demonstration Project in 2006. CAAs were consumer-driven training vouchers that provided \$3,000 per year, for a maximum of \$6,000 for 2 years (Salzman et al., 2012). The currently existing My Career Advancement Account (MyCAA) is a training voucher program aimed at spouses of active-duty service members, the National Guard, and reserve members in the lower pay grades (E-1 through E-5, W-1 through W-2, and O-1 through O-2) (Salzman et al., 2010). The program provides up to \$4,000 over 2 years for licenses, certifications, and associate degrees leading to an occupational or career field (Miller et al., 2018).

Personal Reemployment Accounts

Personal Reemployment Accounts (PRAs) provided up to \$3,000 to recipients of unemployment insurance (UI). The funds could be used for training, career counseling, or other employment-related assistance, depending on state policies. Recipients could receive some of the funds as cash bonuses after starting a new job, unlike CAAs, which could only be used for education and training (Kirby et al., 2008).

DOL launched the PRA Demonstration Project in 2005 in eight states to provide PRAs to more than 4,000 UI recipients. However, a full PRA program was never formally enacted (Wandner, 2010).

Direct Transfers

Direct transfers may be divided between conditional versus unconditional cash transfers and between transfers in amounts that supplement other income or benefits versus ones that intend to provide a basic income. Receiving a conditional transfer might be based on income level or predicated on participating in an activity, such as taking children for regular checkups or completing a job training (Fiszbein & Schady, 2009). Unconditional cash transfers are just that—a transfer of funds to adults or, at times, all family members on a one-time or ongoing basis.

As noted, cash transfers may also be divided between ones intended to provide a basic, livable income and ones that merely supplement income. The most comprehensive direct transfer concept is the universal basic income (UBI). As defined by Hoynes and Rothstein (2019), the UBI “provides a sufficiently generous cash benefit to live on, without other earnings; it does not

phase out or phases out only slowly as earnings rise; and it is available to a large proportion of the population, rather than being targeted to a particular subset” (p. 1). While many economists and advocates for low-income individuals and families are in favor of at least pilot testing cash transfers, up to and including a UBI program, others have raised objections to unconditional cash transfers, particularly programs that provide a basic income. These objections include:

- Cash transfer programs may discourage participation in the workforce (Bannerjee et al., 2017);
- Programs may be prohibitively expensive (Hoynes & Rothstein, 2019); and
- Unconditional cash transfer programs do not have wide support in business and industry (Calnitsky, 2018).

Findings

Voucher Programs

Individual Training Accounts

Evaluations of ITAs typically examine the impact of the training provided (usually WIA evaluations), or in the case of the ITA experiment, different models of service delivery with degree of customer choice on training and counseling support. Two quasi-experimental studies of WIA, examined in Negoita et al. (2012), measured the effects of *WIA training* funded by ITAs. These studies included a meta-analysis of voucher-based employment and training programs (Negoita et al., 2012). When looking at employment and earnings, they found positive effects of WIA trainings. These studies rely on matching participants in WIA services to a comparison group that did not receive these services. In the first study (Heinrich et al., 2009), approximately 160,000 WIA participants were matched to 3,000,000 comparison group members. The comparison group consisted of individuals who did not participate in WIA but were equivalent across a number of demographic characteristics, welfare benefits, and labor histories drawn from Employment Service participation or who received UI benefits. A comparison of the two groups showed that participating in WIA Adult Program training is associated with on average a \$400 increase in quarterly earnings. Although participants have lower earnings in the months during training and the year after exit, they catch up within 10 quarters. For dislocated workers,² the effects are more modest: they take longer to catch up and the earnings level gain is lower.

In the second study, Hollenbeck et al. (2005) also created a matched comparison group to analyze impacts of WIA programs. Their analytic sample included over 100,000 adults and 91,000 dislocated workers. They found that receiving any WIA services increases employment by an average 10 percentage points and quarterly earnings by \$800. Participation in WIA programming also reduces participation in public assistance programs. WIA training services

² Eligibility rules vary by state, but the basic eligibility criterion for the Dislocated Worker Program is whether the individual has been terminated, laid off, or received notice of termination or layoff and is determined to be unlikely to return to his or her previous industry or occupation.

produce positive and significant but more modest results, with \$660 higher earnings per quarter for employed adults and \$380 for dislocated workers. The overall larger impact of the Hollenbeck et al. (2005) study has been attributed to the fact that they measured impacts for program exits, while Heinrich et al. (2009) measured impacts beginning at program entry (Negoita et al., 2012). Neither study clearly identifies impacts for the specific use of ITAs.

In a review of recent developments in learning accounts across European countries and regions, the European Center for the Development of Vocational Training found that Individual Learning Accounts (the type of funding model of an ITA) “appear to be most functional when they include some type of guidance provided to the learner for accessing their funds and their associated educational opportunities” (Harrington et al., 2018, p. 157). Some researchers suggest that although individual choice can lead to efficient outcomes, the U.S. training system can be difficult to understand, and ITA counseling and advice can provide information on labor market conditions and projections (Katz, 2014).

To better understand how counseling impacts outcomes, a large study of different models for the delivery of ITA services that enrolled nearly 8,000 WIA customers examined the amount of funds participants received and the intensity of the counseling. ITAs were designed to give recipients the ultimate decision of how to use the voucher as a way to empower customers to make their own choices (Perez-Johnson et al., 2004), although participants still must consult with a case manager about how to use an ITA.

An interim evaluation of the ITA experiment by Perez-Johnson et al. (2004) used a randomized controlled trial with three approaches—intensive and mandatory counseling, mandatory but moderate-intensity counseling, and voluntary counseling—to examine how choice impacts customer outcomes. WIA customers at eight different sites were randomly assigned to using three counseling approaches (from structured choice, with more control by counselors, to maximum customer choice³) without a control group. Instead, the analysis compared outcomes of those served under each approach. It found overall little effects of different ITA models when looking at employment and earnings at a 15-month follow-up (McConnell et al., 2006).

In another study examining long-term findings, researchers conducted follow-up surveys with 3,264 participants between August 2009 and May 2010. They found that those with the most intense counseling spent more time employed in higher-wage jobs (earning about \$2,000 more per year than other customers), but the jobs were not necessarily ones with other desirable benefits such as fringe benefits. These researchers also found that those who received the “structured choice” approach experienced higher earnings of about \$1,815 than those with the

³ The three approaches can be summarized as follows: the Guided Choice Model has a fixed ITA structure and moderate-intensity mandatory counseling, though ultimately the customers choose the program; the Structured Choice Model has greater emphasis on counselor guidance with the most intensive counseling mandated and less emphasis on customer choice as counselors can reject a customer’s program choice; and the Maximum Choice Model provides a smaller role for counselors as counseling is voluntary with more consumer choice regarding the use of the ITA (Perez-Johnson et al., 2011).

least amount of counseling, or “maximum customer choice,” but this increase was marginally significant at the 0.10 level (Perez-Johnson et al., 2011).

Two groups eligible for ITAs are those in the WIOA Disadvantaged Worker and Dislocated Worker Programs. In one study examining ITAs in Michigan and Washington, Eberts (2019) found that while the use of training through the vouchers varied across the two states, both states’ WIOA programs neglected nonstandard workers (e.g., gig workers or self-employed workers) unless they met state program criteria to be classified as low-income workers. There are no funds specifically earmarked for nonstandard workers; their eligibility is determined by the same criteria as that of workers in standard work situations. The author notes that nonstandard workers, who are not specifically covered under WIOA programs, “do not have the same access as individuals from more standard work arrangements have to training and other WIOA services” (Eberts, 2019, p. 68). Additionally, workers using ITAs were nudged toward training programs in standard work settings. This researcher is currently working on a paper titled *Case Studies on Individual Learning Accounts* that will include an evaluation of the “effectiveness of different approaches to providing Individual Training Accounts.”

Individual Development Accounts

Most research on IDAs focuses on saving for homeownership or overall savings goals. While this research has seen mixed results, it may elucidate potential impacts of IDAs on those seeking training and employment. One critical review of IDAs focusing on the programs’ effects on savings behavior, clients’ outlook on life, and programs’ long-term outcomes concluded that claims that IDAs have the potential to reduce poverty are premature (Feldman, 2017). This review analyzed findings from previous qualitative evaluations and the theory behind asset-building and IDAs. It organized the research into three categories: effects on clients’ savings behavior, life outlook, and long-term impact. This body of research, largely focused on the United States, has largely remained fragmented and previous findings have not been rigorously evaluated. The author challenges the overall optimistic analysis on IDAs’ potential to reduce poverty and offers the need for more study and rigorous, qualitative research to fully prove there is a causal relationship between the program and clients’ savings behavior.

Another study, a randomized controlled trial involving 1,103 applicants in a Tulsa, Oklahoma, IDA program, examined psychological benefits of IDAs on enhanced future orientation and decreased depression and found that assignment to an IDA program was not associated with either future orientation or depression 10 years later (Rohe et al., 2017). Participants were required to attend general financial and asset-specific education trainings, and they also received individual attention from case managers to address their problems saving money. Of the 1,147 eligible applicants, 1,103 agreed to participate and were randomly assigned to either the control or treatment group. Tests of significance and regression analysis were conducted to see if there was any significant difference between future orientation or depression between the two participant groups. In addition to no statistically significant relationships with future orientation or depression, there was also no significant impact on self-reported financial strain 10 years later.

Research has also looked at IDAs' impact on education and training. One study found that IDAs had stronger impacts on "incremental uses" such as home maintenance or education than on one-time large purchases, such as buying a home (Grinstein-Weiss, 2012). When examining only education, the research found both positive effects and differences in gender (Grinstein-Weiss, 2013). In this study, researchers examined how an IDA program in Tulsa, Oklahoma, affected educational enrollment, degree attainment, and education level using the same randomized sample described above in Rohe et al. (2017). The low-income participants were surveyed and randomly assigned to either a treatment or control group. The treatment group received financial education and matching funds for educational uses. Additional data collected via survey assessed the effects 6 years after the program ended. Ten years after the beginning of the experiment, there was a positive impact on enrollment in educational programs and level of education. However, increased educational attainment was only experienced among male participants. No positive impact was found on homeownership, businesses, or retirement savings.

Favorable results were also seen with the American Dream Demonstration (ADD), which was the first systematic study of IDA programs. ADD took place in 14 U.S. communities between 1997 and 2001. Participants accrued matching funds when they saved for purposes that increased long-term financial well-being; examples included home purchases, postsecondary education, job training, and microenterprise. Results suggested that IDA program participants can accumulate savings using this mechanism: average net deposits were \$19.07 per participant per month (Schreiner et al., 2002). We found little research on using IDAs as training mechanisms specifically.

Career Advancement Accounts and MyCAA

As noted above, the MyCAA program is aimed at spouses of early career military service members. These spouses' employment and career prospects may be hindered by the demands of the military. Research on MyCAA programs includes a comparison of the earnings of military spouses who used the training voucher to those who did not (Miller et al., 2018). This research examined working MyCAA-eligible spouses between the ages of 24 and 26 in 2011, developing earnings models comparing average annual earnings of spouses who used the scholarship and were known to have completed their educational plan by the end of 2014 and those of spouses who did not use the scholarship. The study found that employment declined among those who did not use a MyCAA. In addition, during the period of 2011 to 2013, the average earnings of working MyCAA users grew relatively more rapidly than working nonusers' earnings. The program also had a positive effect on retention in the military: service members whose spouses were MyCAA members were more likely to still be on active duty than those whose spouses did not take advantage of the MyCAA program. A similar result on active-duty status was seen in another study examining how MyCAAs impacted retention rates, which found a positive impact for at least 6 years after a spouse received their MyCAA (Knapp, 2019).

The DOL CAA Demonstration Project launched in eight states in various delivery formats. Studies examined how the deliveries impacted outcomes, finding that recipients could get into training programs more easily than those using ITAs, and that these training vouchers reached a

wider group of workers than other government vouchers (Salzman et al., 2012). However, the program was never implemented at full scale.

Personal Reemployment Accounts and Additional Programs

The DOL launched the PRA Demonstration Project in 2005 in eight states to provide PRAs to more than 4,000 UI recipients. One evaluation of the Demonstration Project examined the take-up rate and implementation of the vouchers at the demonstration sites, how recipients spent their funds, and employment outcomes. The evaluation found that the PRAs were associated with some employment, but not necessarily consistent employment. The evaluation also found that those who received PRAs used UI for a shorter period than those who did not receive a PRA (Kirby et al., 2008). However, as with CAAs, PRAs were never formally enacted (Wandner, 2010).

McLoyd et al. (2011) examined the effects on youth of a work-based antipoverty program for their parents. The New Hope Project was an experimental program conducted in two inner-city neighborhoods in Milwaukee, Wisconsin, to test an employment-based antipoverty program for adults. It offered an array of benefits from which participants could choose based on their families' needs, including supplemental income, childcare subsidies, and health insurance. Counseling and community service jobs were also available. These benefits were stacked on top of traditional public assistance. At an 8-year follow-up, youth in the program group families were significantly less cynical about work and were more involved in preparing for employment and careers. However, the program did not impact youths' pessimism about employment prospects and future financial security (McLoyd et al., 2011).

In 2003, Germany reformed its employment and training program, shifting toward a voucher system in lieu of training assignment by caseworkers. Huber et al. (2015) used administrative data to explore the impacts of the change on employment outcomes of individuals. The data included all individuals who received a voucher between 2003 and 2004 and information on who received training with them. Their baseline sample included 93,016 observations, with 41,138 receiving the voucher and 51,878 who did not. The study looked at employment outcomes for the two groups longitudinally for 3 years and found that in the short-term those without a voucher had better outcomes. In the initial months, employment probability decreased by as much as 10 percentage points for those who received a voucher. The authors attributed this to preparation for training decreasing work search. This changed with time to reach a higher probability of employment of 2 to 3 percent for those in the treatment group by the fourth year.

Direct Transfers

Much of the research on direct transfers in the U.S. has been based on just a few programs: the Alaska Permanent Fund Dividend (PFD) and the Eastern Band of Cherokee Casino Dividend, along with some small pilot programs.

In the U.S., the largest ongoing program is the PFD. Although not intended to provide a livable income in and of itself, the PFD does provide reliable, annual, unconditional income to each member of a family and does not preclude families from receiving other needs-based assistance

(Bibler et al., 2019). In an examination of the effect of the PFD on the labor supply, researchers found that an additional \$1,000 per person from the PFD disbursement led to a short-term average decrease of 1.25 hours of work per week. Among men, an additional \$1,000 led to a 1.7 percentage point increase in probability of employment (Bibler et al., 2019).

Other research looked at whether cash transfers, such as the PFD, encourage entrepreneurship. One of the potential positive effects of cash transfers, including a guaranteed basic income, is to reduce the risk of taking advantage of training opportunities or starting a business. Noting that although the PFD is too small to fully allow for individuals to rely on it as a guaranteed basic income, the amount is sizeable enough to enable many families to replace a large share of a poverty-level income (defined as the federal poverty threshold calculated for Alaska by the U.S. Department of Health and Human Services). Feinberg and Kuehn (2019) suggest that the downside risk for a potential entrepreneur may be smaller there than in other states (Hawaii and Montana were compared with Alaska in this study, in addition to the United States at large). The study found that, after controlling for state-level gross domestic product, nationwide trends, and population growth, the PFD program had increased small firm entry by 16 percent since the PFD's inception in 1982 (a period of 32 years). However, the effect seemed most marked at the beginning of the sampled period, tapering off over time.

The opening of a casino in the Eastern Cherokee reservation at the time a study of American Indian and non-Indian children was underway provided the opportunity to examine the impact of an exogenous implementation of a cash transfer program. The casino shares a portion of its profits with those with pre-existing American Indian status. The transfers have occurred every 6 months since 1996 with an average annual amount per person of approximately \$4,000. This enabled the quasi-experimental comparison of children's outcomes from families receiving the share of profits to those from families that did not. The analysis used data from the Great Smoky Mountains Study of Youth, which included 350 American Indian children and 1,070 non-American Indian children from 11 counties in Western North Carolina. The study showed that children in households receiving the cash transfer had higher levels of education and lower incidences of criminality for minor offenses than children in households not receiving the cash transfer. The impact was accentuated among the poorest households, where it showed increased educational attainment of 1 year. The researchers attribute the improved youth outcomes to improved parental quality (Akee et al., 2010). Survey data showed that although parents did not reduce their working time, parental positive interactions and experiences with the children improved. There was a statistically significant improvement in the relationship between mother and children; while the improvement in the relationship between father and children was not statistically significant, it did improve. Unemployment rates among families with at least one Native American parent in the household declined over the course of the study but the trend was indistinguishable from households with no Native American parent (Akee et al., 2010).

An evidence review examining both the Alaska and Eastern Band of Cherokee direct transfers found that, overall, the programs have either no effect on the labor supply or a slight reduction in work time and earnings. However, there is no indication that unconditional cash transfers cause

the average worker to drop out of the labor market. Receiving a disbursement from the Alaska PFD was related to timing of purchases: for PFD recipients, the marginal propensity to consume nondurable goods and services was 30 percent the quarter they received funds (Kueng, 2015). The author concluded that the effects of unconditional cash transfers vary depending on program design, but they seem to include either no impact or a slight decrease in labor participation and a substantial increase in other quality-of-life benefits, including health, education, parenting, and justice system involvement (Marinescu, 2018).

Providing a long-term historical perspective on cash transfers, Aizer et al. (2016) examined impacts of the first government-sponsored welfare program in the U.S., the Mothers' Pension program, which existed from 1911 to 1935. Although this program was not geared toward employment or participation in the workforce, it did provide some insight into the long-term effects of cash transfer programs in general. The transfers typically represented 12 to 25 percent of family income and lasted for 3 years. The authors reviewed and compared thousands of accepted and rejected applicants born between 1900 and 1925 and tracked the lifetime outcomes of their children. The results appear positive: male children lived longer, stayed in school longer, and had higher income in adulthood than children whose mothers were not accepted into the program. Using data collected on over 16,000 boys from 11 states born between 1900 and 1925 and whose mothers applied to the Mothers' Pension program, the authors found longevity increased by about a year. Additional data found that educational attainment increased by 0.34 years and income in early adulthood increased by 14 percent.

One example of a conditional direct transfer program is Family Rewards, which from 2007 to 2010 offered almost 2,400 families in New York City cash transfers that were conditional upon their investment in health care, education, and parental employment. It offered 22 different incentives during its first 2 years, ranging in value from \$20 to \$600. Some of the incentive categories included academic achievement, school attendance, parent engagement, annual medical visits, dental care, and sustained full-time employment. Each indicator had a specific value, and the family earned more money when they met additional conditions. Thus, in this instance, positive employment status was one of the conditions under which program participants received cash incentives. The program led to improvements in health insurance coverage and preventive dental care, as well as parents' health perceptions and levels of hope due to improvements in financial well-being (Courtin et al., 2018).

Additional cash transfer programs in developed nations include MINCOME, the Manitoba Basic Annual Income Experiment (1974–1979), and the ongoing Stockton Economic Empowerment Demonstration (SEED). Among participating areas, MINCOME included one “saturation site,” the small town of Dauphin, where every family was eligible to apply for the program (although only around one-third of families qualified on the basis of previous income), which provided funds through a negative income tax. For most residents, MINCOME represented a significant increase in income, as well as stability for families largely dependent on agriculture and self-employment (Forget, 2011). Economic issues and changes in the Canadian political climate caused an end to the project and allowed for only 2 years of data collection (Forget, 2011).

Twenty years after the end of project, the author found improvements in recipient educational attainment and health outcomes. Using a quasi-experimental design, with a comparison group dispersed across Manitoba created by a combination of hard matching and propensity score matching, the author found that overall hospitalizations, specifically those for accidents and mental health incidents, declined by 8.5 percent for residents receiving MINCOME compared to the control group. Students in grades 10 and 11 were more likely to continue in subsequent grades in the town of Dauphin, where residents received the payments (Forget, 2011).

The SEED project in Stockton, California, examined the effects of \$500 per month given to 125 randomly selected residents with incomes at or below the city’s median household income of \$46,033 compared with a group of 200 individuals randomly assigned to the control group. Since the study started in 2018, initial results seem to indicate that residents are making rational economic decisions. For example, of the money tracked, 40 percent went toward food and 12 percent was spent on utilities (Johnson & Vinson, 2020). Recently published findings (West et al., 2021) show large differences between the treatment and control groups. At the baseline only 25 percent of both groups could pay for an unexpected expense with cash or a cash equivalent; that share rose to 52 percent in the treatment group 1 year later, but only to 28 percent in the control. Significantly lower levels of anxiety or stress were also detected in the treatment group. As for employment outcomes, the study also found positive results: at baseline, 28 percent of treatment group participants had full-time employment. One year later, 40 percent reported full-time employment, whereas for the control group the figure rose only 5 percent. Authors attribute the difference, backed by interviews of 25 treatment group participants, to the reduction of financial strain. This increases individual goal-setting and risk-taking abilities.

Analysis and Conclusions

Of the two broad types of interventions discussed here, there is more clear-cut evidence regarding training voucher programs such as ITAs, IDAs, and MyCAA. Exhibit 1 summarizes findings of voucher programs along with results from the demonstration PRA program.

Exhibit 1. Summary of Findings of Voucher Programs

Voucher Name	Summary of Findings
Individual Training Account (ITA)	<ul style="list-style-type: none"> • Research found no difference in later earnings and employment across different models of ITA-funded services (McConnell et al., 2006). • The Structured Choice ITA model, with greater counselor guidance, was associated with higher-paying jobs when compared to the models with more customer choice, closer to the “pure” voucher model (Perez-Johnson et al., 2011). • Those using ITAs are typically nudged into traditional jobs, even if their professional background is in nontraditional work such as gig work or contracting (Eberts, 2019).

Voucher Name	Summary of Findings
Individual Development Account (IDA)	<ul style="list-style-type: none"> • IDAs were found to be positively associated with education (Grinstein-Weiss, 2013). • IDAs have stronger effects on incremental goals, such as education, than larger goals, such as buying a house (Grinstein-Weiss, 2012).
Career Advancement Account (CAA)	<ul style="list-style-type: none"> • Those who used CAAs could access training programs more easily than those who used ITAs (such as getting permission from counselors) (Salzman et al., 2012). • CAAs reached a wider group of people, including both high- and low-skilled workers (Salzman et al., 2012).
MyCAA	<ul style="list-style-type: none"> • Positive impacts include higher employment rates for spouses of military members who use a MyCAA and higher retention rates of the military member whose spouse participates (Miller et al., 2018).
Personal Reemployment Account (PRA)	<ul style="list-style-type: none"> • Participants in PRAs saw higher employment, but not necessarily consistent employment (Kirby et al., 2008). • PRA participants were on UI for a shorter time period than those who did not use a PRA (Kirby et al., 2008).

Based on this review, the following conclusions may be of interest to DOL:

- Results of training voucher programs such as MyCAA are generally positive but not necessarily overwhelmingly so. They appear to provide incremental gains in employment rates and salaries, although the evaluation of ITA models did not find evidence to support the model with the most customer choice.
- In the short term, vouchers may reduce participation in the workforce due to time spent in classes and training. However, this reduction appears temporary.
- Programs in which recipients receive more counseling seem to be more successful than programs where recipients are self-directed.
- Benefits extend beyond the individual training voucher recipient. For example, military members whose spouses participate in the MyCAA program experience higher retention rates, providing an advantage to the military, which saves on recruiting and training costs for replacing enlisted personnel. Benefits may also include increased community stability and better educational, social, and health benefits for recipients' children. There are also potential societal benefits in the form of reduced dependence on welfare programs and a more highly skilled workforce available to employers.
- Further research could focus on longer-term benefits of training voucher programs; the return on investment of voucher programs for individuals, employers, communities, and taxpayers; and the optimum mix of counseling and self-directedness available in voucher programs.

Variations in types of cash transfer programs and the types of intended and measured outcomes make comparisons among programs and overall conclusions more difficult. In addition, there

have not been many such programs implemented in the U.S., so there is limited research available. Exhibit 2 summarizes the research findings on the impact of cash transfer programs across various outcome measures.

Exhibit 2. Summary of Findings on Cash Transfers by Outcome

Outcome	Summary of Findings on Cash Transfer Programs
Employment & earnings	<ul style="list-style-type: none"> • Direct, unconditional transfer has little negative effect on participation in the workforce (Marinescu, 2018). • The Alaska PFD may allow parents to reduce work hours somewhat with positive effects on their children (Bibler et al., 2019; Akee et al., 2010). • In the casino dividend study, no difference in unemployment trends between those receiving the transfer and the comparison group was detected (Akee et al., 2010). • SEED’s first-year findings show that recipients of the transfer are significantly more likely to have full-time employment (West et al., 2021). • Direct transfer from PFD may increase entrepreneurship due to improved financial security and ability to accept the risk of starting a business (Feinberg & Kuehn, 2019). • The Mothers’ Pension program showed long-term impacts, with children of recipients earning more in adulthood (Aizer et al., 2016).
Education	<ul style="list-style-type: none"> • Impact of receipt of the casino dividend shows larger impacts on poorer families with gain of 1 year in education of children in households receiving the transfer (Akee et al., 2010). • MINCOME experiment in Manitoba showed gains in educational attainment of children from families who received the cash benefit (Forget, 2011).
Health & well-being	<ul style="list-style-type: none"> • MINCOME experiment findings showed lower hospitalizations, specifically accidents and mental health incidents (Forget, 2011). • Cash transfers from SEED show recipients tend to make more rational economic decisions (Johnson & Vinson, 2020). • SEED first-year findings show lower levels of anxiety or stress on those receiving the transfer (West et al., 2021). • The Cherokee casino dividend produced improved outcomes for children due to higher quality of parent-child interactions (Akee et al., 2010).

Programs are generally localized and affect relatively small numbers of people. With the exception of the PFD, most programs are fairly short-lived. Additional research examining program outcomes across larger numbers of participants and for longer time periods would be of great interest and could begin to answer the question of how these programs might work at a large scale. Determining return on investment over the short-, medium-, and long-terms of different types of direct transfers would be invaluable and might help allay concerns of employers related to transfers’ effects on workforce participation. Incorporating research on other basic income programs would also be valuable, including experimental programs currently in progress, such as the SEED program.

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Appendix A: Summary of Study Characteristics and Findings

Authors (date)	Intervention	Target Population	Study Design	Select Key Findings (reproduced from studies)
Training Vouchers & Benefit Accounts				
Eberts (2019)	ITA	Workers from nonstandard arrangements participating in the Adult & Dislocated Worker Programs in Michigan & Washington	The study uses WIOA data to examine program participation, uses, & outcomes for workers from nonstandard work arrangements.	The study examines the use of ITAs by workers from nonstandard work arrangements. WIOA follows the U.S. Bureau of Labor Statistics definition of categories of nonstandard work (1) contingent workers, (2) alternative workers, and (3) self-employment. The study finds that even between the two states, the use of training and ITAs varies widely across the WIOA programs. That trend continued prior to WIOA when WIA was in effect. The study concludes that the two WIOA programs do not accommodate workers from nonstandard work arrangements, except for those who fit the eligibility criteria established by the WIOA Adult Program for low-income workers. The study points out that low-income workers are equally, if not more, likely to come from nonstandard work arrangements, such as self-employment, as from more traditional arrangements. However, both programs are geared toward placing participants in standard work settings once they have completed the training or other services provided by the WIOA programs.
Grinstein-Weiss et al. (2012)	IDA	Low-income families in Tulsa, OK	Randomized controlled trial with a Wave 4 analytic sample (N=855) in Tulsa, OK.	As part of the ADD experiment, the treatment group received access to an IDA as well as financial education and case management. The IDA provided matched withdrawals at a 2:1 rate for home purchase and a 1:1 rate for home repair, small business investment, postsecondary education, or retirement savings. The study found that among participants with an above-median income at baseline (about \$15,480 per year), treatment significantly increased both homeownership rates and duration of homeownership. Among baseline homeowners, treatment group members experienced a significantly higher rate of housing price appreciation and were less likely to report foregoing needed repairs. There is a significant positive impact on education enrollment among the treatment group at Wave 4. No significant impacts are found on increase in level of education or degree completion among the full sample. Among those who reported high school education or less at baseline, there is a significant positive effect on the likelihood of gaining “some college” among treatment group members compared to the control group. The study finds that men may benefit more from the IDA program in terms of educational enrollment and attainment compared with women. No significant effect of treatment is found on business ownership, equity, or retirement savings. There is a marginally significant but small effect found on liquid assets: assignment to treatment is associated with \$79 more in liquid assets relative to assignment to control.

Authors (date)	Intervention	Target Population	Study Design	Select Key Findings (reproduced from studies)
Grinstein-Weiss et al. (2013)	IDA	Low-income families in Tulsa, OK	Randomized controlled trial of a 3-year matched savings program on educational outcomes 10 years after the start of the experiment.	The study examines the effect of an IDA program on (1) educational enrollment, (2) degree completion, and (3) increased education level. The study finds a significant impact on education enrollment 10 years after baseline assignment (6 years post program completion) but non-significant impacts on degree completion and increase in level of education. Assignment to the treatment had a strong positive effect on increased educational attainment for males but not for females. The effect size was also quite large; while females in the treatment and control groups increased their educational level at similar rates over the study period, males in the treatment group were twice as likely to increase their education level compared with males in the control group. Males were also more likely than females to take a matched withdrawal for education. This result suggests that males may benefit more from the IDA program in terms of educational attainment.
Harrington et al. (2018)	Individual Learning Accounts (ILA)	Adult learners	Descriptive study of funding models for lifelong learners across four countries examining the scope, successes, & limitations of ILA implementation.	The study discusses how the motivation for funding models such as ILAs across the four countries is to allow continuous, equitable access to continuing training and education opportunities to adults across the economic spectrum. However, it finds that implementation of such programs has been deficient or privileged only select populations. Building on research of these programs, one aspect that appears to lead to success consists of providing guidance to learners about access to the funds and the educational opportunities it affords.
Heinrich et al. (2009)	WIA Adult & Dislocated Worker Programs	WIA program participants	Nonexperimental matching methods, uses WIA participant administrative data across 12 states (N=160,000) & nearly 3 million matched comparison group members.	Adult Program participants who obtain training have lower earnings in the months during training and the year after exit than those who do not receive training, but they catch up within 10 quarters, ultimately achieving large total gains. The marginal benefits of training exceed, on average, \$400 in earnings each quarter 3 years after program entry. Dislocated workers experience several quarters for which earnings are depressed relative to comparison group workers after entering WIA, and although their earnings ultimately match or overtake the comparison group, the benefits they obtain are smaller than for those in the Adult Program.
Hollenbeck et al. (2005)	WIA Adult & Dislocated Worker Programs	Individuals aged 22–64 years who were adults or dislocated workers in WIA	Quasi-experimental study with administrative data to report on the net impacts, or “value-added,” of WIA services on outcomes of interest using administrative data from 7 states (treatment sample for analysis of any WIA services receipt N=92,787; WIA training services only, N=53,436).	The study estimates that receiving any WIA services increases employment rates by about 10 percentage points and average quarterly earnings by about \$800 (in 2000 dollars) on average. Such services reduce participation in public assistance somewhat. Adult participants receiving training or referrals to training experienced statistically significant increases in employment of about 4.4 percentage points and in average post-exit earnings among employed adults of more than \$660 per quarter and for employed dislocated workers of more than \$380 per quarter. The magnitudes of the treatment effects varied, but their significance and direction were largely consistent across states and population subgroups. The observed impact variation may reflect differing “bundles” of services offered by states. Some states allow local workforce boards, One-Stop Centers, and service providers considerable leeway in bundling training with intensive services, whereas others do not. While variation in the size of the impacts was apparent, the impacts for dislocated workers seemed to be consistently larger than those for adults.

Authors (date)	Intervention	Target Population	Study Design	Select Key Findings (reproduced from studies)
Huber et al. (2015)	Training vouchers	Unemployed in Germany	The study adopts a formal mediation framework & uses administrative data from the Federal Employment Agency in Germany, the Integrated Employment Biographies data (baseline sample N=93,016).	In January 2003, the Federal Employment Agency in Germany reformed the allocation of vocational training programs, which are a cornerstone of German active labor market policies. An assignment system based on vouchers replaced the direct assignment of unemployed individuals to vocational training by caseworkers. The aim of the reform was to increase the involvement of training participants in the training decision as well as to increase the competition among training providers. The results suggest that among voucher recipients, voucher award has a negative average (total) employment effect in the first 3 years after voucher receipt and a small positive one thereafter, with an increased employment probability of roughly 2 to 3 percentage points in each month 4 years after receiving the voucher. This implies that the initially negative lock-in effect of the voucher award system (likely due to decreased job search) is compensated by higher placement probabilities in later periods.
Kirby et al. (2008)	PRA	UI recipients who are identified as “likely to exhaust” their benefits	Implementation evaluation of a demonstration program with qualitative & quantitative component in 8 states.	The quantitative study involved the collection and analysis of aggregate-level and individual-level data, both of which were used to describe PRA activity and recipient outcomes in the demonstration states and to examine any variation across the states. PRA recipients receive UI benefits for 17 weeks, on average—about 1 month shorter than their full period of eligibility and about 1 month longer than all UI recipients in the demonstration states. In three states—Florida, Mississippi, and Montana—PRA recipients received UI benefits for the same amount of or less time on average than all UI beneficiaries. UI receipt patterns and employment rates are quite different across different groups of PRA recipients. For example, bonus-focused users enter employment quickly and have employment rates in each of the three follow-up quarters that are significantly higher than all other groups of PRA recipients. They are also most likely to be employed consistently.
Knapp et al. (2019)	MyCAA Scholarship	Military spouses	Quasi-experimental design to match military households of MyCAA users to similar households using propensity score matching (N=202,053).	The study’s main outcome of interest is spouse retention in active service. Prior to 2016, personnel whose spouses were MyCAA users were more likely to stay in the service relative to those with nonuser spouses. The difference in the retention rate narrows over time. Different types of spousal credentials have a different impact on service members’ willingness to continue in active service.

Authors (date)	Intervention	Target Population	Study Design	Select Key Findings (reproduced from studies)
McConnell et al. (2006)	IITA	WIA participants	Randomized controlled trial (N=7,920) using administrative data on program participation, counseling, IITA receipt, training expenditures, earnings, & UI receipt.	The tested approaches varied along three dimensions: (1) whether the IITA amount was the same for all customers or was determined by the counselor on a customer-by-customer basis; (2) the intensity of counseling and whether it was mandatory; and (3) whether counselors could deny a customer an IITA. The study found few differences in outcomes across the three approaches. The results were similar within each site and major group examined. The approach did not affect the rate of participation in training. Customers assigned Approach 3 were more likely than others to use IITA to pay for their training. The approaches had little effect on employment rates or earnings over the 15-month follow-up period. Approach 1 customers earned more than Approach 2 customers over the 15-month follow-up period according to the survey data. Approach 3 customers were less likely than other customers to be employed shortly after random assignment, but employment rates were very similar across the three approaches by the end of the follow-up period. Few differences occurred across approaches in the occupations in which customers were employed in the follow-up period. Generally, hours worked, hourly wages, whether the job was unionized, and receipt of fringe benefits did not vary by approach, but Approach 1 customers were less likely than other customers to receive fringe benefits such as paid time off or retirement benefits. Few differences were observed across approaches in UI receipt. Receipt of public assistance did not differ across approaches.
McLoyd et al. (2011)	3-year work-based antipoverty program	Low-income adults with children between 13 months & 10 years & 11 months old residing in Milwaukee's poorest areas	The Child & Family Study of the New Hope Project was a randomized controlled trial examining the effects of a 3-year work-based antipoverty program for parents on youth (ages 9–19, N=866) assessed 5 years after parents left the program.	The study addressed two primary questions: (1) Did New Hope impact youth's future orientation (i.e., attitudes and expectancies about work, involvement in employment and career preparation activities) and employment experiences (e.g., probability of employment, duration and intensity of employment, employment earnings)? and (2) Did impacts vary by youth (i.e., gender, age, and ethnicity) characteristics? Results showed that youth in program group families held significantly less cynical attitudes about work ($p < .10$) and were significantly more involved in employment and career preparation than control group youth ($p < .10$). However, New Hope did not impact youth's pessimism about prospects for employment and financial security during adulthood. There was no statistically significant difference between the two groups in summer employment rate or employment rate during the school year. Youth in the program group families worked for longer periods during the school year. There were no age differences in program impacts on any of the indicators. Boys in program families were significantly less pessimistic about their employment prospects than boys in the control families. The study found stronger impacts for African American youth than Hispanic or White youth. Specifically, whereas African American youth in program families reported significantly more involvement in employment and career preparation than African American youth in control families, no comparable program effect was found for Hispanics or Whites.

Authors (date)	Intervention	Target Population	Study Design	Select Key Findings (reproduced from studies)
Miller et al. (2018)	MyCAA	Military spouses	Study examined the 2007–2013 employment & earnings of spouses eligible for the scholarship.	The study focused on early users allowed adequate time for at least some of these early recipients to complete their education or training program and find employment, thereby allowing researchers to observe changes in employment and earnings before and after receiving the scholarship and to compare MyCAA Scholarship users with nonusers. MyCAA Scholarships are reaching the intended population, including spouses who are more likely to want or need work, who are likely to be early in their careers, and who face military moves and deployments. MyCAA users were less likely than similar nonusers to be employed in 2011 during the initial scholarship period when many were in school, but by 2013 they were more likely than nonusers to be working. Working scholarship users known to have completed their MyCAA plans saw annual earnings grow faster than working nonusers from 2011 to 2013.
Mills et al. (2008)	IDA	Low-income individuals AFI accountholders who opened their IDAs during calendar year 2001	Nonexperimental study of participation in the Assets for Independence (AFI) Program on savings, savings patterns, & asset purchase by low-income individuals & families. This study examined the effects of IDAs on AFI participants based on a 3-year longitudinal survey of 600 participants nationwide.	AFI is estimated to increase the rate of homeownership by the end of the third year by 10.9 percentage points above the level that would otherwise be expected based on the comparison group mean of 31.1%. The proportional effect (10.9 divided by 31.1) is thus 35%, meaning that participants were 35% more likely to be homeowners at the end of the third year compared to demographically matched nonparticipants. The estimated program effect on third-year business ownership is to increase the rate of business ownership by 10.0 percentage points above the comparison group mean of 11.9%, such that participants were 84% more likely to own businesses at the end of the third year than were nonparticipants. The estimated effect of the program is to increase by 21.2 percentage points the share of participants engaging in postsecondary education during the 3 years, from a comparison group mean of 22.3%. The proportional effect is thus 95%, implying that AFI nearly doubled the likelihood that an individual pursued postsecondary education. The effects on homeownership differed significantly by geographic location. The effects on business ownership differed significantly by baseline marital status and household income. The favorable third-year program effect was less pronounced for never-married persons and more pronounced for persons with higher household incomes. The effects on postsecondary educational advancement differed significantly by baseline educational level. The favorable third-year effect was more pronounced for those with no more than a high school education or GED.
Negoita et al. (2012)	Training vouchers	Training program participants	The report has two parts: (1) a qualitative review of existing evidence, & (2) a meta-analysis of existing programs based on statistical analysis. Meta-analysis leveraged 7 studies.	Overall, combining the studies included in this analysis suggests that using vouchers for employment training programs may have a positive, albeit quite small, effect on both employment and earnings. However, results using random-effects models, which are more appropriate given the variation among the studies included, also yield larger confidence intervals that leave open the possibility that the actual effects of these voucher-based programs may be zero (or even negative). The small number of effect sizes in our sample (due primarily to the limited number of voucher-based programs that could be included in this study) substantially weakened the statistical power of the tests, thus artificially inflating the credibility intervals for the mean effect sizes, which results in far less precise conclusions.

Authors (date)	Intervention	Target Population	Study Design	Select Key Findings (reproduced from studies)
Perez-Johnson et al. (2004)	ITA	WIA-eligible One-Stop customers	Randomized controlled trial to measure in 8 sites across 6 states (N=7,922).	One-Stop customers were randomly assigned to one of the three ITA service delivery models (Structured Choice, Guided Choice, and Maximum Choice). The study examined the impact of the three approaches on intermediate outcomes, including customers' participation in counseling, participation in training, and training choices, as well as sites' training expenses. It found that when counseling is voluntary, customers rarely request it—only 4% of Approach 3 customers required any counseling beyond the mandatory ITA orientation, whereas in the other approaches with mandatory counseling, 65% of Approach 1 customers and 58% of Approach 2 customers participated in counseling activities.
Perez-Johnson et al. (2011)	ITA	WIA-eligible One-Stop customers	Randomized controlled trial to measure the effectiveness of 3 different models for delivering ITA services, with impacts measured 6 to 8 years after program enrollment in 8 sites across 6 states. One-Stop customers were randomly assigned to 1 of the 3 ITA service delivery models (N=7,920).	The study calculated the relative effects of the three models by comparing the average outcomes of customers assigned to each model. The study found that mandatory ITA counseling discourages participation in ITA-funded training. The analysis showed that it is the anticipation of additional counseling, rather than the ITA counseling itself, that discouraged participation in ITA-funded training. Additionally, when ITA counseling is voluntary, few customers request it. The ITA models influenced customer participation in training. More than three-quarters of Maximum Choice customers entered training compared to 71 and 73% of Guided Choice and Structured Choice customers. The ITA models also influenced how training was funded and the type of provider chosen. Maximum Choice customers were more likely than Guided Choice customers to fund their training with ITAs. There were no significant differences across the models in the types of occupations that ITA customers chose to train for. Sixty-two percent of Structured Choice customers completed at least one training program that started within 3 years of random assignment compared to 58% of Guided Choice customers. Levels of labor force participation and employment were similar for customers in all three models throughout the follow-up period. Structured Choice customers spent more time employed in high-wage jobs than Guided Choice or Maximum Choice customers (24 versus 20%). However, they were not more likely to be employed in jobs with other desirable characteristics, such as those offering fringe benefits. About one-third of Structured Choice customers were employed in an occupation for which they received training in the late follow-up period compared to about one-quarter of Guided Choice and Maximum Choice customers. This finding is consistent with customers in the Structured Choice model receiving training that provides skills better matched to the jobs available in the chosen occupation. During the final 2 years of the follow-up, Structured Choice customers earned about \$7,200 per quarter, over \$500 more than Guided Choice customers.
Rohe et al. (2017)	IDA	Low-income individuals	Randomized controlled experiment involving 1,103 applicants to an IDA program.	The findings show that assignment to the IDA program was not associated with either future orientation or depression 10 years later. The value of assets held at that time, however, was found to be negatively associated with depression. In addition, self-reported financial stress was found to be negatively associated with future orientation and positively associated with depression.

Authors (date)	Intervention	Target Population	Study Design	Select Key Findings (reproduced from studies)
Salzman et al. (2010)	CAA	Varied by state, but mostly incumbent &/or dislocated workers in manufacturing	Implementation evaluation that examines early stages of CAA demonstration grant implementation in its 8 participating states.	This report on early findings compared CAAs and ITAs. It found that the extent of local control over policy and operations is quite similar, but CAAs commonly serve workers who are not typically served by ITAs. Already-employed workers, certain low-income participants, and dislocated workers needing skill enhancements received CAA, and these groups are not widely served by ITAs. The CAA cap is lower than the ITA cap in nearly all areas visited. The 2-year duration is very common in the ITA system and is the same as the CAA. CAA requires that training programs offer a nationally recognized degree or credential while WIA requirements for ITAs allow for locally established criteria. CAA models provide less case management than ITA systems, and supportive services are not generally obtained in CAA but are an integral part of the ITA design.
Salzman et al. (2012)	CAA	Varied by state, but mostly incumbent &/or dislocated workers in manufacturing	This study includes an implementation & outcomes evaluation (N=3,974) of CAA demonstration grants in 8 participating states.	Participants served through the CAA demonstration were different from those typically served in WIA programs. Compared to their WIA program counterparts, participants were more experienced (e.g., they entered with some postsecondary experience or were employed at entry) but lower skilled (e.g., they had lower pre-program wages or were on public assistance). Of the participants obtaining post-program employment, the average quarterly wages in half of the states exceeded \$8,500. When multivariate analyses were conducted to explore the relationship between services received by CAA participants and their attainment of outcomes, the receipt of intensive services (effectively a WIA-like model) was found to be significantly related to both employment attainment and lower post-program earnings.
Schreiner et al., (2002)	IDA	Low-income individuals	The ADD is a demonstration of IDAs in 14 programs across the United States. This is an outcomes evaluation of participation in this demonstration.	Regression analysis shows higher match rates increased the likelihood of being a saver. The match rate had no statistically significant effect on average monthly net deposit (AMND). An additional \$10 of match cap per month increased the likelihood of being a saver by about 3 percentage points. The opportunity to save more apparently increased the likelihood of being a saver. Controlling for other factors, people who used direct deposit were 22 percentage points more likely to be savers. This is an enormous effect with obvious policy implications. Using direct deposit, however, had a negative (though statistically not significant) effect on AMND. Direct deposit appeared to help people stay in the program but did not help them save higher dollar amounts. A few hours of general financial education increase savings, although the effects of additional hours have diminishing returns. Participant characteristics in general matter surprisingly little. A noteworthy finding is that income was not related to being a saver and has only small effects on the amount of savings. Compared to people without, those with health insurance were more likely to be savers. This was a large and statistically significant effect.

Authors (date)	Intervention	Target Population	Study Design	Select Key Findings (reproduced from studies)
Wandner (2012)	PRA	Unemployed workers in 7 states	Outcomes evaluation with basic program design as follows: states would offer PRAs of \$3,000 & charge participating workers for services other than WIA core services. They had to develop own cost list for all reemployment services & reemployment bonuses would be paid to workers.	The PRA demonstration did not meet the expectations of the policymakers who had designed the legislative proposal. The PRA structure was expected to show that these new accounts could provide training and reemployment incentives to help workers find productive employment. However, PRA recipients did not make significant use of the training option, largely because the maximum training payment was not large enough. Looking at the purchase of PRA demonstration services, participants mostly bought supportive services in those states where use of supportive services was broadly permitted. While some of these payments may have helped workers return to work (e.g., transportation and childcare costs), their dominance among service purchases was at variance with the intent of PRA designers. Finally, the PRA demonstration showed that participants were intent on receiving their reemployment bonus, and reemployment bonus payments were far greater than was intended. Under the PRA demonstration, the training voucher function of the project was not used much and showed that the PRA design might need to be reconsidered.
Cash Transfer Programs				
Feinberg & Kuehn (2019)	PFD	Alaskans	The study used a difference-in-difference approach to examine trends in small-firm births in Alaska over time before & after the institution of the APF program relative to other U.S. states to investigate a possible impact on entrepreneurship.	After controlling for state-level GDP, population growth, and nationwide trends, the presence of the PFD program increased small-firm entry by 16% over the subsequent 32 years. The study compared Alaska's small-firm entry performance post-PFD with that of two somewhat similar states (Hawaii and Montana). Using a full panel of U.S. states and the District of Columbia, when allowing for a declining effect, it found an immediate 30.5% increase in the number of small firms in Alaska, but this effect declined to zero within 7 years. Looking at individual-level data, the analysis shows that introduction of the PFD is associated with a 1.3 percentage point increase in the self-employment rate; this was a substantial effect compared to the average Alaskan self-employment rate over the sample period of 11%. When the value of the PFD is included instead, a \$1,000 increase in the PFD payment was associated with a modest (and not statistically significant) 0.2 percentage point increase in the self-employment rate. These results show that the introduction of the PFD program increased entrepreneurship, while year-to-year variation in the payment amounts have little impact on entrepreneurship.
Forget (2011)	Basic Annual Income (MINCOME)	Every family in Dauphin, with a population of approximately 10,000 & another 2,500 living in its rural municipality, was eligible to participate	Quasi-experimental study comparing education & health outcomes for students whose families received a basic annual income in the town of Dauphin with urban & rural counterparts elsewhere in Canada.	Dauphin students in grade 11 seemed more likely to continue to grade 12 than their rural or urban counterparts, while both before and after the experiment they were less likely than their urban counterparts and not significantly more or less likely than their rural counterparts to complete high school. Grade 11 enrolments as a percentage of the previous year grade 10 enrolments show a similar pattern. Hospitalization rates were approximately 8.5% higher in Dauphin relative to the comparison group when MINCOME began in 1974; this differential was quite stable from the time medicare was introduced in 1970. During the project, the hospitalization rate began to fall in Dauphin relative to the controls, and by the end of 1978 there was no significant difference between experimental and control groups.

Authors (date)	Intervention	Target Population	Study Design	Select Key Findings (reproduced from studies)
Hoynes & Rothstein (2019)	UBI	Americans ages 18+	The study develops a framework for comparing transfer programs. It uses the framework to explore the distributional implications of UBI compared to current law.	A UBI would direct much larger shares of transfers to childless, non-elderly, non-disabled households than existing programs, and much more to middle-income rather than poor households. A UBI large enough to increase transfers to low-income families would be enormously expensive. A canonical UBI would give a larger share of transfers to the non-elderly and non-disabled than the existing programs, so any proposal to finance it through cuts in health and retirement programs—the largest sources of funds in the existing U.S. transfer system—would need to address the large declines in living standards that the elderly and disabled would experience.
Johnson & Vinson (2020)	UBI		Literature review.	
Kueng (2015)	PFD	Alaskans	The study uses transaction-level financial data from a personal finance website with the repeated quasi-natural experiments provided by the large annual payments from the PFD, comparing Alaskan households with those from Washington State.	Under the life-cycle permanent income hypothesis, households should smooth consumption over time, which implies that the level of consumption should be independent of the timing of predictable cash flows. Since spending should not be sensitive to predictable income, finding systematic differences in spending patterns in response to predetermined events such as the PFD payments is evidence for so-called excess sensitivity of spending to predictable income changes. It shows that despite the favorable characteristics of the dividend payments for the benchmark model (i.e., predetermined, large, regular, and salient), household spending substantially deviates from the model's prediction with an average marginal propensity to consume on non-durables and services of 30%. Second, and more importantly, this paper finds that the average spending response to the dividend payments is largely driven by higher-income households.
Marinescu (2018)	Unconditional cash transfers		Literature review.	
West et al. (2021)	Guaranteed basic income	At least 18 years old, resides in Stockton, & lives in a neighborhood with a median income at or below \$46,033	Randomized controlled trial (N=325; 100 individuals comprised the core research pool, 25 served as a politically purposive cohort, & 200 were in the control group) with a total of 125 residents receiving \$500/month for 24 months in Stockton, CA.	One year into the program, the control group experienced nearly 1.5 times more income volatility than the treatment group—the treatment group's income fluctuated by 46.4% monthly while the control group experienced a 67.5% monthly income fluctuation. Households receiving the intervention were better positioned over time to cover a \$400 unexpected expense with cash or a credit card paid in full than the control group. At the start of the program, only 25% of recipients would pay for an unexpected expense with cash or a cash equivalent. One year in, 52% of those in the treatment group would pay for an unexpected expense with cash or a cash equivalent. Comparatively, 25% of the control group would pay for an unexpected expense at baseline with cash or a cash equivalent. One year in, only 28% of those in the control group would pay for an unexpected expense with cash or a cash equivalent. One year after receiving the guaranteed income, the treatment group showed statistically significant differences in emotional health. In February 2019, 28% of recipients had full-time employment. One year later, 40% of recipients were employed full-time. In contrast, the control group saw only a 5% increase in full-time employment over the same 1-year period—32% of those in the control group were employed full-time in February 2019; 1 year later, 37% of control group participants were employed full-time.