FINAL REPORT

Evaluation of the Economic Security for All (EcSA) Initiative

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Executive summary

The state-funded Economic Security for All (EcSA) initiative is a poverty reduction program administered by the Washington state Employment Security Department (Employment Security) and coordinated at the local level by the Local Workforce Development Boards (LWDBs). EcSA leverages existing programs and encourages the development of new partnerships with community service providers to deliver targeted support to people with low incomes. Over time, support is expected to move participants to economic self-sufficiency. These efforts include a strong emphasis on equity, particularly for marginalized populations, such as people of color, rural communities, people experiencing homelessness and those facing employment barriers.

The EcSA initiative is designed to provide a comprehensive and holistic approach to address the needs of people with low income in Washington state. It was designed in partnership with people experiencing poverty and people of color, in particular the steering committee of people with lived experience at the Washington Economic Justice Alliance, and through LWDBs' local partnerships with by-and-for organizations through Washington's Community Reinvestment Plan. These voices and leaders helped Employment Security recognize that many participants face complex, interconnected barriers to economic self-sufficiency, so the program offers a wide range of services targeting employment-related issues as well as broader social, financial and educational challenges.

Chief among these services is the Community Reinvestment Fund EcSA Career Accelerator Incentives (hereafter referred to as CRF) incentive payments, funded by Department of Commerce's Community Reinvestment Plan. These incentive payments, introduced in late 2023, are a significant enhancement to EcSA. They provide payments to participants who make progress toward their self-sufficiency goal, with focus on serving Black, Tribal and Latine individuals impacted by the historical design and enforcement of state and federal criminal laws surrounding the War on Drugs.[1]

This report presents the findings of an evaluation of the state-funded EcSA initiative, focusing on labor market and program outcomes for 4,412 participants enrolled between July 1, 2022, and Sept. 30, 2024. This evaluation compares outcomes for EcSA participants against outcomes for their peers in a similar set of programs: the WIOA Adult and Youth programs. As a result, we estimate the labor market impact of enrolling in EcSA instead of these alternative programs.

[1] Under the state budget passed in April 2025, this focus will expand to include additional communities of color.

Key findings of the evaluation of the state-funded EcSA program:

- EcSA met its goal of focusing on traditionally marginalized and vulnerable groups. About half of the program participants were non-white, and almost 20% were Hispanic. In addition, 11.3% of participants were unhoused at the time of enrollment, 16.2% reported having a disability and 16.9% reported having limited English proficiency.
- Most EcSA participants are unemployed or low-income. In the quarter before enrollment, only 47% of EcSA participants registered some form of employment covered by unemployment insurance (UI). Those employed had average earnings of $6,900.54 ($27,600 annualized).
- EcSA's primary goal is to help its participants achieve self-sufficiency. During our study period, more than 1,400 EcSA participants reached self-sufficiency, exceeding the program target of 1,118 by 25.2%.
- EcSA participants remained in the program for an average of 22.3 weeks, or more than five months.
- Most EcSA participants were co-enrolled in other programs administered by WorkSource and other program partners, allowing participants to receive services tailored to their needs. EcSA participants received on average 26.7 services during their enrollment in EcSA (only 9.7 of these services were provided specifically through EcSA).
- Approximately one third of EcSA participants enrolled in some type of training, although enrollment rates differed by race, gender and housing status at enrollment.
- The most popular area of training was commercial driving (more than 30% of training enrollments), followed by healthcare (almost 20% of enrollments in training), housing and construction (4.6% of enrollees) and computer science (4.3% of enrollees).
- Among those employed, the percent who reached their self-sufficiency goal increased steadily from 15% in the quarter of enrollment to 63% in quarter eight after enrollment. This is because real earnings of employed participants increased after enrollment, reaching more than $11,000 per quarter in quarter eight after enrollment.
- A higher percentage of participants reached or exceeded their self-sufficiency hourly wage than those who reached or exceeded their self-sufficiency goal. This is because about half of employed participants did not hold a full-time job throughout the whole quarter.
- Enrolling in EcSA, compared to enrolling in the WIOA Adult or Youth programs without EcSA, increased employment by 14.3% on average over eight quarters after enrollment (between 11.4% and 17.6% in each quarter).

- Enrolling in EcSA, compared to enrolling in the WIOA Adult or Youth programs without EcSA, increased hours worked by 21.5% on average over eight quarters after enrollment (between 19.4% and 32.3% in each quarter).
- Enrolling in EcSA, compared to enrolling in the WIOA Adult or Youth programs without EcSA, increased participants' quarterly real earnings by 27.9% on average over eight quarters after enrollment (between 25.2% and 34.5%).
- Average real earnings for all EcSA participants increased from $3,306 per quarter in the quarter before enrollment to $6,838 in quarter eight after enrollment. During the same period, average real earnings of similar WIOA Adult and Youth participants not enrolled in EcSA increased from $3,780 to $5,483. Between quarters one and eight after enrollment, EcSA participants earned $12,000 more than similar WIOA Adult and Youth program participants in the same period.
- EcSA participants also experienced large increases in real hourly wages with respect to similar individuals enrolled in the WIOA Adult and Youth programs.

This report also includes an outcomes evaluation of the CRF incentive payments, part of the Community Reinvestment Project (CRP), which also created matched savings accounts, business services and contractual relationships with organizations created by and for communities of color. The CRF incentive payments program provides EcSA participants with payments of $1,000 per month for participants who made progress toward their self-sufficiency goal. The analysis focuses on participants who were enrolled in EcSA between December 2023 and September 2024. The main findings of this evaluation are:

- Out of more than 3,300 participants in this sample, 2,140 (65%) received at least one payment. Among those who received payments, the average payments received was six, although some participants received up to 15 payments.
- The distribution of payments differed by participants' demographic characteristics. Participants of Black, Tribal and Latine backgrounds (the focus of these payments) were more likely to receive payments than those of other racial and ethnic groups. In addition, women were more likely than men to receive at least one payment and participants with stable housing at enrollment were more likely than unhoused participants to receive at least one payment.
- Participants who received CRF incentive payments had similar labor market outcomes to those who did not receive any payments before enrollment in EcSA. After enrollment we observe some differences between the two groups across outcomes. We find that, during the observation period, CRF incentive payment recipients showed lower employment rates, worked fewer hours and earned less on average than their non-recipient counterparts. On the other hand, among those who were employed, the share of CRF recipients with earnings and hourly wage

exceeding their self-sufficiency goals steadily increased – eventually surpassing non-recipients in both measures after six quarters.

We note, comparisons between CRF incentive payment recipients and non-recipients are purely descriptive and the differences in outcomes by receipt of CRF incentive payments cannot be interpreted as being the result of the reception of CRF incentive payments. CRF incentive payment recipients are different from non-recipients in ways we can observe in the data and possibly in ways not captured in the data but observed by case managers when deciding whom to offer the incentives. An analysis of the causal effect of CRF incentive payments would require a longer period of analysis and a larger sample of recipients and non-recipients to allow for a quasi-experimental analysis, or the design of an experimental study.

Section 1: Background

Established in September 2019, the Economic Security for All (EcSA) initiative aims to reduce poverty by providing targeted support to low-income individuals, moving participants toward economic self-sufficiency. The program places a strong emphasis on equity, particularly for marginalized populations, such as communities of color, individuals experiencing homelessness, and those facing multiple employment barriers.

Legislative changes have played a big part in the program's development. Initially funded through federal Workforce Innovation and Opportunity Act (WIOA) Statewide Activities (known as "Federal EcSA"), EcSA was expanded in 2022 with state general funds (now referred to as "State EcSA") to expand the program to provide services not compatible with WIOA guidelines, such as incentive payments, housing assistance, and food support. In 2024, the program was codified into state law through House Bill 2230, ensuring its continuation and making it a permanent part of the state's poverty reduction strategy.

The EcSA program is intentionally designed to consider local economic conditions. Local Workforce Development Boards (LWDBs), play a crucial role in delivering EcSA services. LWDBs are responsible for coordinating outreach, enrollment, and the delivery of services; they have significant flexibility in how they design and implement program models to meet the goals of poverty reduction and economic self-sufficiency in their communities.

The program launched with four LWDBs in September 2019. Each board was tasked with developing local solutions to meet the needs of their specific communities. In April 2021, the program expanded to 11 LWDBs thanks to additional federal funding. With the addition of state funding in July 2022, in combination with federal funding, the program expanded to all 12 LWDBs across the state. This expansion allowed EcSA to adapt to the unique needs of diverse populations in urban, rural, and tribal areas. In December 2023, EcSA was enhanced to include Community Reinvestment Funds (CRF) incentive payments, which provide $1,000 per month for participants who made satisfactory progress toward their self-sufficiency goal. The Community Reinvestment Funds also added other elements for community impact including the Community Reinvestment Matched Investment Savings Accounts (MISA) Program and the Community Reinvestment EcSA Business Support and Subsidized Training Program.

The program aims to achieve the following core objectives[2]:

- Help people move out of poverty to self-sufficiency, with a strong focus on equity.
- Bundle workforce, education and social services to stabilize customer's lives.
- Establish and implement customized career plans to reach self-sufficiency.
- Remove barriers at the local, state, and federal levels that prevent coordinated delivery of multiple benefits.

The primary goal of this study is to assess the effectiveness of the EcSA program in achieving its stated objectives. Specifically, the research seeks to determine whether EcSA helps participants improve employment-related outcomes and reach their individualized self-sufficiency income goal. To evaluate this, the study documents program outcomes of EcSA participants and compares the labor market outcomes of EcSA participants with those of individuals enrolled in the WIOA Adult and Youth programs. Additionally, the study explores whether EcSA's holistic approach, particularly the provision of CRF incentive payments, contributes to greater success in helping individuals achieve economic self-sufficiency.

The report begins with an overview of the EcSA initiative, followed by a review of similar programs in Washington and other states to provide context. It then outlines the data and methods used in the study, before presenting an impact evaluation of the EcSA program and an outcome evaluation of the CRF incentive payments. The report concludes with a summary of key findings and recommendations.

Section 2: Overview of the EcSA program

State EcSA (henceforth referred to simply as EcSA) program emphasizes a holistic approach to addressing various challenges faced by low-income individuals. By recognizing the complex, interconnected barriers to economic self-sufficiency, the EcSA program offers a wide range of services that target not only employment-related issues but also broader social, financial, and educational challenges.

[2] More information about these objectives can be found in the Economic Security for All legislative reports available at Workforce Professionals Center - Economic Security for All (EcSA) initiative resources.

This section highlights EcSA's eligibility requirements, enrollment process, key provisions, its emphasis on achieving self-sufficiency and the added feature of Community Reinvestment Funds (CRF) incentive payments.

Eligibility

Eligibility for enrollment in the state EcSA program has significantly expanded since its beginning. At the time of its implementation in 2022, participants had to be eligible to enroll in any of the Workforce Innovation and Opportunity Act (WIOA) Title 1-B programs and have earnings below 200% of the Federal Poverty Line (FPL).[3]

In 2023, the Legislature appropriated additional state funds to expand eligibility to participants whose earnings were above the 200% of the FPL, but whose earnings fell below their individualized self-sufficiency goal (see below), and to those who were determined to be likely to fall into poverty.[4] The law set a limit of $5,000 to the amount of funds that could be spent on each participant who was above the 200% FPL threshold at enrollment.

When EcSA was codified into law in March 2024, the requirement for individuals above 200% of the FPL to be likely to fall into poverty, and the $5,000 spending cap were removed. While there is documentation to track enrollments of individuals who are below and above the 200% FPL threshold, the only requirements to enroll in EcSA at the time of this study were to be eligible to enroll in any of the WIOA Title 1-B programs and have earnings below the personalized self-sufficiency goal. In practice, local areas tend to prioritize individuals who face several barriers to self-sufficiency (such as unstable housing, childcare needs, lack of adequate transportation, lack of support from family or friends, and health issues), and who could therefore benefit more from the range of services that can be provided by EcSA.

Enrollment process

Participation in EcSA begins with outreach and referrals. LWDBs partner with various community organizations, colleges, and government agencies, such as the Department of Social and Health Services (DSHS), to identify eligible individuals. Potential participants are referred from programs like Supplemental Nutrition Assistance Program (SNAP), Basic Food,

[3] In practice, this was set at $34,480, which corresponds to 200% of the FPL for a family of two in 2020.
[4] Engrossed Substitute Senate Bill 5187 (225) (13) (a), Ch 475, Laws of 2023

and Temporary Assistance for Needy Families (TANF), or through co-enrollment with other workforce initiatives. Community colleges often serve as a critical recruitment point, offering direct connections for students seeking financial and educational support.

Participants complete an intake session to learn about program offerings, and to ensure that participation aligns with their goals. Once enrolled, each participant works with a dedicated career coach or navigator to develop an individualized employment plan with an individualized self-sufficiency goal. This plan utilizes tools like the Self-Sufficiency Calculator to map a path toward economic stability and incorporates individual needs, career aspirations, and local labor market dynamics.

Self-Sufficiency Calculator

The EcSA program utilizes the Self-Sufficiency Calculator, which is based on the University of Washington's Self-Sufficiency Standard.[5] This tool calculates the income needed for a household to meet basic expenses without public assistance. It accounts for family size, geographic location, and local costs like housing, childcare, and transportation.[6] Compared to federal poverty measures, it provides a more localized assessment of economic stability.

Due to its ability to more accurately reflect the true cost of living for families across various regions, the Self-Sufficiency Standard has gained widespread popularity among policymakers and researchers.

For EcSA, the calculator guides individualized career plans by setting realistic earnings goals based on participants' unique circumstances. Career navigators use it to align training and employment pathways with labor market demands and participants' financial needs. This tailored approach provides specific benchmarks to understand and measure progress toward leaving poverty.

Throughout this report, the term self-sufficiency refers exclusively to the Self-Sufficiency Standard as defined above.

[5] To learn more about the Self-Sufficiency Standard, see https://selfsufficiencystandard.org/. Seattle-King County Workforce Development Council provides an online calculator at https://thecalculator.org/.

[6] At the time of this report, EcSA uses the self-sufficiency standard tables released for 2020. New tables were issued for 2023 but are not yet used for calculating the self-sufficiency standard for program participants.

Program provisions

EcSA offers a suite of services designed to stabilize participants' lives and prepare them for sustainable employment:

Career Guidance:

- EcSA supports participants in developing an individualized employment plan with a customized self-sufficiency goal. Each plan is tailored to participants' unique skills, challenges and employment goals.
- EcSA regularly updates the individualized employment plans to accommodate evolving participant needs, promoting long-term economic stability and overcoming barriers.

Outreach and referrals:

- EcSA prioritizes equity-focused outreach, working closely with community-based organizations to reach underserved populations, including BIPOC, rural and unhoused.
- Partnerships with agencies like Goodwill and refugee resettlement programs extend EcSA's reach and enhance its ability to address participants' diverse needs.

Workforce development:

- A distinct characteristic of the program is intensive coaching and career navigation. Participants receive personalized guidance to build soft skills, navigate job markets, and access employment opportunities.
- Services also include job readiness training, resume development, and referrals to other resources.

Education and training:

- Participants gain access to training in high-demand fields, with a focus on attaining credentials and skills that lead to living-wage jobs.
- EcSA collaborates with colleges and training institutions to cover tuition, books, and supplies. Financial assistance ensures participants can focus on their studies without the burden of immediate financial constraints.

Supportive services:

- Recognizing that financial and personal stability are critical to success, EcSA provides housing and rental assistance, transportation support, childcare subsidies, and even financial support payments for milestones like taking assessments, completing training or starting a new job.

Section 3: CRF incentive payments and the Community Reinvestment Plan

A key enhancement introduced in December of 2023 is the integration of CRF incentive payments. Funded through a collaboration between Employment Security and the Department of Commerce, these payments aim to:

1. Reward participants for achieving milestones in their career plans, such as completing training or obtaining employment.
2. Support skill development for securing long-term employment.
3. Focus on individuals from Black, Tribal, and Latine communities disproportionately impacted by the war on drugs.

CRF payments address immediate financial pressures, enabling participants to maintain focus on their long-term goals.

The original design of this program involved providing financial incentives of up to $1,000 to support EcSA participants to achieve specific goals aligned with their career plans to self-sufficiency. In consultation with Commerce and in effort to simplify the delivery of incentives in the implementation phase of the program, the structure of the incentive payments was adapted to be a flat $1,000 incentive per month for participants completing goals aligned with their career plans to self-sufficiency. In addition to being easier to implement, a fixed incentive would provide predictability for participants regarding their income (conditional on making progress toward their self-sufficiency goal). This stability and predictability would enable participants to engage in the EcSA program to develop an individualized career plan and obtain employment at a self-sufficiency wage, supported by the opportunity of the incentives.

The CRF incentive payments are part of the broader Community Reinvestment Plan (CRP), which added two additional elements to the EcSA program for broader community impact and for integration of services across programs.[7] The two other elements are the Matched Investment Savings Account (MISA) and the Community Reinvestment EcSA Business Support and Subsidized Training programs. The goal is for these three programs to expand economic opportunities—especially for Black, Latine, and Tribal communities. While a comprehensive analysis of the MISA and Business Support and Subsidized Training programs is out of the scope of this report, the remainder of this section highlights their key components and achievements.

The MISA program allows participants (who must be enrolled in EcSA or any of the Workforce Innovation and Opportunity Act (WIOA) Title 1-B programs) to build savings and achieve their investment goals by providing them with a custodial account that matches their savings at a rate of $2 per dollar deposited. Participants could use earned income or incentive payments to make deposits into the account and draw the matching funds. Data from Employment Security's case management system shows that as of March 2025, 278 participants had enrolled in the MISA program, establishing savings plans for future investments. Their combined matched contributions and incentives totaled $2,683,734, with 205 (74%) of the participants identifying as Black, Latine, and/or Tribal. All participants benefit from ongoing financial education and coaching designed to build the skills needed for effective financial management and long-term savings.

The Community Reinvestment Business Services and Subsidized Training Program aims to support businesses, help them hire participants and help job seekers acquire the necessary skills and experience to secure long-term employment. The program focuses on businesses owned or operated by Black, Latine, and Tribal individuals. Reports from the LWDBs show that this program engaged 6,734 businesses by March 2025 with business services offered through the Workforce Development System. Many of these businesses engaged with the Workforce Development System for the first time. Of these, 550 businesses—85% of which were Black, Latine, and/or Tribal owned or operated—received direct CRP funds in the form of small business grants, equipment purchases, and wage reimbursements. This direct investment of $4,732,382, including just over $3.5 million as small business grants, has spurred new start-ups, bolstered local job opportunities, expanded work-based training, averted potential business closures, and increased overall community wealth.

[7] Community impacts can be seen directly through the testimonies of community members who have benefitted from these programs. These can be found at Community Reinvestment Plan - Washington Workforce Association

Additionally, the infusion of the Community Reinvestment Funds throughout the Workforce Development system has led to the formation of new partnerships and collaborations with community agencies. The 12 Local Workforce Development Boards have contracted more than $2.5 million directly to 36 By-and-For organizations statewide to support the three CRF EcSA initiatives. These collaborations have led to increased outreach and recruitment of participants from Black, Latine, and Tribal communities into EcSA and CRF programs and has brought representatives from these community agencies into the workforce development system to help inform decisions about program implementation and design.

Section 4: Review of similar programs

In this section, we review previous evaluations of EcSA as well as those of programs that share some common components with EcSA. Specifically, we discuss three types of programs: state-level programs with similar functions to EcSA in Washington state, traditional poverty alleviation initiatives in the nation, and wrap-around programs that include comprehensive case management.

Previous evaluations of EcSA

Social Policy Research (SPR) conducted an implementation study, as well as a short-term outcome study of the EcSA initiative using data from participants who were enrolled in EcSA from July 2019 to December 2023.

The implementation study assessed the way EcSA was implemented compared to the way it was intended to operate. It reviewed the documentation and carried out interviews with program staff and participants to identify differences in the way the program was implemented across LWDBs, promising practices, and challenges or areas for improvement.

The short-term outcomes study examined program participants' outcomes up to 4 quarters after exit. As a complement to the implementation study, the outcomes study assessed the extent to which the program reached its objectives and suggested strategies for improvement in areas where outcomes fell short of the objectives.

There are several differences between the evaluations produced by SPR and this study. First, the previous evaluations cover both Federal and State EcSA (in contrast, this evaluation focuses solely on state EcSA) and were produced before the CRF incentive payments were introduced.

Second, the objective of this evaluation is to assess the *causal effect* of enrolling in EcSA. That is, in addition to documenting changes in outcomes, our aim is to determine to what extent those changes can be attributed to the enrollment in the program as opposed to other factors that could be influencing these outcomes (such as the economic environment or the characteristics of program participants).

Finally, the outcomes study produced by SPR uses program exit as the reference to study program outcomes. In contrast, we use quarter of enrollment as the reference point. This approach allows for a comparison with participants enrolled in different programs and for different lengths of time. The reasons for exiting each program are different (for example, employment in the case of the WIOA programs, and self-sufficiency in the case of EcSA), leading to important differences in enrollment length.

Poverty alleviation programs in Washington state

In Washington state, there are three major government programs aimed at reducing poverty through training and employment: WorkFirst, Basic Food Employment Training (BFET), and the WIOA Title 1-B programs. The programs differ in their eligibility criteria, type of services provided, and program target outcomes.

WorkFirst is a program tied to the Temporary Assistance for Needy Families (TANF) welfare program. The goal of WorkFirst is for families to achieve financial independence. To be eligible for TANF, households with children must be in financial need. In Washington state, households qualify for TANF if their earnings are below 67% of the Federal Poverty Level and have less than $12,000 in liquid resources (cash, bank account, stocks, bonds, certificates of deposit). Adults receiving TANF are required to participate in WorkFirst unless exempted.

As in EcSA, participants enrolled in WorkFirst receive an individualized career plan with an earnings goal and bundled program services. It provides job services and referral to other services, among other things. Services for those employed include education and training. For those looking for work, services include help with transportation, job leads, access to resource rooms, job fairs, job preparation, part-time language training (for limited English proficient participants), and short-term training courses. Referrals include services for family planning, family violence, learning disabilities, substance use disorder, mental health services, pregnancy or parenting a child under 12 months, and home visiting and parent support programs.

In state fiscal year (SFY) 2023, WorkFirst served 26,728 clients on average each month.[8] The average cost per participant of the WorkFirst program in 2021-2023 was around $2,562. An impact evaluation of WorkFirst (Dula 2021) found that the program participation increased employment rate by 3.6% and hourly wage by $1.61 one year after program exit compared to participants in the Wagner-Peyser program. On the other hand, three years after program exit, participants experienced a 4.4 percentage-point reduction in employment rates and statistically insignificant wage gains. However, the author notes that the matching between treatment and control groups was poor.

BFET is a program managed by the DSHS and tied to the Supplemental Nutrition Assistance Program (SNAP). The goal for BFET is to help low-income individuals, displaced workers, and employers reach their human potential. To be eligible for BFET, households need to earn under 133% of the Federal Poverty Level and not participate in TANF. Unlike WorkFirst, BFET is not mandatory for individuals receiving SNAP benefits.

BFET services include job search training, supervised job search assistance, educational services, vocational education and skills training. The program also offers case management in all activities, job retention services and wrap-around support services such as transportation and childcare to facilitate successful program completion.

In SFY 2023, BFET served 4,276 clients on average each month. The average cost per unduplicated participant was approximately $4,018. While there was no impact evaluation of BFET, participants who exited in 2016 Q4 had an employment rate of 59% and median hourly wage of $13.74.

WIOA Adult and WIOA Youth are two of the three programs authorized under the Workforce Innovation and Opportunity Act (WIOA) Title 1-B.[9] In the last decade, these programs enrolled on average 20 thousand individuals per year.

In a similar spirit as EcSA, the goal of WIOA programs is to improve the quality of the workforce, reduce welfare dependency, increase economic self-sufficiency, meet skills requirements of employers, and enhance the productivity and competitiveness of the

[8] State fiscal year 2023 ran from July 1, 2022, to June 30, 2023.
[9] The third one, the Dislocated Worker (DW) program is meant for individuals who lost their job and are unlikely to find employment in their industry or occupation because that industry/occupation is in decline in the participant's location. This makes eligibility for the DW program inherently different from that of EcSA and hence we do not include it in this study.

nation.[10] However, the WIOA programs do not provide comprehensive case management with bundled program services (including financial assistance), nor individualized career plan and earnings goals.

To be eligible for the WIOA Adult program, the only requirements are for the person to be 18 years or older, be a US citizen or otherwise legally entitled to work in the US, and, in the case of men, be registered in the Selective Service. While there is no income limit for participating in WIOA programs, the programs must give priority to low-income individuals and those who receive public assistance, veterans (and their spouses), and individuals with significant barriers to full-time employment that leads to self-sufficiency (such as having a disability, unstable housing or lack of a high-school diploma).

In SFY 2023, the WIOA Adult program served 11,989 clients. The total program expenditure was $15,973,648, giving an average cost per participant of $1,332.

An impact evaluation of the WIOA Adult program carried out in 2021 found that the program increased employment rate of participants by 2.4% and hourly wages by $1.18 one year after program exit. Three years after program exit, participants had a statistically significant 0.6% increase in employment rate and an increase in hourly wages of $2.16 (Dula 2021).

The WIOA Youth program is divided into in-school and out-of-school youth. To be eligible as an in-school youth, a participant must be between ages 14 and 21, attending school, be a US citizen or otherwise legally entitled to work in the US, registered for the Selective Service (for males aged 18 and older), and have a family income below 100% of the poverty line. Participants must also meet at least one of the following categories: have basic skills deficiency; be an English language learner; be justice-involved; be homeless or runaway; be in foster care; be pregnant or parenting; have a disability; or be determined to need additional assistance to complete an educational program or secure or hold employment.

To be eligible as an out-of-school youth, a person must be between 16 and 21 years of age, not attending school, be a US citizen or otherwise legally entitled to work in the US, be registered for the Selective Service (for males aged 18 and older), and meet at least one of the following categories: be a school dropout; have received a high-school diploma or GED but is low income and either have basic skills deficiency or is an English language learner; be justice involved;; be homeless or runaway; be in foster care; be pregnant or parenting; have

[10] In their report to evaluate the implementation and early outcomes of EcSA, Social Policy Research Associates (SPR) noted that EcSA could be viewed as "WIOA plus" that complements the typical WIOA and Wagner-Peyser program service provisions.

a disability; be determined to need additional assistance to complete an educational program or secure or hold employment.

In SFY 2023, WIOA Youth served 2,609 clients, with a total expenditure of $17,588,703. The average cost per participant was around $6,742.

An impact evaluation of WIOA Youth conducted in 2021 found that the program increased the participant employment rate by 8.3% and hourly wage by $1.05 one year after program exit. However, they also found a negative effect on employment (-4.8%) and statistically insignificant changes in long-term earnings (three years after program exit). The author suggests that the long-term outcomes could be tied to enrollment in training or post-secondary education (Dula 2021).

While each of these programs has its own eligibility criteria, target population, and services, they all share a common goal: helping participants move out of poverty through employment. In that respect, it is relevant as a first approach to compare program outcomes that are common throughout all of them, such as employment and earnings after program exit.

For participants in the WorkFirst program who exited during program year (PY) 2023, their employment rate two quarters after exit was 54.1% and the median annualized earnings of those employed were $24,304.[11] Participants in the BFET program who exited during PY2023 had an employment rate of 53.8% and median annualized earnings of $25,780. For those who participated in the WIOA Adult program and exited during PY2023, their employment rate two quarters after exit was 61.9% and the median annualized earnings of those employed were $45,060. For those who participated in the WIOA Youth program and exited during PY2023, their employment rate two quarters after exit was 56.7% and the median annualized earnings of those employed were $22,388. As a comparison, EcSA participants who exited in PY2023 had an employment rate of 62.7% two quarters after program exit and those with a job had median annualized earnings of $41,268.

Poverty alleviation programs in the U.S.

Traditionally, poverty alleviation programs have sought to address specific challenge areas with single interventions. Challenge areas include education, employment, housing and health. Common interventions include cash transfers (conditional and unconditional),

[11] This data was obtained from the Workforce Services Performance Dashboard.

vouchers, training and mentorship. Workforce programs that target low-income households have shown positive effects in improving employment and earnings, though it varies by population group (Heinrich, et al. 2013). Cash transfer programs have produced mixed results on employment and earnings depending on the characteristics of beneficiaries (Dahl and Lochner 2012, Aizer, et al. 2016), as well as the program focus (Baird, McKenzie and Özler 2018). Finally, housing initiatives, such as the Moving to Opportunity (MTO) program, have been found to yield positive health benefits, but economic improvement among adult recipients appears limited (Sanbonmatsu, et al. 2011, Chetty, Hendren and Katz 2016).

More recently, research has begun to explore the effectiveness of Comprehensive Case Management (CCM) programs on poverty alleviation.[12] The CCM method, which EcSA initiative adopted, entails a coordinated, holistic approach to deliver a broad range of services (such as workforce, housing, health and financial services), and referring customers to the services they need to achieve their goals. Researchers have found positive impacts for CCM programs such as labor market programs[13] and education programs (Fein and Hamadyk 2018). However, others have found mixed or sometimes negative effects for programs focused on increasing employment and reducing recidivism among justice-involved individuals (Wiegand and Sussell 2016), and homeless prevention programs targeted at families who are at risk of becoming homeless (Phillips and Sullivan 2024). Challenges in CCM implementation include attempting to address too many needs simultaneously, which can dilute program effectiveness, burden participants and undermine their sense of autonomy and confidence (J. L. Doleac 2023). Researchers suggest that tailoring services and focusing on core program strengths may improve outcomes.

Section 5: Data and methods

This report analyzes the outcomes of 4,412 state-funded EcSA participants who enrolled between July 1, 2022 and Sept. 30, 2024. The data was sourced from Employment Security's case management system and unemployment insurance (UI) tax database, and the Self-Sufficiency Calculator database maintained by the Workforce Development Council of Seattle-King County. This Section outlines the data and methods used to conduct the evaluations of the EcSA initiative and the CRF incentive payments.

[12] Appendix 1 includes a summary of the programs that have been evaluated, together with the evaluation results.

[13] See (Barden, et al. 2018, Meckstroth, et al. 2019, Barham, Cadena and Turner 2023, Espinosa, et al. 2024, Evans, Kolka, et al. forthcoming).

Data used in this evaluation

We linked information of EcSA program participants from Employment Security's case management system and UI tax records to obtain a database containing:

1. Self-reported demographic characteristics, such as race, ethnicity, age, gender, zip code of residence, veteran status, disability status, English proficiency and education level at the time of enrollment.[14]
2. All programs managed by the WorkSource Partnership that the participant enrolled in since January 2020, and all WorkSource services received for each program the participant was enrolled in.
3. Quarterly employment, earnings and hours worked from the eight quarters before enrollment in EcSA to up to eight quarters after enrollment.[15]
4. Records of UI claims since January 2020, including number of weeks claimed and total benefits received.

We merge this information with data from the Self-Sufficiency Calculator database maintained by the Workforce Development Council of Seattle-King County. This database contains the self-sufficiency goal of each participant, together with the number of individuals and number of adults living in the household.

Finally, unless otherwise noted, we express all monetary values in terms of 2022 US dollars using the consumer price index (CPI) published monthly by the Bureau of Labor Statistics (BLS).

Methodology

The analysis described in this report consists of two parts. First, we conducted an impact evaluation of the EcSA initiative. This type of evaluation estimates the causal effect of enrolling in EcSA on participants' outcomes, compared to what their outcomes would have been if they had instead enrolled in alternative programs.

[14] Due to how the data is stored, these demographic characteristics only reflect the claimant's characteristics at the time of their most recent update to the case management system, which in some cases may not correspond to the characteristics at the time of enrollment in EcSA.
[15] To account for large outliers in the data, the earnings data were winsorized at the top 1% level within each quarter.

To estimate the impact of EcSA, we used a similar approach as Hernandez et al. (2021). We created a comparison group of individuals enrolled in the WIOA Adult and Youth programs. We chose these programs because of their similarities in terms of eligibility criteria with EcSA. Therefore, it is possible that some EcSA participants would have enrolled in WIOA programs in the absence of the EcSA initiative due to their economic hardship and unfavorable employment circumstances. In fact, during the evaluation period, over 60% of EcSA participants were co-enrolled in these programs. For this reason, WIOA program participants who were not co-enrolled in EcSA formed the baseline group for evaluating EcSA's effectiveness.

The composition of the comparison group was selected using one-to-one nearest-neighbor propensity score matching (PSM) with replacement. This method first estimates a propensity score (that is, a probability of being enrolled in EcSA) for everyone in the sample. This score is created using a logistic regression (in which the dependent variable is an indicator that takes the value of one for EcSA participants and zero for those in the comparison group); the explanatory variables are participants' characteristics: age, gender, race, ethnicity, veteran, disability and housing status, English proficiency, educational attainment, employment and earnings history, LWDB of enrollment, quarter and year of enrollment, previous enrollment in WorkSource system programs and co-enrollment in other programs. After creating the propensity score, the algorithm paired each EcSA participant with the person in the comparison group (those enrolled in WIOA Adult or Youth) who has the closest score. The final sample included 4,412 EcSA participants and 2,640 WIOA participants. The characteristics of the sample, together with tests for balance are presented in Appendix 2.

This approach enabled researchers to construct a comparison group that was, on average, like EcSA participants in terms of observable characteristics. However, some differences were not observable by researchers either because Employment Security's databases do not capture them (like health status), or because they are not measurable (such as resilience). Unobserved differences could influence the outcomes of program participants. To account for unobserved characteristics that do not change over time, we used an event study framework to compare the outcomes of EcSA participants with those of the comparison group before and after enrollment in their respective programs.

Specifically, we estimated the following equation to assess the impact of EcSA on participants' outcomes:

$$Y_{it} = \alpha_i + \beta_t + \sum_{m=-8}^{-2} \delta_m \times EcSA_i \times I(t = m) + \sum_{s=0}^{8} \gamma_s \times EcSA_i \times I(t = s) + \varepsilon_{it}$$

Where Y_{it} is the outcome of interest (employment, earnings, hours worked, etc.) for individual *i* in quarter *t* relative to enrollment, α_i and β_t are individual- and quarter- fixed effects (FEs) respectively. The individual-specific FEs capture factors (both observed and unobserved) about the person that are invariable over time, while the quarter-specific intercepts capture factors common to all individuals during each quarter. $EcSA_i$ is an indicator that takes the value of one if the person is a participant in EcSA and zero if they are a WIOA participant. $I(t = m)$ and $I(t = s)$ are indicators that take the value of one if the given quarter corresponds to each of the quarters before enrollment and after enrollment, respectively.

The parameters of interest are γ_s, which capture the impact of enrolling in EcSA for each quarter from zero to eight since enrollment. Because the comparison group was composed of WIOA participants, these estimates should be interpreted as the differential effect of enrolling in EcSA as opposed to enrolling in the WIOA programs, relative to any difference in outcomes that existed in the quarter prior to enrollment.

This method estimates the causal effect of enrolling in the EcSA program instead of the WIOA program under the assumption that the characteristics that determine which program a person enrolls in (EcSA or WIOA) do not vary over time. Note that we did not observe many of these characteristics. For example, this assumption would be violated if participants with health conditions were more likely to enroll in EcSA and these health conditions later improved, increasing their capacity to find jobs that pay self-sufficiency wages. In that case, the estimates would be capturing both the effect of enrolling in EcSA and the change in health.

There are two shortcomings to this evaluation. First, we cannot estimate the impact of outcomes that do not vary over time or that are measured at a specific point in time (such as whether a person undergoes training or the number of quarters employed 6 quarters after enrollment). This is because the use of individual intercepts (α_i) are crucial to measuring the causal effect of EcSA and these can only be incorporated in longitudinal data.[16]

Second, we can only assess the impact of EcSA as a whole program. In other words, we are unable to identify which component(s) of EcSA have the largest impact on participants' outcomes. Capturing components of the program would have required conducting a randomized trial in which some participants had access to certain services, while others do

[16] Longitudinal data is one that contains multiple observations for the same person. In this case, one observation per individual per quarter.

not and comparing the outcomes of both groups after enrollment. Unfortunately, it was not possible to conduct such study due to logistical and time constraints.

While assessing the impact of specific components of EcSA is not possible, the interagency agreement with the Department of Commerce[17] introduced a new component to the program, namely the CRF incentive payments. Interest from program administrators and policymakers in this component warrants an evaluation to better understand its target population within EcSA and whether it achieves its intended goals. Thus, the second part consists of an outcome evaluation of the Community Reinvestment Funds.

This outcome evaluation tracks program metrics such as number of disbursed payments each month by LWDB, the total number of participants who have received incentives over time and the number of payments received by program participants. We also break down the receipt of payments and the distribution of payments received by the characteristics of program participants, such as race, ethnicity, gender, education and housing status. Finally, we analyze the labor market outcomes of EcSA participants before and after program enrollment, breaking them down by whether they received incentive payments.

The outcomes evaluation outlined above is purely descriptive and any difference in outcomes after enrollment between participants who receive payments and those who do not receive any payments cannot be attributed to the receipt of incentive payments. An impact evaluation is required to carry out such analysis. For this study, an impact evaluation was not feasible because very few participants began receiving CRF incentive payments before April 2024, which resulted in a small group of participants who received payments and a short period to observe outcomes after the receipt of payments. Moreover, LWDBs have implemented various mechanisms and prioritization criteria to allocate incentive payments across EcSA participants, making it hard to establish a comparison group, which is necessary for an impact evaluation.

[17] Contract Number: S24-35501-01

Section 6: Characteristics of EcSA participants and services received

In this Section, we first describe the characteristics of individuals enrolled in EcSA, contrasting them with the characteristics of participants in the WIOA (Adult and Youth) programs. We also show the type of services that participants receive, with a focus on training services.

Demographic and socioeconomic characteristics of EcSA participants

There were 4,412 individuals enrolled in EcSA between July 1, 2022, and Sept. 30, 2024 (as a reference, during the same period, 25,618 individuals enrolled in the WIOA Adult and WIOA Youth programs and were not co-enrolled in EcSA). *Figure 1* shows the number of participants enrolled by each LWDB and the percent of the total number of participants enrolled in the same period. The Workforce Development Council of Seattle-King County enrolled the most participants in EcSA, with over 800 enrollees (18% of the total), followed by Workforce Central (Pierce County) with more than 700 participants (17% of the total), and Workforce Southwest Washington with 538 participants (12% of the total).

Figure 1: Number of enrollments in EcSA between July 1, 2022, and Sept. 30, 2024, and percent of total enrollments by LWDB

Local Workforce Development Board	Enrollments	Percent of total
1. Olympic WDC	274	6.2%
2. Pacific Mountain WDC	461	10.4%
3. Northwest Workforce Council	204	4.6%
4. Future Workforce Alliance (Snohomish)	215	4.9%
5. WDC of Seattle-King County	804	18.2%
6. Workforce Central (Pierce County)	748	17.0%
7. Workforce Southwest Washington	538	12.2%
8. Skillsource Regional Workforce Board (North Central)	201	4.6%
9. South Central Workforce Council	190	4.3%
10. Eastern Washington Partnership WDC	89	2.0%
11. Benton Franklin WDC	312	7.1%
12. Spokane Workforce Council	376	8.5%
Total	**4,412**	**100.0%**

Figure 2 shows the geographic distribution of participants by county of residence.[18] The majority of program participants are in western Washington, particularly in King and Pierce counties (which together account for one third of all participants), followed by Spokane, Cowlitz and Thurston counties with between 250 and 500 participants. Other counties with more than 100 participants include Benton, Snohomish, Yakima, Clark, Kitsap and Whatcom.

Figure 2: Distribution of EcSA participants in the sample by county

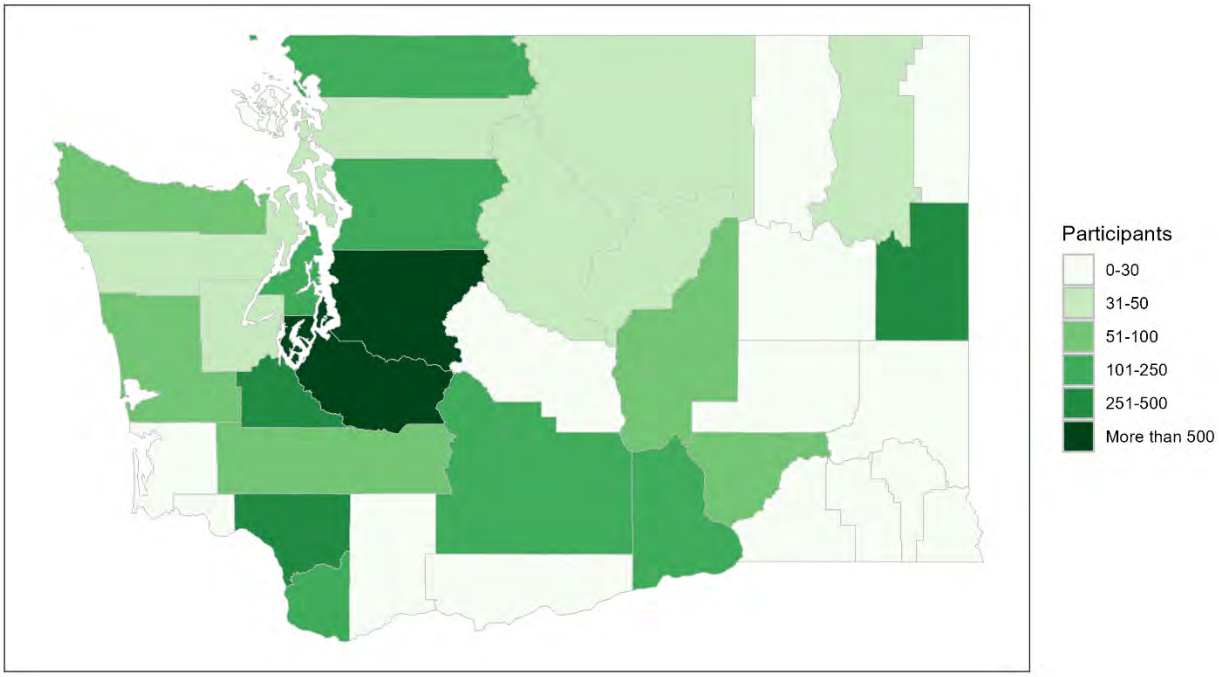


Figure 3 shows the demographic, socioeconomic and program participation characteristics of EcSA participants in the sample.[19] For reference, the figure also shows the characteristics of individuals enrolled in the WIOA programs (and not co-enrolled in EcSA) over the same period and those of the population of Washington state from the 2022 American Community Survey.[20]

[18] County of residence is determined based on the ZIP code of the program participant. 111 participants did not have a valid ZIP code, so they are not included in this map.
[19] Note that 86.3% of EcSA participants are co-enrolled in other programs, including WIOA. These participants are only considered part of the EcSA sample. Summary statistics for WIOA participants change only slightly when including those co-enrolled in EcSA.
[20] A table that also includes the summary statistics for all WIOA Adult and Youth program participants enrolled during the study period can be found in Appendix 2.

Figure 3: Summary statistics of EcSA sample participants, WIOA Adult and Youth participants enrolled during the study period and Washington state population in 2022

Figure 3.a.: Demographics

Statistic	EcSA	WIOA Adult and Youth	2022 ACS
Male (%)	51.5	52.6	50.5
Age at enrollment (years)	36.9	40	-
White (%)	50.5	62.9	65.9
Black/ African American (%)	16.3	6.5	4.0
Asian (%)	8.4	9.5	9.8
Native Hawaiian/ Pacific Islander (%)	1.7	1.6	0.7
American Indian/ Alaska Native (%)	2.0	1.6	1.3
Two or more races (%)	5.6	4.6	12.6
Race unknown/ Declined to identify (%)	15.4	13.3	-
Hispanic any race (%)	19.1	10.1	14.0
Disabled (%)	16.2	13.3	13.5
Veteran (%)	4.3	6.4	7.7
Limited English Proficiency (%)	16.9	9.4	7.9
High school diploma or less (%)	70.2	57	50.5
Homeless (%)	11.3	6.1	2.0*
Participants	4,412	24,724	7,785,786

Figure 3.b.: Program enrollment characteristics

Statistic	EcSA	WIOA Adult and Youth	2022 ACS
Co-enrolled in other program(s) (%)	86.3	38.4	-
Co-enrolled in other program(s) (%)	86.3	38.4	-
Ended enrollment (%)	59.8	95.3	-
Enrollment duration (weeks)	22.3	7.7	-
Number of services received	9.7	2.8	-
Number of services received (including co-enrolled programs)	26.7	10.7	-
Ever enrolled in training (%)	30.2	11.4	-
Ever enrolled in training (including co-enrolled programs) (%)	50.7	13.0	-
Participants	4,412	24,724	7,785,786

Note: Data from the American Community Survey corresponds to Table DP05 "ACS Demographic and Housing Estimates" for the entire population of Washington. (*) means that the data was obtained from the Department of Commerce "Snapshot of Homelessness in Washington State for July 2022." Follow this link to view the report data on their site.

Among EcSA participants, 51.5% were men, like the percentage of men enrolled in WIOA (52.6%) and the percentage of men in the state (50.5%). EcSA participants were on average 36.9 years of age when they enrolled. This compares with 40.0 years among WIOA participants.

In line with one of EcSA's goals to focus on traditionally marginalized communities, only 50.5% of EcSA participants identified as white, more than 10 percentage points less than the corresponding percentage among WIOA participants (62.9%), and more than 15 percentage points fewer than the percentage of white individuals in the state (65.9%). On the other hand, 16.3% of EcSA participants identify as African American, compared to 6.5% of the WIOA programs participants and 4.0% in Washington state.

The percent of EcSA participants of other races were closer to those of WIOA participants and show meaningful but smaller differences with the population of Washington state. Among EcSA participants, 8.4% identified as Asian (9.5% among WIOA participants and 9.8% in Washington state), 2.0% identified as American Indian or Alaska Native (versus 1.6% in WIOA and 1.3% in the state), 1.7% identified as Native Hawaiian or Pacific Islander (compared to 1.6% in the sample of participants in the WIOA programs and 0.7% in Washington state), and 5.6% reported two or more races (versus 4.6% in the sample of WIOA participants and 12.6% in the state). Finally, 15.4% of EcSA participants did not report any race, slightly more than participants in the WIOA programs (13.3%).

Regarding the ethnic composition of program participants, 19.1% of individuals enrolled in EcSA identified as Hispanic, close to twice as many as those in the WIOA programs who do so (10.1%). While this figure is also higher than the persons of Hispanic origin in Washington state (14.0%), it is like the share of Hispanics among the population whose income is below the poverty line (20%). Together with the race composition of the sample of participants, these statistics are consistent with EcSA's goal of focusing on traditionally marginalized and underserved populations.

In terms of disability status, 16.2% of EcSA participants reported having a disability, compared to 13.3% of among WIOA participants and 13.5% state-wide. In turn, 4.3% of EcSA participants reported being a veteran, more than two percentage point less than WIOA participants (6.4%), and more than three percentage points less than in Washington.

EcSA participants were much more likely to report having limited English proficiency than WIOA participants and individuals in Washington state (16.9% vs 9.4% and 7.9%, respectively). In addition, 70.2% of participants earned a high school diploma at most. This figure is 13 percentage points higher than that of the sample of matched WIOA participants (57.0%), and almost 20 percentage points higher than those of the state population (50.5%).

Finally, 11.3% of EcSA participants were unhoused at the time of enrollment, close to twice as many as those enrolled in the WIOA programs (6.1%), and almost six times as high as the percentage of people experiencing homelessness in the state (2.0%).

Overall, comparing the race, ethnicity and socioeconomic characteristics of EcSA participants to those of WIOA Adult and Youth participants to those of the population of Washington, there is support for the focus of EcSA on traditionally marginalized and underserved groups.

Regarding program participation characteristics, 86.3% of EcSA participants were co-enrolled in other programs (almost 75% of which correspond to co-enrollments in the WIOA Adult or Youth programs), compared to 38.4% of WIOA participants enrolled during the study period.

A lower percentage of EcSA participants in the sample exited the program than participants in the WIOA Adult and Youth programs (59.8% versus 95.3%). EcSA participants also spent more time enrolled in their program, with an average of 22.3 weeks (approximately five months) compared to 7.7 weeks for matched WIOA participants. The longer length of enrollment reflects EcSA's goal of helping individuals achieve self-sufficiency rather than just finding employment, as the other programs do.

In terms of services provided exclusively through the respective programs (including career services, supportive services, training, financial support payments, work experience and mentorship), EcSA participants receive on average 9.7 services, more than three times as many as matched WIOA participants (2.8). When we consider services provided through all other programs the participants were co-enrolled in, EcSA participants received on average 26.8 services, more than twice as many as WIOA participants (11.4).

When focusing on training, 30.2% of EcSA participants enrolled in training, compared to 11.4% of WIOA participants. When we consider all the programs that participants were enrolled in at the same time, the share of participants that underwent training increased to 50.7% and 13.0%, respectively.

Services received during enrollment in EcSA

Individuals enrolled in EcSA have access to career, supportive and training services. *Figure 4* shows the average number of services that participants received exclusively through EcSA, broken down by service type.

Figure 4: Average number of services received by EcSA participants through EcSA and distribution across service type

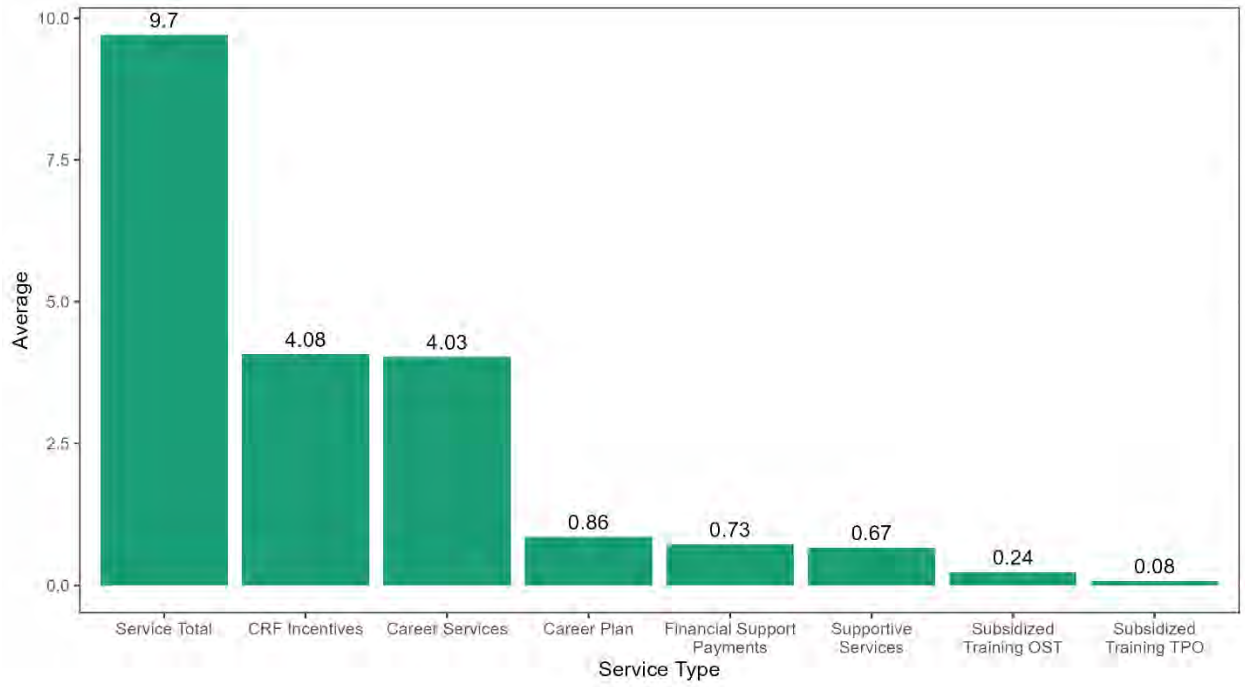


Figure 4 indicates that the average participant received almost 10 services through EcSA during their enrollment. Of these, four services, on average, correspond to career services such as resume assistance, job referrals, career guidance, among others. Additionally, almost all participants developed a career plan through EcSA that outlines steps toward their individualized self-sufficiency goal (since all participants in EcSA develop an individualized career plan, those who did not receive this service through EcSA received it through a program they are co-enrolled in).

Participants also received on average four CRF incentive payments and 0.73 financial support payments. CRF incentive payments are funded through the Department of Commerce's Community Reinvestment Plan and provide $1,000 per month to participants for making satisfactory progress toward their self-sufficiency goal, such as completion of training, participation in workshops or obtaining employment that pays a self-sufficiency wage. On the other hand, financial support payments are part of EcSA's funding, and they

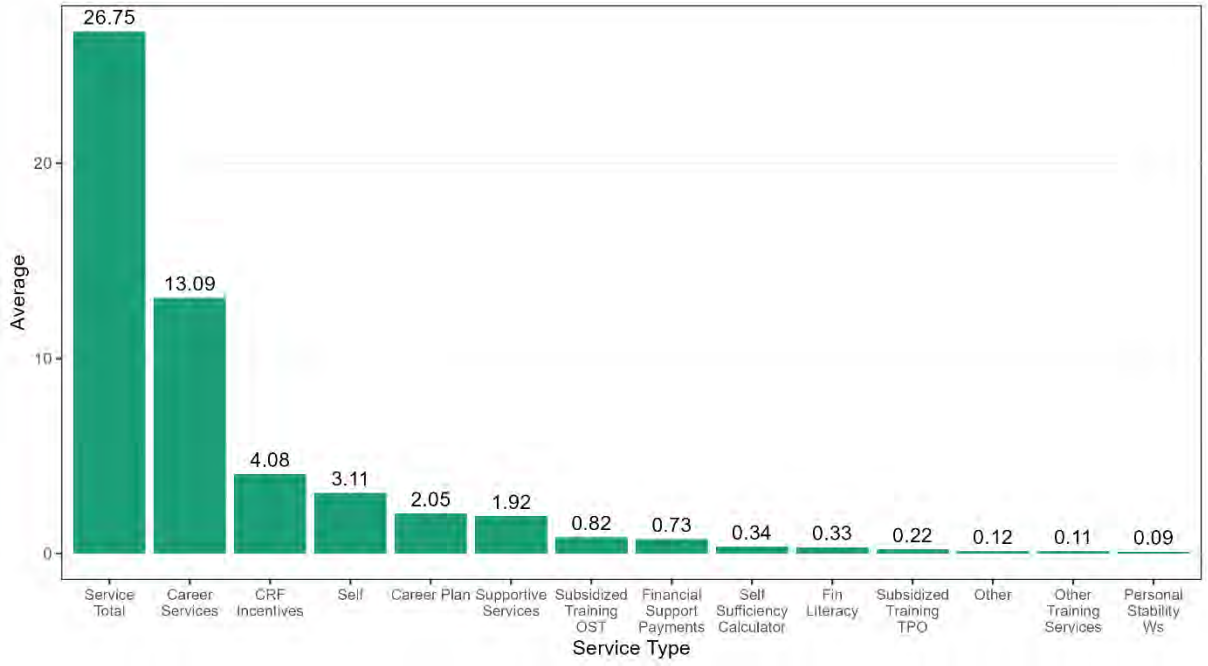
were implemented by some LWDBs when EcSA started. LWDBs have discretion about the amount provided through financial support payments, the conditions to provide them and the groups that are prioritized. Considering that participants stay in the program for five months on average, and that no more than one incentive payment can be provided per month, participants received incentive payments throughout most of their enrollment.

Finally, participants received on average 0.32 training services in the form of occupational skills training or training paid by others. This is in line with the average number of EcSA participants who underwent training presented in the previous subsection.

The majority of EcSA participants were referred to and co-enrolled in other programs depending on the services they needed. Therefore, the number of services received through EcSA can significantly underestimate the number of services that participants receive during their time in enrollment. *Figure 5* shows the total number of services received by program participants across all programs they were co-enrolled in, broken down by service type.

EcSA participants received an average of 26.75 services, almost half of which were career services. Almost ten of these were specific to EcSA while the remaining 16.75 were provided through other programs. On average, participants received 3.1 self-services and four CRF incentive payments. (Because CRF incentive payments are only available through EcSA, this figure is unchanged from *Figure 4*). Participants also received services including career plans, supportive services, occupational skills training and financial support payments.

Figure 5: Average number of services received by EcSA participants through all programs and distribution across service type



Participation in training

EcSA covers the full cost of training for participants who enroll in training that leads to jobs paying self-sufficiency wages. As reported in *Figure 3*, more than a third of participants in the sample enrolled in some form of training; this was 50% more than the number of participants in the WIOA Adult and WIOA Youth programs who did so. Within the sample, there was considerable variation in training enrollment and the fields of training selected by participants.

Figure 6 shows the percentage of participants that underwent training by demographic and socioeconomic characteristics.

White participants were almost six percentage points (18%) more likely to enroll in training than non-white participants. On the other hand, there was no difference in training attendance by ethnicity: 35% of both Hispanic and non-Hispanic participants enrolled in training.

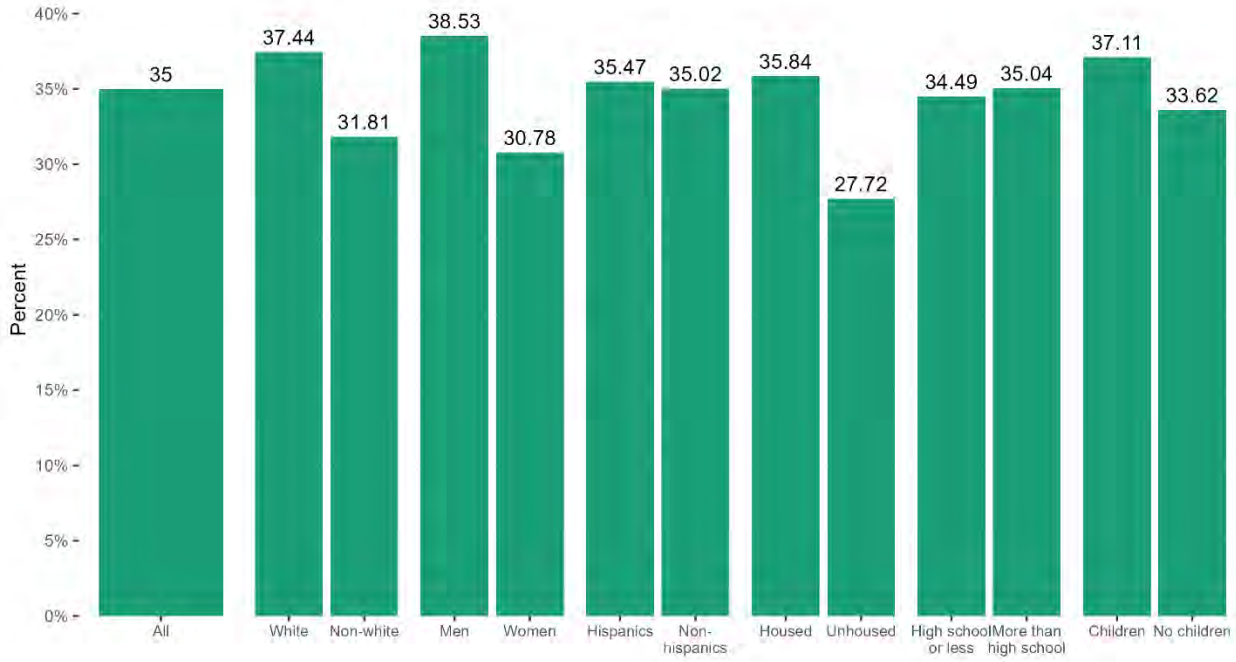
Male participants were more likely to enroll in training than female participants; 30.8% of women enrolled in training, while the figure for men was 38.5%. Appendix *Figure 3*.3 reveals that enrollment in Commercial Driver's License (CDL) training accounted for a significant portion of men's participation.

Unhoused participants were eight percentage points less likely than those with housing at the time of enrollment to undergo training (35.8% to 27.7%). It is possible that this difference is due to many unhoused participants facing more barriers and more pressing issues that need to be addressed before they could enroll in training.

When looking at the percent of participants enrolled in training by level of education, those with a high school diploma or less were just as likely to undergo training than participants with an associate's degree or higher (34.5% and 35% respectively). This is interesting, considering that those with at most a high school diploma could benefit more from additional training than those who already have a tertiary education. On the other hand, it may be that participants with lower levels of education are less familiar with the institutions that offer training or do not feel comfortable attending them.

Finally, EcSA participants with children were almost four percentage points more likely than those without children to enroll in training (37.1% and 33.6% respectively).

Figure 6: Percent of EcSA participants who underwent training, by participants' demographic and socioeconomic characteristics

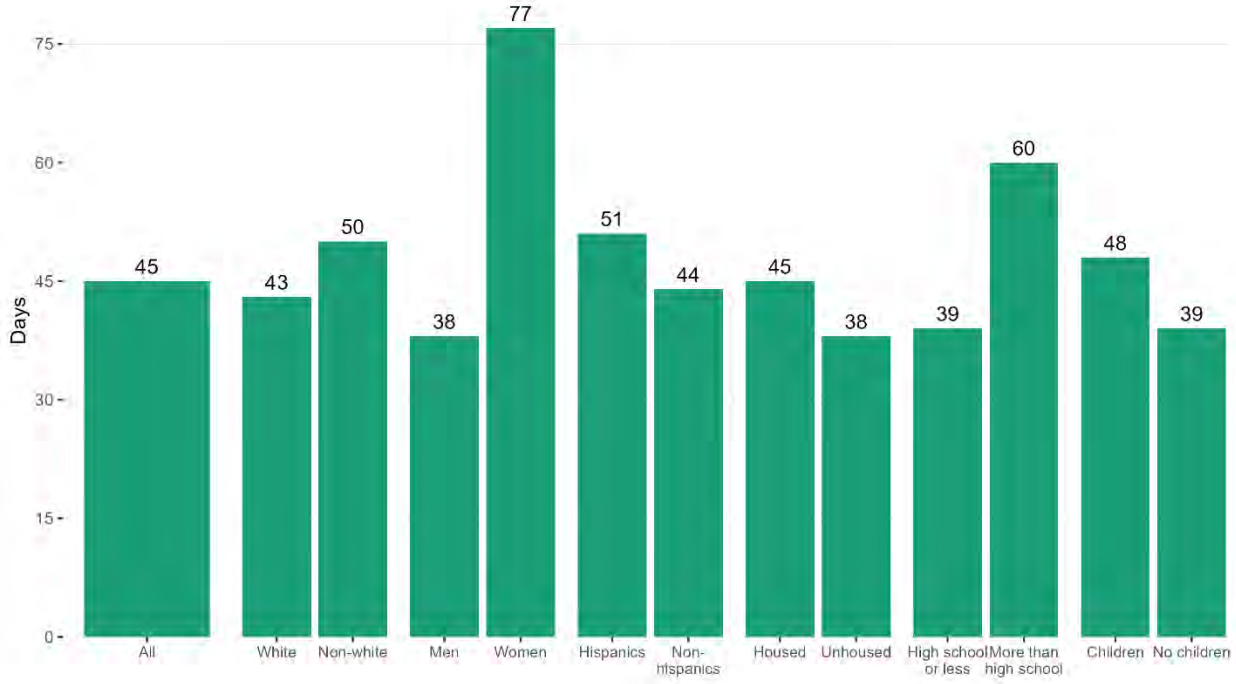


Training duration

Figure 7 reports the median duration of training (in days) for those who enrolled in training, broken down by participants' characteristics.

The median training length was 45 days. However, there were certain differences in the median training duration by participants' characteristics. The largest difference was by gender: the median training length for women was 77 days, twice that of men (38 days). Another notable difference was by education: those with an associate's degree or higher enrolled in training with a median duration of 60 days, while participants with at most a high school diploma enrolled in training with median duration of 39 days. Smaller differences in training duration can be observed by family structure (48 days among those with children, versus 39 days for those without children), housing status (45 days for those with a stable residence, versus 38 days for those unhoused at enrollment), ethnicity (51 days for Hispanics and 44 days for non-Hispanics), and race (non-white participants enroll in training with median duration of 50 days, while white participants enrolled in training with median duration of 43 days).

Figure 7: Median duration of training of EcSA participants who underwent training, by participants' demographic and socioeconomic characteristics



Fields of training

Figure 8 shows the training fields that participants enrolled in and the number of program participants enrolled in each training field. Commercial Driving License (CDL) certification is the field that attracted the largest number of participants (470, or 30.7%), followed by healthcare (with almost 300 participants enrolled, which constituted 19.6% of those who enrolled in training). Training in fields related to housing and construction, computer

science, manufacturing, health administration, management, social services, personal care, accounting and automation had between 20 and 70 enrollees each (between 1.4% and 4.6% of the total). Finally, 140 EcSA participants enrolled in training in other fields (9.2%), and 247 (16.2% of all training enrollees) enrolled in training courses that could not be catalogued due to lack of details.[21]

There are some differences in the distribution of training fields by participant characteristics. These are shown in Appendix 3, and can be summarized as follows:

- White participants were more likely to undergo training in commercial driving than non-white participants; they are less likely to undergo training in healthcare, computer science and manufacturing.
- Hispanic participants were more likely to undergo training in healthcare and in more diversified fields (grouped into the "Other" category).
- Almost 50% of men who underwent training enrolled in commercial driving. Men were also more likely than women to undergo training in housing and construction and manufacturing. On the other hand, 40% of women who underwent training did so in the healthcare sector and were more likely than men to undergo training in health administration and management.
- Unhoused participants were less likely to undergo training in commercial driving, but more likely to undergo training in manufacturing, healthcare, housing and other fields than individuals with stable housing. Also, for a larger proportion of unhoused participants who underwent training, their training field was missing.
- Participants with at most a high school diploma as their highest degree were more likely to enroll in training in commercial driving, housing and manufacturing than participants with an associate's degree or higher. On the other hand, they were less likely to enroll in training in computer science.
- Participants with children were slightly more likely to undergo training in commercial driving and healthcare than those without children; they were less likely to undergo training in housing and construction and manufacturing.

[21] "Training area missing" refers to the number of the participants who received training, but whose training course information is not available in ETO.

Figure 8: Number of participants who underwent training in each field and percent of total participants who underwent training

Training field	Enrollees	Percent of total enrollees in training
CDL	470	30.7%
Healthcare	299	19.6%
Housing and Construction	71	4.6%
Computer science	65	4.3%
Manufacturing	61	4.0%
Health administration	40	2.6%
Business/ Management	39	2.6%
Social services	29	1.9%
Automation and Mechanics	24	1.6%
Personal care	23	1.5%
Accounting	21	1.4%
Other	140	9.2%
Training field missing	247	16.2%
Total	**1,529**	**100.0%**

Section 7: Evaluation of the EcSA program

In this Section, we first describe and show the evolution of the main outcomes of the 4,412 participants enrolled in EcSA between July 1, 2022, and Sept. 30, 2024, before and after program enrollment. Then, we present the causal effect of enrolling in EcSA on participants' labor market outcomes.

Labor market outcomes of EcSA participants

This report focuses on several outcomes relevant for measuring the effectiveness of the EcSA program to move participants toward self-sufficiency and the potential mechanisms through which this is happening. These outcomes are:

- Employment
- Industry of employment
- Earnings, both measured in constant US dollars and relative to participants' self-sufficiency goal
- Hours worked
- Wages, both measured in constant US dollars and relative to participants' self-sufficiency wage[22]

These outcomes were measured from eight quarters before enrollment in EcSA and up to eight quarters after enrollment.[23]

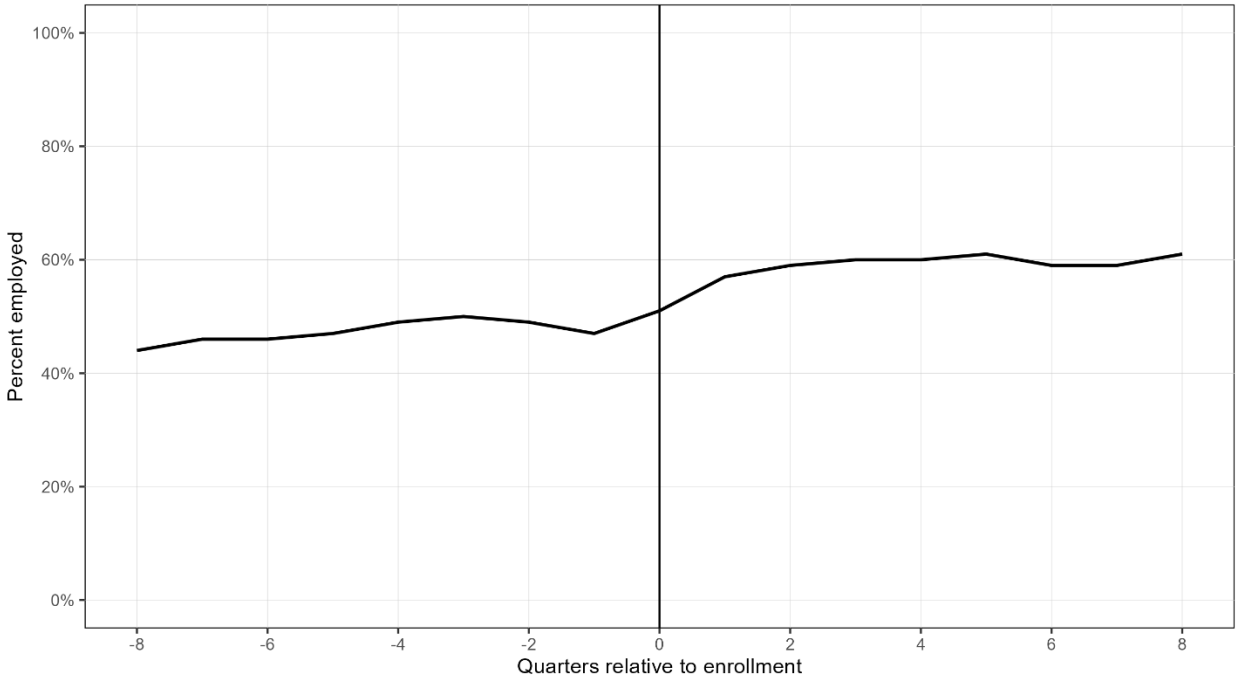
Figure 9 shows the percentage of EcSA employed at any point in the quarter for each quarter relative to their enrollment in the program. Employment is inferred from wage records: a participant is considered employed each quarter they have a wage record.

Before enrollment in EcSA, fewer than 50% of participants were employed. While the percentage of employed participants increased over time, it did so slowly (over 40% of participants were employed eight quarters before enrolling in the program). In the quarter of enrollment and the first two quarters after enrollment, the percentage of employed EcSA participants increased rapidly, resulting in 60% of participants being employed by the second quarter after enrollment. After that, the employment rate remained stable around 60%.

[22] The self-sufficiency wage is calculated using the methodology employed by the University of Washington's self-sufficiency calculator, which divides the self-sufficiency goal (expressed in annual terms) by 2,112 hours, which corresponds to a full-time employment (8 hours per day, 5 days per week).

[23] Since State EcSA started in quarter 3 of 2022 and our data extends up to quarter 4 of 2024, we only observe 8 quarters of post-enrollment data for those enrolled on or before Dec. 31, 2022.

Figure 9: Employment rate of sample participants by quarter of enrollment in EcSA



While an increase in the employment rate is a positive outcome, it does not depict the full picture of employment changes for EcSA participants. In any given quarter, participants can find employment, lose their jobs or move from one job to another.

In Appendix *Figure 4.1* we show that there was a peak in the percentage of EcSA participants who became employed or changed jobs in the quarter after enrollment in EcSA, while the peak for the percentage of participants who separated from their jobs occurred during the quarter of enrollment.[24] This may suggest that EcSA helps unemployed participants find new jobs and also helps participants transition to (potentially better) jobs.

EcSA's goal is for participants to become self-sufficient. This is achieved not just by finding a job, but through finding a job that pays participants more than their self-sufficiency goal. LWDBs set quarterly targets of participants to be placed in employment that pays a self-sufficiency salary. In *Figure 10*, we present the number of program participants whose earnings are above their self-sufficiency goal in each LWDB during each program year, next

[24] In Appendix *Figure 4.2* we also show that after participants enroll in EcSA, there is an increase in the share who work in the Healthcare and Social Assistance sector, as well as in the Transportation and Warehousing sector.

to the target for the corresponding program year.[25] Note that for program year three the information is limited to quarters one and two; we have also suppressed certain cells to maintain the confidentiality of participants. An additional caveat is that there may be a delay of one quarter between when a participant starts a job that pays a self-sufficiency wage and when our wage records reflect earnings above that threshold – especially if the participant found the job late in the quarter.

About half of the LWDBs met their targets in program year one, and on aggregate the number of individuals with earnings above their self-sufficiency goal was slightly below target. However, this reversed in program year two, and by the first half of program year three all LWDBs are exceeding their targets by a significant margin.

Figure 10: Number of partcipants reaching self-sufficiency and program target, and program year

LWDB	Year 1 Actual	Year 1 Target	Year 2 Actual	Year 2 Target	First Half Year 3 Actual	First Half Year 3 Target
1. Olympic WDC	24	14	41	81	34	0
2. Pacific Mountain WDC	44	34	56	52	63	11
3. Northwest Workforce Council	*	3	31	37	22	10
4. Future Workforce Alliance (Snohomish)	*	51	43	39	26	16
5. WDC of Seattle-King County	64	34	96	55	66	15
6. Workforce Central (Pierce County)	44	69	69	77	71	6
7. Workforce Southwest Washington	32	86	116	64	61	34
8. Skillsource Regional Workforce Board (North Central)	*	20	*	35	49	7
9. South Central Workforce Council	*	22	33	45	*	20
10. Eastern Washington Partnership WDC	*	0	*	26	*	24
11. Benton Franklin WDC	24	36	38	35	39	12
12. Spokane Workforce Council	37	8	82	34	49	6
Total	**318**	**377**	**644**	**580**	**504**	**161**

Note: Program Year 1 was Jul. 2022 – Jun. 2023, Program Year 2 was Jul. 2023 – Jun. 2024, and the first half of Program Year 3 was Jul. 2024 – Dec. 2024

Asterisks denote cells that were suppressed to maintain the confidentiality of participants. Participants are counted as reaching self-sufficiency in the first quarter in which their earnings records are above their individualized self-sufficiency goal expressed in quarterly terms.

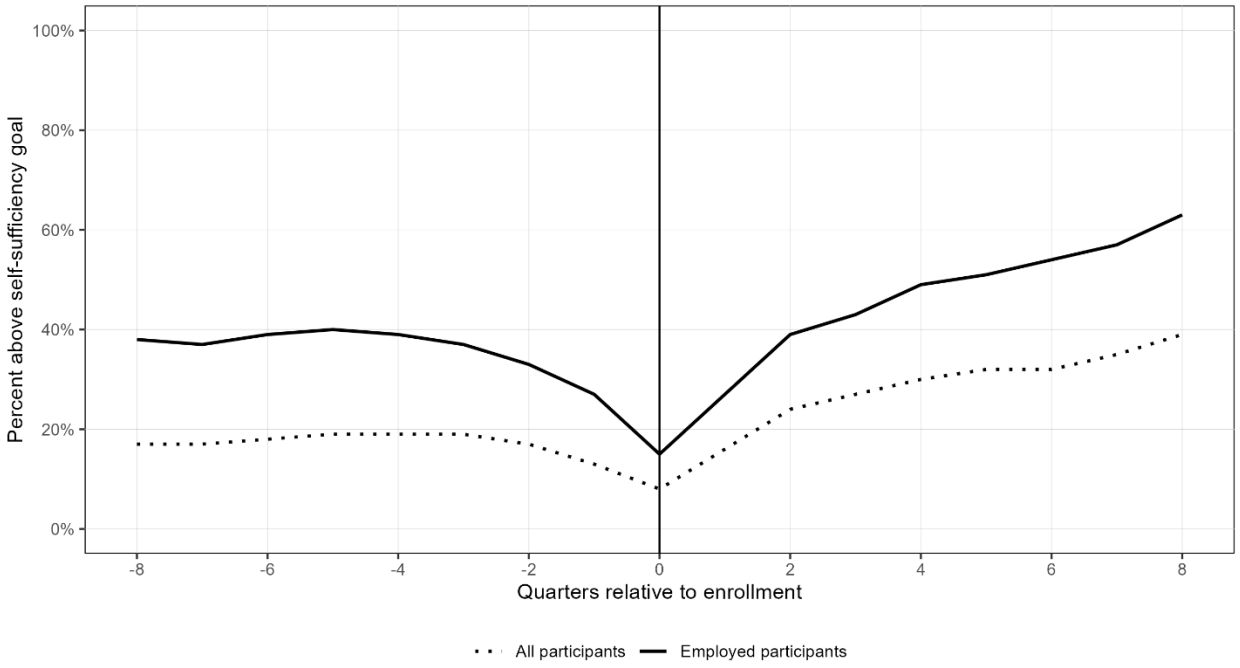
In addition to this comparison of actuals and targets, we can track what proportion of program participants have earnings above their self-sufficiency goal for each quarter relative

[25] The self-sufficiency goal produced by the self-sufficiency calculator is expressed in dollars per month per household. For this analysis, the self-sufficiency goal was converted into a quarterly value per adult in the household to express them in the same unit of observation as our wage records.

to their quarter of enrollment in EcSA.[26] This measure gives a longer-term and dynamic perspective of the evolution of participants' outcomes and a sense of how long it takes for participants to reach self-sufficiency. This is shown in *Figure 11*.

The share of participants reaching their self-sufficiency goal increased over time after enrollment. By quarter 8 (two years) after enrollment, 40% of all participants, and more than 60% of employed participants, had earnings above their self-sufficiency goal. This is a 20-percentage point increase compared to pre-enrollment peaks; it also means that more than half of program participants had not yet reached their self-sufficiency goal even after six quarters.

Figure 11: Percent of study participants with earnings above their individualized self-sufficiency goal, by quarter relative to enrollment in EcSA



The self-sufficiency calculator provides both a self-sufficiency goal in terms of annual household income and a self-sufficiency wage, expressed in dollars per hour. This wage represents the minimum hourly wage that each adult in the household would have to make to become self-sufficient if they worked 40 hours a week.

[26] The evolution of earnings relative to the quarter of enrollment in EcSA is presented in Appendix *Figure 4.3*

Figure 12 compares participants' nominal wages to their self-sufficiency wage to determine what percentage of participants earned a wage above their self-sufficiency wage each quarter relative to their enrollment in EcSA.

Over time, an increasing portion of participants reached or exceeded their self-sufficiency wage. By quarter four after enrollment, 80% of employed participants (almost 50% of all EcSA participants) were earning a wage that was above their self-sufficiency wage; this figure increased to 85% in quarter seven after enrollment.

Two things should be noted. First, as shown in Appendix *Figure 4.4*, real wages among employed EcSA participants hovered around $25 between the quarter of enrollment and quarter 3 after enrollment. Thereafter, wages began to increase steadily (only falling slightly in quarter seven after enrollment), reaching almost $29 in quarter eight after enrollment.

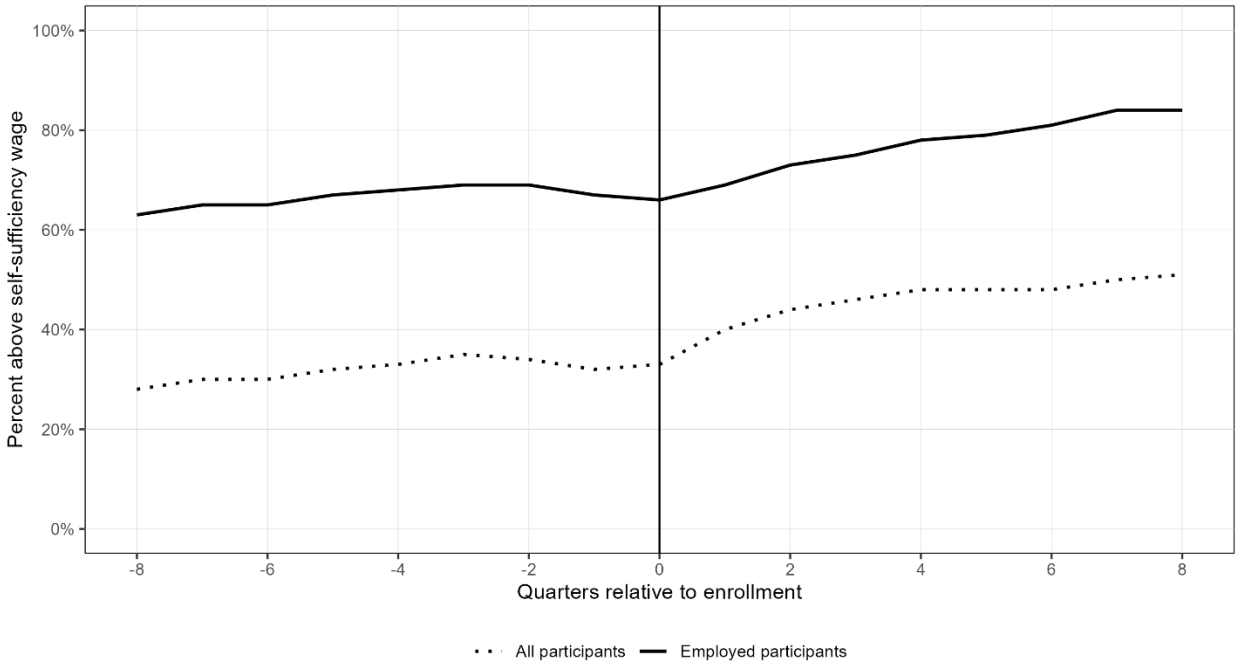
Second, the percentage of participants who reached their self-sufficiency wage was about 20 points higher than the percentage of participants who reached their self-sufficiency earnings goal (*Figure 11* above). This indicates that a sizable group of participants earned a wage that would allow them to become self-sufficient, but did not work enough hours for their hourly earnings to reach their self-sufficiency goal. This is evidenced in Appendix *Figures 4.5* and *4.6*.

Appendix *Figure 4.5* shows the average quarterly hours of work of program participants. Between quarters two and eight after enrollment, the average number of work hours per quarter was between 200 and 240 hours (equivalent to between 3 and 3.6 hours per day of work, assuming participants worked the entire quarter and a five-day workweek). Among those employed, average work hours per quarter ranged between 330 and 390 (equivalent to between 5 and 5.85 hours per day, assuming work during the whole quarter and a five-day workweek).[27] In turn, Appendix *Figure 4.6* tracks the percentage of participants who work full-time and part-time.[28] It shows that by quarter eight after enrollment, 43.6% of employed participants (26.6% of all participants) were part-time workers.

[27] While there is no official definition of full-time employment, the IRS considers full-time employees those who work at least six hours per day, five days a week or 130 hours per month. Note that the Self-Sufficiency Standard uses eight hours per day on a five-day week to calculate the self-sufficiency wage. The percentage of full-time workers would be smaller if we used eight hours per day as the reference for full-time work.

[28] Note that our data is available at the quarterly level. When we convert the data to a monthly level we assume that participants worked the entire quarter, which may not always be the case. Some participants with temporary jobs or who started or ended work in the middle of a quarter may be classified as part-time workers even though they worked full-time while they were employed.

Figure 122: Percent of study participants with wages above their individualized self-sufficiency wage, by quarter relative to enrollment in EcSA



Labor market outcomes **by participants' characteristics**

The outcomes presented above correspond to the whole population of EcSA participants. However, EcSA's strong focus on equity makes it important to analyze whether and how these outcomes differ by key characteristics of participants. While any difference in outcomes cannot be attributed to the program itself, it could signal the need for further action to achieve its goal.

We find the following differences in outcomes based on participants' demographic and socioeconomic characteristics:[29]

- Non-white participants had slightly higher employment rates than white participants both before and after enrolling in EcSA. Earnings, hours of work and wages were similar for both groups, but a higher proportion of white participants than non-white participants reached their self-sufficiency goals. One contributing factor could be

[29] Figures supporting these summaries are in Appendix 5.

that white participants have lower self-sufficiency goals compared to non-white participants.[30]

- Hispanic participants were more likely to be employed than non-Hispanic participants both before and after enrolling in EcSA. While average earnings and hours worked were similar for both groups in the first three quarters after enrolling in EcSA, Hispanic participants achieved higher earnings and worked more hours than non-Hispanic participants afterwards. As a result, a slightly higher proportion of Hispanic participants reached their self-sufficiency goals starting in quarter four after enrollment.
- Women were more likely to be employed than men both before and after enrolling in EcSA and the gap widened after enrollment. However, on average, employed men had higher earnings, worked more hours and had slightly higher hourly wages than women, both before and after enrollment. As a result, this study exposed a persistent difference of around 20 points in the percentage of men who reached their self-sufficiency goals compared to the percentage of women who reached their goals.
- For participants unhoused at the time of enrollment, employment rates were lower before and after enrolling in EcSA than for those with a permanent residence. Earnings, hours worked and wages were consistently lower, and the gap persisted after six quarters since enrolling in EcSA. A lower proportion of unhoused participants reached their self-sufficiency goals.
- Participants with at most a high school diploma were more likely to be employed at the time of enrollment than those with an associate degree or higher, but this difference disappeared by the third quarter after enrollment. While average hours of work were similar across education levels, participants with higher education degrees had higher average earnings and wages (although the gap shrank from $8 to $3.5 per hour, or more than 50% after enrollment in EcSA), and a higher proportion reached their self-sufficiency goals after enrollment.
- Labor market outcomes for participants with and those without children were closely alike, both before and after enrollment in EcSA (participants with children had slightly higher average earnings per quarter). However, because self-sufficiency goals were determined in part based on household structure, there was a persistent gap of

[30] Note that the self-sufficiency goal only considers family size and county of residence. In our sample, white participants are more likely to live in rural areas than non-white participants (17% vs. 8%). White participants also live in slightly smaller families than non-White participants (2.14 vs 2.2 members) and are less likely to have children (40.0% vs. 41.4%). These factors may explain why the self-sufficiency goal for white participants is lower, although determining the actual cause of this gap is beyond the scope of this study.

approximately 20 points in favor of participants without children in the percentage who have reached their self-sufficiency goal.

- Participants who underwent training during their enrollment in EcSA had similar employment levels as those who did not undergo training before enrollment. In the first two quarters after enrollment, participants who did not undergo training had slightly higher employment rates, but starting in quarter three after enrollment, the employment rates of participants who underwent training were between three and seven percentage points higher than those who did not undergo training. Quarterly earnings and hours of work were similar between the two groups until quarter one after enrollment, but by quarter two after enrollment earnings and hours of work were higher for those who underwent training. By quarter eight after enrollment, employed participants who underwent training earned on average $3,600 more than those who did not undergo training. This resulted in a difference of almost 20 percentage points in the proportion of employed participants whose earnings were above their self-sufficiency goals.

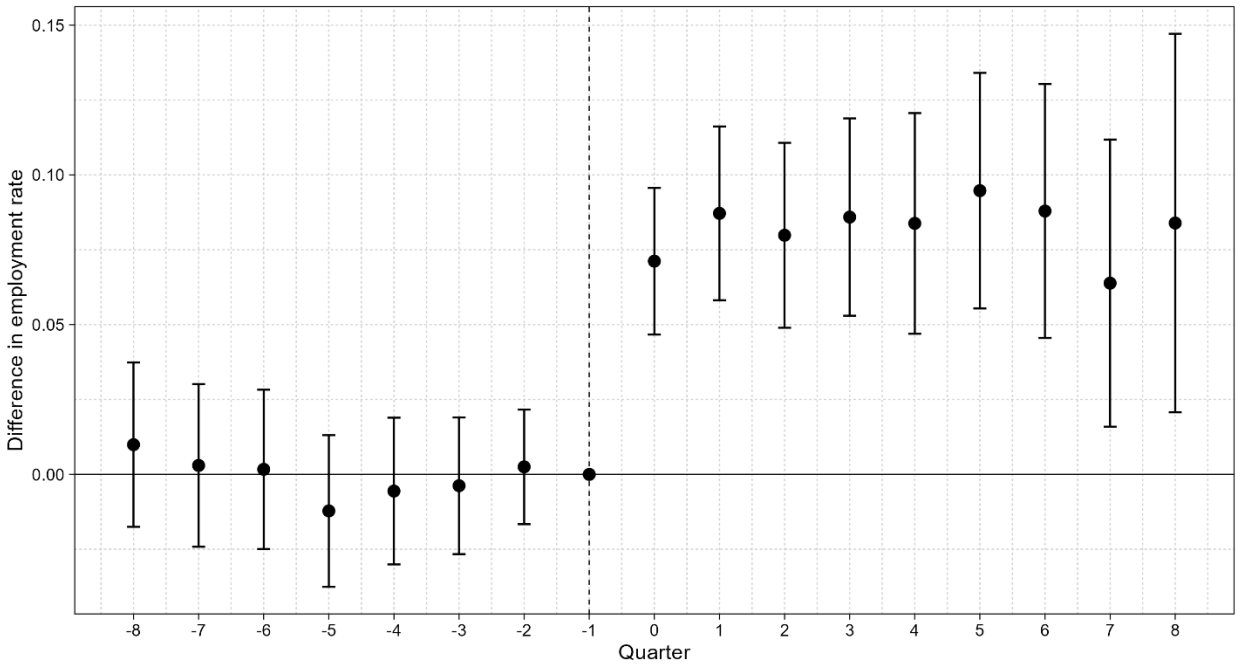
Estimates of the effect of the EcSA program

This subsection summarizes the impact of the EcSA program on participants' labor market outcomes relative to the WIOA Adult and WIOA Youth programs. These results are the estimates from the event study model using the matched sample of WIOA Adult and WIOA Youth as a comparison group. Outcomes included in this impact evaluation are employment, quarterly earnings, quarterly hours of work and hourly wages.[31] A detailed table summarizing EcSA outcomes is available in Appendix 6.

The effect of enrolling in EcSA instead of WIOA on employment rates is presented in *Figure 13*. Each point in the figure represents the estimated difference in employment rate between EcSA and WIOA enrollees in the corresponding quarter before and after enrollment, relative to the difference that existed in the quarter prior to enrollment. The bars around each point represent the 95% confidence interval. These bars indicate the range of values that we expect the true impact to take with a high degree of confidence. The shorter the bars, the more precise the estimate is.

[31] The self-sufficiency goal is calculated only for participants of the EcSA program. For this reason, we cannot use it as an outcome for this impact evaluation.

Figure 13: Effect of enrollment in EcSA on employment rates, by quarter relative to program enrollment



For quarters before enrollment, differences between individuals enrolled in EcSA and those enrolled in the matched sample of WIOA Adult and Youth programs are small and, most importantly, they always include zero among the possible values. This is desirable, as the comparison group was selected to be similar in its pre-enrollment characteristics (including labor market outcomes) to the group of EcSA participants.

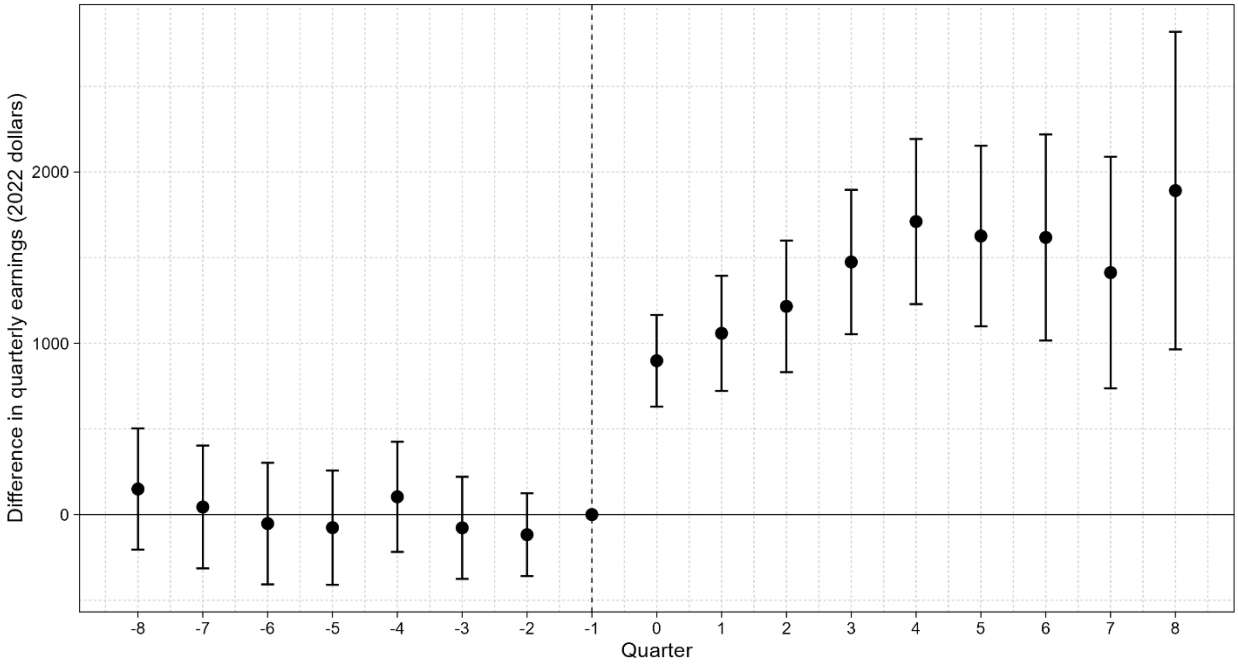
The fact that differences in employment rates before program enrollment are small, together with similar demographic and socioeconomic characteristics between EcSA participants and the matched sample of WIOA Adult and Youth participants, provides further confidence that any difference that we observe after program enrollment are caused by the program itself.[32] In fact, employment rates for participants enrolled in EcSA were between 6.4 (quarter seven) and 9.5 (quarter five) percentage points higher than those of WIOA participants in the quarters after enrollment. Considering that the employment rate of the matched sample of WIOA participants was between 50 and 56% after program enrollment, the increases in employment rates range from a minimum of 11.4% and a

[32] Enrollment in a program could happen at the beginning of a quarter, the end of a quarter or somewhere in the middle. For this reason, impacts in the quarter of enrollment will be smaller and less precise than those in the quarters after enrollment, and should be evaluated with caution. Hence, we do not refer to impacts observed in the quarter of enrollment in this study.

maximum of 17.6%. The weighted average over the eight-quarter period is 14.3%.[33] This suggests that EcSA does a better job at helping participants find a job than the WIOA program and helps participants find a job faster.

Average quarterly earnings for all EcSA participants are presented in *Figure 14*. Quarterly earnings are measured in 2022 US dollars to adjust for inflation, and participants who are unemployed in each quarter are assigned zero quarterly earnings. We include unemployed participants in the estimation of the impact of EcSA on all labor market outcomes to keep the group of participants in the sample constant. Otherwise, any observed changes in these outcomes may not be caused by enrolling in EcSA, but instead due to variations in the people who are employed in each quarter.

Figure 14: Effect of enrollment in EcSA on quarterly real earnings, by quarter relative to program enrollment



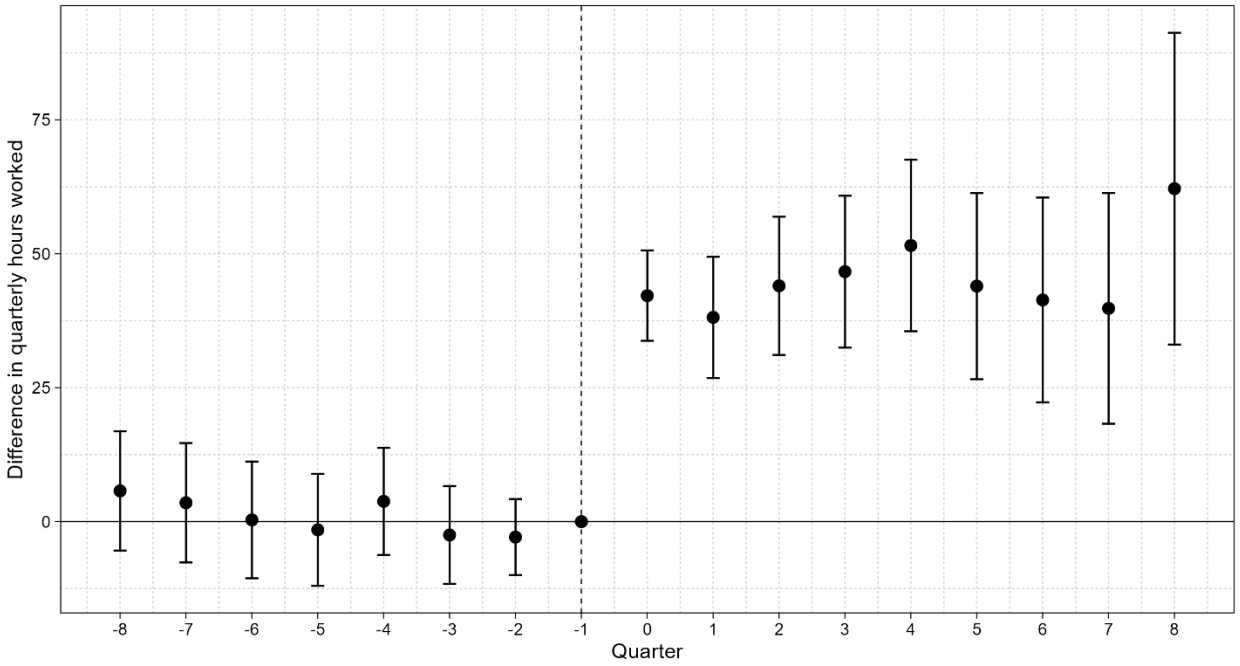
Between quarters one and eight after program enrollment, the difference in real quarterly earnings between EcSA and similar WIOA Adult and Youth participants ranges from a minimum of $1,058 (quarter one) to a maximum of $1,891 (quarter eight). Based on the average earnings of matched WIOA Adult and Youth participants in the quarters after enrollment, these effects correspond to increases in quarterly earnings that range from a

[33] Average effect sizes are calculated by weighting each quarter's effect by the number of participants with data for that quarter. Since not all participants are observed for eight quarters after enrollment, there are fewer observations toward the eighth quarter.

minimum of 25.2% and a maximum of 34.5%, with a weighted average over eight quarters of 27.9%. Moreover, the cumulative difference between EcSA and WIOA participants for the seven quarters after enrollment amounts to more than $12,000, 30.7% more than the cumulative earnings of similar WIOA Adult and Youth participants in that period.

In *Figure 15* we show the impact of enrollment in EcSA compared to enrollment in WIOA Adult and Youth on quarterly hours of work. After enrollment in EcSA, participants worked between 38 (quarter one) and 62 (quarter eight) hours more per quarter than similar participants who enrolled in the WIOA Adult and Youth programs. In percentage terms, the effects range from a minimum of 19.4% and 32.3% (the weighted average over the eight-quarter period is 21.5%), and they are consistent with the increases in earnings described above.

Figure 15: Effect of enrollment in EcSA on quarterly work hours, by quarter relative to program enrollment

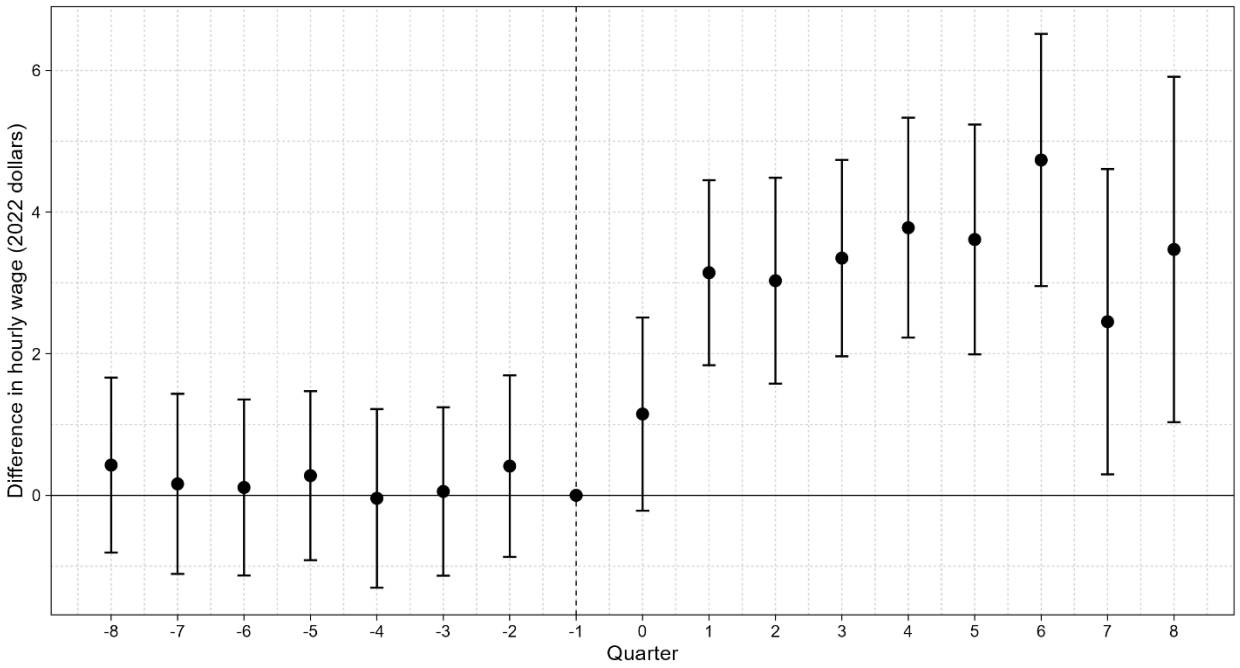


Finally, *Figure 16* shows the impact of enrollment in EcSA as opposed to enrollment in the WIOA Adult and Youth programs on unconditional (that is, irrespective of employment) real hourly wages. The effect is quite consistent (although less precise than for other outcomes) across all post-enrollment periods. Participants who enroll in EcSA earned between $2.45 (quarter seven) and $4.74 (quarter six) more per hour than similar participants who enrolled in the WIOA Adult and Youth programs. Relative to the wages of WIOA Adult and Youth

participants, this corresponds to increases that range from a minimum of 15.7% and 34.4%, with a weighted average across the eight quarters of 22.5%.

The gains in hourly wages were consistent with the increase in quarterly earnings; they also suggest that EcSA not only helps participants find jobs faster but also helps them connect with better paying jobs than similar participants who enroll in the WIOA programs.

Figure 16: Effect of enrollment in EcSA on hourly real wages, by quarter relative to program enrollment



To summarize our findings, we end by comparing the evolution of outcomes over time for EcSA participants and similar participants in the WIOA Youth and Adult programs. In the quarter before enrollment, EcSA participants had an employment rate of 47%, which increased to 61% in quarter eight after enrollment. This is an increase of 14 percentage points. In the same time span, employment rates of comparable WIOA participants increased from 49% to 54%, which corresponds to an increase of six percentage points.

Regarding quarterly earnings, in the quarter before enrollment EcSA participants earned on average $3,306, and by quarter eight after enrollment their average earnings had increased to $6,838, a 106.8% increase. In contrast, average earnings of similar WIOA participants increased from $3,780 in the quarter before program enrollment to $5,483 in quarter eight after enrollment, which corresponds to an increase of 45.1%.

Average quarterly hours of work among EcSA participants increased from 127 in the quarter prior to enrollment to 240 in quarter eight after enrollment, an 89% increase. In the same time span, average quarterly hours of work of similar WIOA participants went from 142 to 192, a 35.2% increase.

Finally, average wages of EcSA participants went from $12.46 per hour in the quarter before enrollment to $17.54 per hour in quarter eight after enrollment, an increase of 40.8%.[34] In contrast, among similar WIOA participants average wages increased from $13.65 in the quarter prior to enrollment to $14.80 in quarter eight after enrollment, which corresponds to an increase of 8.4%.

In all cases, the change in outcomes for EcSA participants was considerably larger than that of similar WIOA participants over the same amount of time.

Subgroup analysis of the impact of EcSA

While studying the overall impact of EcSA is useful on its own, understanding whether and how its impact varies by participants' characteristics can inform programmatic improvements for various participant subgroups. In this section, we present the results of estimating the impact of EcSA by participants' race, ethnicity, gender, housing status and level of education.

Figures 17.1-17.4 show the results. The table shows the effect of EcSA with respect to the matched WIOA Adult and Youth program for each of the outcomes (employment, earnings, work hours and wages, respectively), disaggregated by participants' characteristics.

To facilitate reading and interpretation, instead of presenting an estimate of the impact of EcSA for each quarter after enrollment, we combine all post-enrollment quarters into one variable. Therefore, the estimates shown in *Figures 17.1-17.4* should be considered an average of the impact of EcSA across the eight post-enrollment quarters for which we have data. We also included the estimates for the entire sample to use as a reference. In addition to the estimate for each subgroup, we also show the p-value of the test that estimates are statistically similar for the two groups (more stars indicate that the difference is likely to be due to an actual difference in the program effect, rather than to chance). In the paragraphs that follow, we focus on groups for which we found statistically significant differences in outcomes.

[34] Note that these averages are calculated among all participants, regardless of their employment status. Unemployed participants have a wage of $0.

We can observe significant differences in employment rates by race (the impact of EcSA is larger for white than non-white participants), ethnicity (the impact of EcSA is larger for non-Hispanic participants, and the program seems to have no impact on employment for Hispanic participants), gender (the impact of EcSA is larger for women than for men), and level of education (the impact of EcSA on employment is larger for participants with an associate's degree or higher).

Regarding quarterly earnings, we observe differences in the impact of EcSA by race (the impact is larger for white than non-white participants), ethnicity (the impact of EcSA is larger for Hispanic than non-Hispanic participants), and level of education (the impact of EcSA is larger for participants with at least a tertiary degree). We also find similar differences when we look at the impact of EcSA on quarterly hours of work.

Finally, we find that EcSA had a different impact on participants' hourly wages based on their race (the impact is larger for white than non-white participants), gender (impacts are slightly larger for women than for men), housing status (the impact of EcSA is larger for participants housed at the time of enrollment), and level of education (the impact is larger for participants with at least a tertiary degree).

Figures 17.1. – 17.4.: Impact of EcSA on labor market outcomes by participants' characteristics

Figure 17.1.: Causal effect of participation in EcSA on employment, by participants' characteristics

	All participants	By race: White	By race: Non-white	By ethnicity: Hispanic	By ethnicity: Non-Hispanic	By gender: Men	By gender: Women	By housing status: Housed	By housing status: Unhoused	By level of education: High school diploma or less	By level of education: More than high school diploma
Effect of participation in EcSA	0.077***	0.112***	0.038**	-0.01	0.090***	0.054***	0.101***	0.079***	0.058	0.047***	0.145***
Standard error	(0.012)	(0.017)	(0.017)	(0.028)	(0.014)	(0.017)	(0.017)	(0.013)	(0.036)	(0.014)	(0.024)
Difference		0.074***		-0.101***		-0.054**		0.021		-0.098***	

Note: The table shows the effect of EcSA with respect to the WIOA Adult and Youth program on employment, disaggregated by participants' characteristics. We also show the difference between the effect on each subgroup, with stars denoting statistical significance. '*' p < 0.10, '**' p < 0.05, '***" p < 0.01

Figure 17.2.: Causal effect of participation in EcSA on quarterly earnings, by participants' characteristics

	All participants	By race: White	By race: Non-white	By ethnicity: Hispanic	By ethnicity: Non-Hispanic	By gender: Men	By gender: Women	By housing status: Housed	By housing status: Unhoused	By level of education: High school diploma or less	By level of education: More than high school diploma
Effect of participation in EcSA	1278.75***	1601.68***	907.35***	465.3	1312.88***	1156.44***	1401.93**	1342.65***	659.33***	810.87***	2353.50***
Standard error	(172.12)	(248.85)	(234.65)	(362.81)	(208.20)	(265.85)	(214.40)	(186.97)	(365.49)	(179.19)	(409.37)
Difference		694.33**		-847.58**		-245.49		683.32*		-1,542.63***	

Note: The table shows the effect of EcSA with respect to the WIOA Adult and Youth program on quarterly earnings, disaggregated by participants' characteristics. We also show the difference between the effect on each subgroup, with stars denoting statistical significance. '*' p < 0.10, '**' p < 0.05, '***" p < 0.01

Figure 17.3: Causal effect of participation in EcSA on quarterly work hours, by participants' characteristics

	All participants	By race: **White**	By race: **Non-white**	By ethnicity: **Hispanic**	By ethnicity: **Non-Hispanic**	By gender: **Men**	By gender: **Women**	By housing status: **Housed**	By housing status: **Unhoused**	By level of education: **High school diploma or less**	By level of education: **More than high school diploma**
Effect of participation in EcSA	38.53***	49.95***	25.60***	2.16	42.13***	33.083***	44.065***	38.86***	33.59**	26.48***	66.45***
Standard error	(5.52)	(7.63)	(7.96)	(13.17)	(6.58)	(7.97)	(7.56)	(5.90)	(19.95)	(6.43)	(11.27)
Difference		24.36**		-39.98***		-10.98		5.27		-39.97***	

Note: The table shows the effect of EcSA with respect to the WIOA Adult and Youth program on quarterly work hours, disaggregated by participants' characteristics. We also show the difference between the effect on each subgroup, with stars denoting statistical significance. '*' p < 0.10, '**' p < 0.05, '***" p < 0.01

Figure 17.4.: Causal effect of participation in EcSA on hourly wages, by participants' characteristics

	All participants	By race: **White**	By race: **Non-white**	By ethnicity: **Hispanic**	By ethnicity: **Non-Hispanic**	By gender: **Men**	By gender: **Women**	By housing status: **Housed**	By housing status: **Unhoused**	By level of education: **High school diploma or less**	By level of education: **More than high school diploma**
Effect of participation in EcSA	3.08***	3.91***	2.13***	1.92*	3.01***	2.36***	3.84***	3.33***	0.87	1.77***	6.12***
Standard error	(0.42)	(0.61)	(0.58)	(1.00)	(0.50)	(0.63)	(0.56)	(0.46)	(0.93)	(0.45)	(0.98)
Difference		1.78**		-1.09		-1.48*		2.46**		-4.35***	

Note: The table shows the effect of EcSA with respect to the WIOA Adult and Youth program on hourly wages, disaggregated by participants' characteristics. We also show the difference between the effect on each subgroup, with stars denoting statistical significance. '*' p < 0.10, '**' p < 0.05, '***" p < 0.01

Section 8: Outcome evaluation of CRF incentive payments

Incentive payments provided through the CRF are a significant enhancement to EcSA. This component of EcSA was implemented statewide in December 2023.[35] Program participants can receive monthly payments of $1,000 for making progress toward their self-sufficiency goal.

The data presented in this Section is restricted to those participants enrolled between July 1, 2022, and Sept. 30, 2024, who exited the program after Dec. 1, 2023, or had not exited the program at the time of the analysis. This is because participants with an exit date prior to the implementation of the CRF incentive payments could not receive any payments.

Figure 18 shows the number of CRF incentive payments distributed each month, broken down by LWDB. In the first month following the implementation of this program component, fewer than 100 payments were made and only 6 LWDBs participated in distributing payments. Over time, more LWDBs implemented this program component, resulting in a steady increase in payments issued, reaching more than 11 thousand payments one year after payments were implemented.

[35] Some LWDBs were already providing financial support payments using State EcSA funds. Approximately 100 "state-funded financial support payments" are provided each month, a figure that did not change significantly after the introduction of CRF payments.

Figure 18: Number of CRF incentive payments provided by month and LWDB over the life of the program

LWDB	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Total
1. Olympic WDC	0	*	*	21	52	57	60	69	65	75	92	87	82	686
2. Pacific Mountain WDC	0	0	*	72	117	147	153	154	166	160	158	28	169	1336
3. Northwest Workforce Council	23	30	50	57	79	95	102	112	112	111	113	115	120	1119
4. Future Workforce Alliance (Snohomish)	*	*	*	*	*	33	20	36	36	*	38	32	31	302
5. WDC of Seattle-King County	*	*	20	44	61	77	112	161	173	218	253	255	221	1601
6. Workforce Central (Pierce County)	0	*	*	*	107	130	144	202	275	353	404	427	511	2562
7. Workforce Southwest Washington	0	0	0	0	57	62	*	89	51	48	25	75	72	486
8. Skillsource Regional Workforce Board (North Central)	21	*	21	*	*	*	35	*	*	32	92	52	48	402
9. South Central Workforce Council	27	42	58	73	79	92	90	88	101	108	113	124	147	1142
10. Eastern Washington Partnership WDC	0	0	*	*	*	*	*	*	*	*	35	45	61	177
11. Benton Franklin WDC	*	*	23	57	78	95	101	116	131	151	152	151	138	1205
12. Spokane Workforce Council	0	0	*	*	22	47	49	66	85	110	111	105	89	688
Total	**79**	**114**	**216**	**364**	**681**	**850**	**876**	**1119**	**1230**	**1406**	**1586**	**1497**	**1690**	**11708**

Note: (*) means that data has been suppressed to maintain the confidentiality of participants.

Figure 19 shows the distribution of payments made to EcSA participants in this sample. The figure shows that almost 35% of participants (1,130) in the current sample did not receive any payment, while more than 66% (2153) received at least one payment.

Among those who received payments, the average number of payments received was 6.23, in line with the number of months that participants are usually enrolled in EcSA. However, some participants have received up to 15 payments, the maximum number of payments that could be received until February 2025, given the length of the program.[36] Since each payment amounts to $1,000, participants who received CRF incentive payments received on average almost $6,000.

Figure 19: Distribution of CRF incentive payments among EcSA participants enrolled during the study period

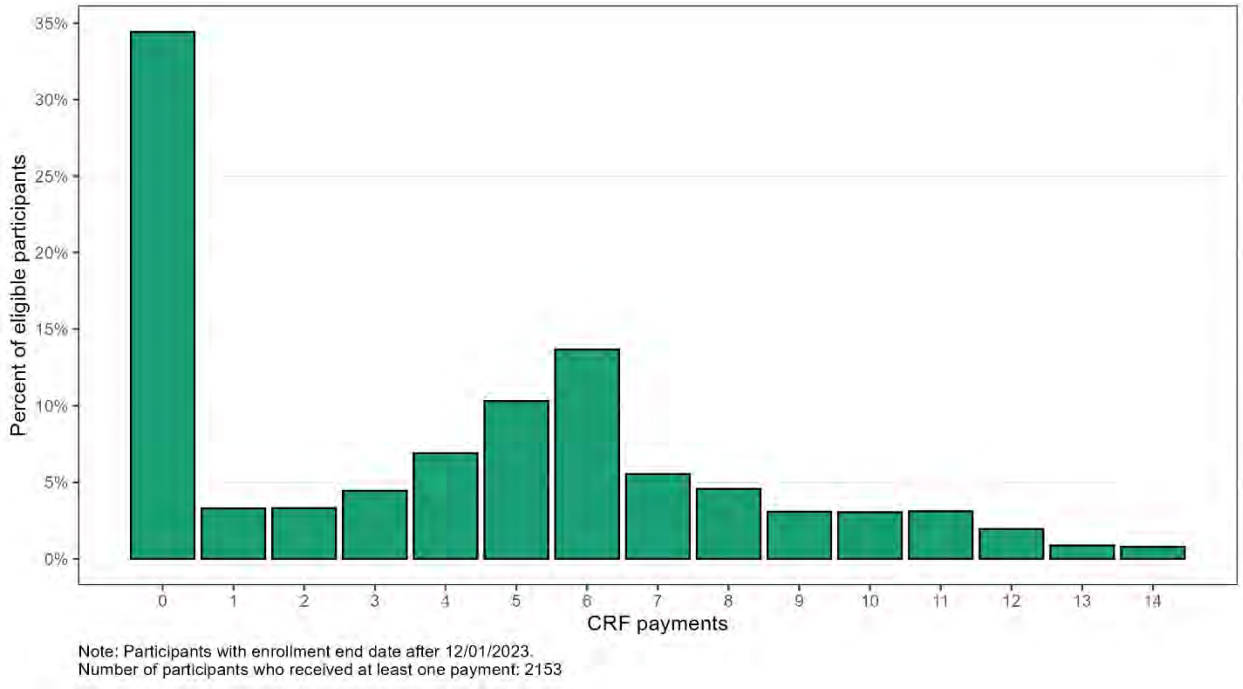


Figure 20 compares the characteristics of EcSA participants in our sample who received incentive payments to those who did not receive any payment. The first column shows the demographics breakdowns for the CRF recipients, while the second column covers those who didn't receive CRF incentive payments. Participants who received CRF incentive payments are less likely to be male (47.0% vs. 53.3%) and identify as white (47.7% vs. 51.9%) or Asian (5.8% vs. 13.0%), and more likely to identify as Black (17.9% vs 15.8%), American Indian/Alaska Native (2.4% vs. 1.2%), Native Hawaiian/Pacific Islander (1.8% vs. 1.6%), and Hispanic of any race

[36] Due to data disclosure guidelines, we are unable to show in the figure the number of participants who received 15 incentive payments

(24.1% vs. 12.6%). This is in line with the design of the CRF incentive payment program, which had a focus on participants of Black, Tribal, and Latine communities disproportionately impacted by the war on drugs. On the other hand, there is a larger percentage of participants who receive incentives who did not disclose their race (17.8% vs. 12.6%).

Participants who received incentive payments are also more likely to be veteran (4.7% vs. 3.6%) and to hold at most a high-school diploma (71.3% vs. 66.9%), but less likely to have limited English proficiency (14.9% vs. 21.4%) and to be employed in the quarter of enrollment (47.1% vs. 52.6%), and slightly less likely to be unhoused (11.5% vs. 12.5%). While these differences could to some degree be explained by the differences in race and ethnicity shown above, they may also indicate that case managers targeted participants whom they think had more barriers to employment and hence could benefit more from the incentive payments.

Regarding their participation in EcSA and other WorkSource programs, 31.5% of participants who received incentive payments had exited the program at the time of analysis, compared to 73.7% of those who did not receive incentives. Among those who ended their enrollment, the enrollment duration of those who received incentives was longer than that of participants who did not receive incentives (32.5 vs. 22.4 weeks).

Participants who received incentives were less likely to be co-enrolled in other programs than those who did not receive incentives (84.7% vs. 88.5%). However, they received on average more services (even excluding the incentive payments themselves), both through EcSA (7.8 vs. 5.6) and other programs (28.0 vs. 19.9).

Figure 20: Summary statistics: 1) EcSA participants who received CRF incentive payments and 2) EcSA participants who did not receive CRF incentive payments

Figure 20.a.: Demographics

Statistic	1) Participants who received incentives	2) Participants who did not receive incentives
Age at enrollment (years)	36.2	38
Male (%)	47.0	53.3
White (%)	47.7	51.9
Black/ African American (%)	17.9	15.8
Asian (%)	5.8	13.0
Native Hawaiian/ Pacific Islander (%)	1.8	1.6
American Indian/ Alaska Native (%)	2.4	1.2
Two or more races (%)	6.5	4.1
Race unknown/ Declined to identify (%)	17.8	12.6
Hispanic, any race (%)	24.1	12.6
Disabled (%)	18.1	16.2
Veteran (%)	4.7	3.6
Limited English Proficiency (%)	14.9	21.4
High school diploma or less (%)	71.3	66.9
Homeless (%)	11.5	12.5

Figure 20.b.: Program enrollment status

Statistic	1) Participants who received incentives (%)	2) Participants who did not receive incentives (%)
Employed in quarter of enrollment	47.1	52.6
Co-enrolled in other program(s)	84.7	88.5
Ended enrollment	31.5	73.7

Figure 20.c.: Program participation data

Statistic	1) Participants who received incentives	2) Participants who did not receive incentives
Enrollment duration (weeks)	32.5	22.4
Number of services received (excluding CRF incentive payments)	7.8	5.6
Number of services received (all co-enrolled programs, excluding CRF incentive payments)	28.0	19.9

These differences align closely with changes in the composition and behavior of program participants over time, as we show in *Figure 21*. After the CRF incentive payments were introduced, program enrollees were less likely to be male, to identify as white and Asian and more likely to identify as Black, Native Hawaiian/Pacific Islander, American Indian/Alaska Native, multiracial and Hispanic, of any race. They were also more likely to report a disability, being a veteran and being homeless. They were also slightly more likely to have at most a high school diploma, but less lightly to express having limited English proficiency.

Figure 21: Summary statistics of EcSA participants by time of program enrollment

Figure 21.a.: Demographics

Statistic	Enrolled before CRF incentives (%)	Enrolled after CRF incentives (%)
Male	51.2	49.7
White	52.4	49.2
Black/African American	14.6	17.5
Asian	10.0	7.2
Native Hawaiian/ Pacific Islander	1.3	2.0
American Indian/ Alaska Native	1.7	2.2
Two or more races	5.1	6.0
Race unknown/ Declined to identify	14.9	15.9
Hispanic, any race	16.1	21.3
Disabled	13.4	18.2
Veteran	3.9	4.6
Limited English Proficiency	18.0	16.2
High school diploma or less	69.2	71.0
Homeless	10.3	12.0
Has children	41.2	40.4

Figure 21.b.: Program enrollment status

Statistic	Enrolled before CRF incentives (%)	Enrolled after CRF incentives (%)
Employed in quarter of enrollment	52.4	49.2
Co-enrolled in other program(s)	89.4	84.1
Ended enrollment	86.2	40.8

Figure 21.c.: Program participation data

Statistic	Enrolled before CRF incentives	Enrolled after CRF incentives
Enrollment duration (weeks)	24.6	18.8
Number of services received (excluding CRF incentive payments)	7.1	6.3
Number of services received (all co-enrolled programs, excluding CRF incentive payments)	24.1	23.4

Note: The table shows the summary statistics of EcSA participants separately for those who enrolled before and after Dec. 1, 2023, when the CRF incentive payments were first introduced.

Distribution of CRF incentive payments based on participants' characteristics

In this subsection, we analyze the distribution of CRF incentive payments, splitting the sample based on demographic and socio-economic characteristics of EcSA participants.[37] Some of these characteristics are an explicit focus of these incentive payments, while others were selected based on their relevance within the population of program participants.

It is important to note that any differences in payment distribution between groups cannot definitively be attributed to whether the incentives are being targeted toward specific groups. These differences may also result from variations in the proportion of participants within each group who become eligible to receive payments each month.

Distribution of payments by race and ethnicity

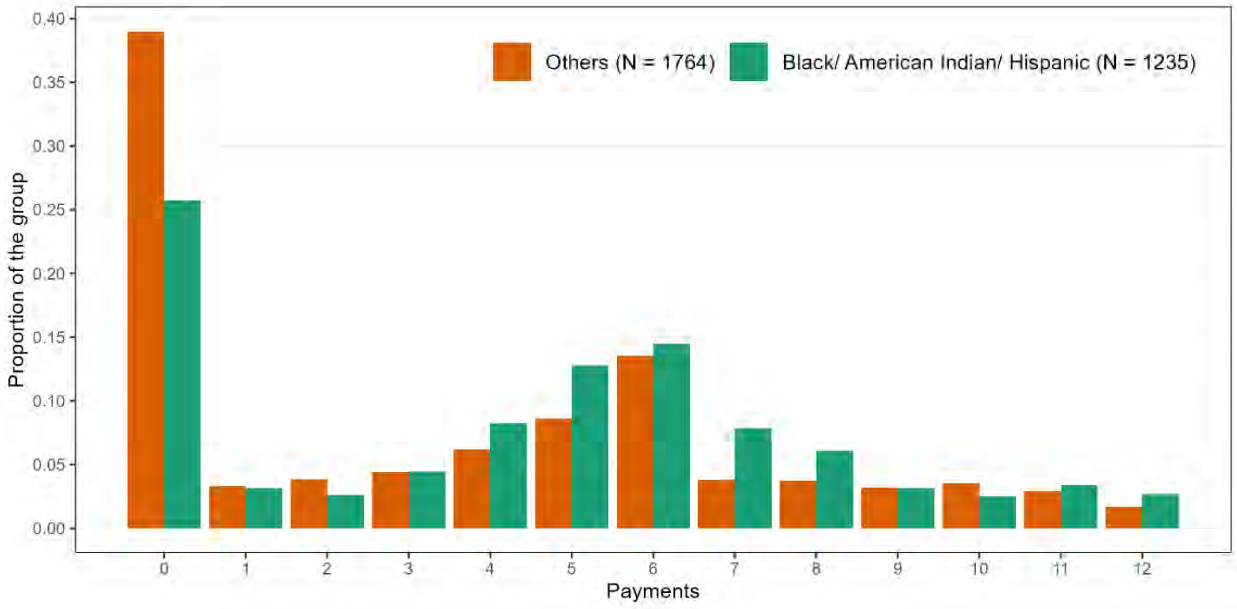
The CRF incentive payments are "...designed to support Community Reinvestment EcSA-enrolled participants as they work toward economic security and stability, with a focus on individuals (and their families) who are from Black, Latino and Indigenous" backgrounds.

Figure 22 shows the distribution of payments among individuals specifically targeted by the CRF incentive payments based on their race and ethnicity, and that of participants from other backgrounds. Among participants of groups specifically targeted by incentive payments, 74% received at least one incentive payment, compared to 61% of participants from other

[37] In all cases, we have followed suppression guidelines to maintain the confidentiality of participants.

backgrounds. Moreover, Black individuals and those of American Indian or Hispanic background received on average more incentive payments than groups not prioritized by this program (4.72 payments vs. 3.77). This suggests that the CRF incentive payments targeted the populations it identified as its priority.

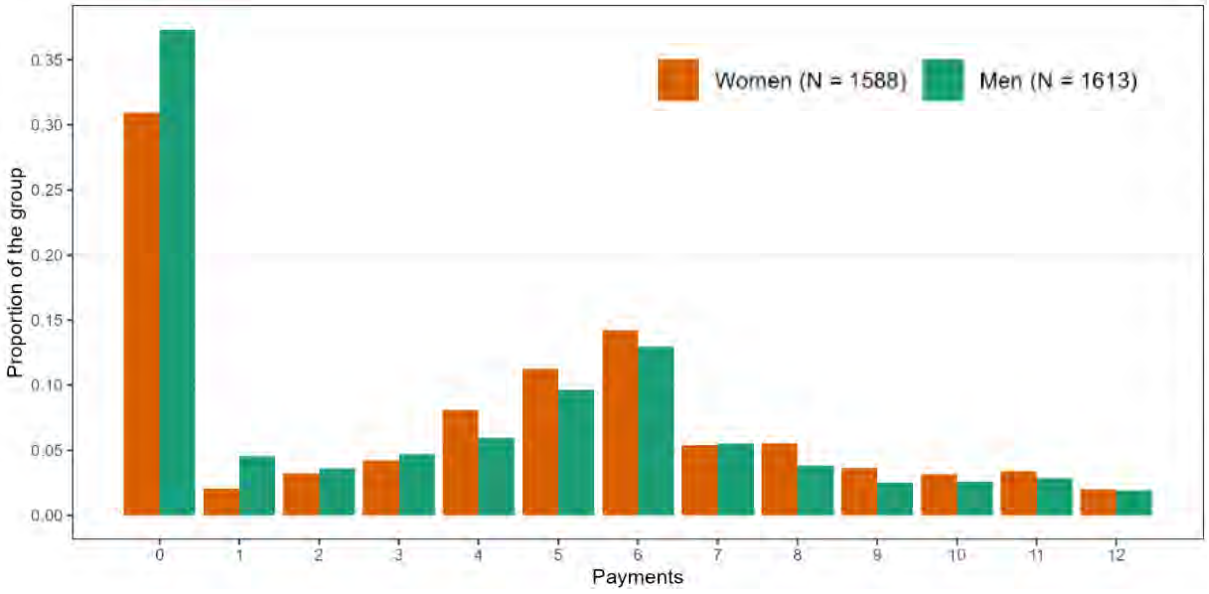
Figure 22: Distribution of CRF incentive payments by race and ethnicity



Distribution of payments by gender

Figure 23 presents the distribution of payments by the gender of the program participant. Even though there is no reason to expect the distribution of payments to differ by gender, we do observe some differences. A larger percent of men did not receive any incentive payments (37.3% vs. 30.9%), and a larger share of women received four payments or more (59.6% vs. 49.8%). As a result, female participants received on average 4.42 payments, while male participants received on average 3.77 payments.

Figure 23: Distribution of CRF incentive payments by gender

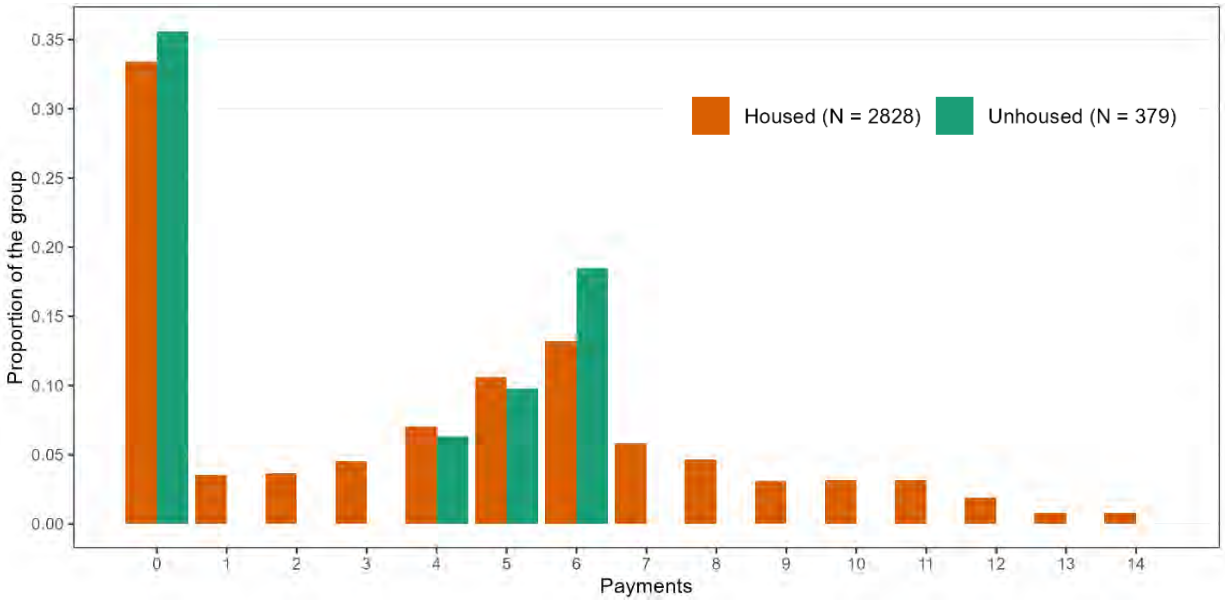


Distribution of payments by housing status at enrollment

Figure 24 shows the distribution of payments for those housed at enrollment and those unhoused. The average number of payments received by these two groups is similar at 4.11 and 4.27 payments, respectively. However, there are certain differences in the distribution of payments for these two groups, with no clear pattern for these differences.

Participants who were unhoused at enrollment were slightly more likely to receive zero incentive payments (35.6% vs. 33.4%), although this difference is not statistically significant.

Figure 24: Distribution of CRF incentive payments by housing status at enrollment

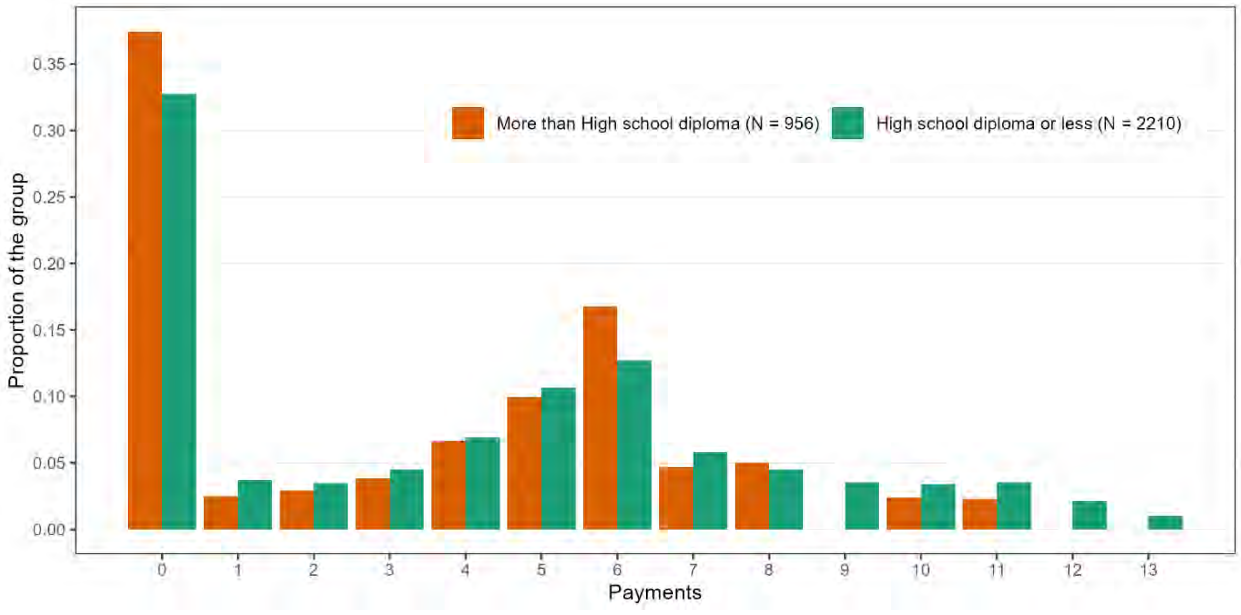


Distribution of payments by education

Figure 25 shows the distribution of incentive payments for participants with lower education (those who at most earned a high school diploma) and higher education (those who earned an associate's degree or higher). There is a larger percent of participants with low education that received payments compared to participants with high education (67.2% vs. 62.6%). In addition, those with lower levels of education received on average slightly more payments (4.21 vs. 3.84). However, similarly to when the sample was split by housing status, there is no clear pattern to describe differences in the distribution of payments received based on level of education.

While education is not a focus of the CRF incentive payments, it is possible that participants with low educational attainment were more likely to receive payments because they had relatively higher need for assistance. Additionally, EcSA participants with a high school diploma or less were encouraged to enhance their skills by enrolling in secondary education or training to increase their chances of finding a job that pays self-sufficiency wages. Making progress on their education/training could be the basis for receiving the incentive payments.

Figure 25: Distribution of CRF incentive payments by highest educational certificate obtained



Enrollment in training programs based on receipt of CRF incentive payments

The CRF incentive payments are designed to support EcSA participants as they work toward economic security and stability. In principle, CRF incentive payment recipients must be making satisfactory progress in carrying out their career plans. Since one important part of the career plan is participating in training programs, in this section, we analyze the relationship between CRF incentive payments and participation in training programs.

We performed a few exercises. First, we compared the training enrollment rates between CRF incentive payment recipients and non-recipients. The result is shown in *Figure 26*. In the first row, we show the percent of the participants enrolled in any training programs paid for by EcSA. We find that CRF recipients and non-recipients have a similar rate of enrollment in these training programs (31.3% vs. 32%). In the second row, we show the percent of the participants enrolled in all training programs paid by any co-enrolled programs; we find that CRF incentive payment recipients have a higher rate of enrollment.

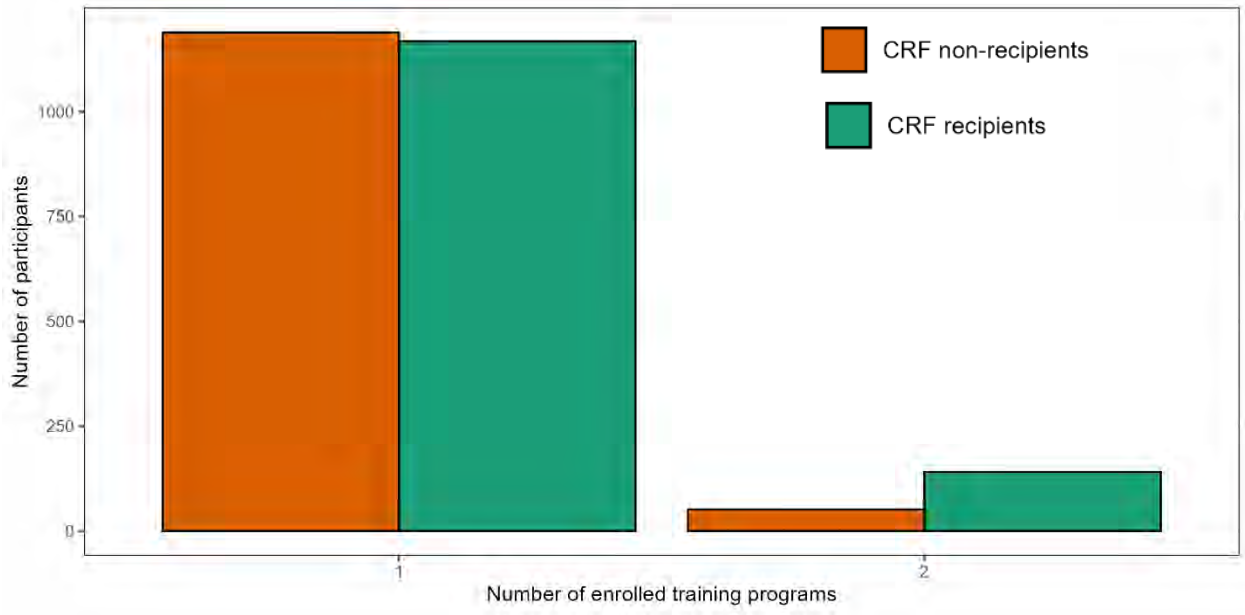
Figure 26. Enrollment in training programs between CRF recipients and non-recipients

	CRF recipients	CRF non-recipients
Ever enrolled in any training programs paid by EcSA (%)	31.3	32
Ever enrolled in any training programs paid by any co-enrolled programs (including EcSA) (%)	57.4	46.5

Second, we calculated the number of training programs participants enrolled in, separately for CRF incentive payment recipients and non-recipients. We include all training programs paid for by EcSA as well as by any co-enrolled programs. We find that on average, CRF incentive payment recipients enroll in slightly more training programs (1.13 programs) than non-recipients (1.05 programs), although the difference is not statistically significant. On the other hand, in Figure 27, we plotted the distribution of the number of enrolled training programs. We find that there is a similar number of participants who enrolled in one training program between CRF incentive recipients and non-recipients, but a larger number of CRF incentive recipients enrolled in two programs. There are also a larger number of CRF incentive recipients

who enrolled in more than two training programs, but these were suppressed to maintain the confidentiality of participants.

Figure 27: Number of training courses participants enrolled in, separately for CRF incentive payment recipients and non-recipients



In conclusion, although limited by data availability, we find some evidence consistent with CRF incentive recipients being more likely to participate in training programs. The differences between CRF incentive payment recipients and non-recipients, however, are not significant enough to conclude systematic disparity between the two groups.

Labor market outcomes of participants based on receipt of CRF incentive payments

This section tracks the labor market outcomes of program participants (employment, earnings, hours worked and hourly wages), as well as their progress toward reaching their self-sufficiency goals, disaggregating them based on whether they had received at least one CRF incentive payment (sample sizes for each quarter are presented in Appendix 7). This analysis is purely descriptive and cannot be considered as evidence of the effectiveness of the CRF incentive payments. As we showed above, the characteristics of incentive payment recipients and non-recipients are different and may partially reflect case manager's decisions to target individuals facing multiple barriers to employment. In addition, the sample of incentive payment non-recipients is too small to perform a matching procedure as we did for the evaluation of EcSA as a whole. Since there is no suitable comparison group for EcSA

participants who received at least one CRF incentive payment, it is not possible to know what these participants' outcomes would be if they had not received such incentive payments.

Figure 28 shows the employment rate over time for all EcSA participants (solid gray line), and separately for those who received at least one CRF incentive payment during their enrollment (dotted orange line), and those who have not received any payment (dashed green line).

Employment rates were similar for both groups before enrolling in EcSA (if anything, those who later receive at least one CRF incentive payment had a slightly higher employment rate in the quarters prior to enrollment in EcSA), close to 45-50%. However, since enrolling in the program, the employment rate of participants who did not receive any incentive payment increased rapidly towards 60%, while the employment rate of participants who received at least one payment remained at pre-enrollment levels until quarter eight after enrollment, when employment rates are slightly above 60% for both groups.

Figure 28: Employment rate of participants by receipt of CRF incentive payments and quarter of enrollment in EcSA

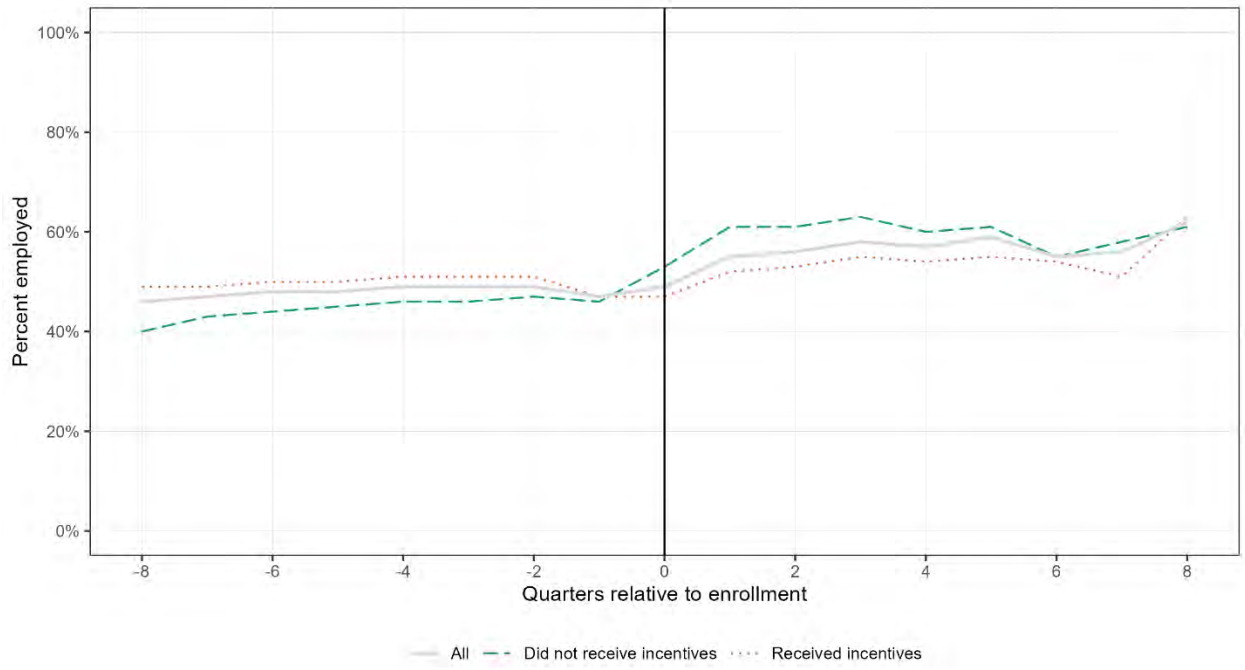


Figure 29 shows the average quarterly earnings for all participants (top panel) and employed participants (bottom panel). Note that earnings only include labor earnings that employers send to ESD and exclude other income sources like the CRF incentive payments.

Earnings were similar throughout the pre-enrollment period for both groups and they followed a similar trend. After enrolling in EcSA, the average quarterly earnings of those who received at

least one CRF incentive payment increased in the first three quarters, and remained relatively flat (or even decreased) below pre-enrollment levels until quarter six, when they increased again. By comparison, the earnings of participants who did not receive any incentive payment recovered to pre-enrollment levels (and surpassed pre-enrollment levels when considering all participants in the sample) by quarter three after enrollment, although they remained almost flat after that.

Figure 29: Average real quarterly earnings of EcSA program participants, by receipt of CRF incentive payments and quarter relative to program enrollment

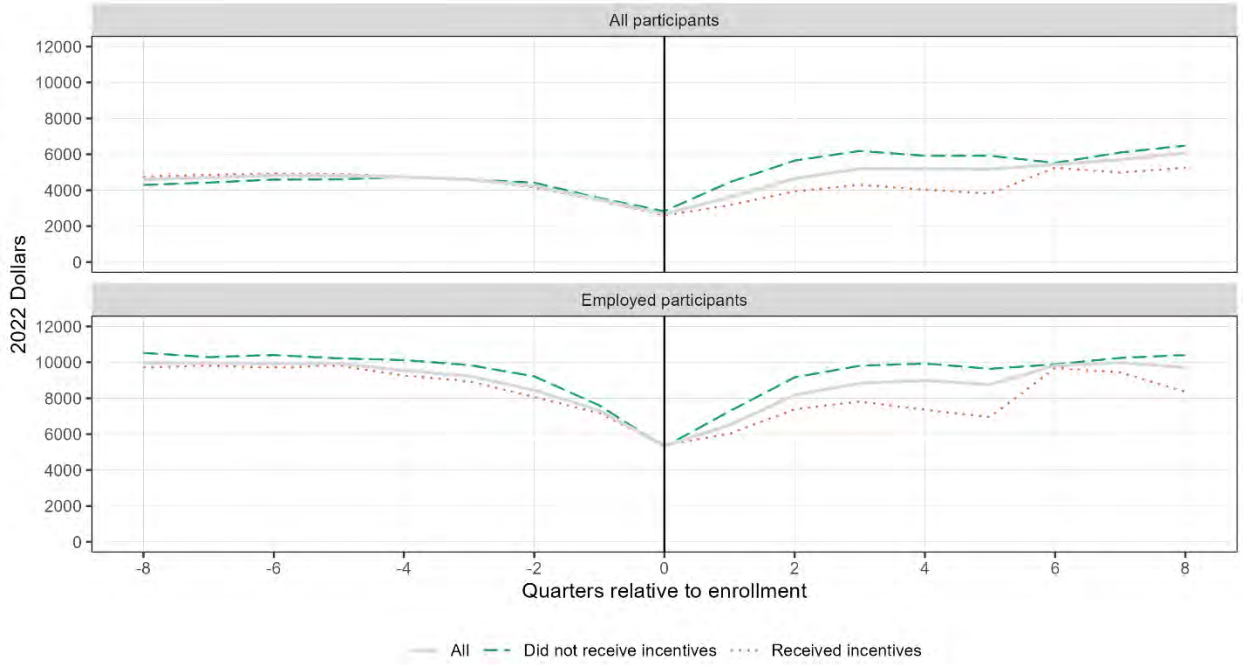


Figure 30 shows the percent of participants whose earnings were above their self-sufficiency goals. Once again, while the figures are similar for both groups of participants before enrolling in EcSA, after enrollment the percentage of participants with earnings above their self-sufficiency goals was consistently higher among those who did not receive any incentives until quarter six after enrollment. At this point, there is a higher percentage of CRF incentive payment recipients with earnings above their self-sufficiency goal (larger among the sample of employed participants than in the overall sample). However, the difference between the two groups is smaller than the difference in quarterly earnings. This may indicate that the self-sufficiency goal of participants who receive incentives is on average lower than that of participants who do not receive incentive payments.

Figure 30: Percent of EcSA participants with earnings above their individualized self-sufficiency goal, by receipt of CRF incentive payments and quarter relative to program enrollment

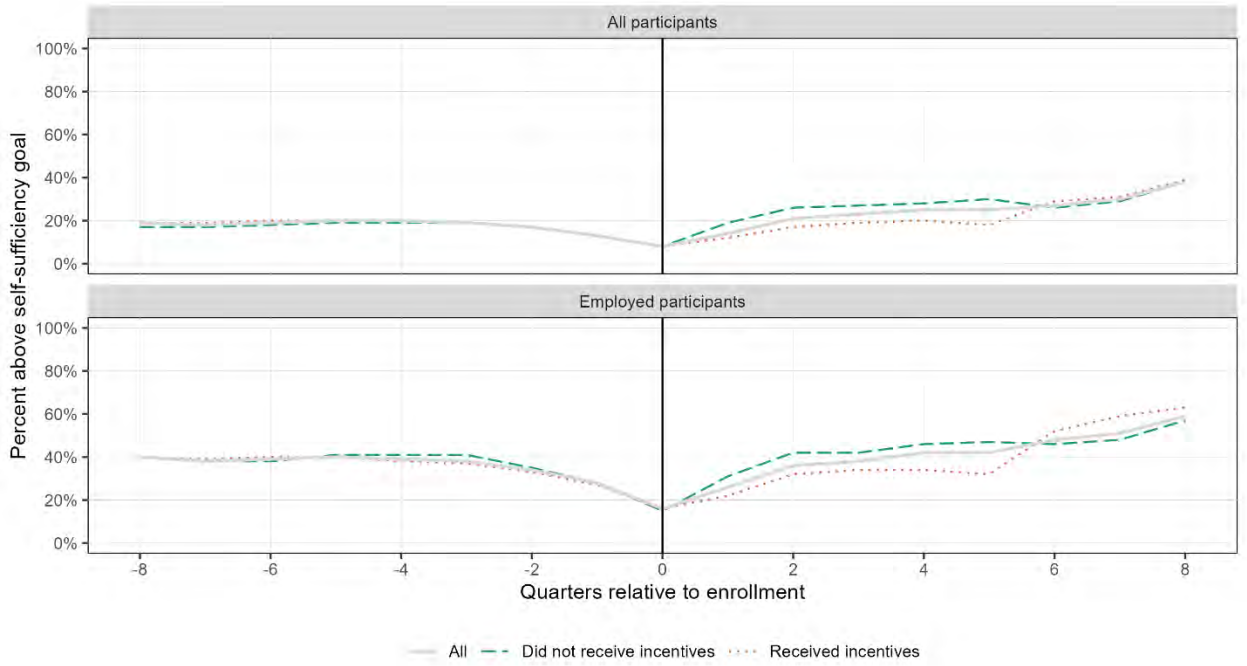


Figure 31 shows the average quarterly hours worked, separately for participants who received at least one CRF incentive payment and those who did not receive any payment. As with earnings, the average quarterly hours worked were similar for both groups before enrolling in EcSA. Both groups also experienced a loss of hours in the lead up to enrollment. After enrollment, participants who did not receive any incentive payments worked more hours, quickly returning to pre-enrollment levels. On the other hand, participants who received at least one CRF incentive payment increased their hours worked only slightly after enrolling in EcSA, but remained below pre-enrollment levels until quarter eight after enrollment.

Figure 31: Average quarterly hours of work of employed participants, by receipt of CRF incentive payments and quarter relative to enrollment in EcSA

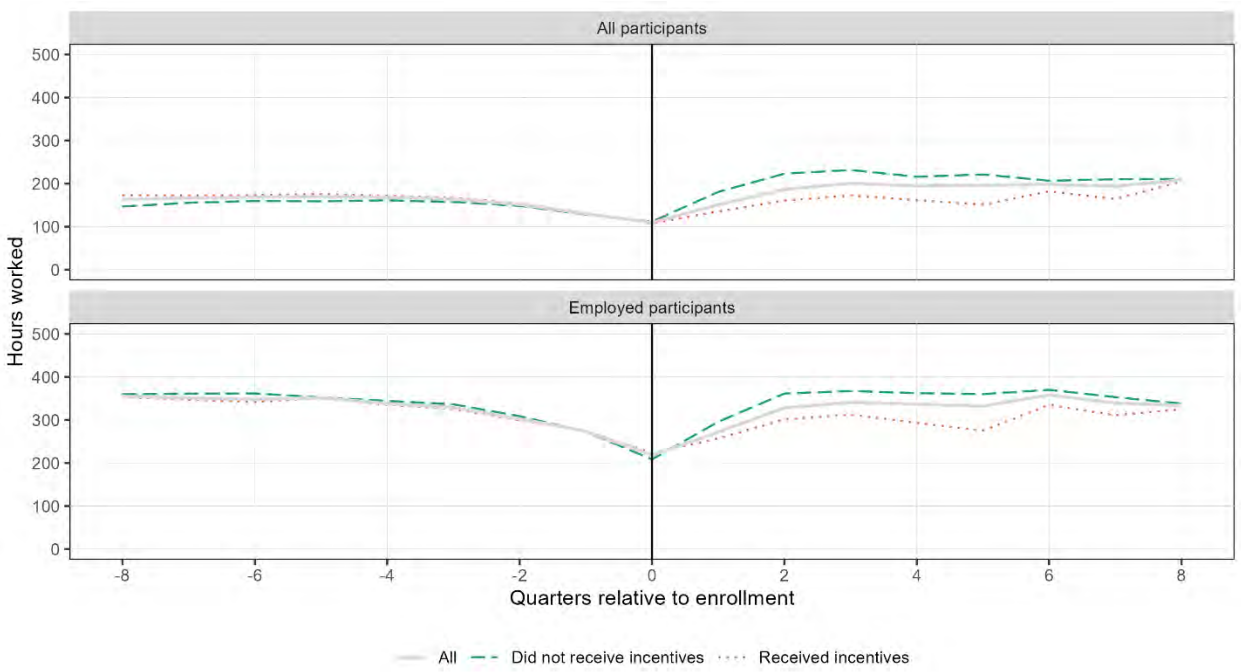
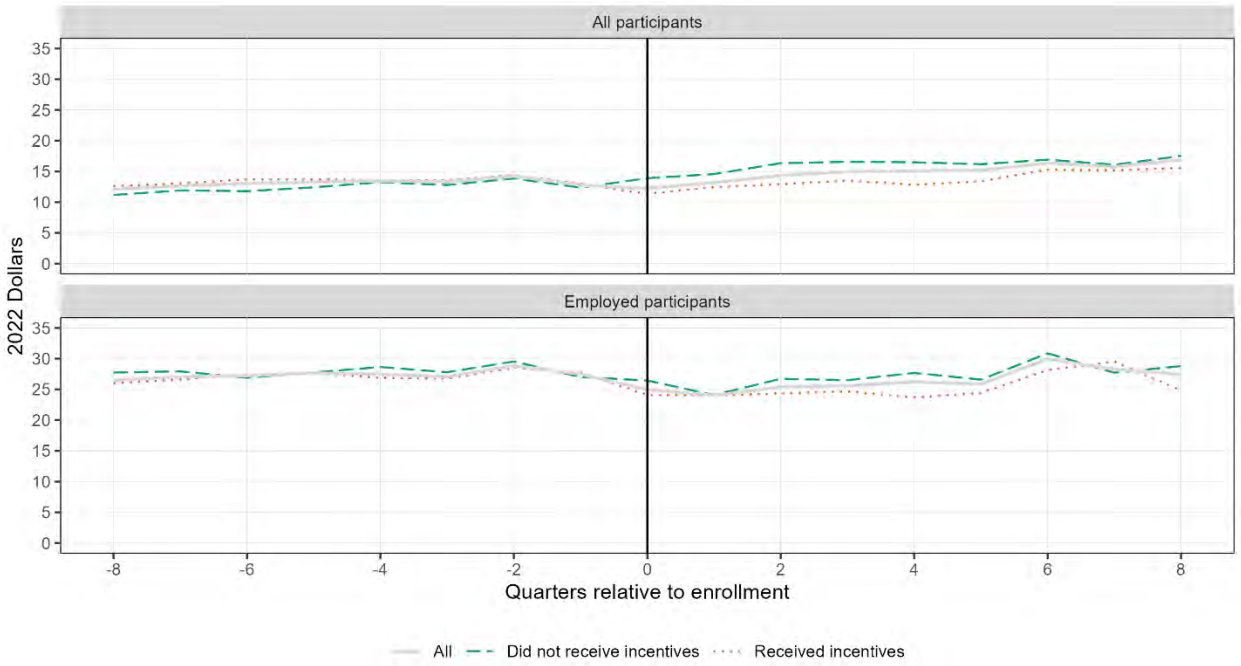


Figure 32 looks at average hourly wages of EcSA participants, splitting the sample between participants who received at least one payment and those who did not receive any payments.

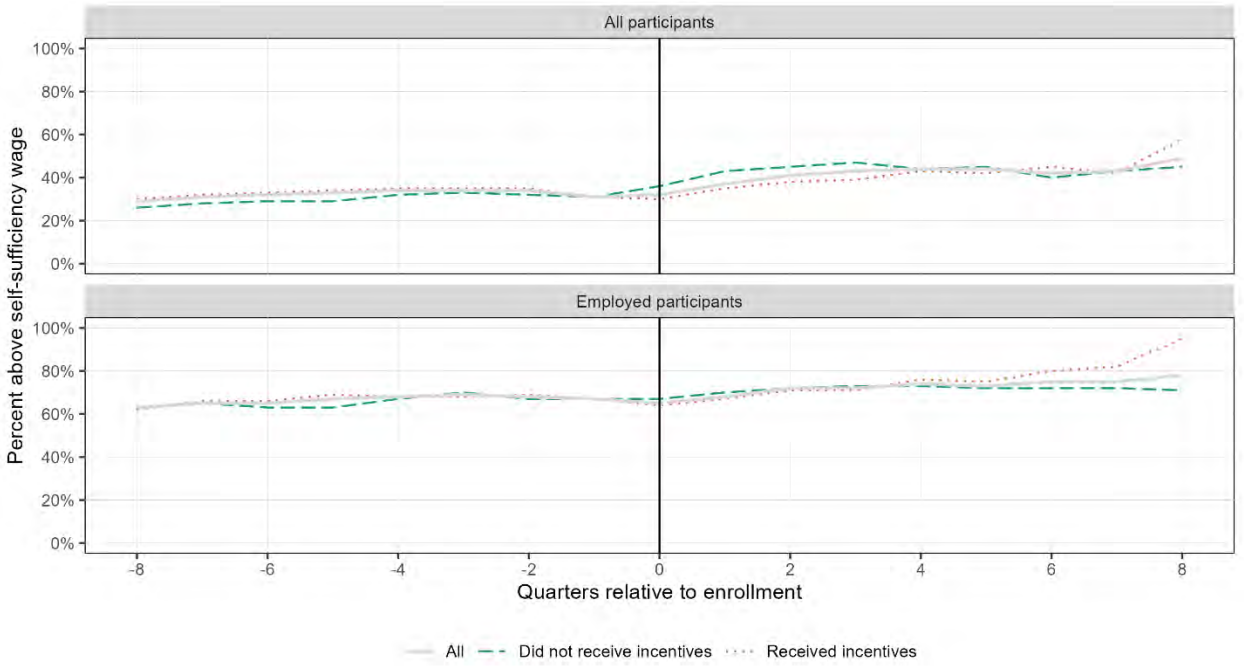
As with previous outcomes, average wages were similar across groups in the quarters before enrollment in EcSA. Unlike with earnings and hours worked, wages were mostly stable during this period. After enrollment, a small gap between the two groups emerge, with wages of participants who did not receive incentives remaining slightly above those of participants who received at least one payment throughout the study period. The only exception is quarter seven after enrollment, when average wages of employed participants who received incentives were slightly above those of participants who did not receive any incentive payment.

Figure 32: Average real hourly wage of EcSA participants, by receipt of CRF incentive payments and quarter relative to program enrollment



Finally, in *Figure 33* we track the percentage of employed participants in the sample with wages above their individualized self-sufficiency wage. As with previous outcomes, both groups had a similar percentage of participants with wages above their self-sufficiency wage before enrollment. After enrollment, the percentage of participants with wages above their self-sufficiency wage increased slightly for both groups. However, when the sample is restricted to those employed, we observe a divergence starting in quarter five after enrollment: among participants who received at least one incentive payment, the percent with wages above their self-sufficiency wage increases significantly, reaching almost 100% by quarter eight after enrollment.

Figure 33: Percent of employed participants with wages above their individualized self-sufficiency wage, by receipt of CRF incentive payments and quarter relative to enrollment in EcSA



To summarize the findings of this Section, EcSA participants – whether they received incentive payments or not – shared similar circumstances prior to enrolling in the program. However, after enrollment, participants who received at least one payment experienced somewhat less favorable labor market and program outcomes for our study period. These differences appear to be driven by lower employment rates and fewer hours worked, while wage levels remained relatively similar between the groups. Among employed participants, post-enrollment differences are smaller and in some cases, outcomes are better for participants who have received incentive payments.

These statistics are purely descriptive, and they do not imply that incentive payments are the cause of the divergence. In fact, participants who received incentive payments may be doing so precisely because their economic conditions were worse when they enrolled in EcSA. An impact evaluation of the CRF incentive payments would require either a larger sample size (of both recipients and non-recipients) observed for a longer period of time, or an experimental evaluation in which participants are randomly assigned to either receive or not receive incentive payments. Based on the observed outcomes, there remains an opportunity to examine how incentive payments are structured and to explore their potential impact on longer-term outcomes.

Subgroup analysis

So far in this section, we have focused on participants who were still enrolled in the program as of December 1, 2023 - when the CRF incentive payments began rolling out - and those who enrolled after that date. Since the CRF incentive payments were not fully rolled out until the first quarter of 2024, we also conducted our analysis using a narrower sample: we excluded anyone who exited the program before March 31, 2024. We confirmed that the results remained qualitatively consistent.

We also further restricted the sample of analysis to participants in our sample who exited the program between March 31, 2024 and December 31, 2024. While this creates a "selected" sample, where we keep only participants who likely have reached their self-sufficiency goal instead of all participants, it provides an analysis comparable with that of most programs administered by the WorkSource partnership, which focus on post-exit outcomes. The result of this analysis is presented in Appendix 7.

There are two main takeaways from this exercise. First, outcomes improved for both groups compared to our main results. This is anticipated: a majority of participants who exited the program have done so because they reached their self-sufficiency goal. Second, in the longer run, those who received CRF incentive payments tended to do better than those who didn't. Specifically, the CRF recipient group outperformed their non-recipient counterparts on several measures – such as employment rate, hours worked, real earnings and the share of participants with earnings and wage above their self-sufficiency goals – starting in the fifth quarter after enrollment.

One important caveat with this exercise is that the number of participants dropped off sharply in the later quarters. For example, by quarter eight, fewer than twenty participants had earnings records in both groups. Thus, these results should be interpreted with caution.

We also conducted analyses of labor market and program outcomes separately for each LWDB. The results of this analysis can be found in Figures 7.9 to 7.14. To preserve the identity of program participants we followed data suppression guidelines. This limits the number of post-enrollment quarters we can observe.

In general, it is hard to discern any patterns in the data, besides the fact that outcomes look quite similar before and after enrollment in EcSA for both CRF incentive payment recipients and non-recipients in all LWDBs except for the Future Workforce Alliance (Snohomish). In this area, CRF incentive payment recipients had higher outcomes than non-recipients prior to enrollment, but this gap reduces considerably after program enrollment.

As with our analysis at the statewide level, these comparisons are only descriptive and cannot be taken as evidence of the effectiveness of the CRF incentive payments program. With the data available at the time of this study, it was not possible for us to infer what would have happened with the outcomes of incentive payment recipients if they had not received such payments. A study to assess the causal effect of incentive payments on participants' outcomes requires either a larger sample of incentive payment recipients and non-recipients or an experimental analysis, in both cases observed over a relatively long period of time.

Section 9: Conclusions and discussion

EcSA is a state-wide program launched in 2019 with federal WIOA Statewide Activities funding (Federal EcSA) and expanded in 2022 using state general funds (State EcSA). The program aims to reduce poverty by providing targeted support to low-income individuals, with the goal of helping them move toward economic self-sufficiency. These efforts include a strong emphasis on equity, particularly for marginalized populations, individuals experiencing homelessness and those facing multiple employment barriers.

This report assesses the effectiveness of the EcSA program in achieving its stated objectives. Specifically, we evaluate whether EcSA helps participants improve employment-related outcomes and reach their individualized self-sufficiency income goals. We document program outcomes of EcSA participants and estimate the causal effect of enrolling in EcSA in comparison to enrolling in other workforce programs with similar eligibility requirements, such as the WIOA Adult and Youth programs. Finally, we explore whether the provision of CRF incentive payments contributes to greater success in helping individuals achieve economic self-sufficiency.

The analysis yields the following main conclusions:

- EcSA achieves its goal of targeting traditionally marginalized groups in Washington. Participants in the sample were more likely to self-identify as African American, American Indian, Alaska Native, Native Hawaiian and Pacific Islander than their proportion in the state's overall population. The same is true (though to a lower extent) when comparing the composition of program participants in EcSA and the WIOA program, which has similar eligibility criteria. EcSA also enrolls a larger proportion of Hispanic people than the share that lives in the state, as well as more people with disabilities, people facing housing instability and those with limited English proficiency.
- During the first year of the program, 318 EcSA participants had employment with earnings above their self-sufficiency goal. In the second year of the program this

number more than doubled to 644 participants, exceeding the target of 580. In the first half of program year three, 504 participants found employment with earnings above their self-sufficiency goal, exceeding the target of 161.

- EcSA participants were more likely to undergo training. About a third of participants underwent training, a proportion almost three times higher than in the WIOA Adult and Youth programs. Participants who underwent training exhibited better labor market outcomes than those who did not undergo training starting in quarter two after enrollment in EcSA. While this is not an indication that training has a positive impact on the outcomes of EcSA participants, it suggests that training could be a promising area to focus on to achieve EcSA's objectives. On the other hand, almost one third of participants who underwent training enrolled in commercial driving. To maintain the effectiveness of training, LWDBs may want to diversify the training fields they offer or encourage participants to enroll in.
- In our analysis of the causal effect of EcSA compared to similar participants in the WIOA Adult and Youth programs, EcSA helps people find employment faster. EcSA participants worked more hours in jobs that on average paid higher wages, which resulted in higher earnings. The differences between EcSA and WIOA participants persisted seven quarters after enrollment. This evaluation is not designed to identify which features of the program are driving these results. However, the design of the program, which allows LWDBs to "experiment with new methods of assisting customers"[38] provides a great opportunity to explore effectiveness of various program elements. Such a study will be highly valuable, as the results could offer clear recommendations on what works and what does not.
- Despite these positive results, EcSA still has room to improve. Eight quarters after enrollment, 40% of program participants had earnings that exceeded their individualized self-sufficiency goals. At least two factors contribute to this. First, employment rates of participants increased rapidly after enrollment, but they remained at around 60% from quarters two to seven after enrollment. Second, among those who have a job, more than 40% worked fewer than six hours a day on average. Hence, a large proportion of employed participants did not reach their individualized self-sufficiency goals despite having hourly wages higher than their corresponding self-sufficiency wage. These participants could reach their self-sufficiency goal by switching from part-time to full-time work in their current job.
- Individuals with unstable housing and those with at most a high school diploma or equivalent, were less likely than those with stable housing and with tertiary degree, respectively, to reach their self-sufficiency goals than other participants. This may

[38] According to the EcSA First legislative report.

indicate that some participants face particularly difficult circumstances when they enroll in the program, which can persist over time and make it harder for them to achieve self-sufficiency.

- The Community Reinvestment Funds (CRF) incentive payments, introduced in December 2023, are intended to reward participants for achieving milestones in their career plans, focusing mainly on EcSA participants of Black, Tribal and Latine origin. Our analysis indicates that participants of these backgrounds were more likely to receive incentive payments; they also received more payments on average than participants from non-prioritized groups. In addition, after the introduction of incentive payments, there has been an overall increase in the proportion of individuals enrolled in EcSA from the groups prioritized by the incentive payments.
- More than 60% of individuals who had been enrolled in EcSA when the CRF incentive payments were introduced received at least one payment. We find that, during the study period, CRF recipients experienced lower employment rates, worked fewer hours and earned less on average than their non-recipient counterparts. However, among those who were employed, the share of CRF recipients whose hourly wage exceeded their self-sufficiency goal increased over time, while it remained stable for non-recipients. While more data is needed to draw conclusions about the effectiveness of the CRF incentive payments, the analysis during our study period does not suggest that incentive payment recipients are making similar progress toward self-sufficiency than non-recipients.
- When data is restricted to participants who have exited the program, those who received CRF incentive payments outperformed their non-recipient counterparts on several measures starting in the fifth quarter after enrollment. However, these conclusions come from a relatively small sample and cannot be generalized to all participants; those who exit the program may do so because they have reached the program goals.

Note: This evaluation was reviewed by two external reviewers contracted by the University of Washington (UW) West Coast Poverty Center (WCPC). A document from UW-WCPC summarizing the review process and the assessment from the evaluators can be found in Appendix 8.

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Appendix 1: Summary of CCM programs evaluated and evaluation results

Program name	Location	Years	Program description	Requires an individualized career plan with earnings goal?	Requires bundling of services?	Requires a focus of enrollment on BIPOC individuals?	Evaluation Method	Evaluation Results
Bridges to Success	Rochester, NY	2017-2020	An anti-poverty program where a case manager identifies participants' short- and long-term goals, create step-by-step plans with cash incentives for completing planned steps.	YES	YES	NO	RCT	1. 1.Raised employment rate by 15% 2. 2.Small and imprecise earnings gains. 3. 3. Every $1 in net spending generates $0.41 - $3.56 of net benefits.
Padua	Tarrant county, TX	2015-2018	Case managers create an individual success plan for the participant. Services include job training, housing assistance, immigration assistance, budgeting, financial literacy, and coaching for overall well-being.	YES	YES	NO	RCT	1. Increased full-time employment by 25% two years after initial enrollment. 2. Benefit per dollar spent from $0.106 to $0.506.
Rehire Colorado	Colorado	2015-2018	A subsidized employment program with case management and flexible financial assistance. Services include job training, housing assistance, immigration assistance, budgeting, financial literacy, and coaching for overall well-being.	YES	YES	NO	RCT	1. Increased quarterly employment rate by 11.1 pp (21%). 2. Increased quarterly earnings by $247 (30%). 3. No effect on benefit receipt (SNAP or TANF). 4. Meaningful improvements in job quality and well-being. 5. Benefits per dollar spent at $0.64.

Enhanced Transitional Jobs Demonstration	National	2011-2015	Subsidized jobs program to help hard-to-employ individuals improve their ability to get and hold unsubsidized jobs. Provides wage supplement, occupational training, peer-monitoring, criminal justice system-related assistance, child support.	YES	YES	NO, but most participants are never-married Black or Hispanic men	RCT	1. 10% increase in employment (17.5% increase in full-time employment). 2. 9% increase in earnings.
Year Up	National	2013-2014	Sectoral training program. Provides 6 months of full-time training in IT and financial service sectors, plus 6-month internships at major firms. Provides extensive support- including weekly stipends—and puts a heavy emphasis on the development of professional and technical skills.	YES	YES	NO	RCT	1. Increased earnings of participants by 39%. 2. Increased full-time employment by 40%. 3. Cost is $28,637 per student. Earnings increased by $6,854 over the course of 3 years ($12,192 in two years after training).
Building Nebraska Families	Rural Nebraska	2002-2004	Intensive home visitation and life skills education program. Provides individualized education, mentoring, and service coordination support	YES	YES	NO	RCT	1. Increased employment rate by 11.8 percentage points. 2. Increased family monthly income by $322. 3. Reduced the likelihood of being in poverty by 8 percentage points. 4. No impact on individual earnings and public benefit receipts.
Youth and Family Homelessness Prevention Initiative	King county, WA	2018-2020	Housing program that uses case management & cash assistance. Focuses on agencies that provide a wide range of services to a particular community and are deeply connected to that community.	YES	YES	NO	RCT	1. Increased access to public assistance program by 4.2 percentage points. 2. No impact on eviction filings

Appendix 2: Balance test of the matching between EcSA and WIOA participants

Figure 2.1 shows the averages of the variables used for the matching algorithm for all EcSA (column 1) and the matched WIOA (Adult and Youth, column 2) participants who enrolled in their respective programs between July 1, 2022, and Sept. 30, 2024. Finally, column 3 shows the difference in means between the two groups, with stars denoting whether the difference is statistically different from zero.

Figure 2.1: Summary statistics of study participants and WIOA Adult and Youth participants enrolled during the study period

Statistic	EcSA	Matched WIOA Adult and Youth	Difference in Means
Male (%)	0.51	0.51	0
Age at enrollment (years)	36.95	37.76	0.81**
White (%)	0.51	0.53	0.02*
Black/ African American (%)	0.16	0.16	-0.01
Asian (%)	0.08	0.08	-0.01
Native Hawaiian/ Pacific Islander (%)	0.02	0.02	0
American Indian/ Alaska Native (%)	0.02	0.02	0
Two or more races (%)	0.06	0.06	0
Race unknown/ Declined to identify (%)	0.15	0.14	-0.01
Hispanic non-white (%)	0.03	0.02	-0.01*
Hispanic White (%)	0.08	0.07	-0.01
Hispanic, unknown race (%)	0.08	0.07	-0.01**
Disabled (%)	0.16	0.15	-0.01
Veteran (%)	0.04	0.05	0.01
Limited English Proficiency (%)	0.17	0.15	-0.01
High school diploma or less (%)	0.7	0.7	0
Homeless (%)	0.11	0.1	-0.01
Previously enrolled in any program (%)	0.51	0.52	0.01
Co-enrolled in other program(s) (%)	0.86	0.83	-0.03***
Participants	4412	2640	

Note: Stars denote that the difference is statistically significant. * p < 0.1, ** p <0.05, *** p < 0.01

Appendix 3: Main fields of training by EcSA participants' characteristics

The following graphs show the distribution of training fields according to the following participants' characteristics: race, ethnicity, gender, housing status at enrollment, education and presence of children in the household. The height of each bar shows the proportion of participants in the group that underwent training in that field. In all cases, "Training field missing" means that the "Training course" field in the case management system was left blank and "Other" encompasses all training areas with fewer than 30 participants who underwent training in that field.

Figure 3.1: Distribution of training field by participants' race

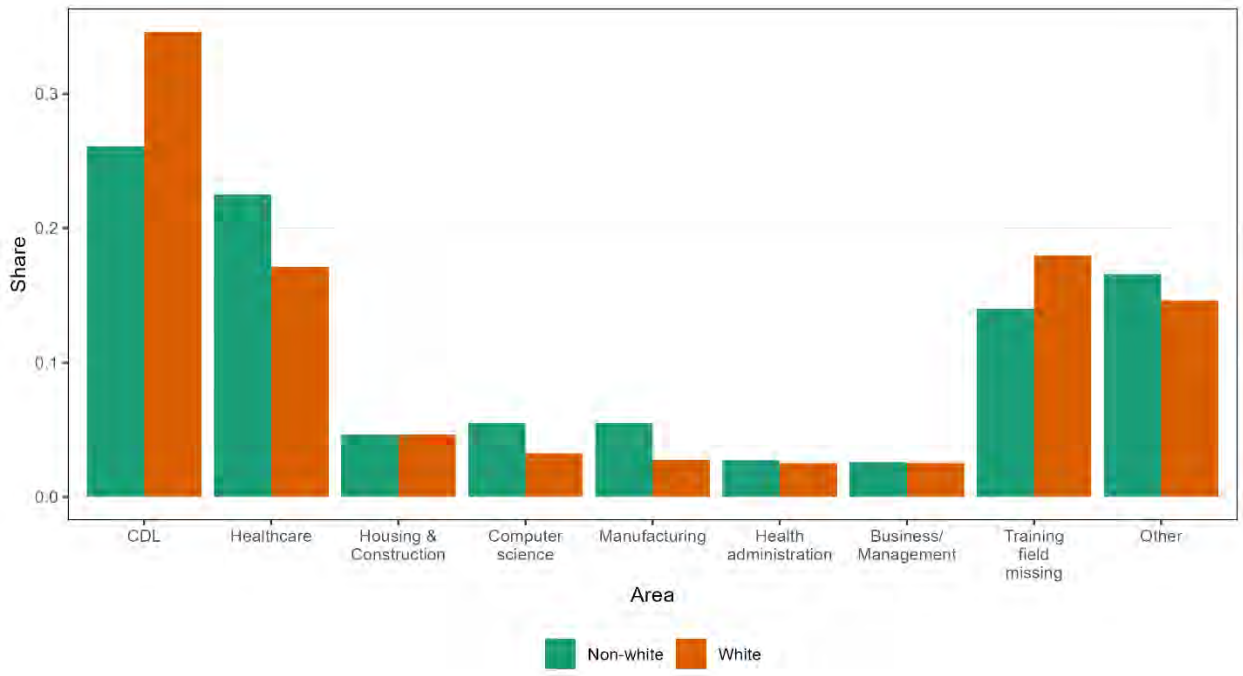


Figure 3.2: Distribution of training field by participants' ethnicity

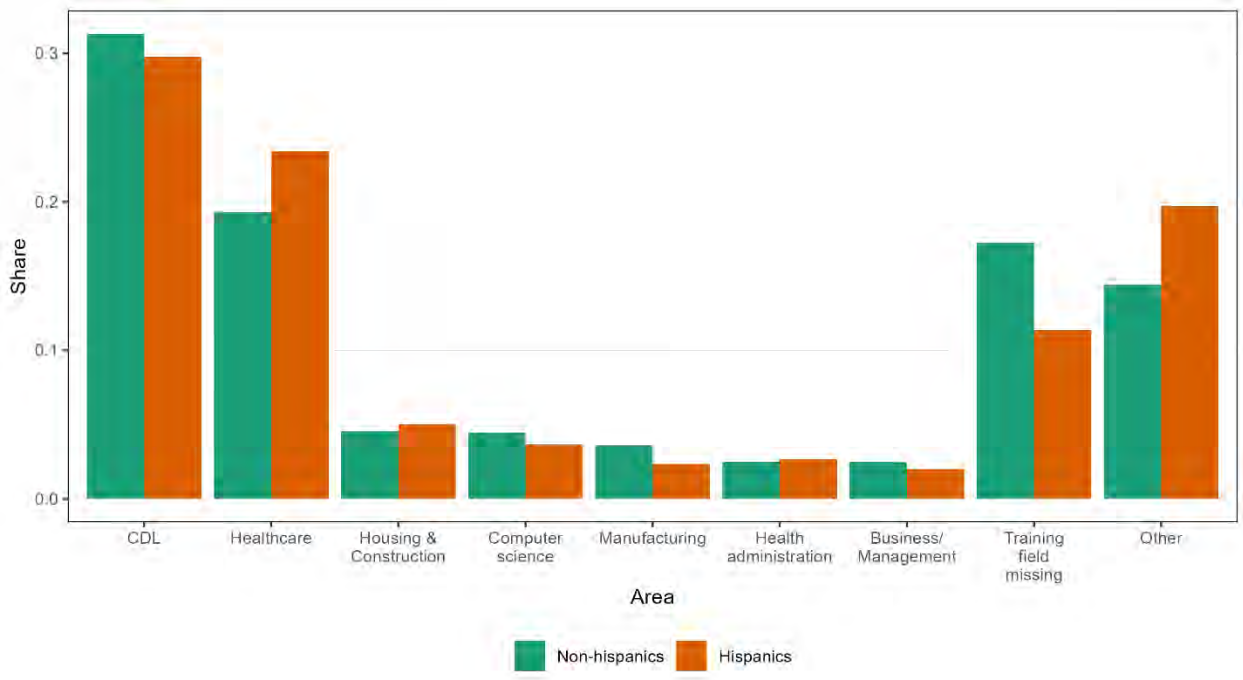


Figure 3.3: Distribution of training field by participants' gender

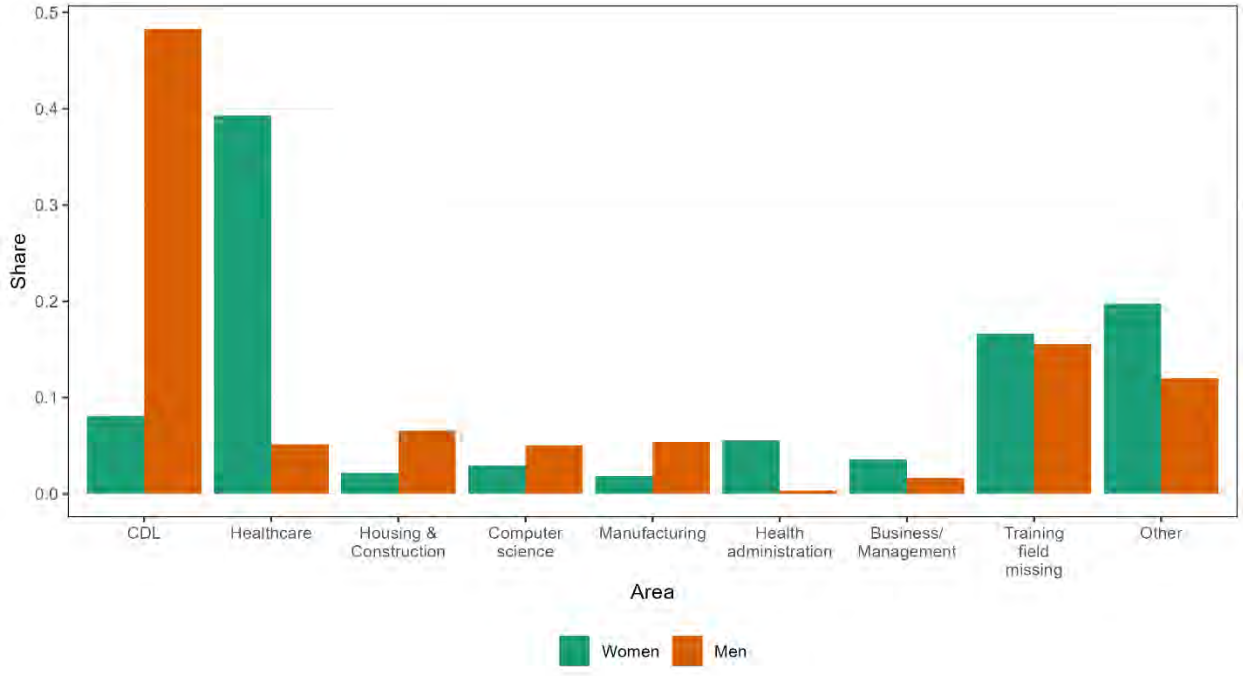


Figure 3.4: Distribution of training field by participants' housing status at enrollment

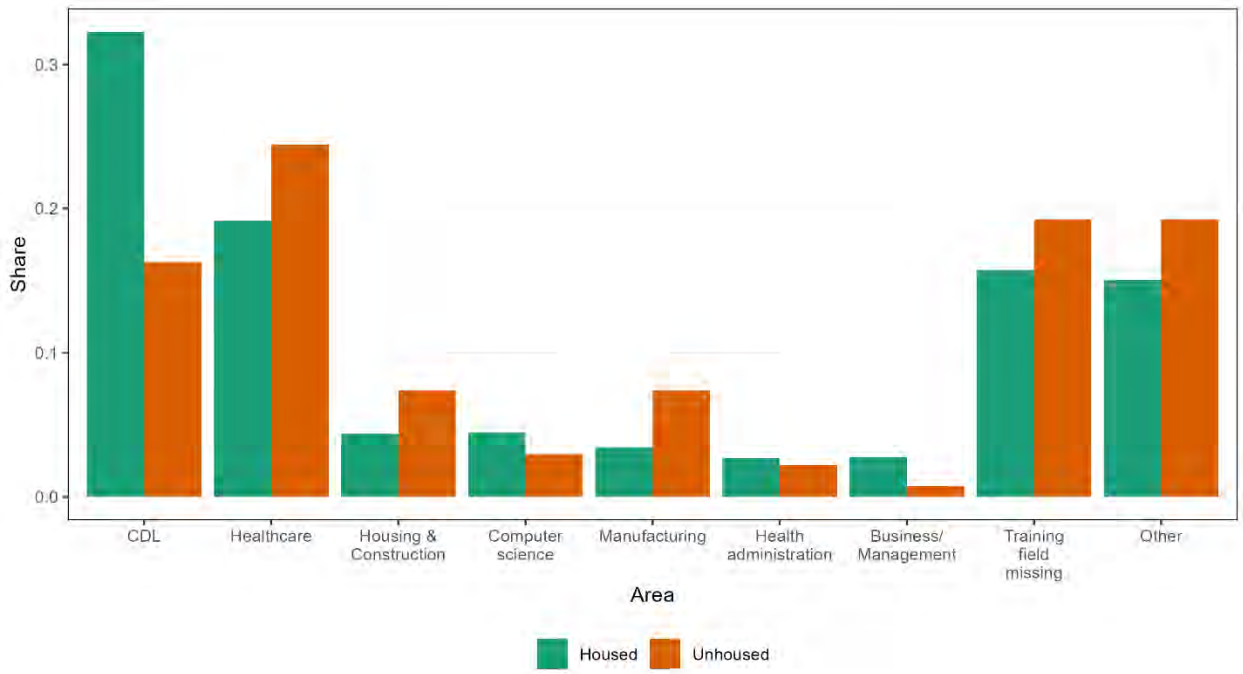


Figure 3.5: Distribution of training field by highest educational diploma obtained

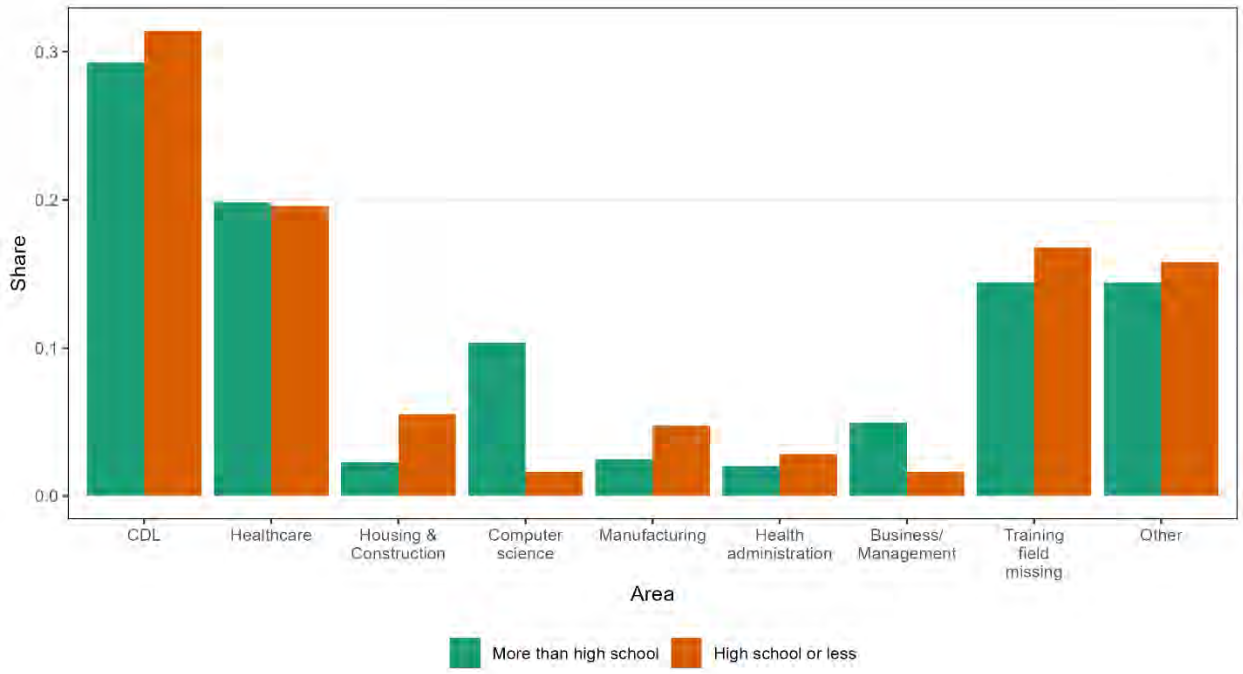
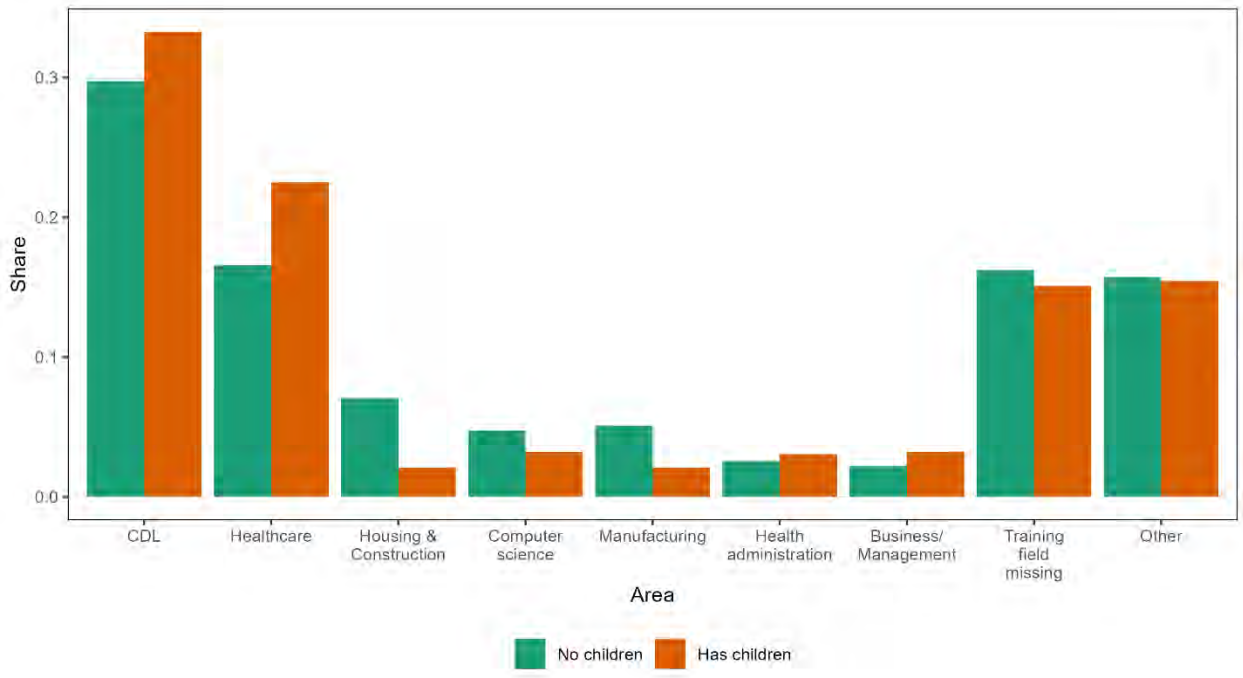


Figure 3.6: Distribution of training field by presence of children in the household



Appendix 4: Additional figures

Figure 4.1 shows, for each quarter, the share of EcSA participants who change employers, become unemployed or become reemployed each quarter with respect to the previous quarter

Each quarter before enrollment, approximately 10% of EcSA participants change employers (green line), but in the quarter of enrollment and the quarter after enrollment, that figure increases to 15 and 20%, respectively. Only by quarter five after enrollment does the proportion of participants who change jobs returns to pre-enrollment levels.

Similarly, the percent of participants who are employed in any given quarter after being unemployed in the previous quarter (purple line) increases from around 6-7% before enrolling in EcSA to 15% in the quarter of enrollment and the first quarter after enrollment. However, the percent of participants who find a job after being unemployed in the previous quarter decreases rapidly after that to values even below pre-enrollment levels.

Finally, the percentage of participants who separate from their job (either because they are laid off or they quit) and do not start a new job in the following quarter peaks at 10% in the quarter of enrollment (potentially a trigger for enrollment for many program participants), after increasing since quarter four prior to enrollment. After participants enroll in EcSA, the percentage of participants who separate from their job decreases slowly to remain around 6-7% of all participants in each quarter.

Figure 4.1: Job transitions by quarter relative to the quarter of enrollment in EcSA

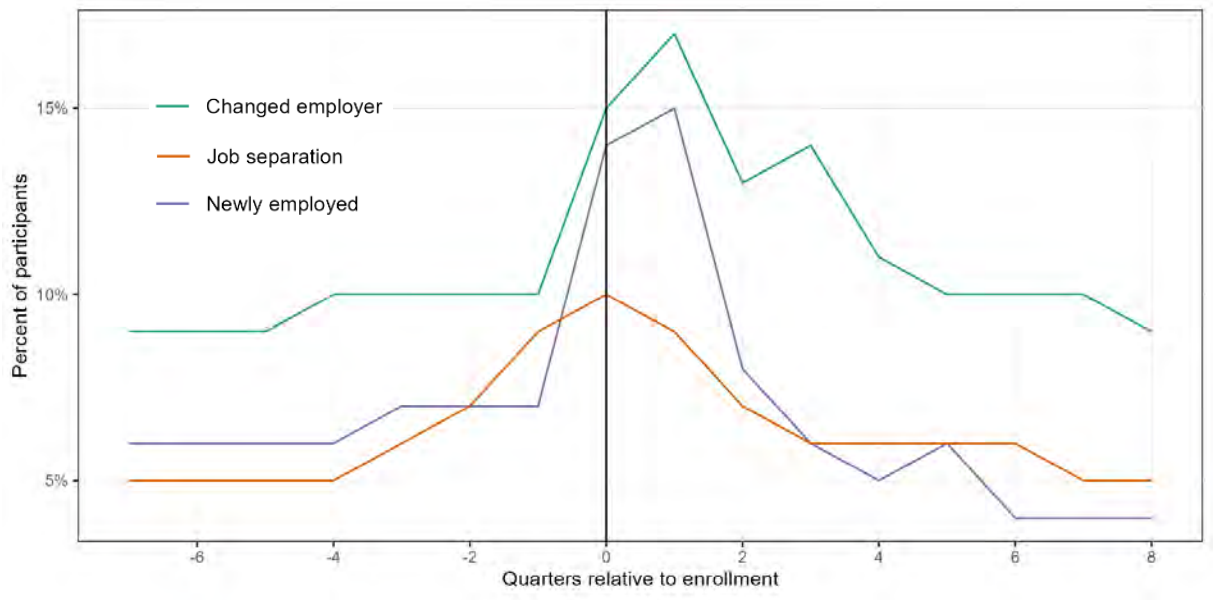


Figure 4.2 shows how the composition of sector of employment changed after participants enroll in EcSA. The figure depicts the share of participants working in each sector (based on the 2-digit NAICS code of their primary employer), relative to their quarter of enrollment.[39] After participants enrolled in EcSA, there was an increase in the share working in the Healthcare and Social Assistance sector, as well as in the Transportation and Warehousing sector.

Figure 4.2 Distribution of industry of employment of participants by quarter relative to enrollment in EcSA

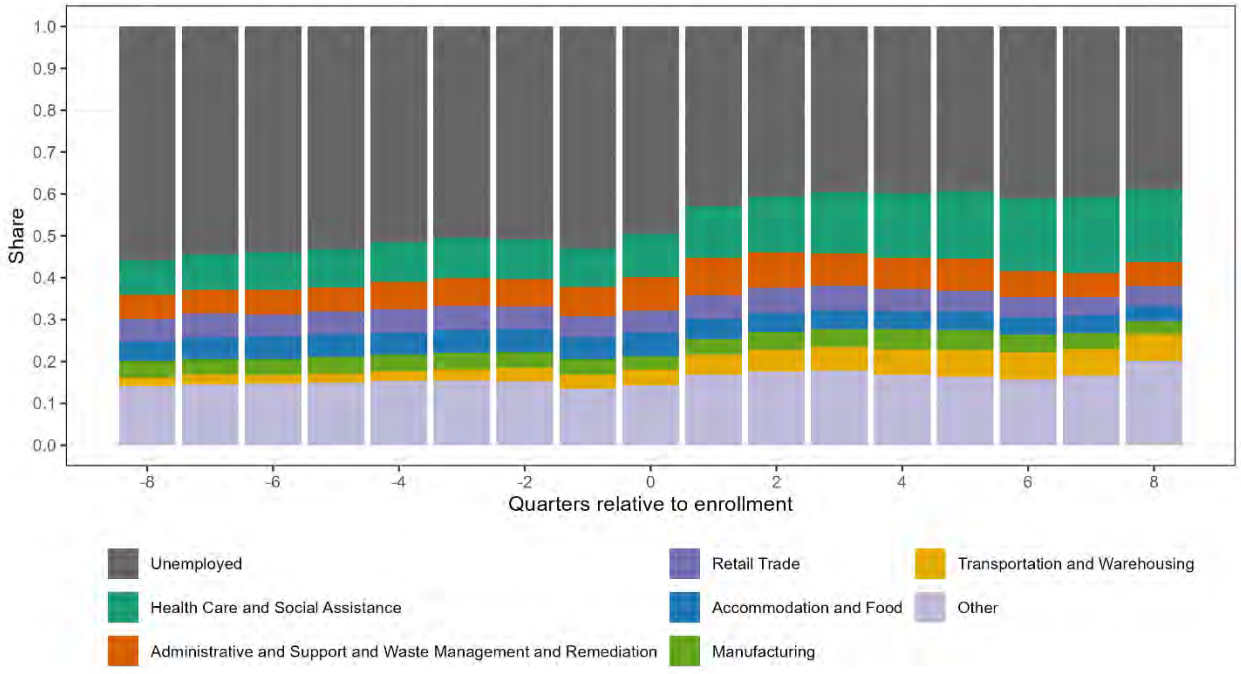


Figure 4.3 shows the evolution of quarterly earnings of all program participants (dashed line) and employed participants (solid lines), expressed in 2022 US dollars to account for inflation.

Quarterly earnings fall in the four quarters prior to the quarter of enrollment in EcSA, but they recover quickly. The average quarterly earnings of those employed surpass their pre-enrollment peak in quarter four after enrollment, and by quarter eight after enrollment the average earnings reach $11,000. For all enrollees, earnings surpass pre-enrollment levels in quarter two after enrollment. This is both because employed participants earn more after enrolling, and because employment increases (so more participants have non-zero earnings).

[39] An individual's primary employer in a quarter is the employer for which that individual worked the most hours in the quarter

Figure 4.3: Average real quarterly earnings of program participants, by quarter relative to enrollment in EcSA

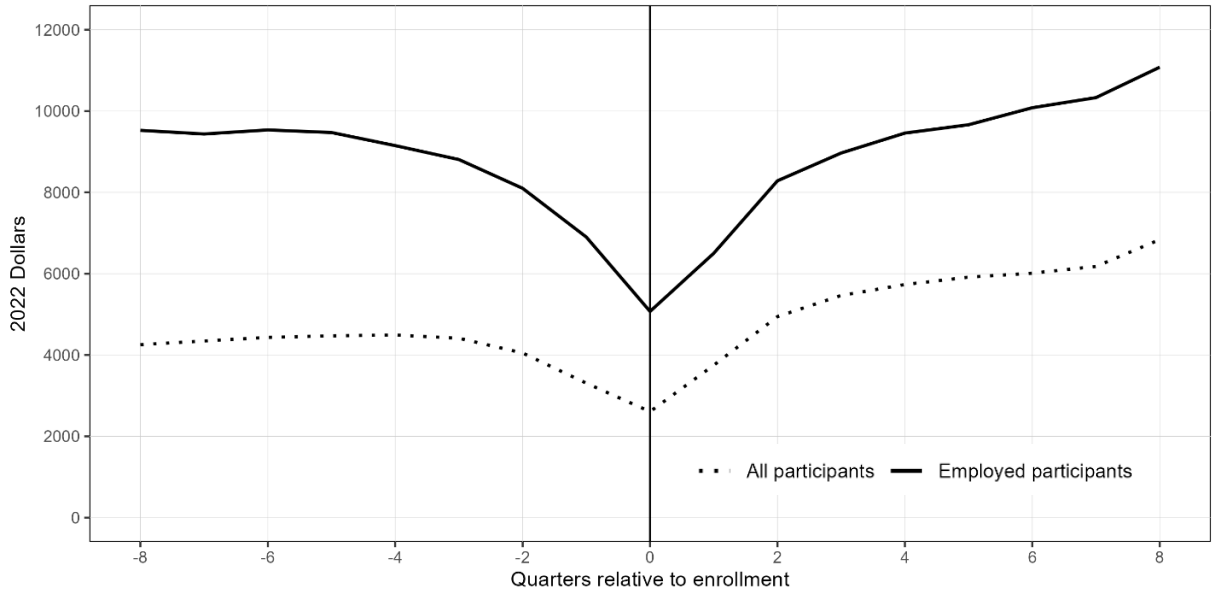
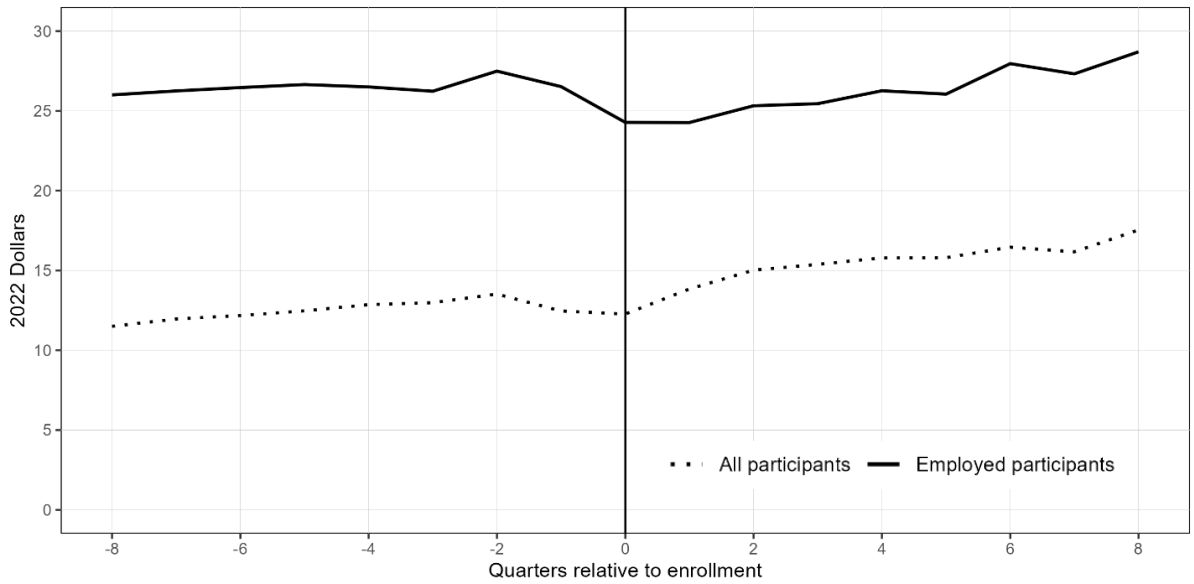


Figure 4.4 tracks the evolution of average real hourly wages for EcSA participants over time. Average wages for employed participants are stable around $25 throughout the period, although they start increasing in quarter five after enrollment, reaching $28.70 in quarter eight after enrollment. The fact that wages for all participants increase over time since the quarter of enrollment reflects the gains in employment shown in Figure 9.

Figure 4.4: Average hourly wage of program participants, relative to quarter of enrollment in EcSA



In *Figure 4.5* we show the change in hours worked per quarter over time, for all EcSA participants (dashed line), and employed participants (solid line). Like earnings, hours of work fall in the quarters before enrollment in EcSA but recover (and surpass pre-enrollment maxima) relatively quickly. By quarter eight after enrollment, employed participants worked almost 400 hours per quarter on average, and the average hours of work of all participants in the sample was 240 per quarter.

Figure 4.5: Average quarterly hours of work of program participants, relative to quarter of enrollment in EcSA

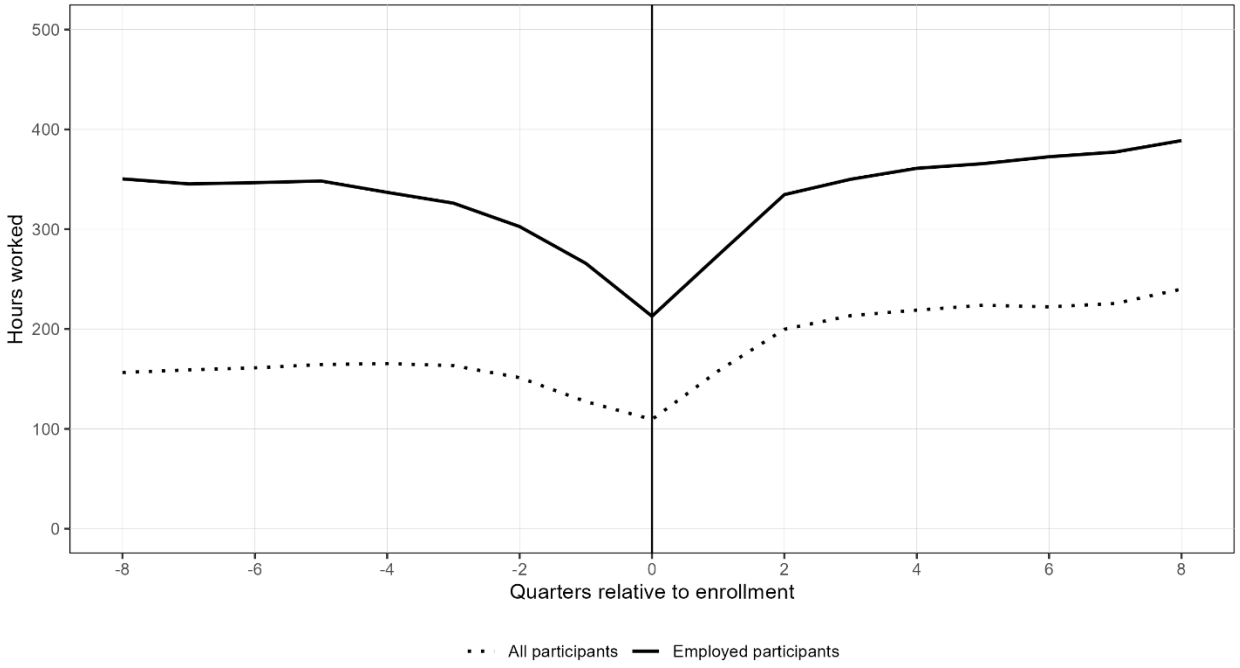
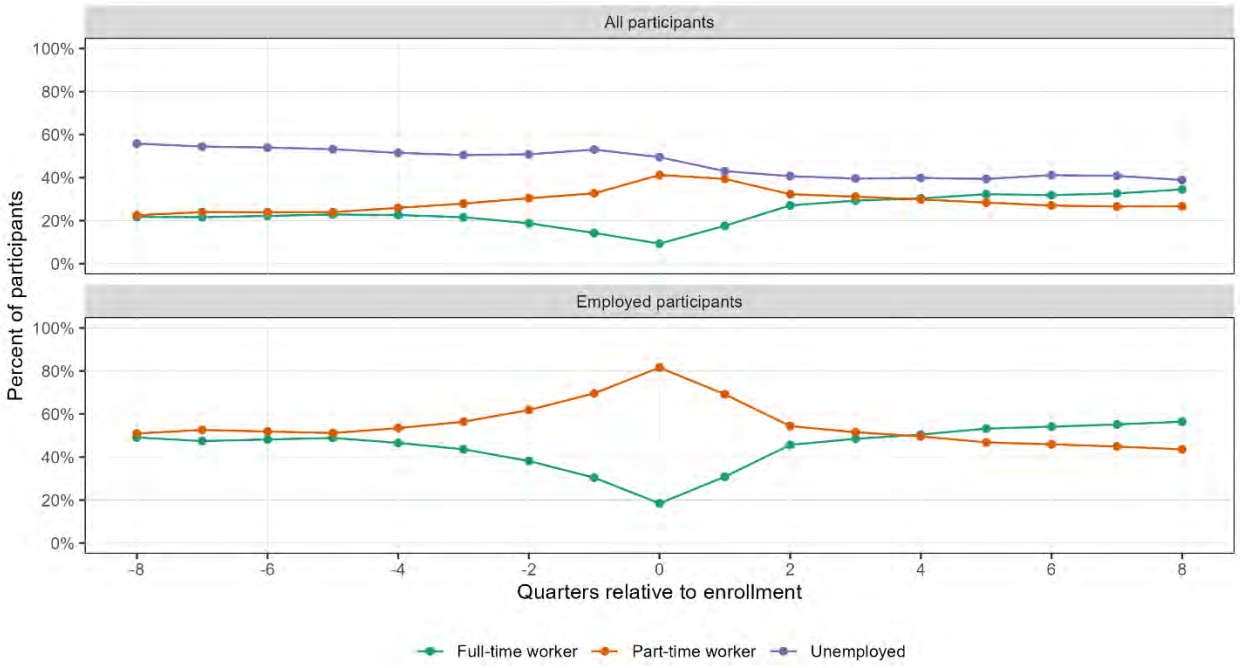


Figure 4.6 shows, for each quarter, the percent of EcSA participants (Panel 1), and employed EcSA participants (Panel 2) working full-time using the definition of full-time employee from the IRS (390 hours or more in the quarter, equivalent to 6 hours per day) and part-time (between one and 390 hours in the quarter) workers. The number of hours of work in a quarter is calculated by adding the hours worked across all employers that a person had in the quarter (so a person can have two part-time jobs and be considered a full-time worker).

Unemployed participants are the majority both before and after enrollment, but their proportion decreases continuously over time, from almost 60% in quarter 8 before enrollment to 40% in quarter eight after enrollment.

Among employed participants, part-time workers are the majority of before enrollment and up to quarter four after enrollment. By quarter eight after enrollment, almost 40% of EcSA participants and 60% of employed participants work full-time.

Figure 4.6: Percent of employed participants working full-time and part-time, by quarter relative to enrollment in EcSA



Appendix 5: Labor market outcomes of EcSA participants by demographic and socioeconomic characteristics

In this Appendix, we present the labor market outcomes of participants in the EcSA initiative broken down by the following characteristics: race (white and non-white participants), ethnicity (Hispanic of any race and non-Hispanic), gender (men and women), housing status at enrollment (housed and housed), and highest education credential obtained (up to high school diploma and associate's degree and above).

Labor market outcomes by participants' race

Figure 5.1: Employment rate of participants by race and quarter of enrollment in EcSA

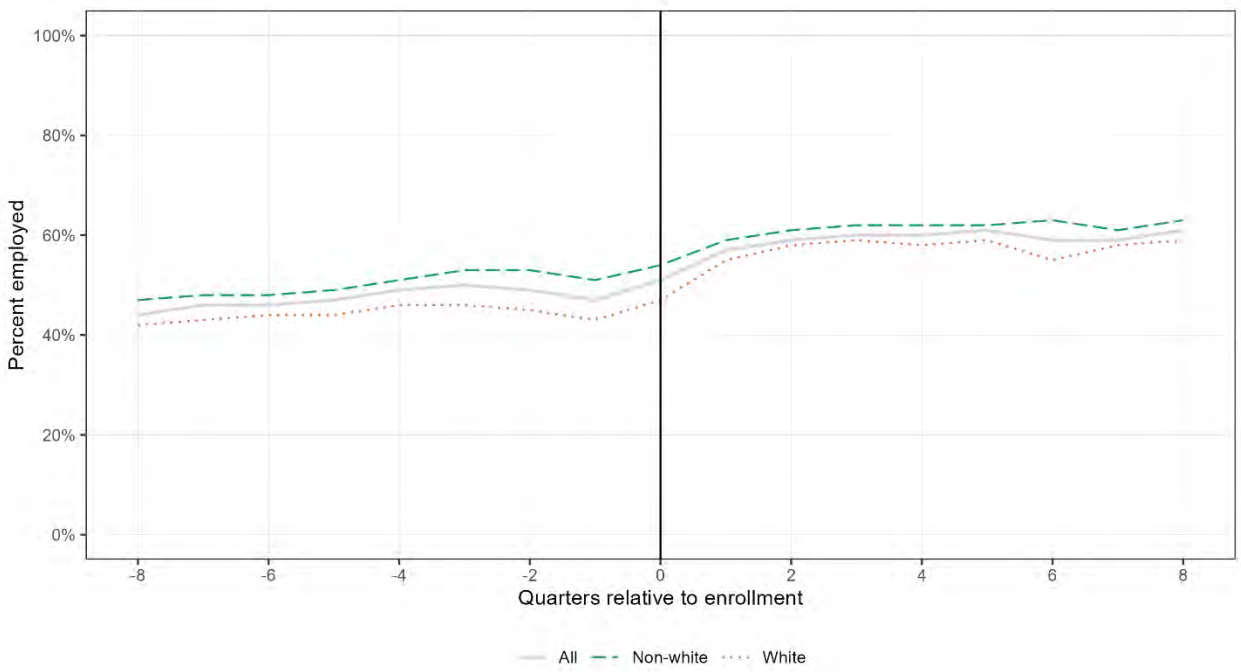


Figure 5.2: Average real quarterly earnings of employed program participants, by race and quarter relative to enrollment in EcSA

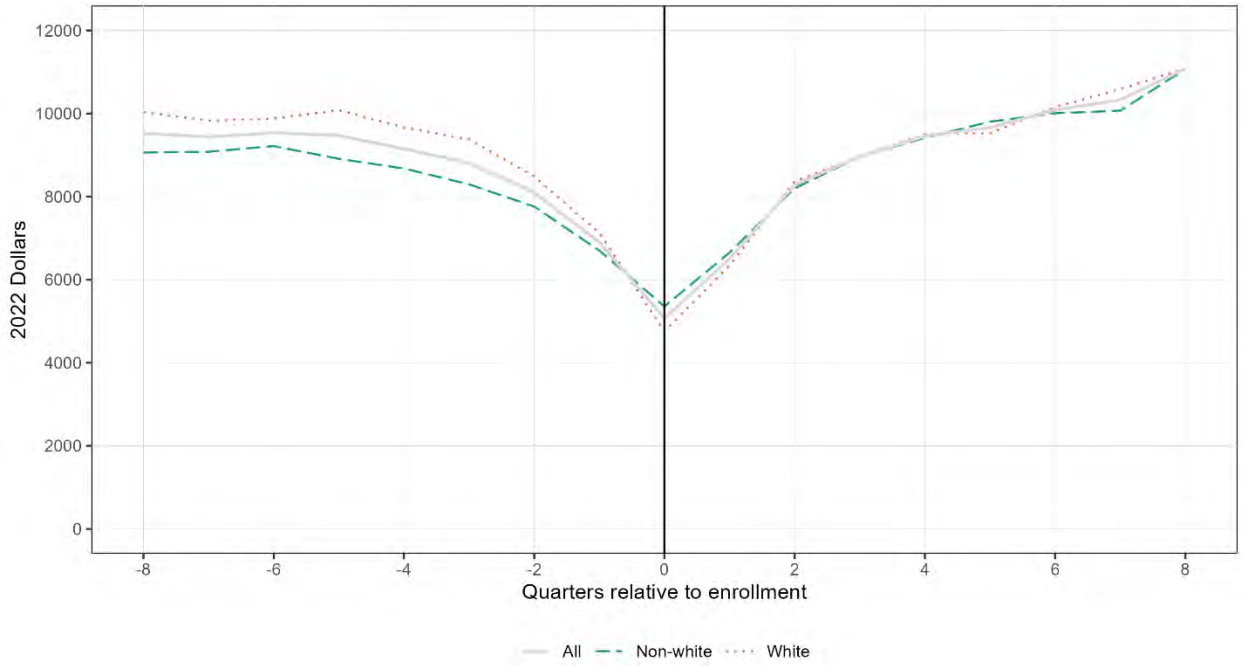


Figure 5.3: Percent of employed participants with earnings above their individualized self-sufficiency goal, by race and quarter relative to enrollment in EcSA

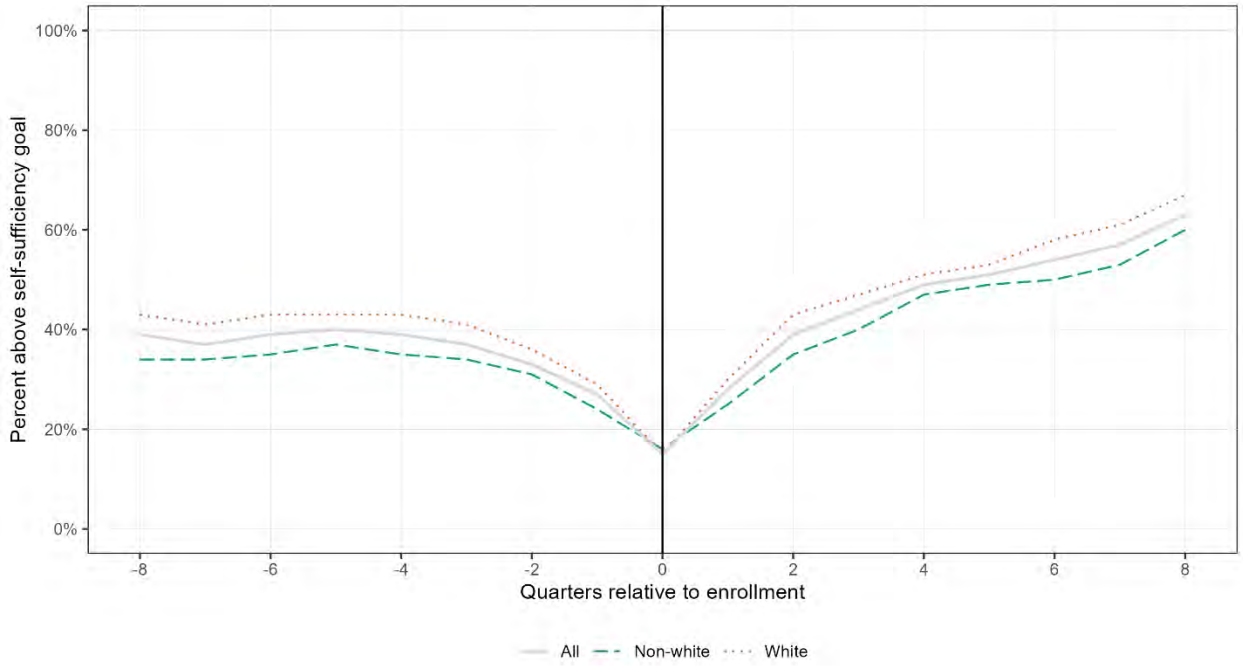


Figure 5.4: Average quarterly hours of work of employed participants, by race and quarter relative to enrollment in EcSA

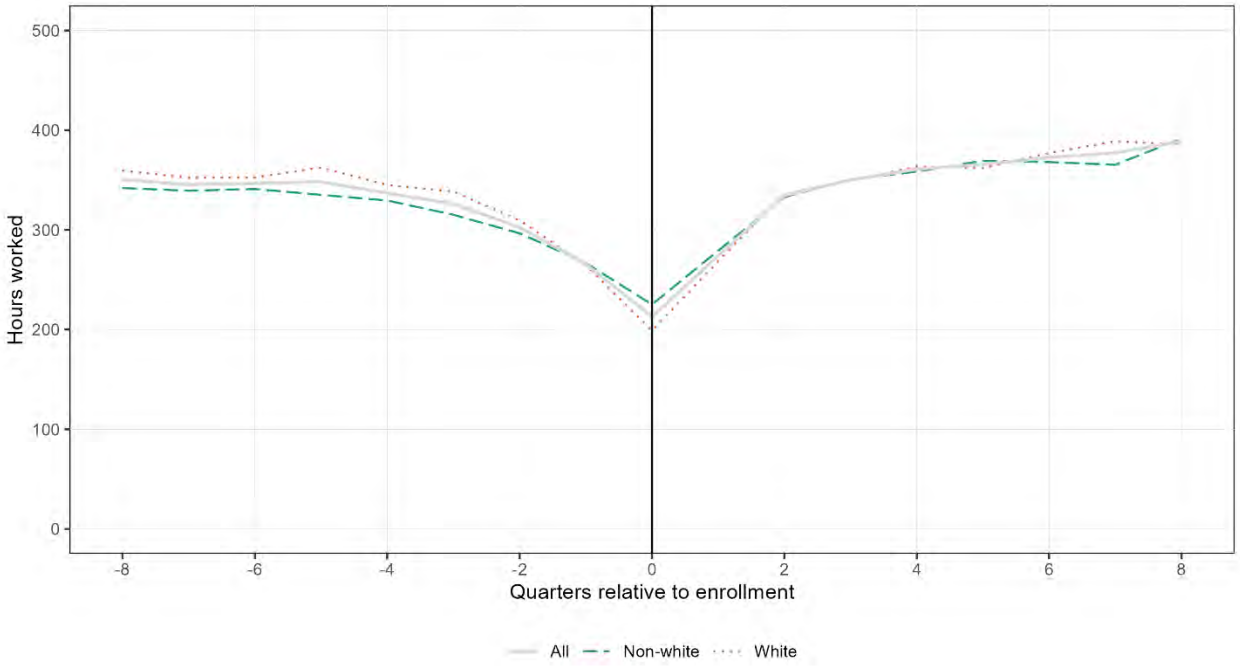


Figure 5.5: Average hourly wage of employed program participants, by race and quarter relative to quarter of enrollment in EcSA

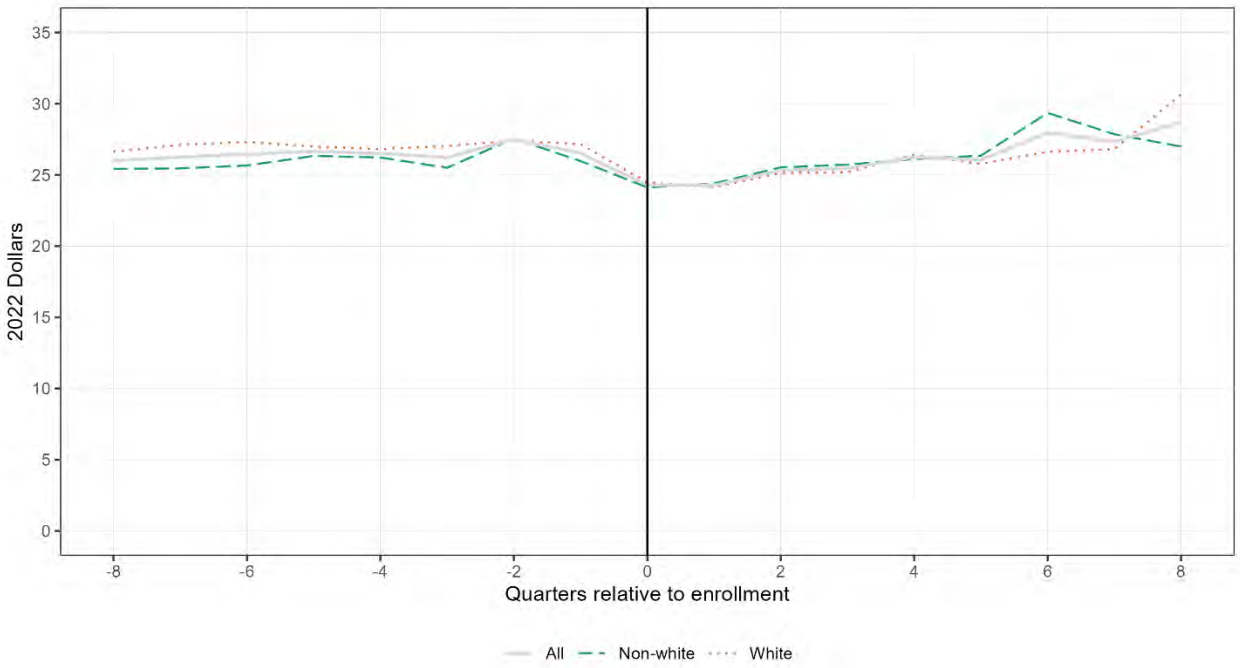
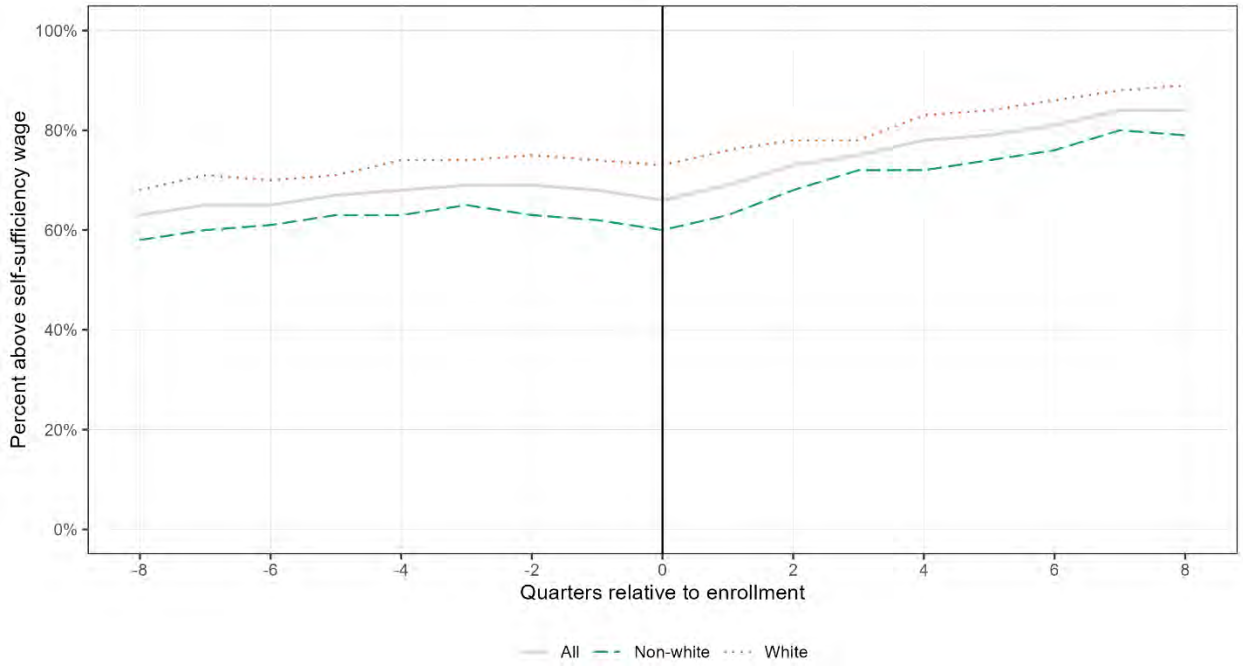


Figure 5.6: Percent of employed participants with wages above their individualized self-sufficiency wage, by race and quarter relative to enrollment in EcSA



Labor market outcomes by participants' ethnicity

Figure 5.7: Employment rate of participants by ethnicity and quarter of enrollment in EcSA

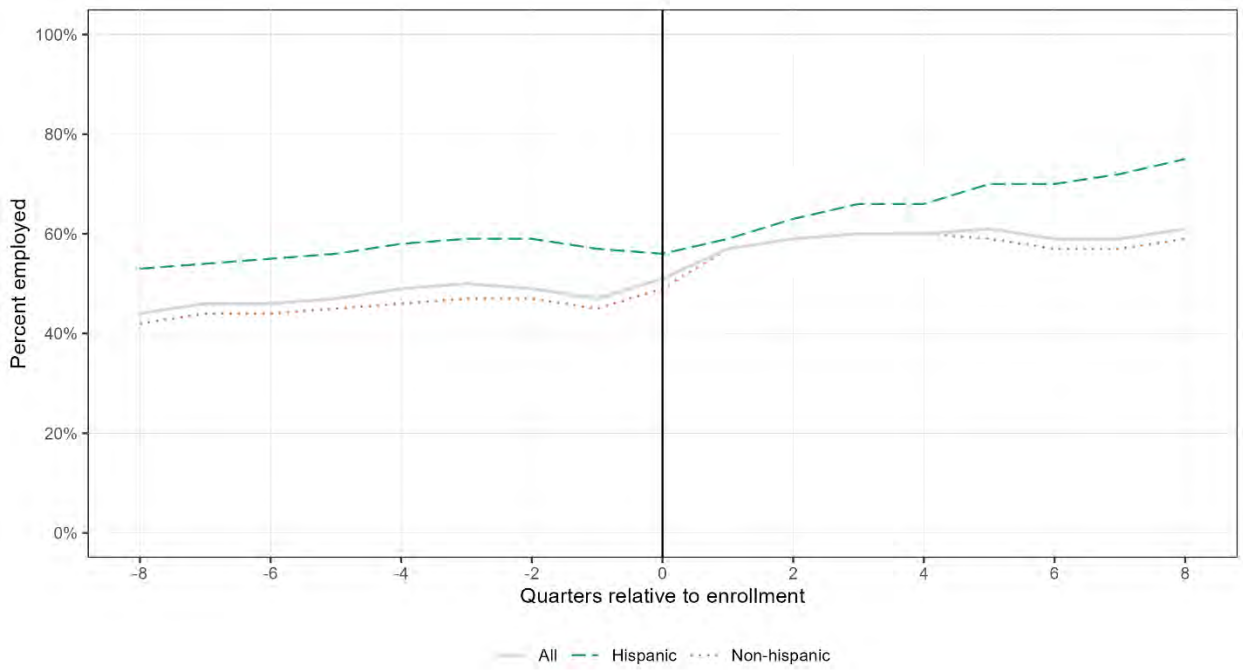


Figure 5.8: Average real quarterly earnings of employed program participants, by ethnicity and quarter relative to enrollment in EcSA

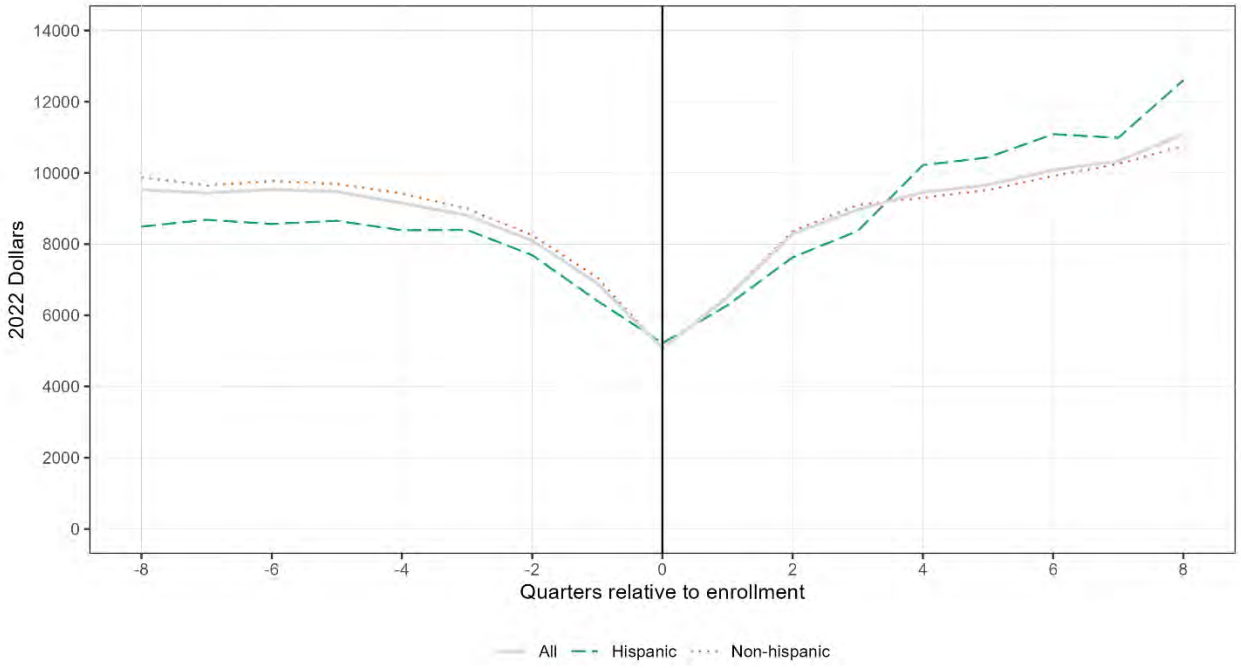


Figure 5.9: Percent of employed participants with earnings above their individualized self-sufficiency goal, by ethnicity and quarter relative to enrollment in EcSA

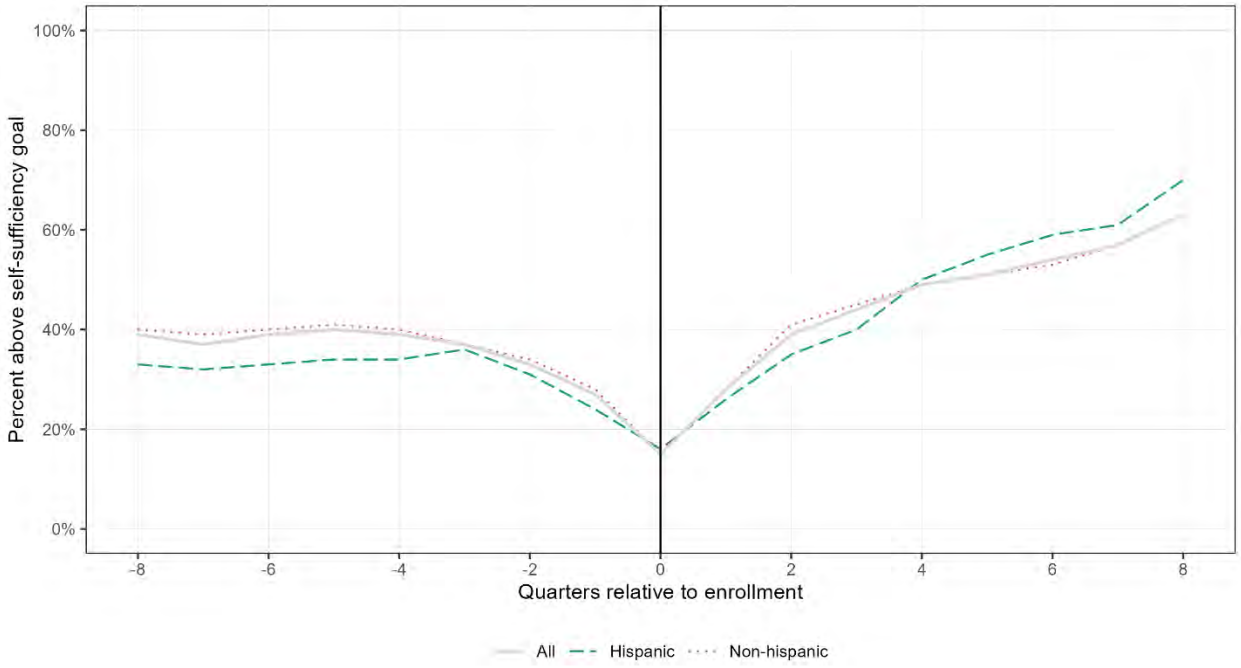


Figure 5.10: Average quarterly hours of work of employed participants, by ethnicity and quarter relative to enrollment in EcSA

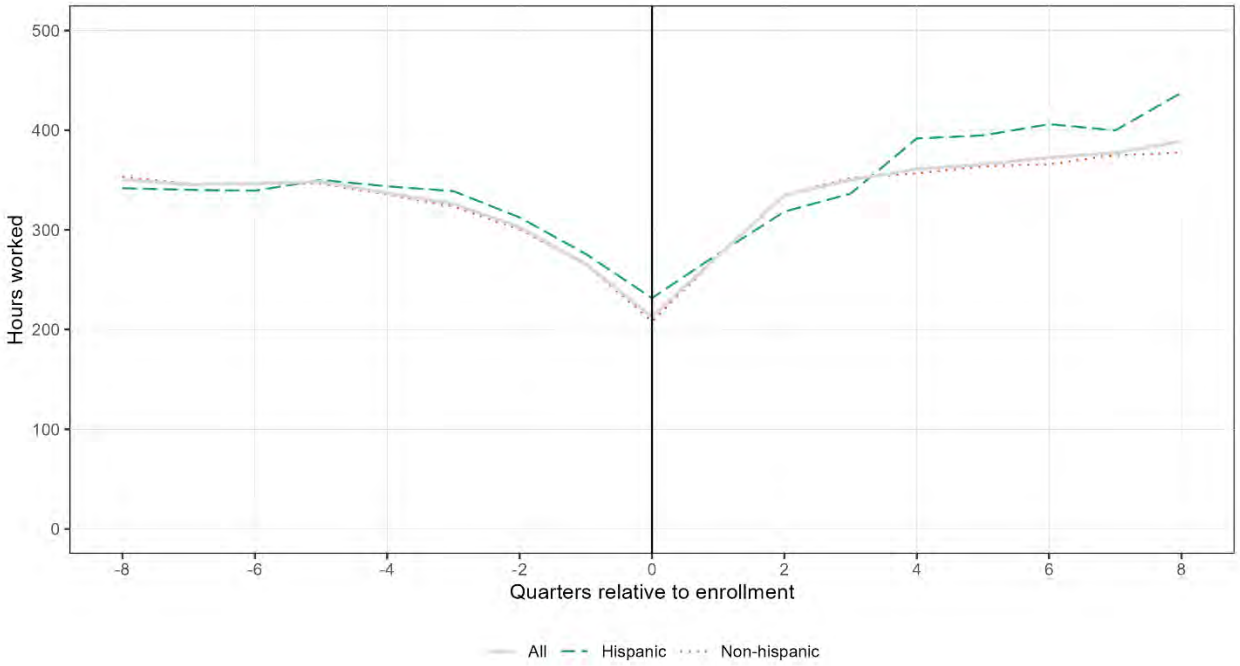


Figure 5.11: Average hourly wage of employed program participants, by ethnicity and quarter relative to quarter of enrollment in EcSA

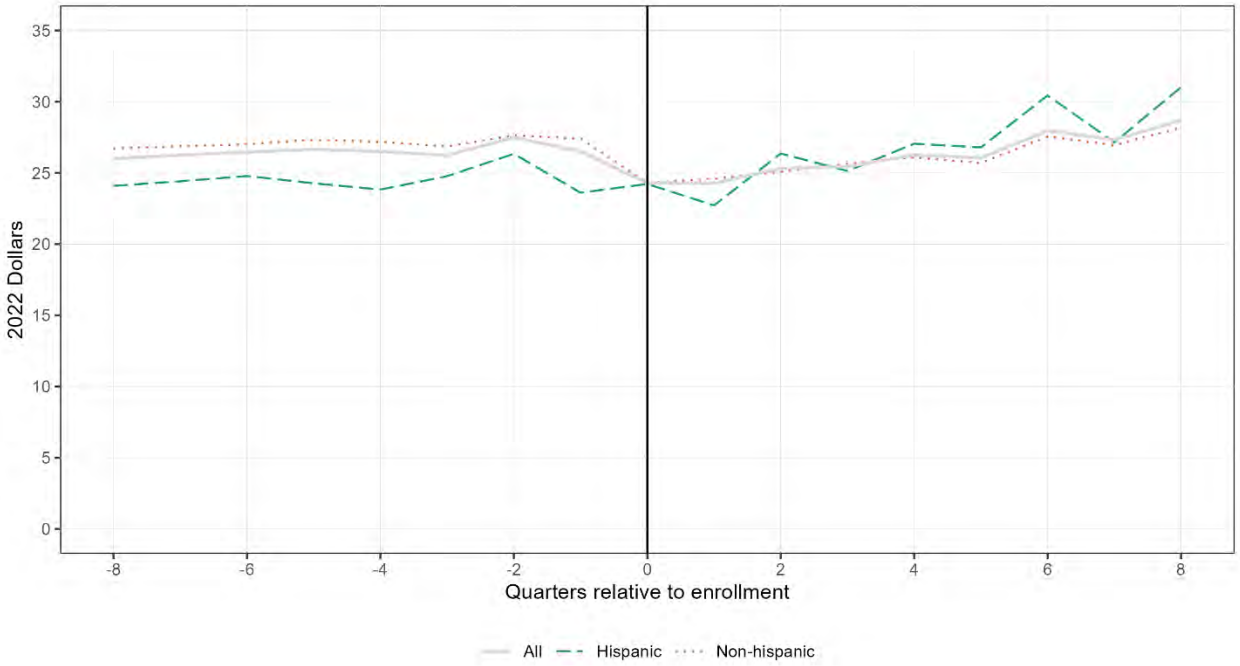
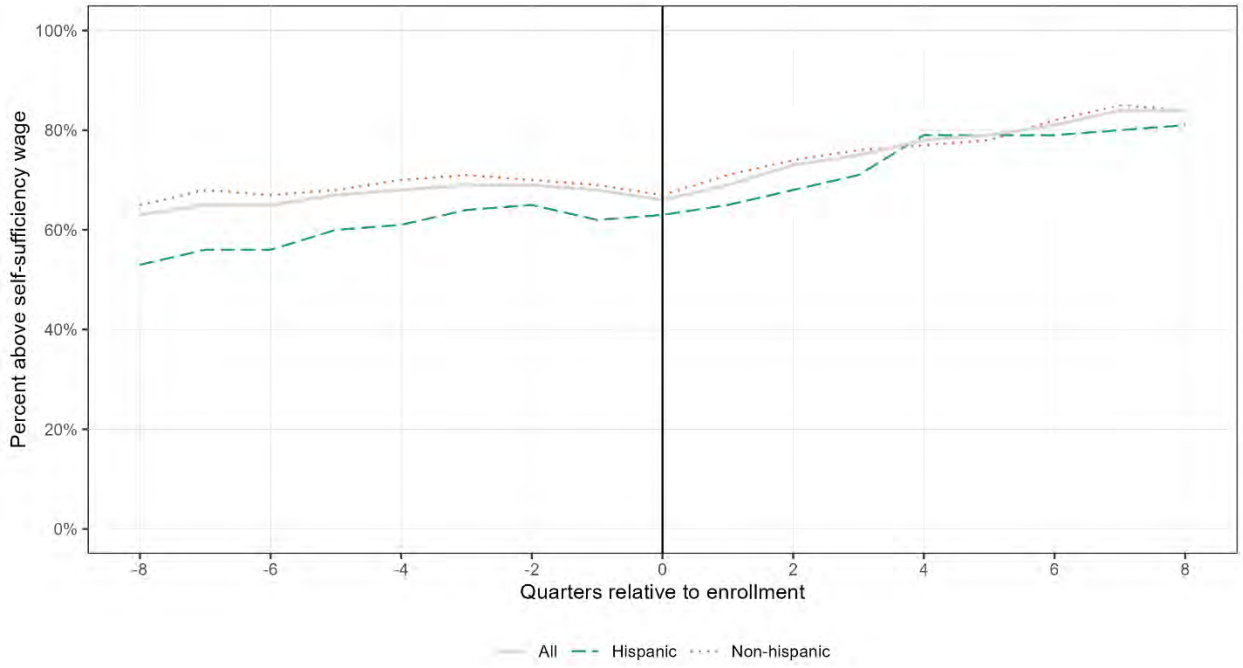


Figure 5.12 Percent of employed participants with wages above their individualized self-sufficiency wage, by ethnicity and quarter relative to enrollment in EcSA



Labor market outcomes by participants' gender

Figure 5.13: Employment rate of participants by gender and quarter of enrollment in EcSA

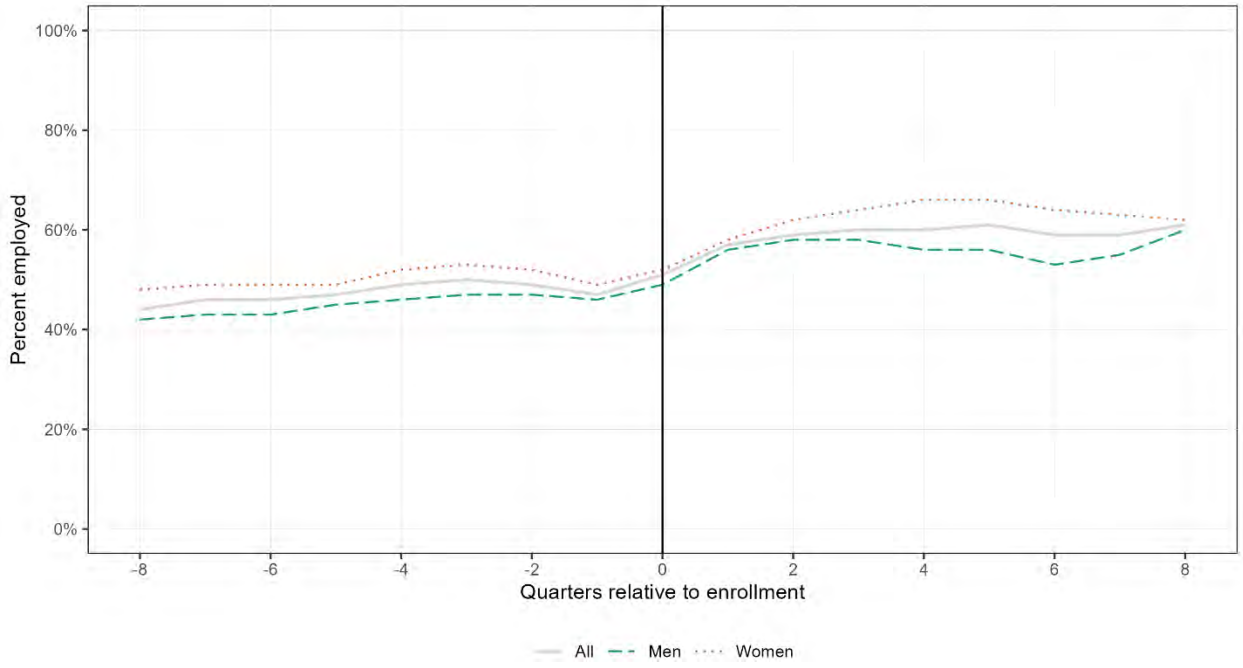


Figure 5.14: Average real quarterly earnings of employed program participants, by gender and quarter relative to enrollment in EcSA

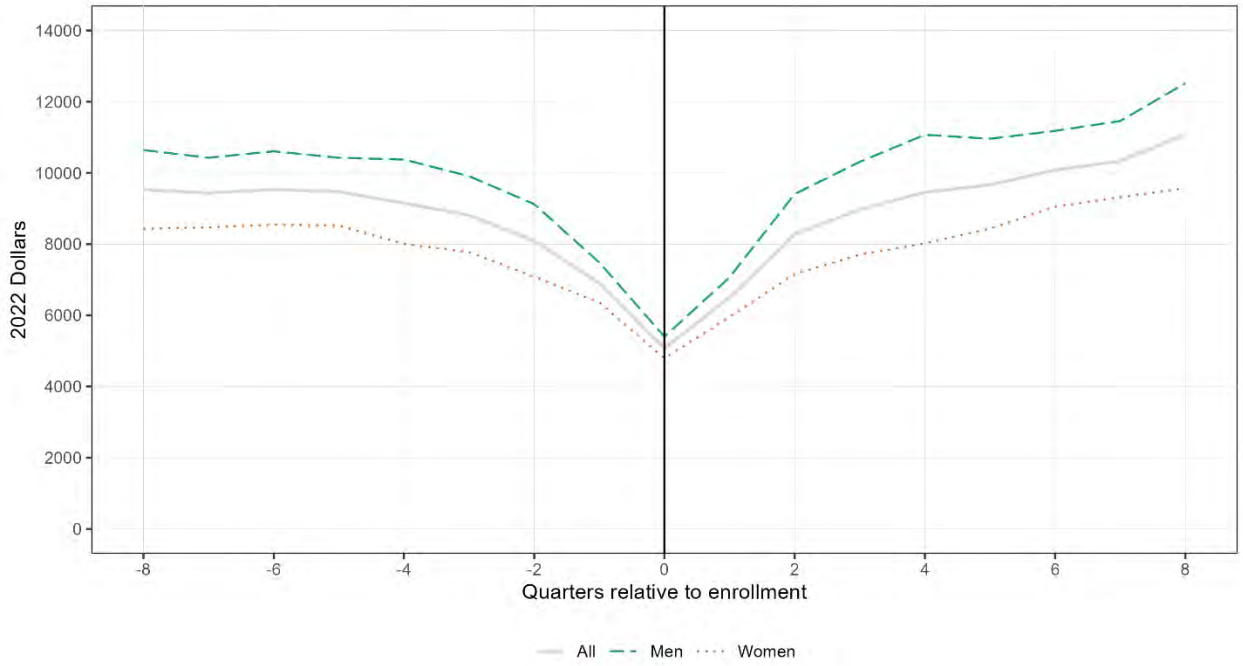


Figure 5.15: Percent of employed participants with earnings above their individualized self-sufficiency goal, by gender and quarter relative to enrollment in EcSA

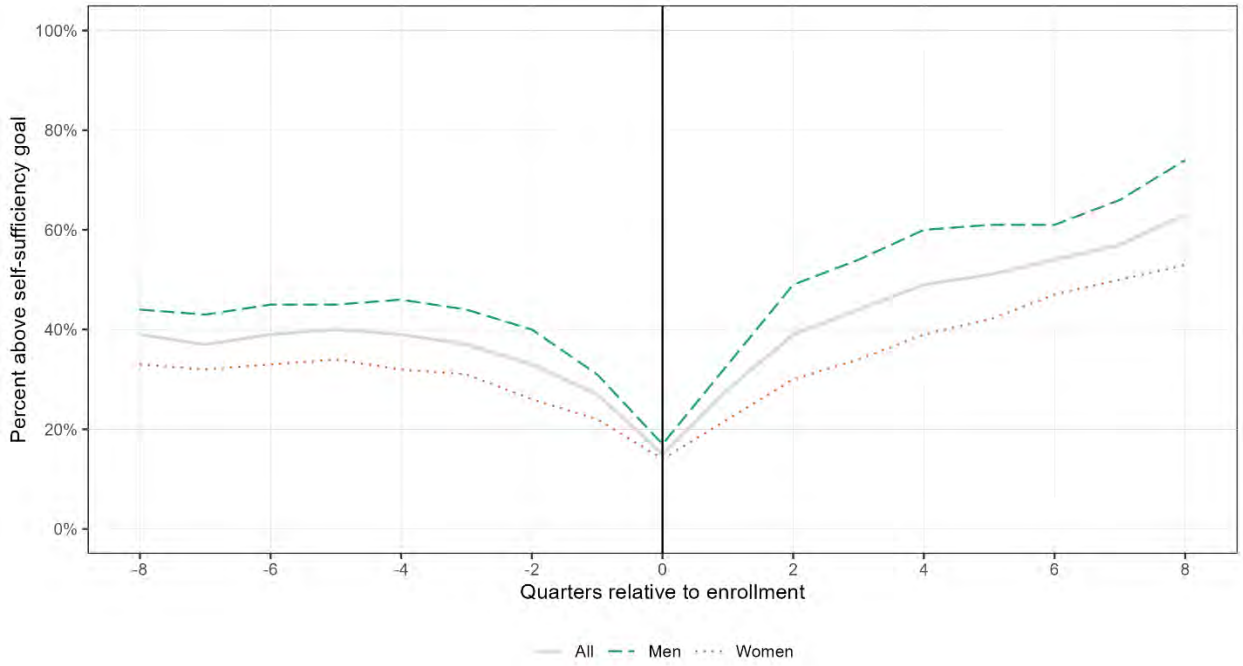


Figure 5.16: Average quarterly hours of work of employed participants, by gender and quarter relative to enrollment in EcSA

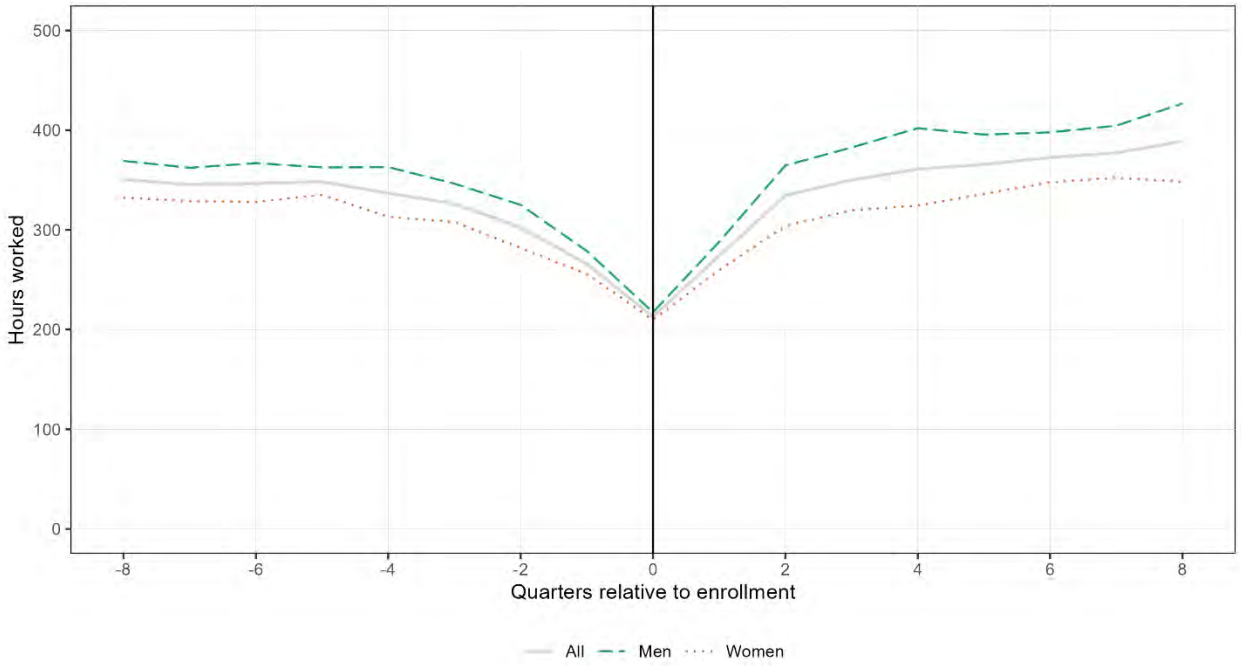


Figure 5.17: Average hourly wage of employed program participants, by gender and quarter relative to quarter of enrollment in EcSA

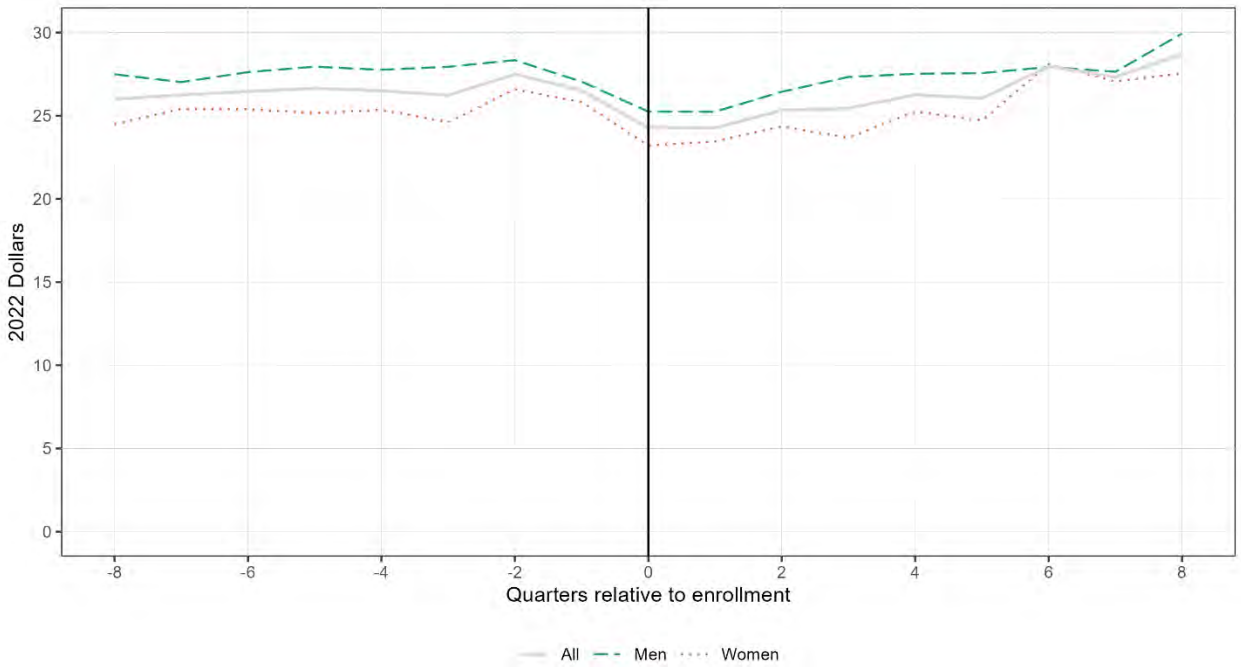
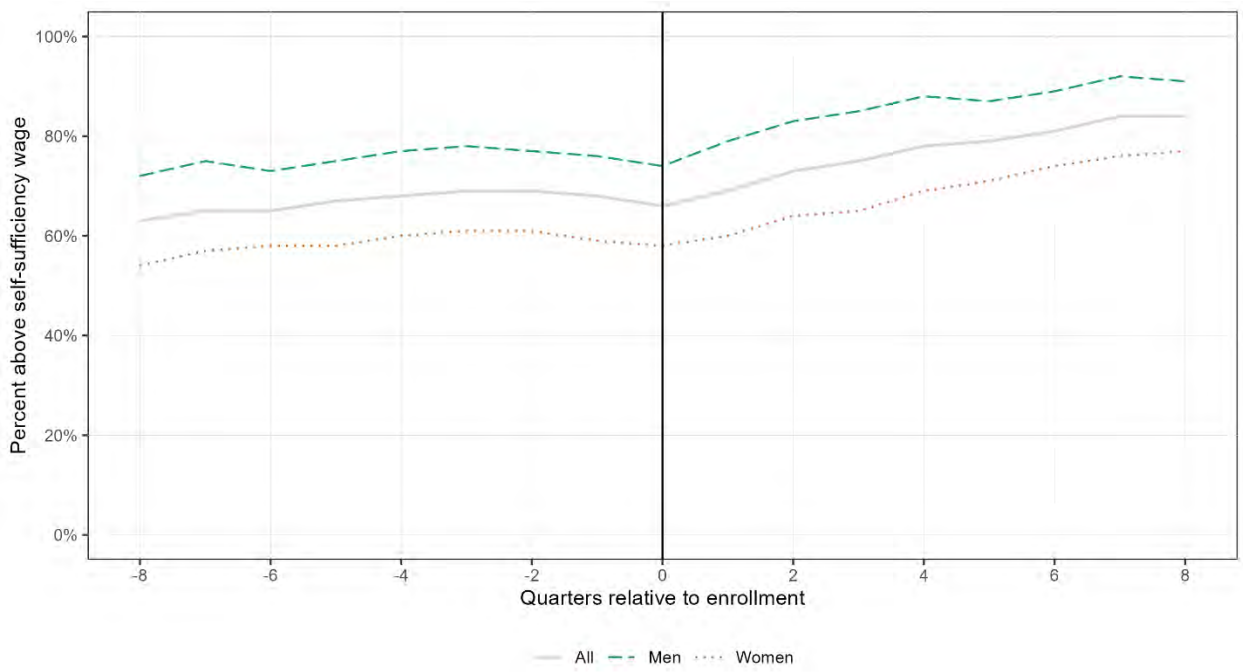


Figure 5.18: Percent of employed participants with wages above their individualized self-sufficiency wage, by gender and quarter relative to enrollment in EcSA



Labor market outcomes by participants' housing status at enrollment

Figure 5.19: Employment rate of participants by housing status at enrollment and quarter of enrollment in EcSA

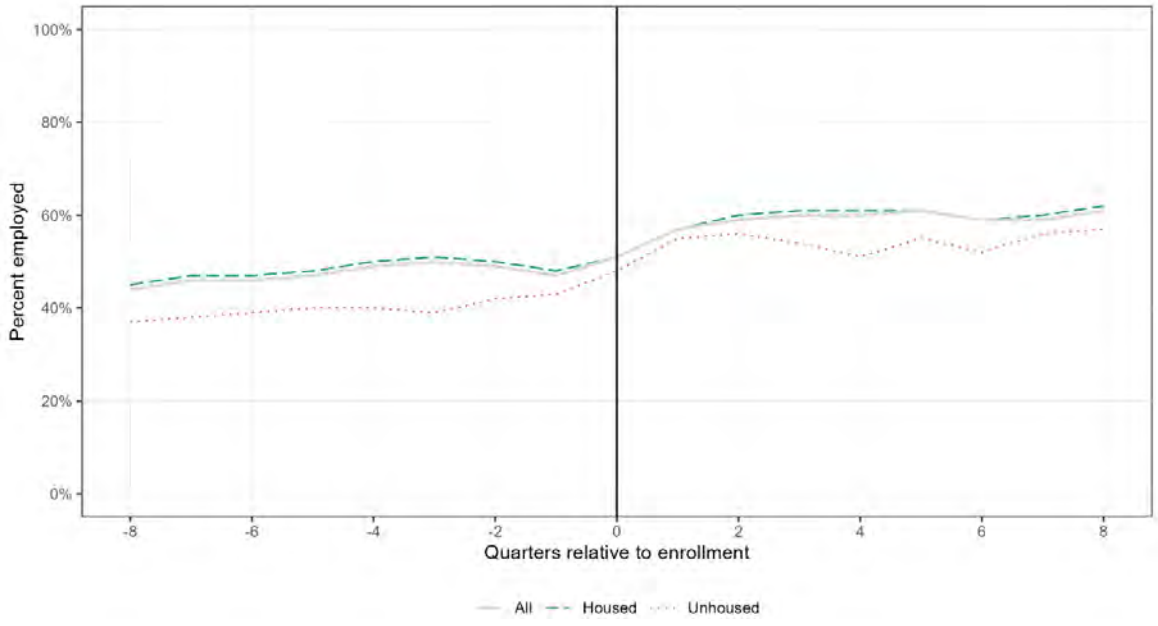


Figure 5.20: Average real quarterly earnings of employed program participants, by housing status at enrollment and quarter relative to enrollment in EcSA

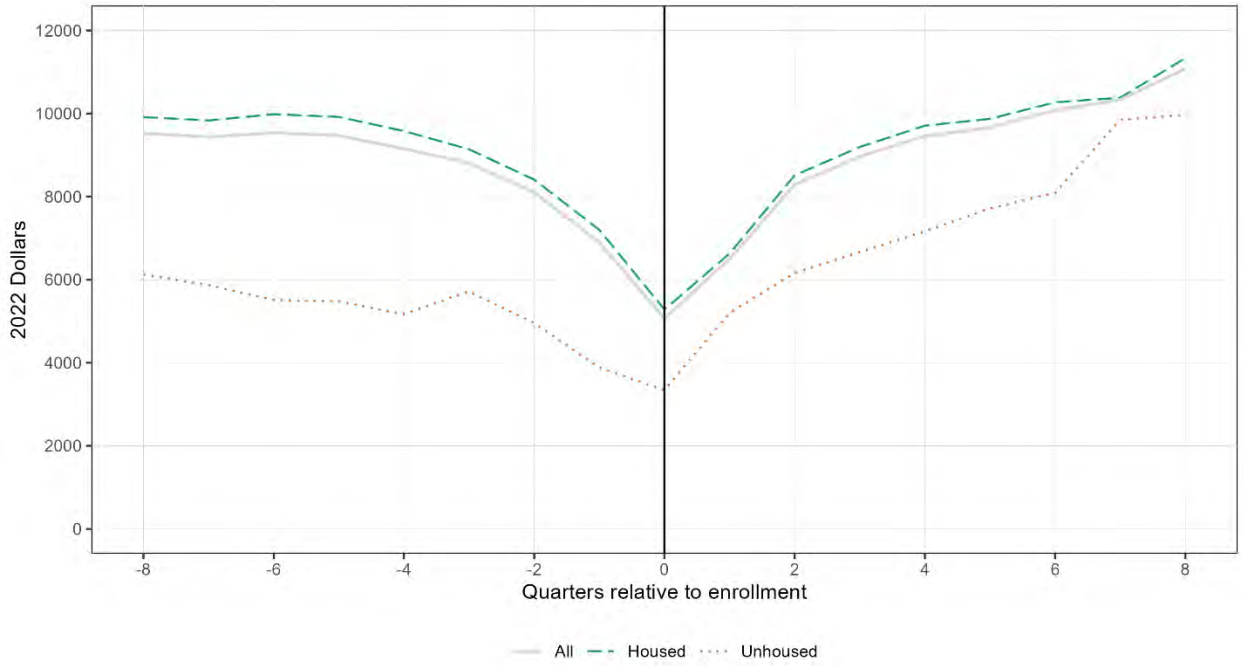


Figure 5.21: Percent of employed participants with earnings above their individualized self-sufficiency goal, by housing status at enrollment and quarter relative to enrollment in EcSA

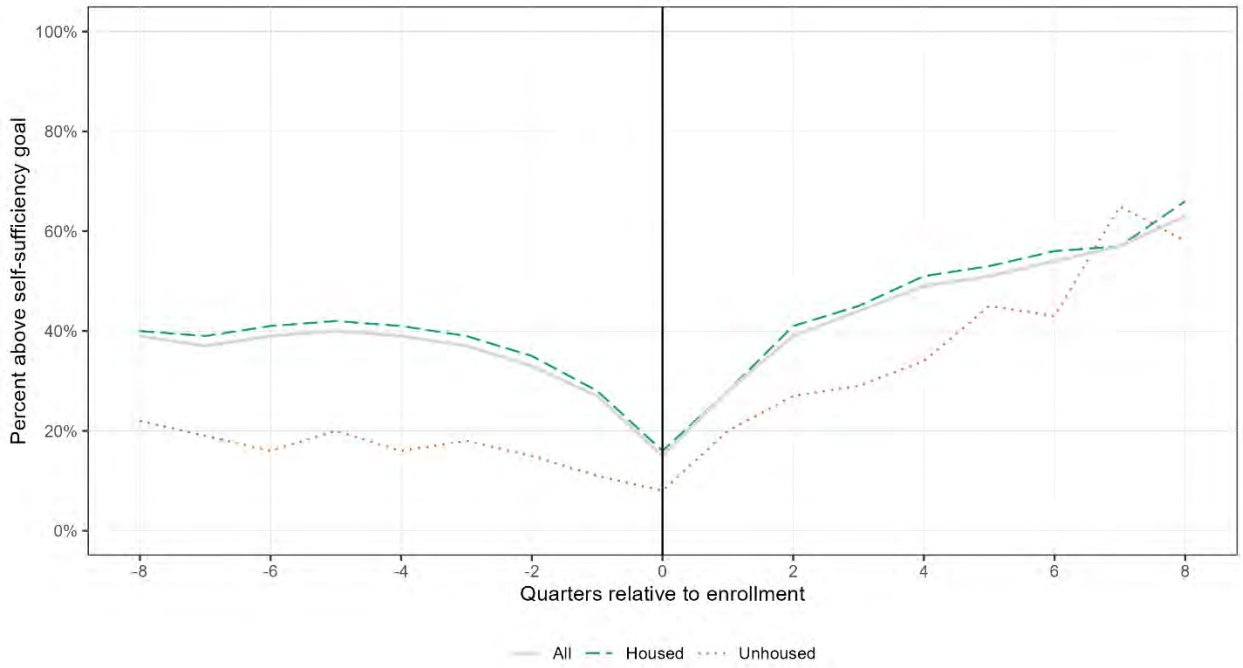


Figure 5.22: Average quarterly hours of work of employed participants, by housing status at enrollment and quarter relative to enrollment in EcSA

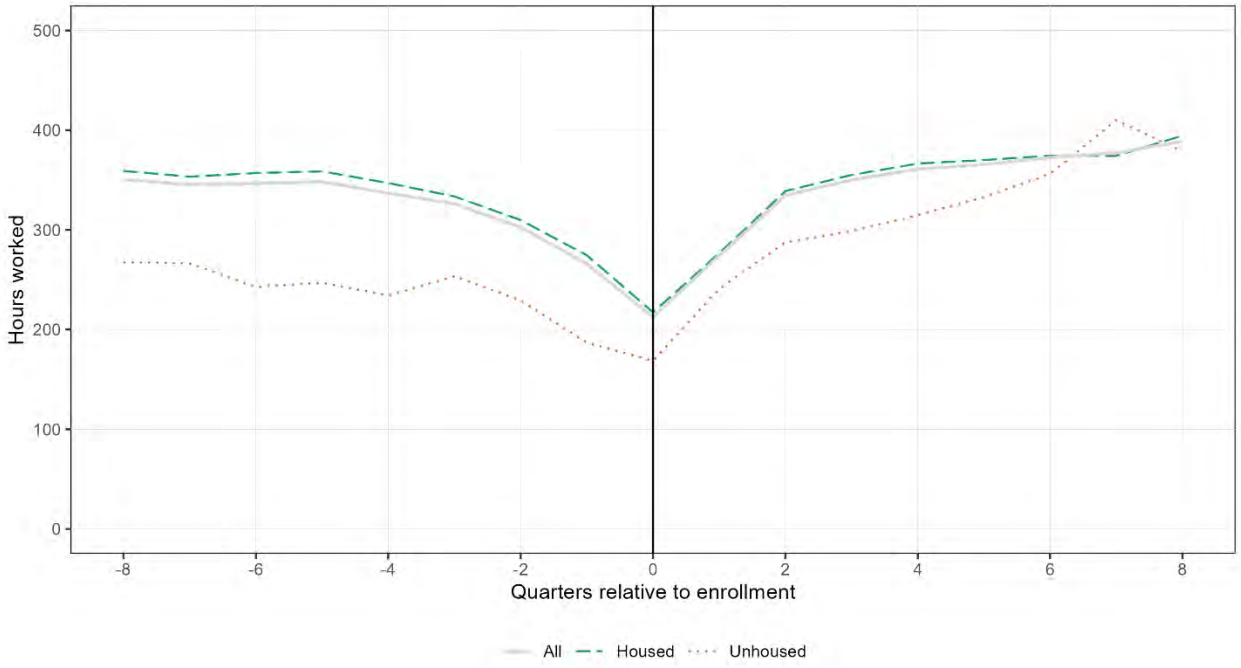


Figure 5.23: Average hourly wage of employed program participants, by housing status at enrollment and quarter relative to quarter of enrollment in EcSA

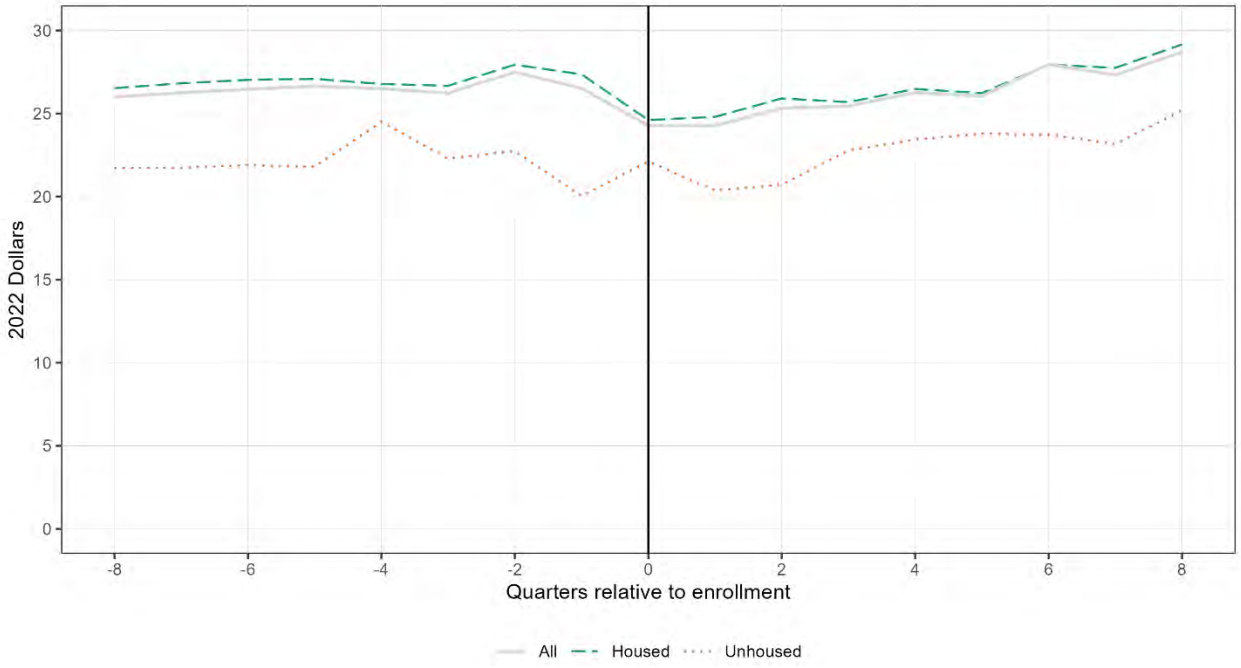
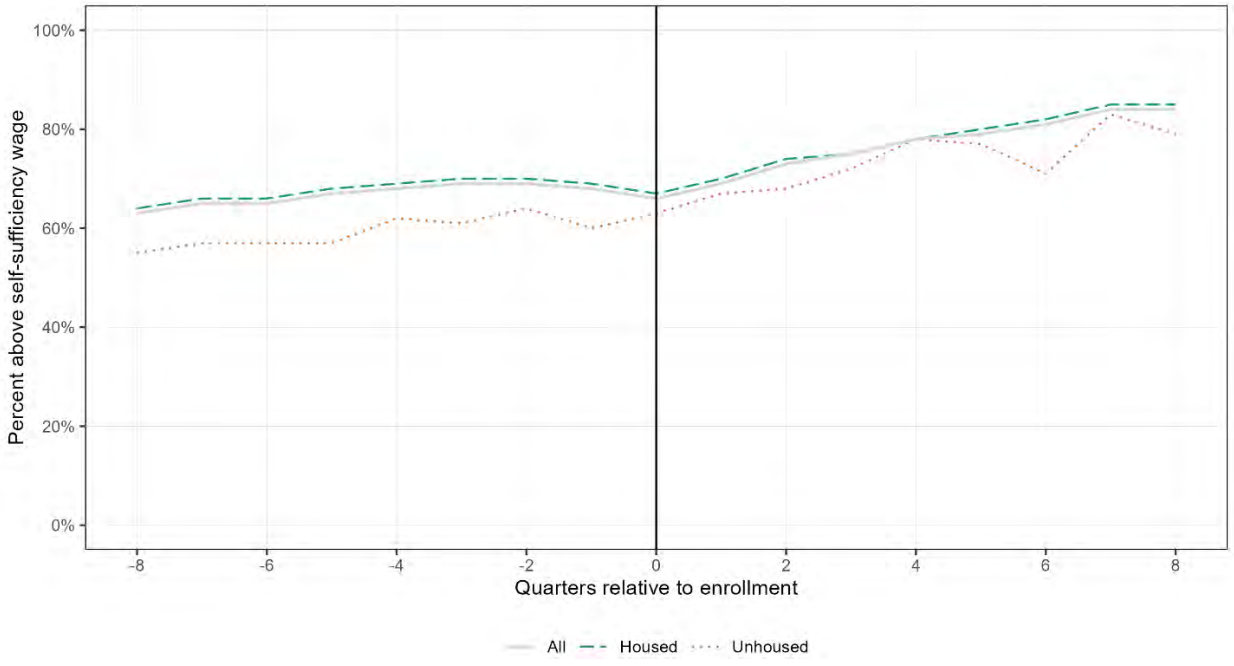


Figure 5.24: Percent of employed participants with wages above their individualized self-sufficiency wage, by housing status at enrollment and quarter relative to enrollment in EcSA



Labor market outcomes by participants' education

Figure 5.25: Employment rate of participants by highest educational credential earned and quarter of enrollment in EcSA

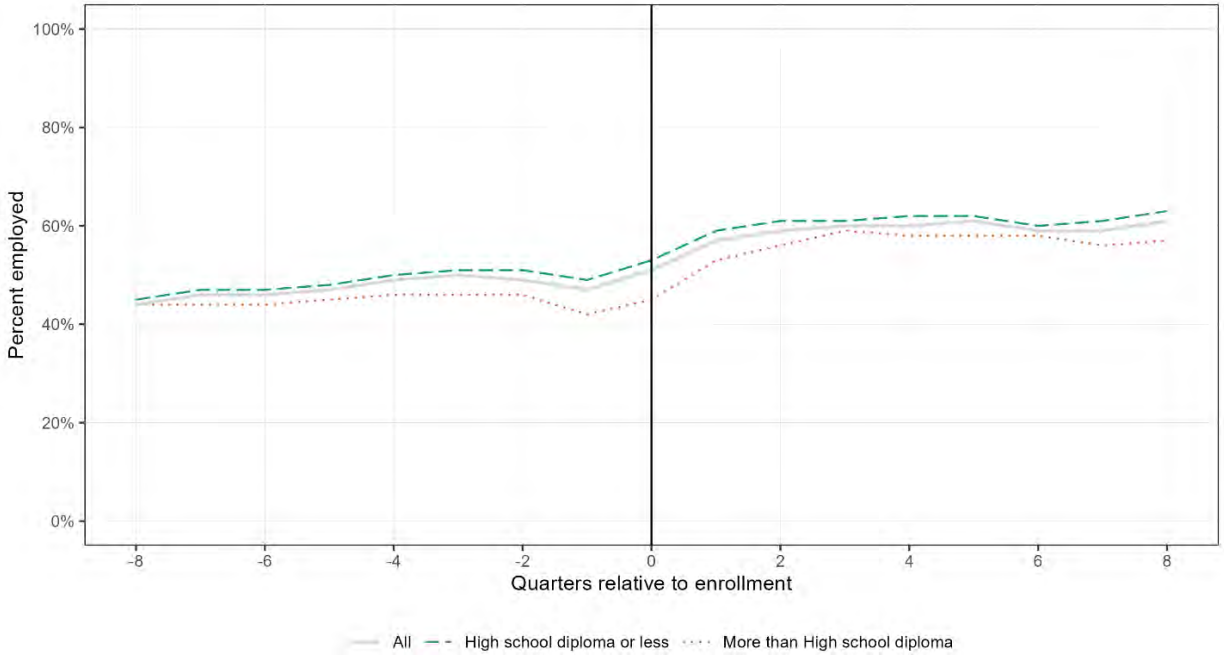


Figure 5.26: Average real quarterly earnings of employed program participants, by highest educational credential earned and quarter relative to enrollment in EcSA

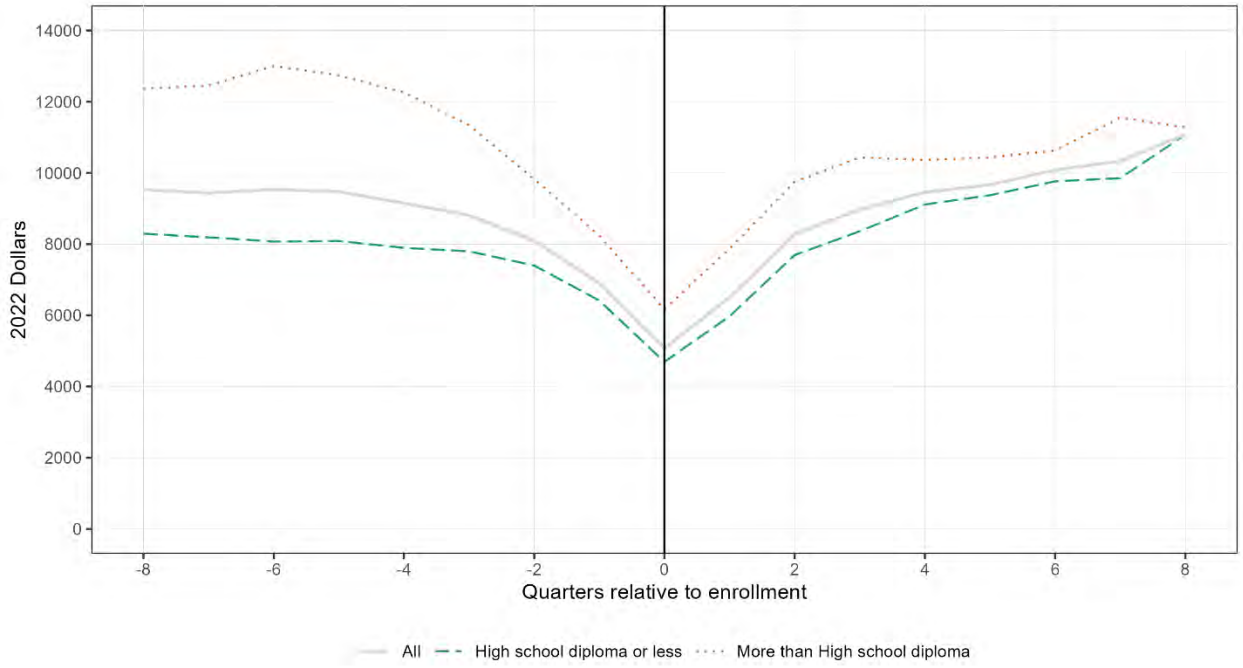


Figure 5.27: Percent of employed participants with earnings above their individualized self-sufficiency goal, by highest educational credential earned and quarter relative to enrollment in EcSA

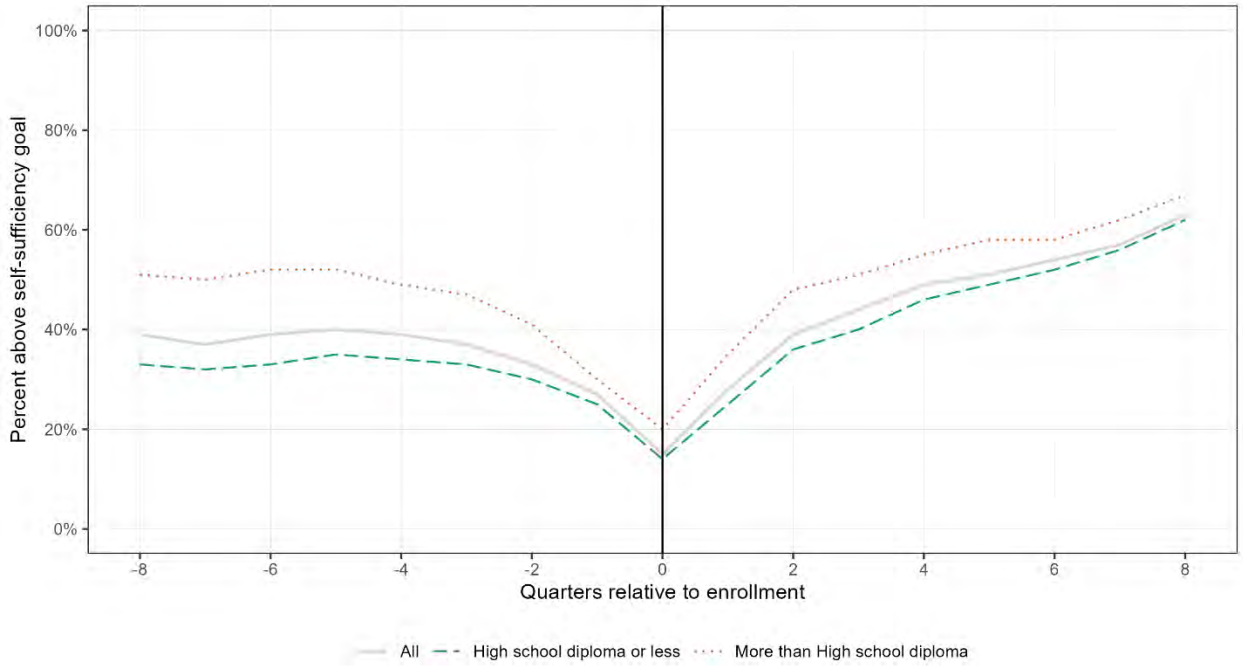


Figure 5.28: Average quarterly hours of work of employed participants, by highest educational credential earned and quarter relative to enrollment in EcSA

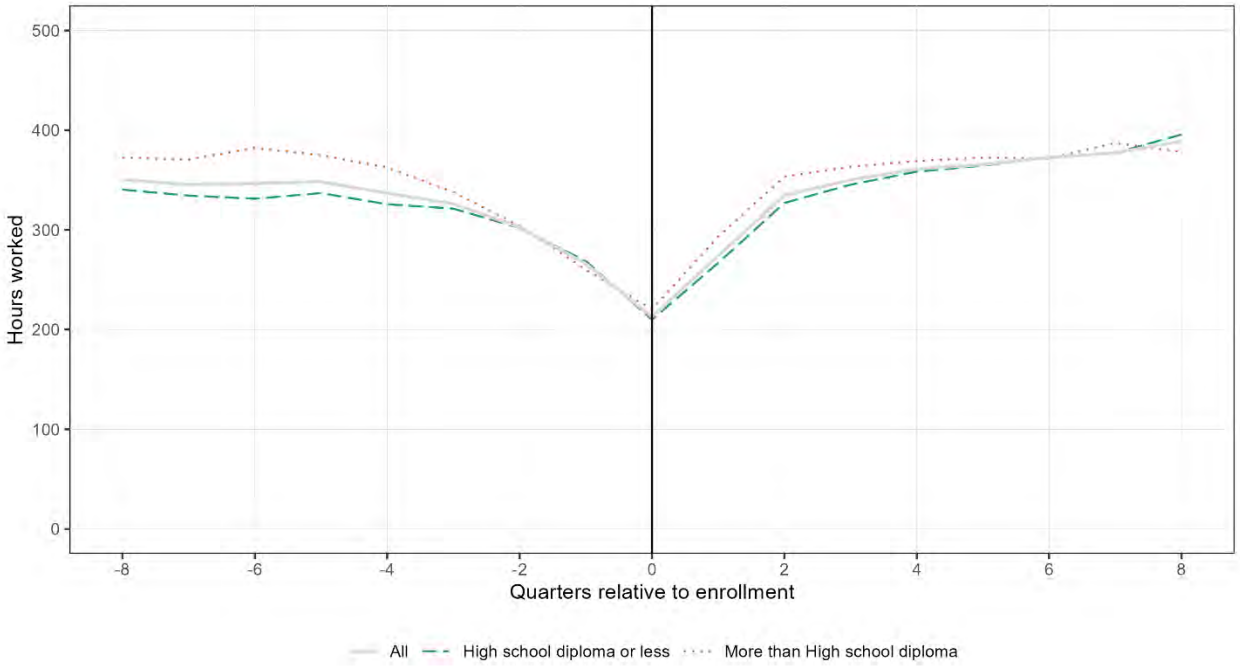


Figure 5.29: Average hourly wage of employed program participants, by highest educational credential earned and quarter relative to quarter of enrollment in EcSA

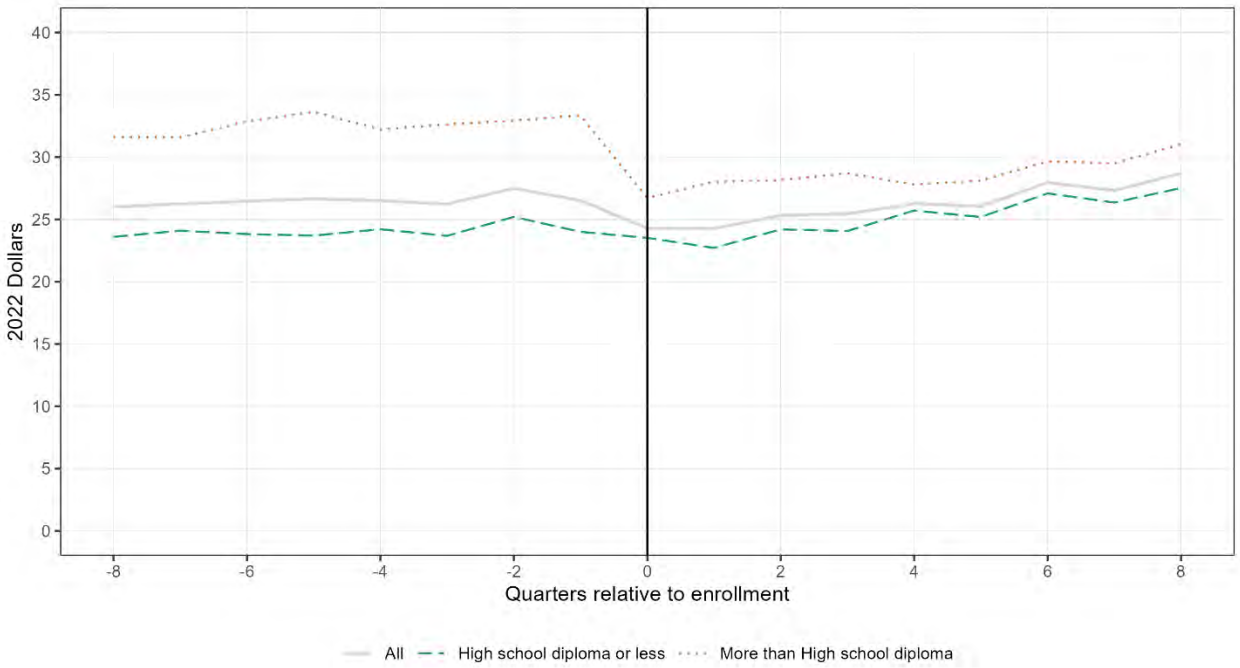
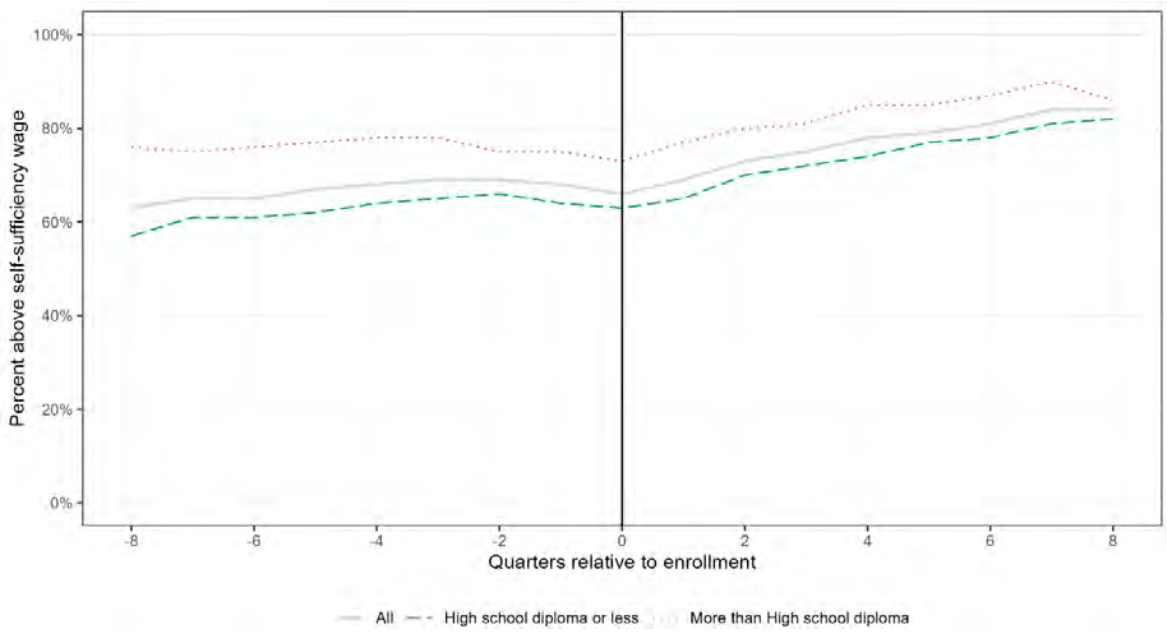


Figure 5.30: Percent of employed participants with wages above their individualized self-sufficiency wage, by highest educational credential earned and quarter relative to enrollment in EcSA



Labor market outcomes by household composition of participants

Figure 5.31: Employment rate of participants by presence of children in the household and quarter of enrollment in EcSA

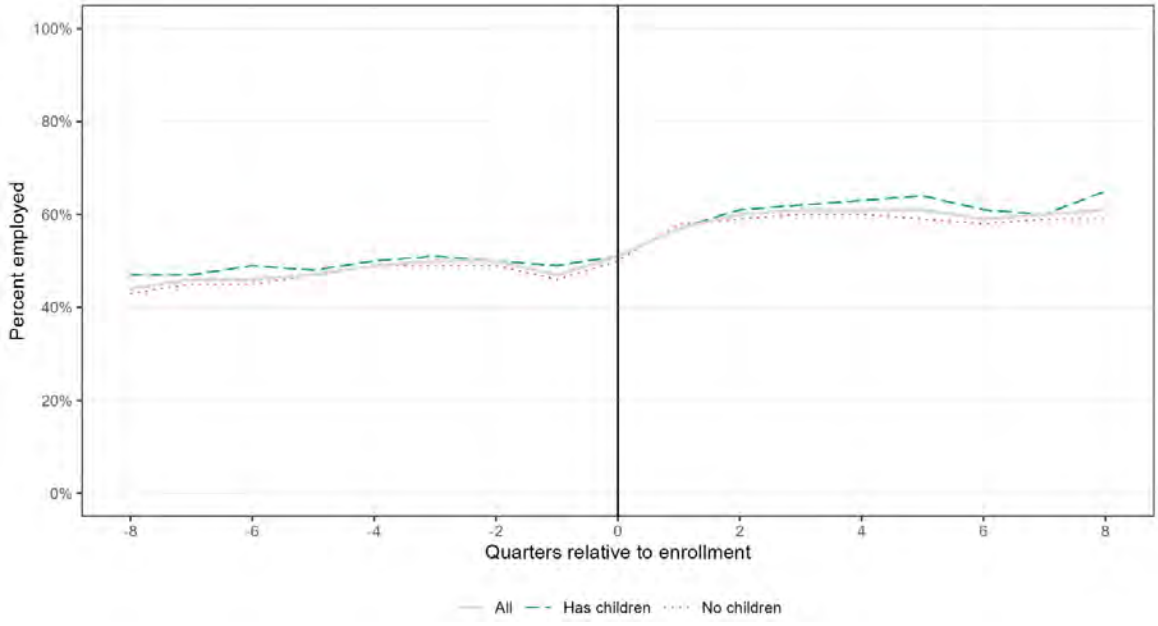


Figure 5.32: Average real quarterly earnings of employed program participants, by presence of children in the household and quarter relative to enrollment in EcSA

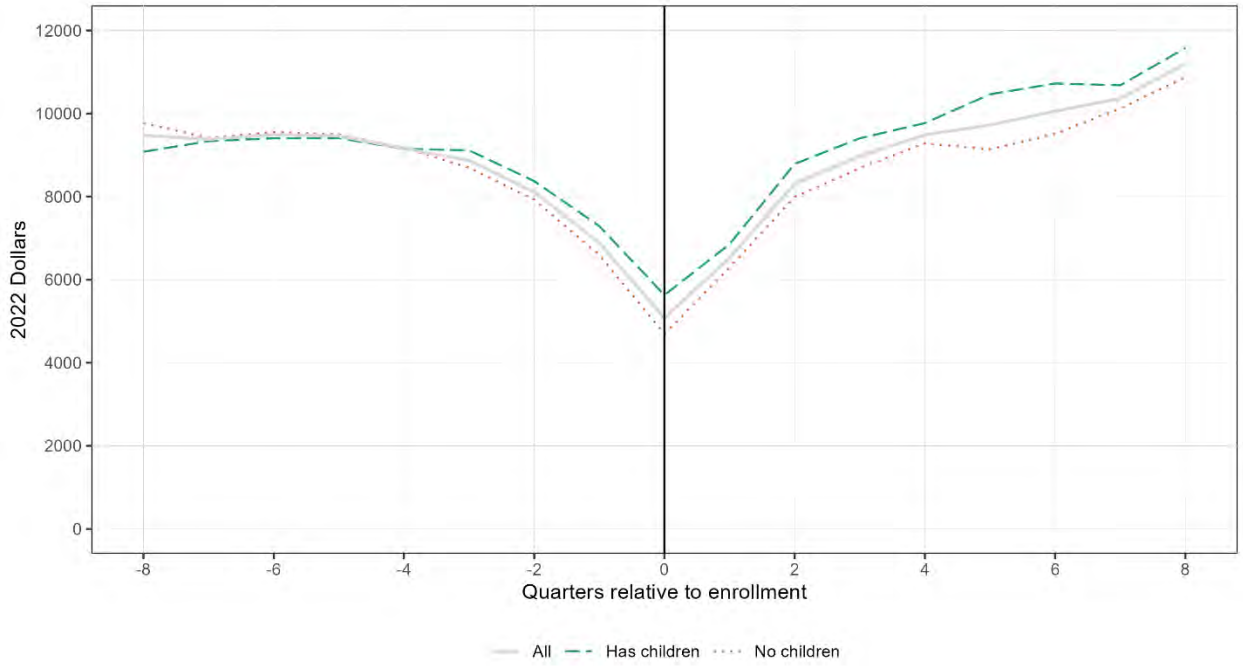


Figure 5.33: Percent of employed participants with earnings above their individualized self-sufficiency goal, by presence of children in the household and quarter relative to enrollment in EcSA

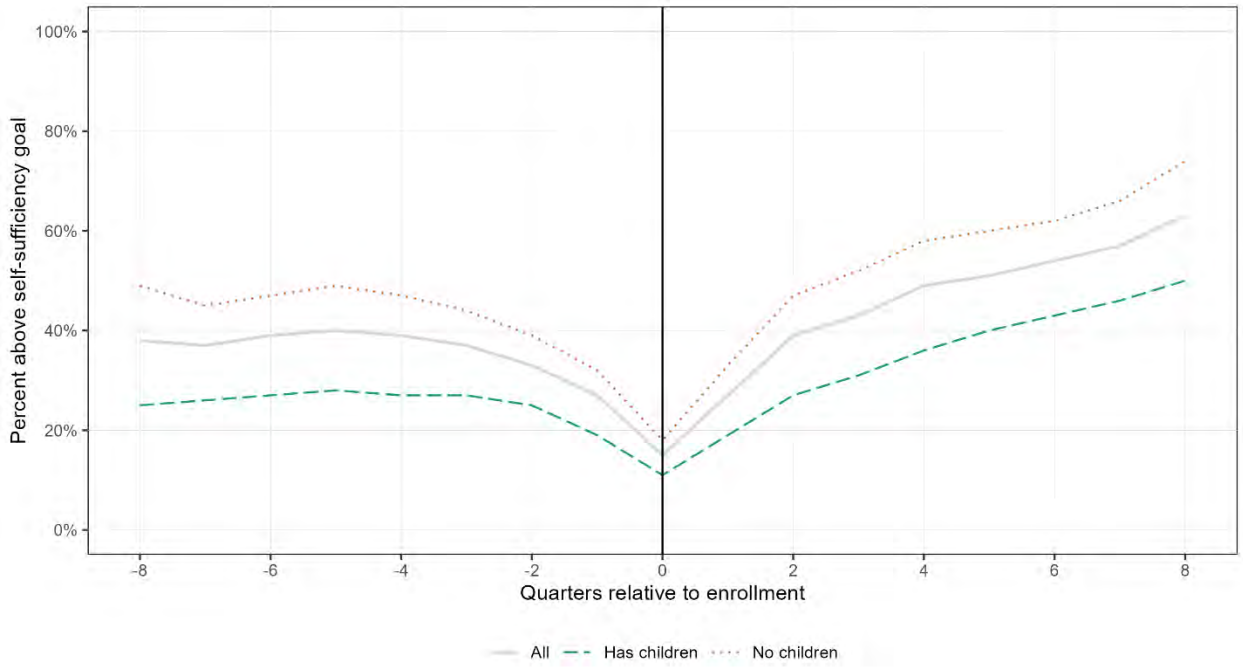


Figure 5.34: Average quarterly hours of work of employed participants, by presence of children in the household and quarter relative to enrollment in EcSA

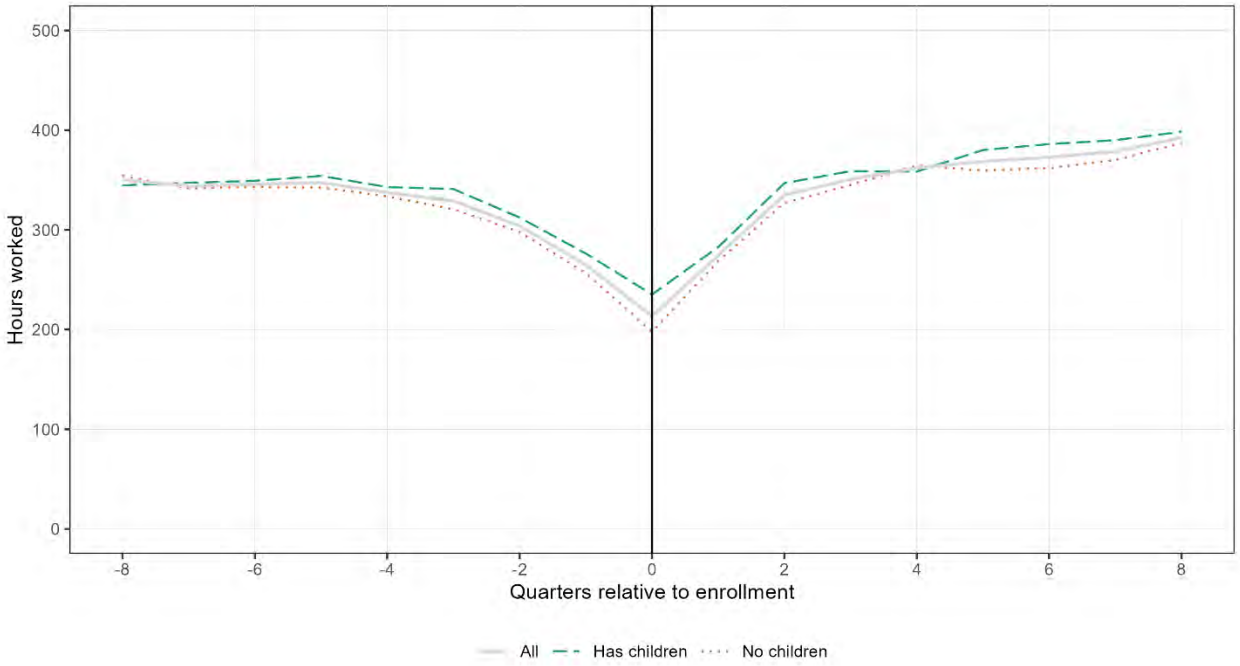


Figure 5.35: Average hourly wage of employed program participants, by presence of children in the household and quarter relative to quarter of enrollment in EcSA

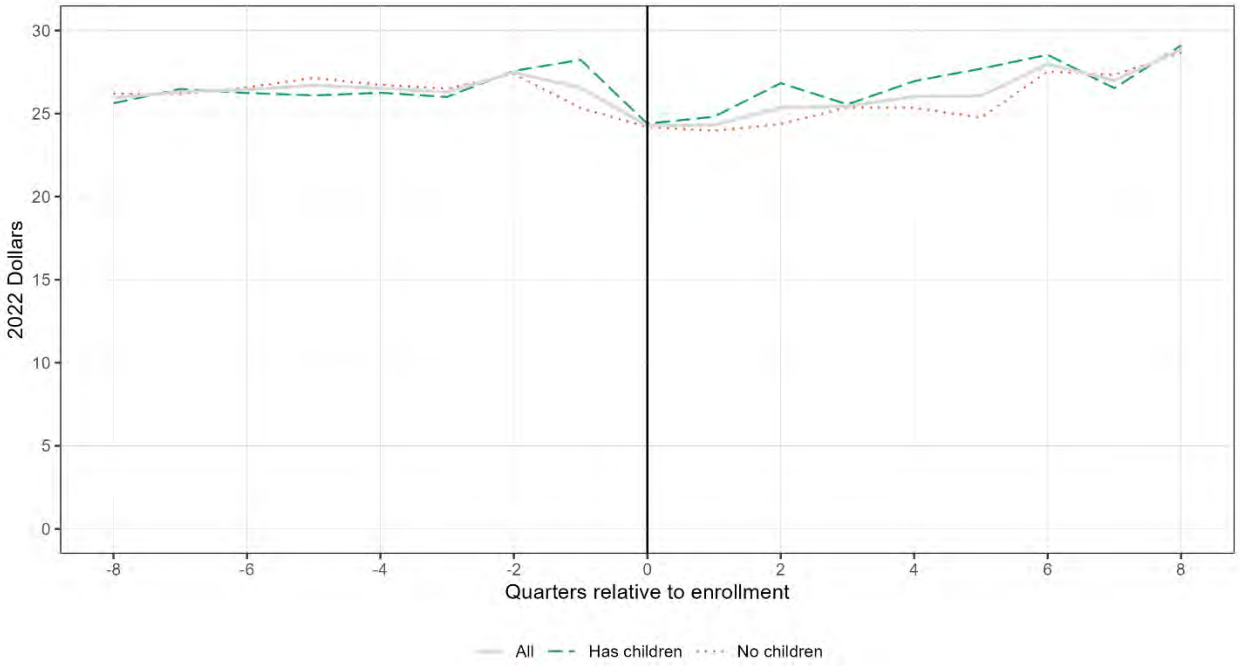
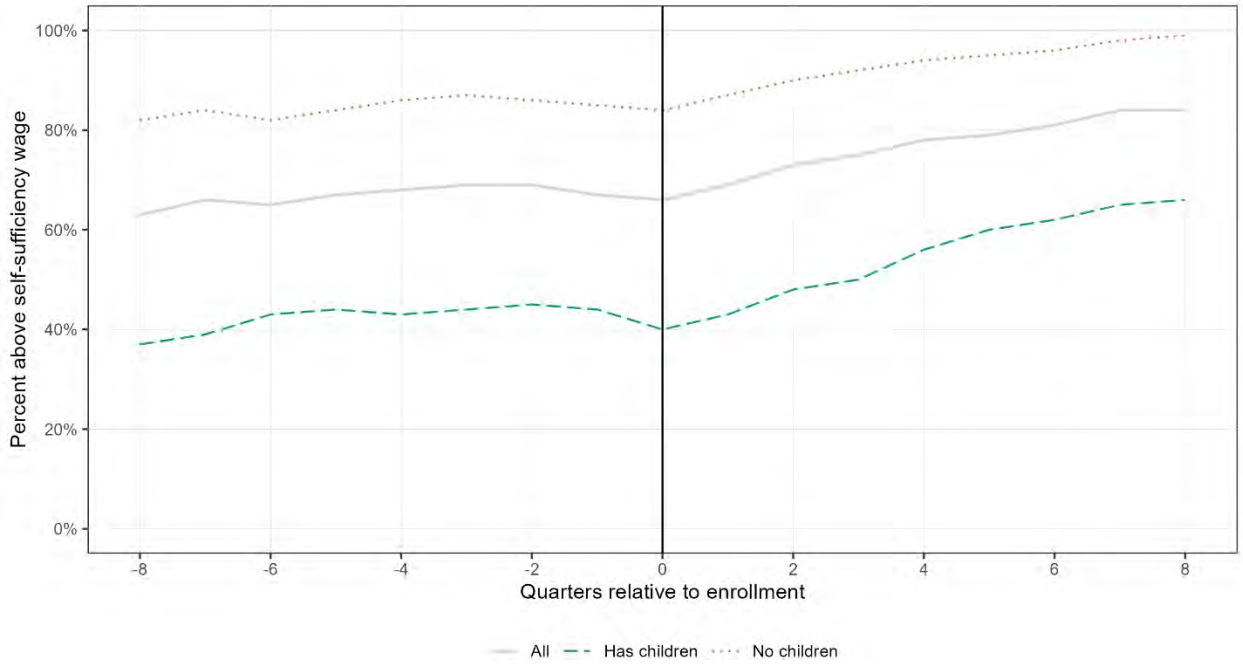


Figure 5.36: Percent of employed participants with wages above their individualized self-sufficiency wage, by presence of children in the household and quarter relative to enrollment in EcSA



Labor market outcomes by training status of participants

Figure 5.37: Employment rate of participants by training status and quarter of enrollment in EcSA

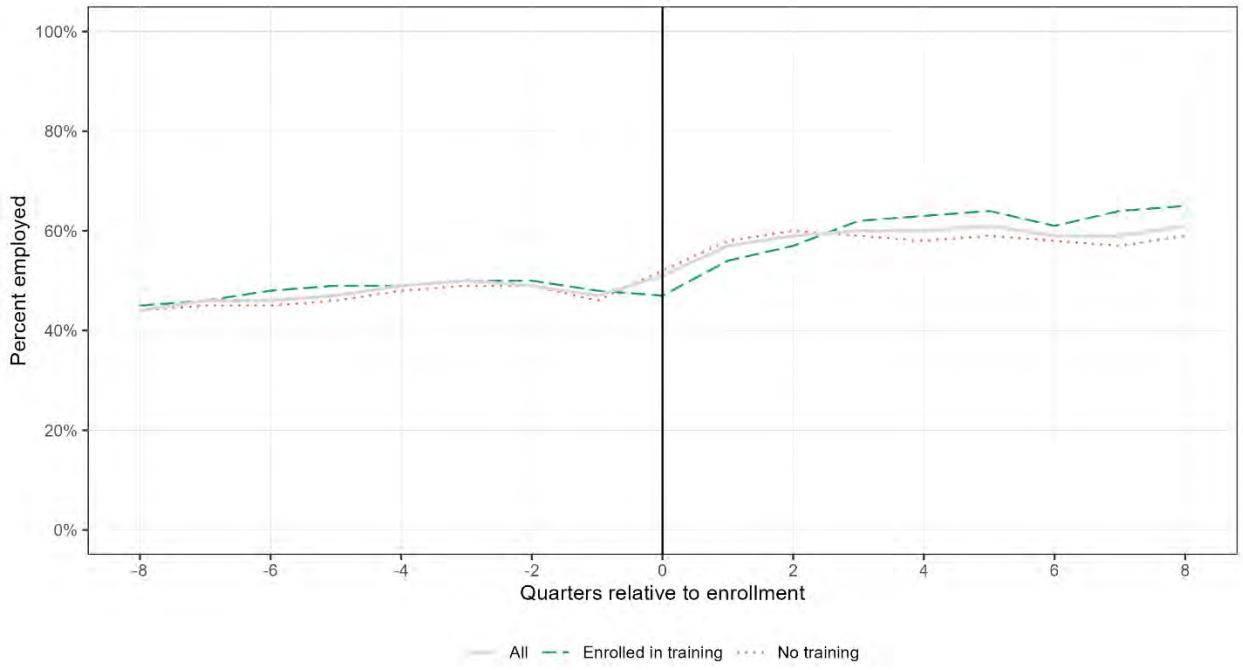


Figure 5.38: Average real quarterly earnings of employed program participants, by training status and quarter relative to enrollment in EcSA

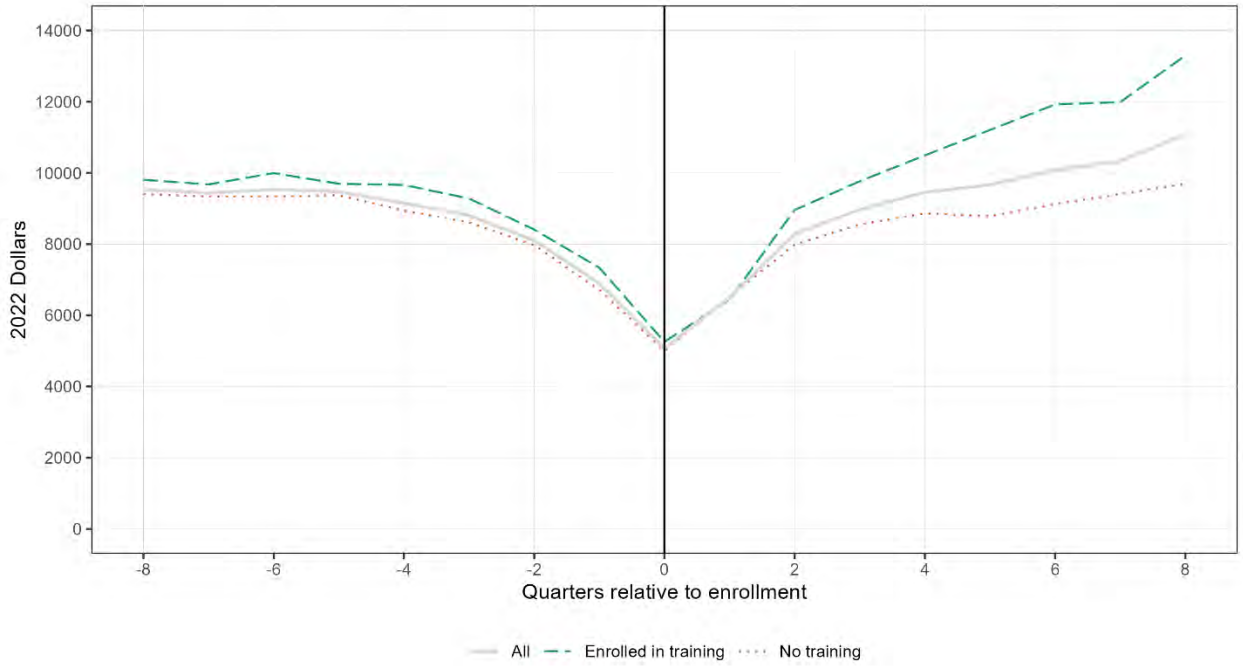


Figure 5.39: Percent of employed participants with earnings above their individualized self-sufficiency goal, by training status and quarter relative to enrollment in EcSA

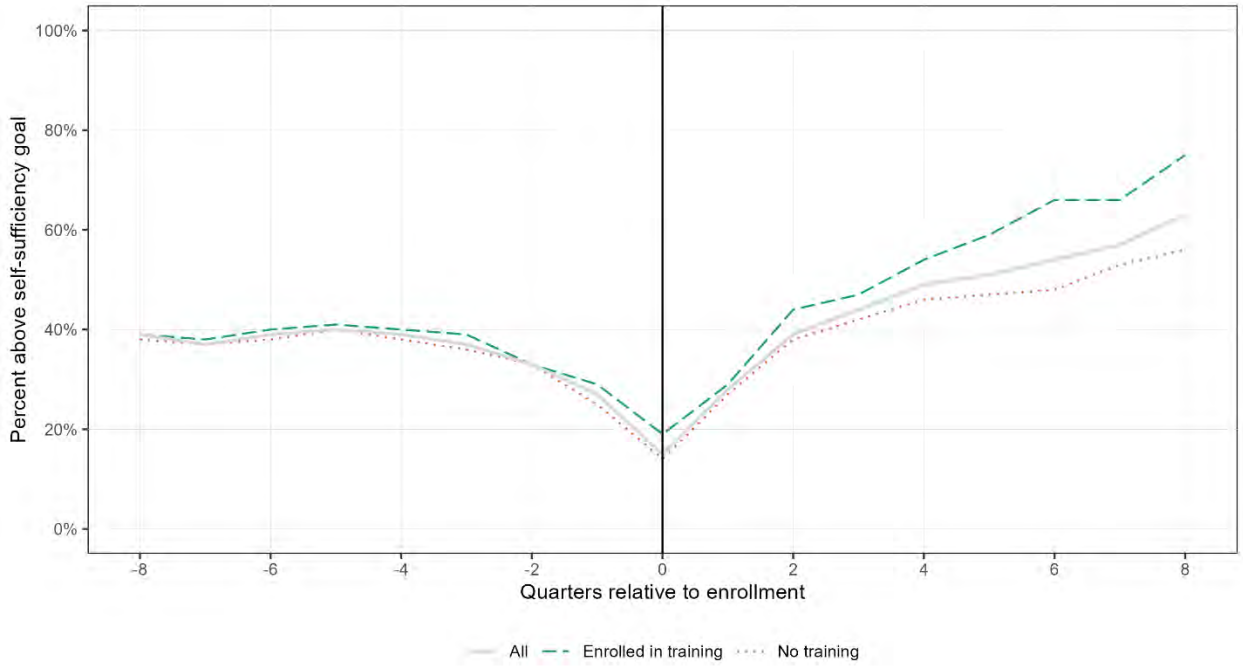


Figure 5.40: Average quarterly hours of work of employed participants, by training status and quarter relative to enrollment in EcSA

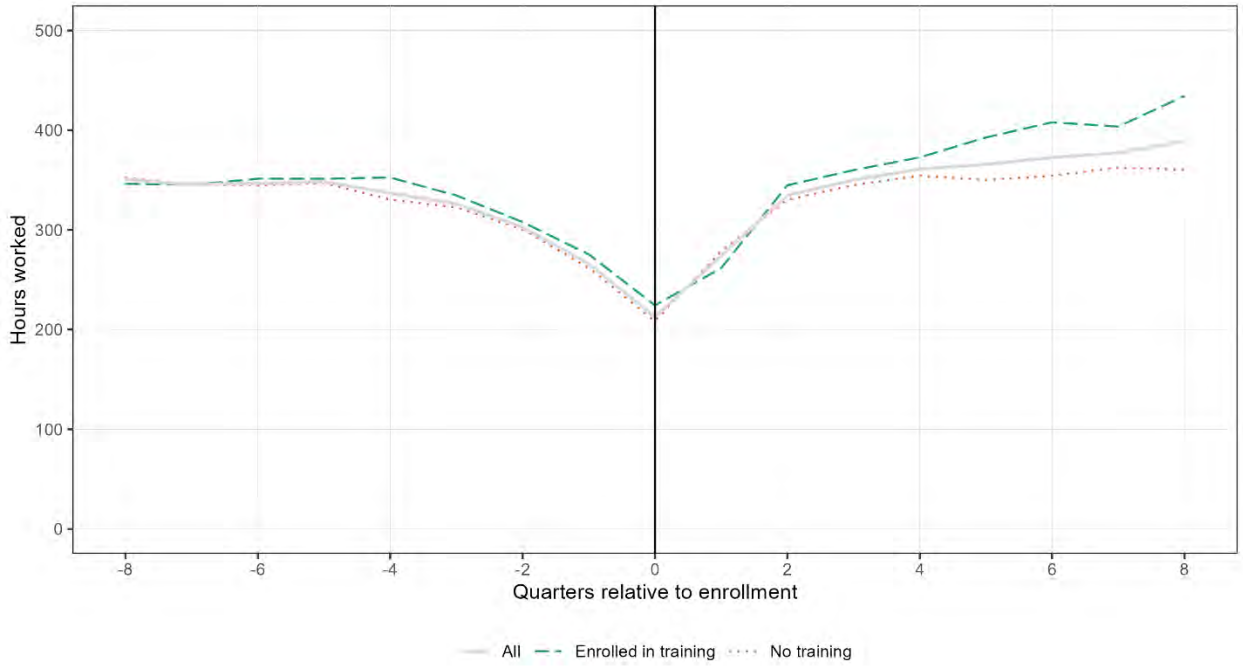


Figure 5.41: Average hourly wage of employed program participants, by training status and quarter relative to quarter of enrollment in EcSA

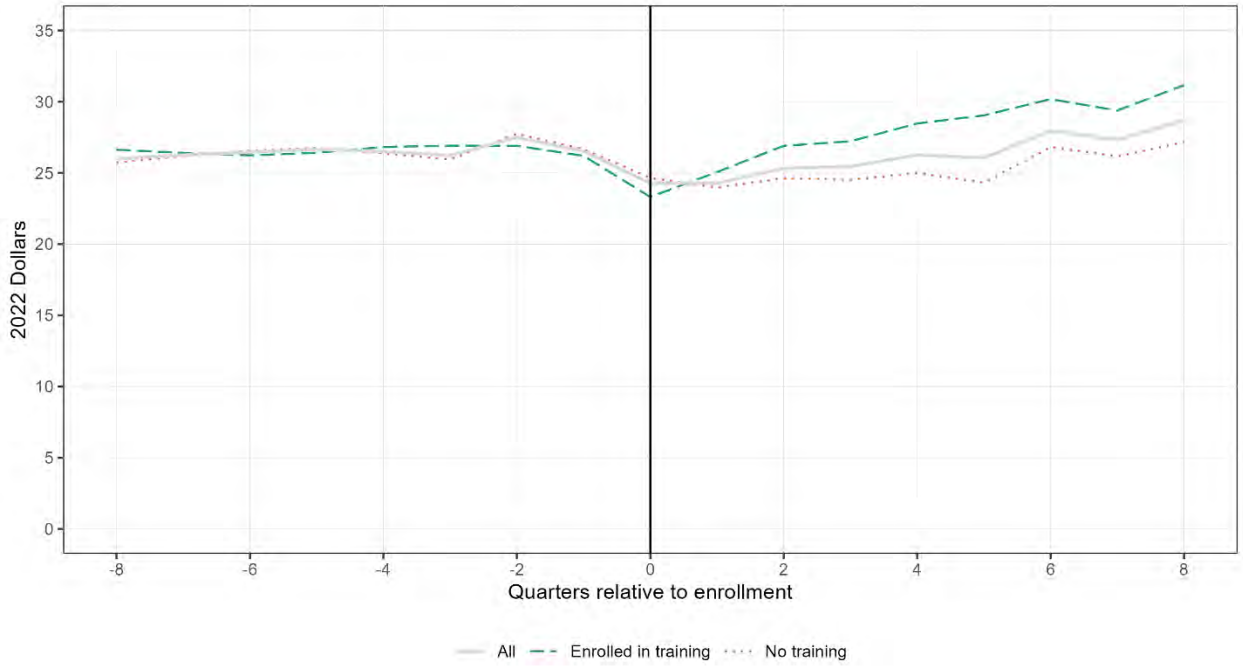
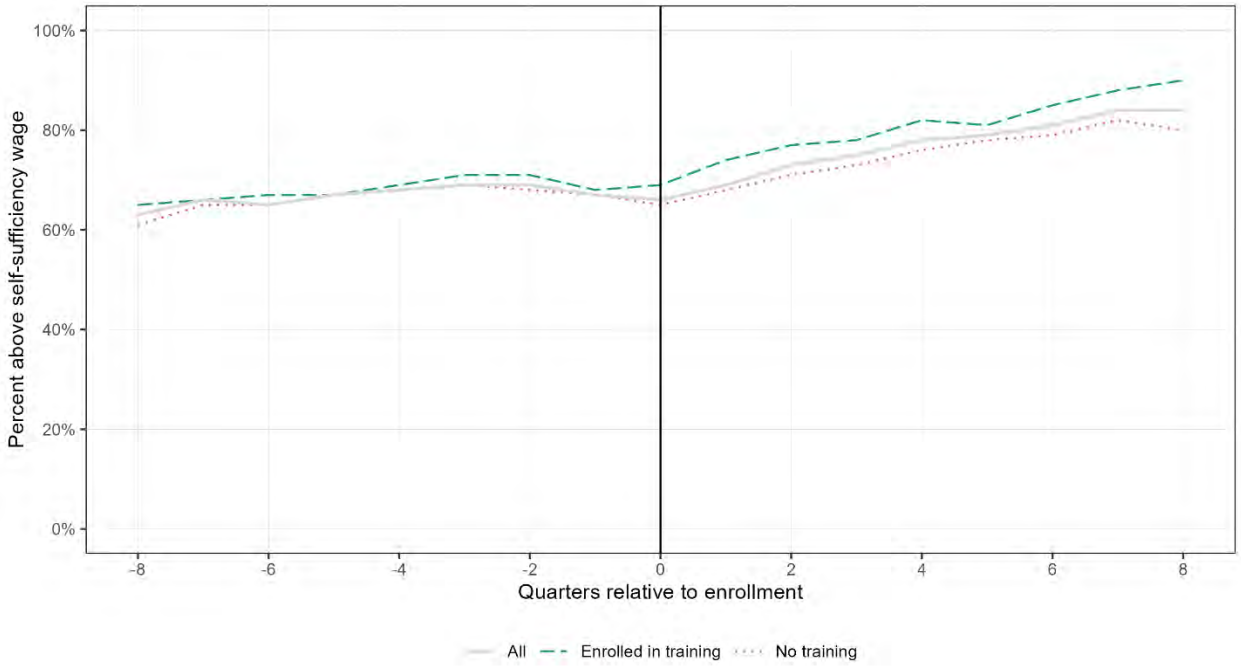


Figure 5.42: Percent of employed participants with wages above their individualized self-sufficiency wage, by training status and quarter relative to enrollment in EcSA



Appendix 6: Estimates of the causal effect of enrollment in EcSA on participants' labor market outcomes

In *Figure 6.1*, Each column represents an outcome: probability of employment (an indicator that takes value one if the individual has a wage record for the quarter, zero otherwise), quarterly earnings (measured in 2022 US dollars to account for inflation, and equal to zero for those not employed in a quarter), quarterly hours worked (equal to zero for those not employed in a quarter), and hourly wage (the ratio of quarterly earnings to quarterly hours worked, measured in 2022 US dollars and equal to zero for those not employed in the quarter). The reason to also include unemployed participants from the sample in the estimation of the impact of EcSA on earnings and hours of work is to keep the group of participants under study constant. Otherwise, any observed changes in these outcomes may not be caused by enrolling in EcSA, but instead due to variations in the people included in the sample (that is, those who are employed in each quarter).

Each row represents the estimate of the difference between EcSA participants and WIOA participants in each quarter, relative to the same difference in the quarter immediately before enrollment. Standard errors are provided below each coefficient between parentheses. Stars next to a coefficient mean that it is statistically different from zero (that means that it is quite possible that there is an effect of enrolling in EcSA in that quarter).

Figure 6.1: Event study estimates - effect of EcSA enrollment on participants' labor market outcomes

Enrolled in EcSA	Probability of employment	Quarterly earnings (2022 USD)	Hours worked	Hourly wage (2022 USD)
8 Quarters before enrollment	0.010	149.107	5.736	0.427
Standard errors	(0.014)	(180.556)	(5.689)	(0.631)
7 Quarters before enrollment	0.003	44.210	3.519	0.162
Standard errors	(0.014)	(183.008)	(5.688)	(0.648)
6 Quarters before enrollment	0.002	-52.461	0.319	0.111
Standard errors	(0.014)	(181.128)	(5.560)	(0.634)
5 Quarters before enrollment	-0.012	-76.228	-1.535	0.278
Standard errors	(0.013)	(170.127)	(5.324)	(0.609)
4 Quarters before enrollment	-0.006	103.757	3.786	-0.042
Standard errors	(0.012)	(164.099)	(5.104)	(0.643)
3 Quarters before enrollment	-0.004	-77.478	-2.486	0.055
Standard errors	(0.012)	(151.871)	(4.657)	(0.607)
2 Quarters before enrollment	0.003	-117.345	-2.883	0.413
Standard errors	(0.010)	(123.497)	(3.625)	(0.654)
Quarter of enrollment	0.071***	898.418***	42.183***	1.148*
Standard errors	(0.012)	(136.564)	(4.301)	(0.696)
1 Quarter after enrollment	0.087***	1058.369***	38.137***	3.143***
Standard errors	(0.015)	(171.439)	(5.774)	(0.667)
2 Quarters after enrollment	0.080***	1215.794***	44.018***	3.030***
Standard errors	(0.016)	(195.766)	(6.586)	(0.741)
3 Quarters after enrollment	0.086***	1474.817***	46.806***	3.349***
Standard errors	(0.017)	(215.182)	(7.234)	(0.708)
4 Quarters after enrollment	0.084***	1711.175***	51.675***	3.779***
Standard errors	(0.019)	(245.797)	(8.170)	(0.792)
5 Quarters after enrollment	0.095***	1626.631***	43.987***	3.612***
Standard errors	(0.020)	(269.094)	(8.867)	(0.828)
6 Quarters after enrollment	0.088***	1618.175***	41.406***	4.735***
Standard errors	(0.022)	(306.800)	(9.751)	(0.908)
7 Quarters after enrollment	0.064***	1413.027***	39.827***	2.451**
Standard errors	(0.024)	(344.911)	(10.991)	(1.099)
8 Quarters after enrollment	0.084***	1891.834***	62.174***	3.472***
Standard errors	(0.032)	(472.802)	(14.840)	(1.244)
Observations	92,864	92,864	92,864	92,864
R^2	0.441	0.522	0.472	0.363

Note: Standard errors clustered at the individual level provided below each coefficient between parentheses.
* p < 0.1, ** p < 0.05, *** p < 0.01. Stars next to a coefficient mean that it is statistically different from zero (that means that it is quite possible that there is an effect of enrolling in EcSA in that quarter).

Appendix 7: Outcome evaluation of CRF incentive payments - Additional figures

In the following figures, we show the sample size used in the analysis of CRF incentives among EcSA participants. As a reminder, individuals included in this sample are those who were enrolled in the program at any point between December 2024 and September 2024.

Figure 7.1: Sample size for all participants

Quarter relative to enrollment	Received CRF incentive payments	Did not receive CRF incentive payments
-8	2,153	1,130
-7	2,153	1,130
-6	2,153	1,130
-5	2,153	1,130
-4	2,153	1,130
-3	2,153	1,130
-2	2,153	1,130
-1	2,153	1,130
0	2,153	1,130
1	2,153	1,130
2	1,353	953
3	863	788
4	332	522
5	177	324
6	105	197
7	72	131
8	35	69

Figure 7.2: Sample size for employed participants

Quarter relative to enrollment	Received CRF incentive payments	Did not receive CRF incentive payments
-8	1,053	461
-7	1,066	486
-6	1,093	499
-5	1,078	509
-4	1,103	528
-3	1,106	528
-2	1,107	542
-1	1,029	530
0	1,039	605
1	1,132	690
2	721	588
3	476	497
4	184	311
5	97	199
6	57	110
7	38	78
8	22	43

In the following figures, we present the labor market outcomes of all EcSA participants (top panel) and employed participants (bottom panel) who were still enrolled in Mar. 2024 and have exited the program by the end of the study period. We present the outcomes by whether they received CRF incentive payments, both for all participants and employed participants where appropriate.

Figure 7.3: Employment rate of participants by receipt of CRF incentive payments and quarter of enrollment in EcSA

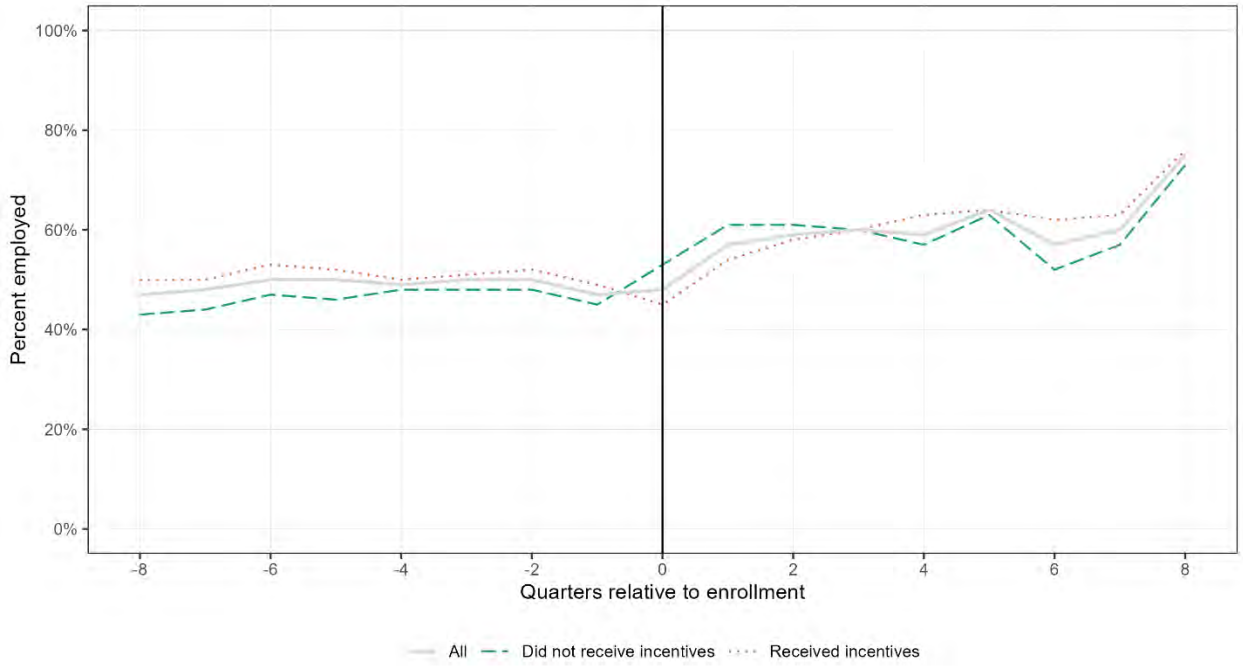


Figure 7.4: Average real quarterly earnings of EcSA participants, by receipt of CRF incentive payments and quarter relative to program enrollment

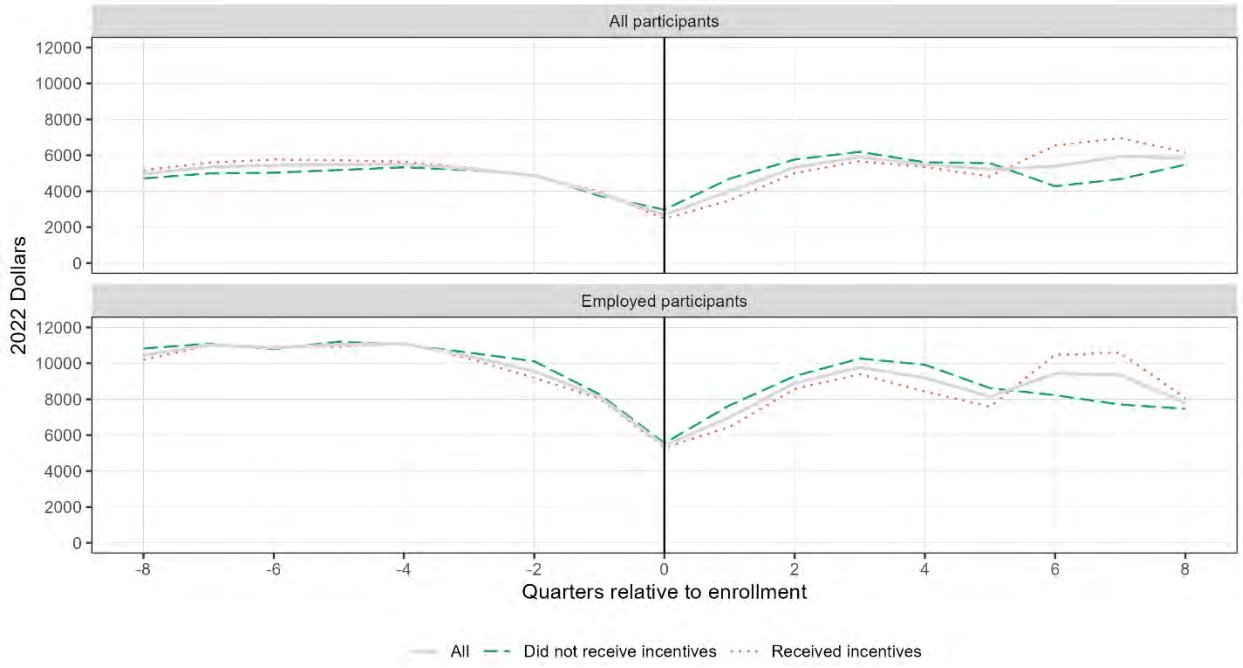


Figure 7.5: Percent of EcSA participants with earnings above their individualized self-sufficiency goal, by receipt of CRF incentive payments and quarter relative to program enrollment

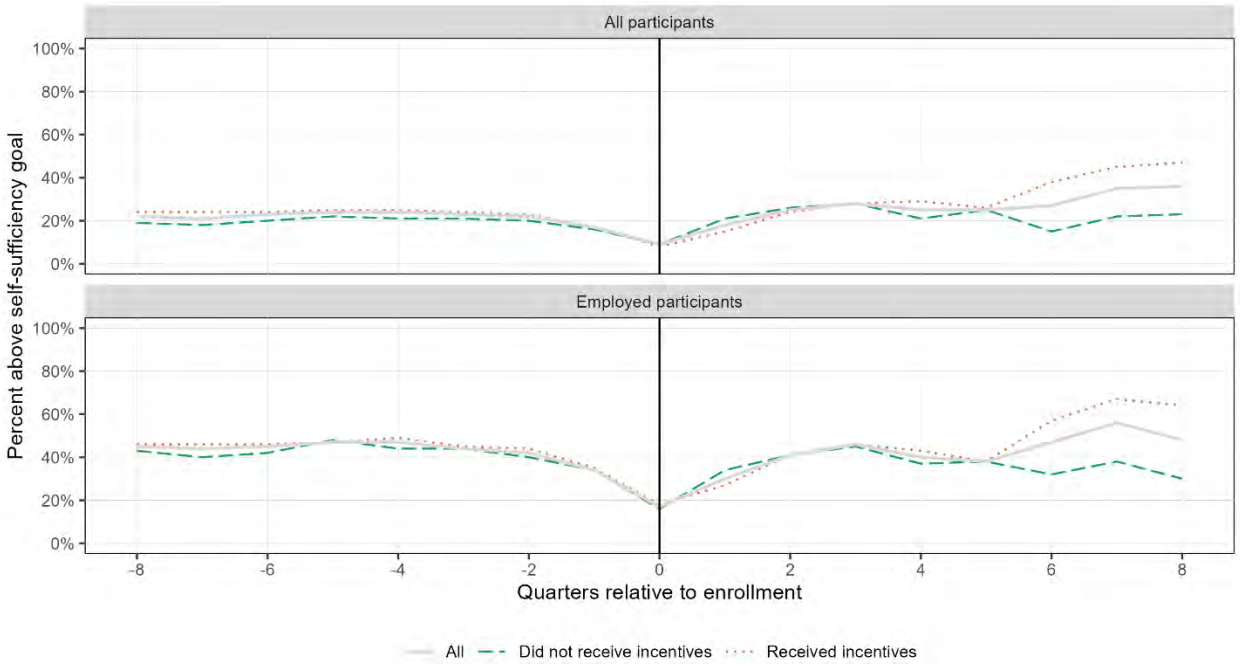


Figure 7.6: Average quarterly hours of work of EcSA participants, by receipt of CRF incentive payments and quarter relative to program enrollment

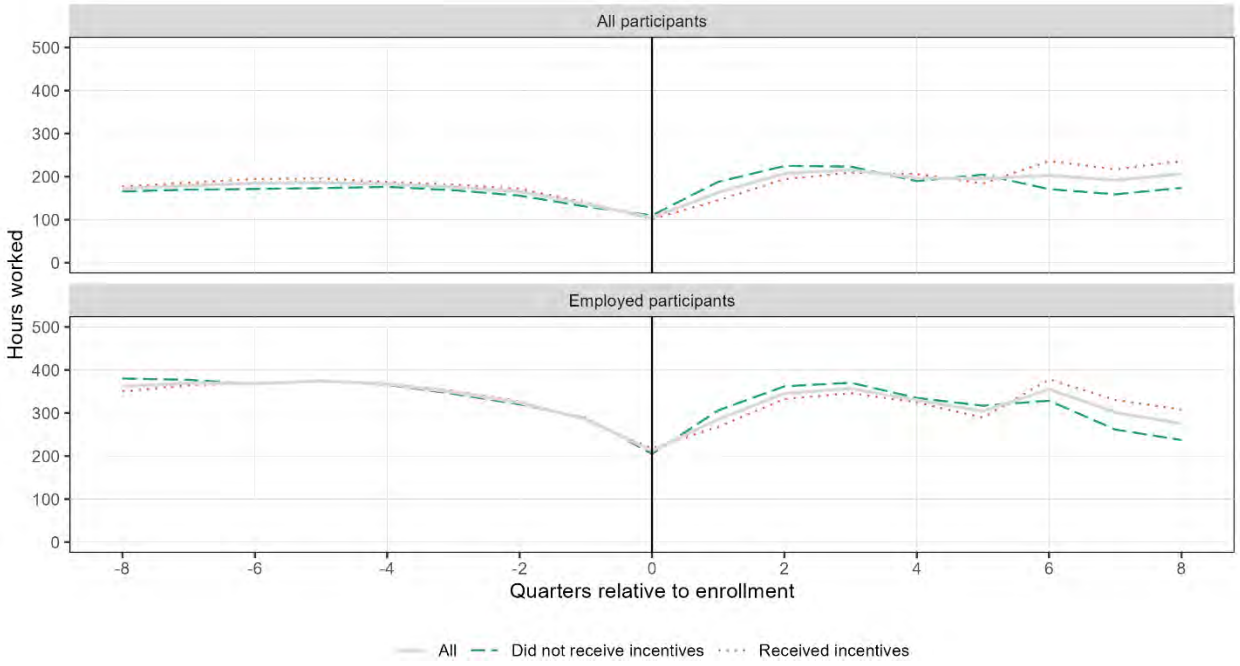


Figure 7.7: Average real hourly wage of EcSA participants, by receipt of CRF incentive payments and quarter relative to program enrollment

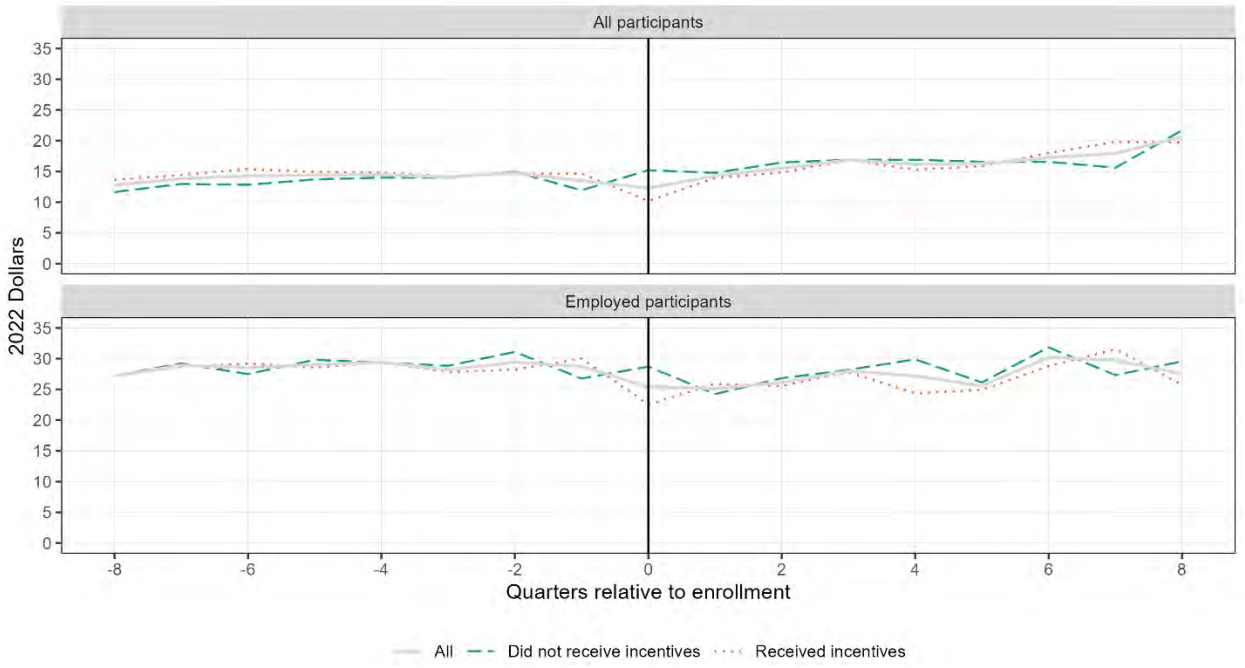
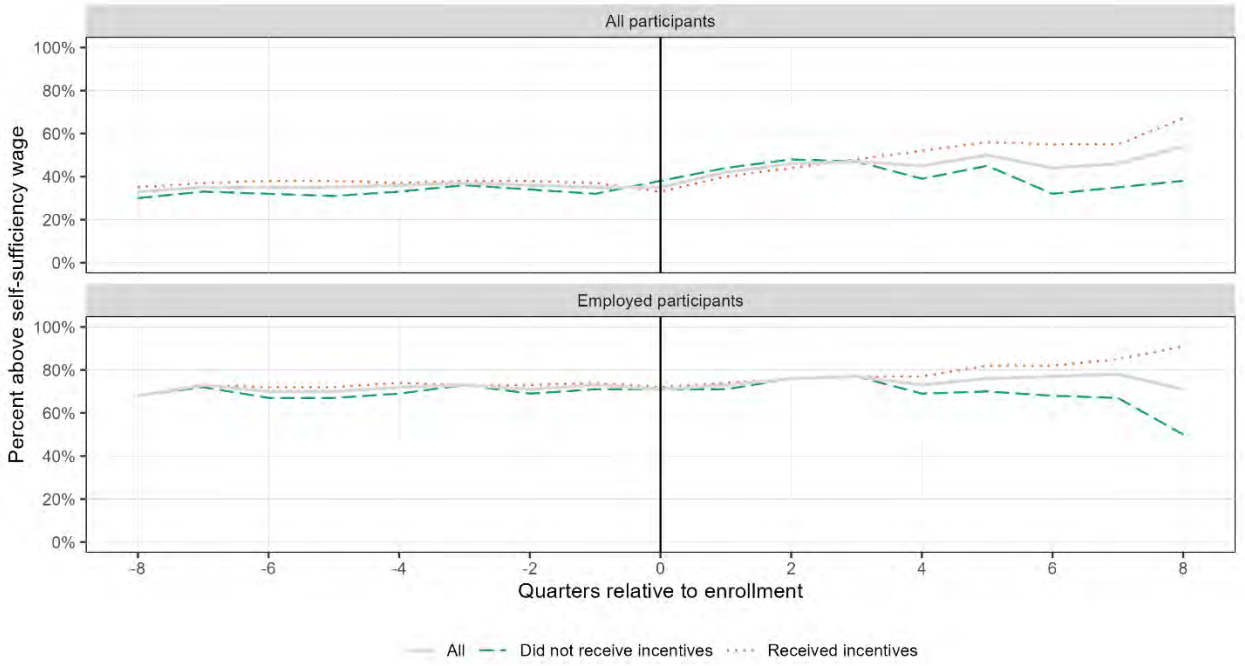


Figure 7.8: Percent of EcSA participants with wages above their individualized self-sufficiency wage, by receipt of CRF incentive payments and quarter relative to program enrollment



Figures 7.9 to 7.14 show the labor market and program outcomes of EcSA participants separately for each Local Workforce Development Board (LWDB), by receipt of CRF. In all cases, we have followed data disclosure guidelines to preserve the privacy of participants.

Figure 7.9: Employment rate of EcSA participants in each LWDB, by receipt of CRF incentive payments and quarter relative to program enrollment

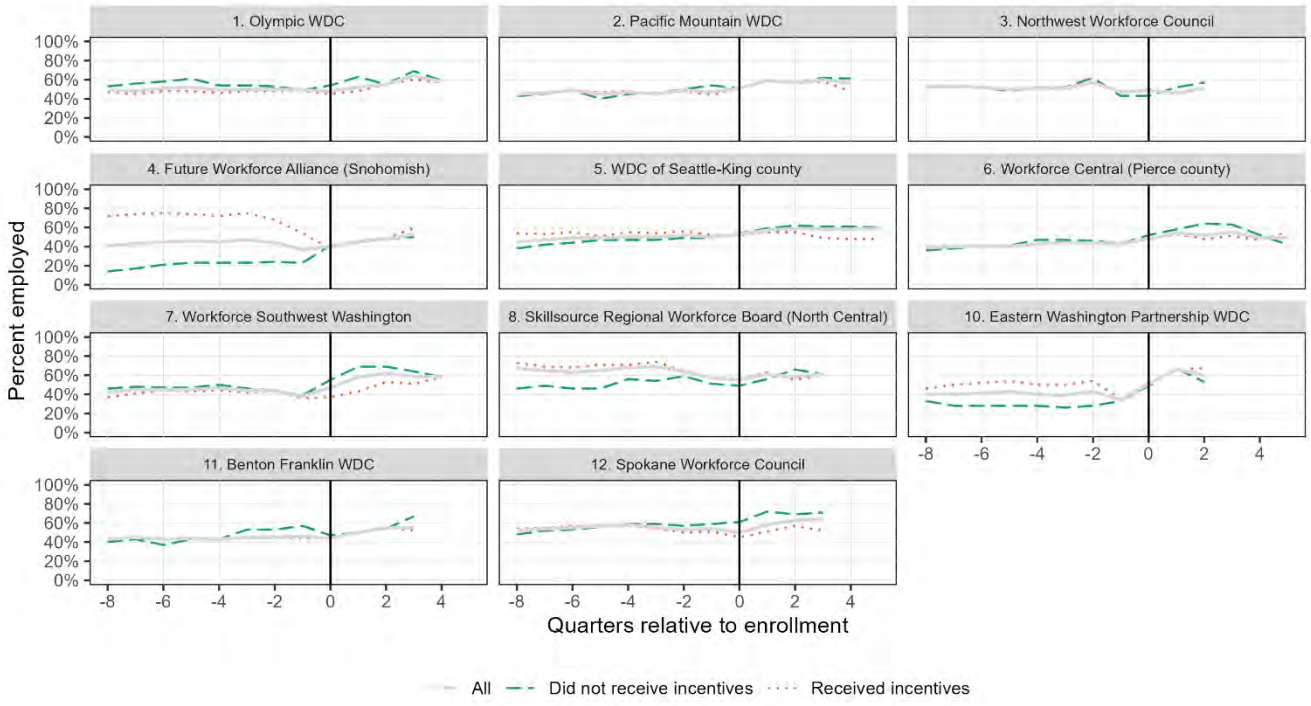


Figure 7.10: Quarterly earnings of EcSA participants in each LWDB, by receipt of CRF incentive payments and quarter relative to program enrollment

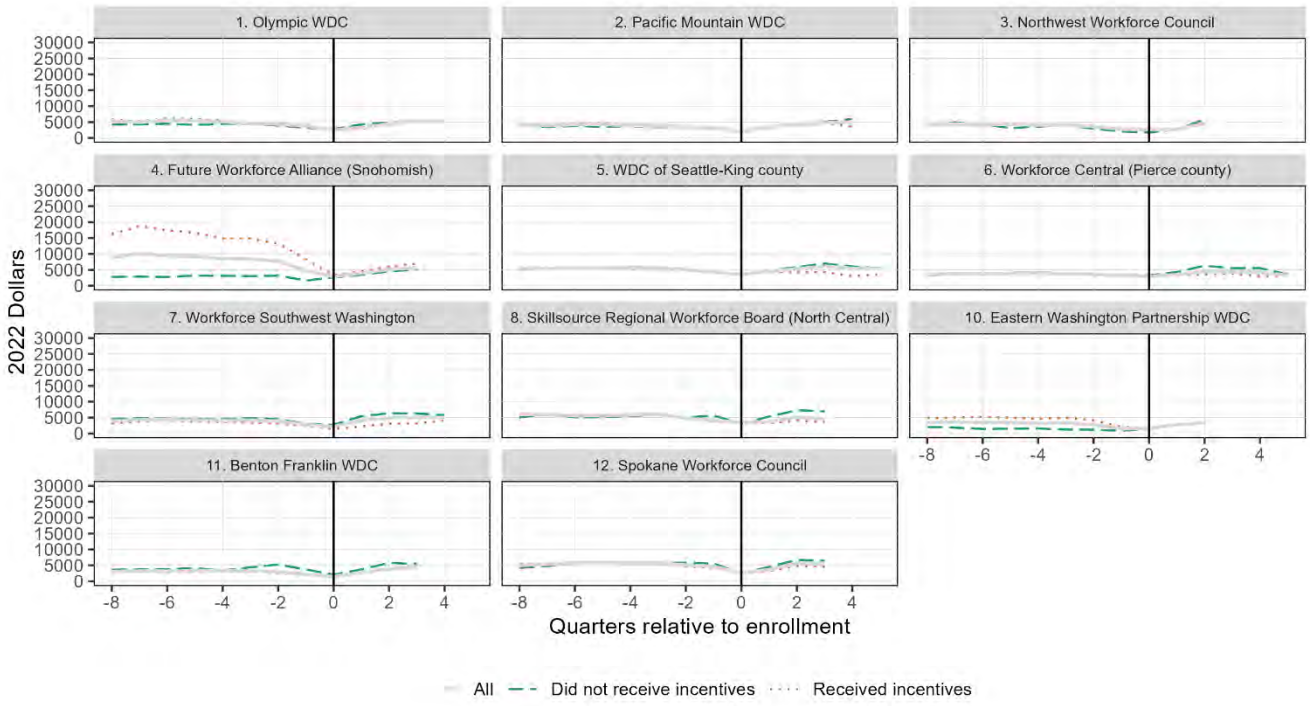


Figure 7.11: Percent of EcSA participants with earnings above their self-sufficiency goal in each LWDB, by receipt of CRF incentive payments and quarter relative to program enrollment

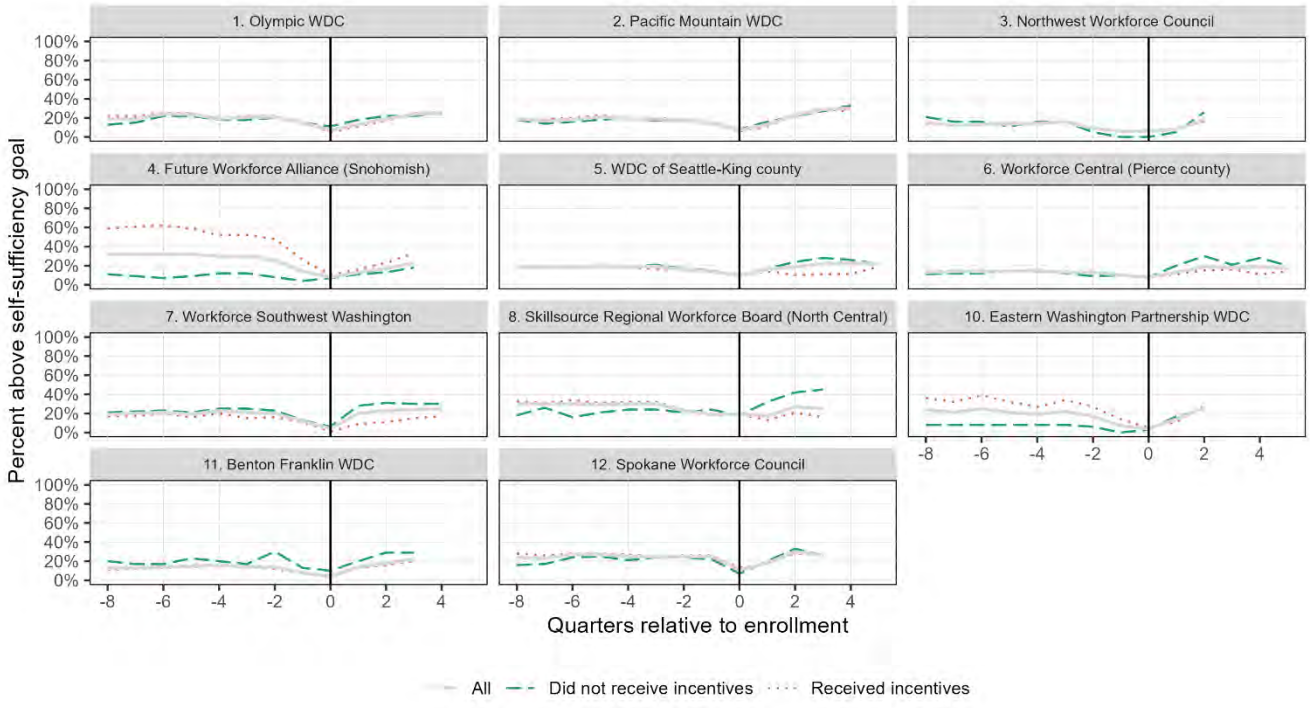


Figure 7.12: Quarterly work hours of EcSA participants in each LWDB, by receipt of CRF incentive payments and quarter relative to program enrollment

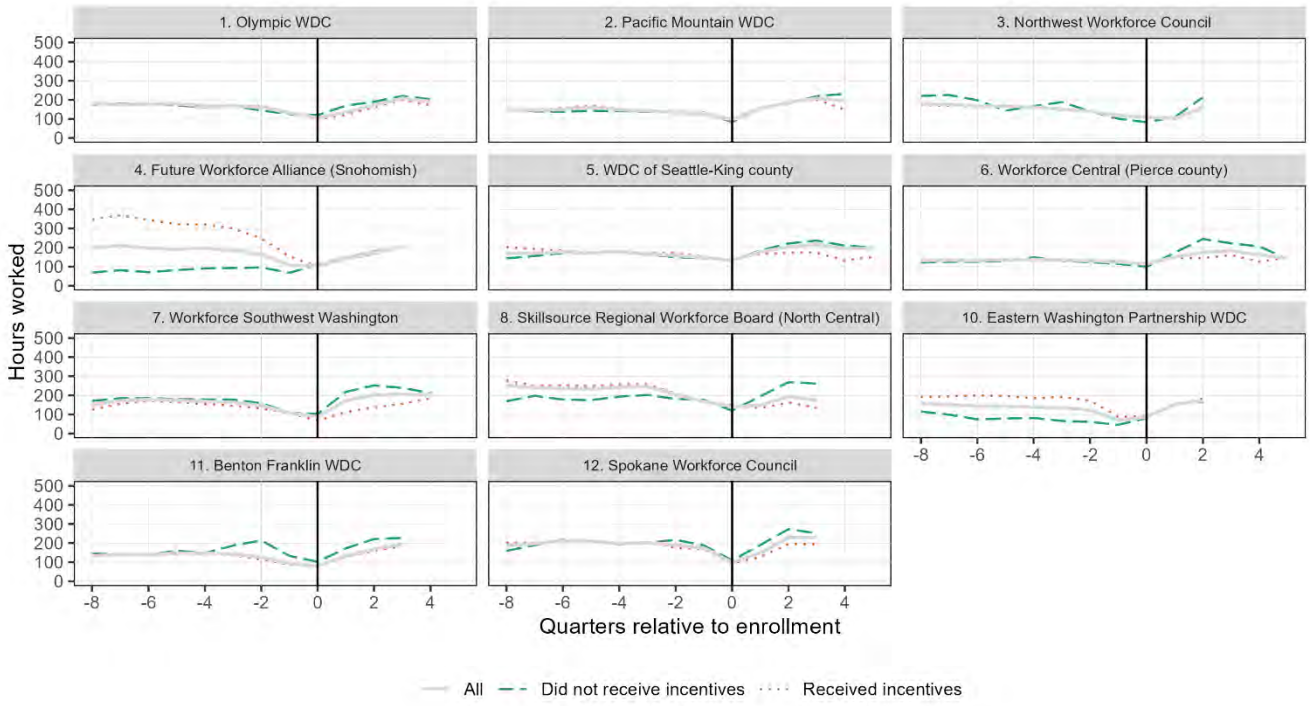


Figure 7.13: Hourly wage of EcSA participants in each LWDB, by receipt of CRF incentive payments and quarter relative to program enrollment

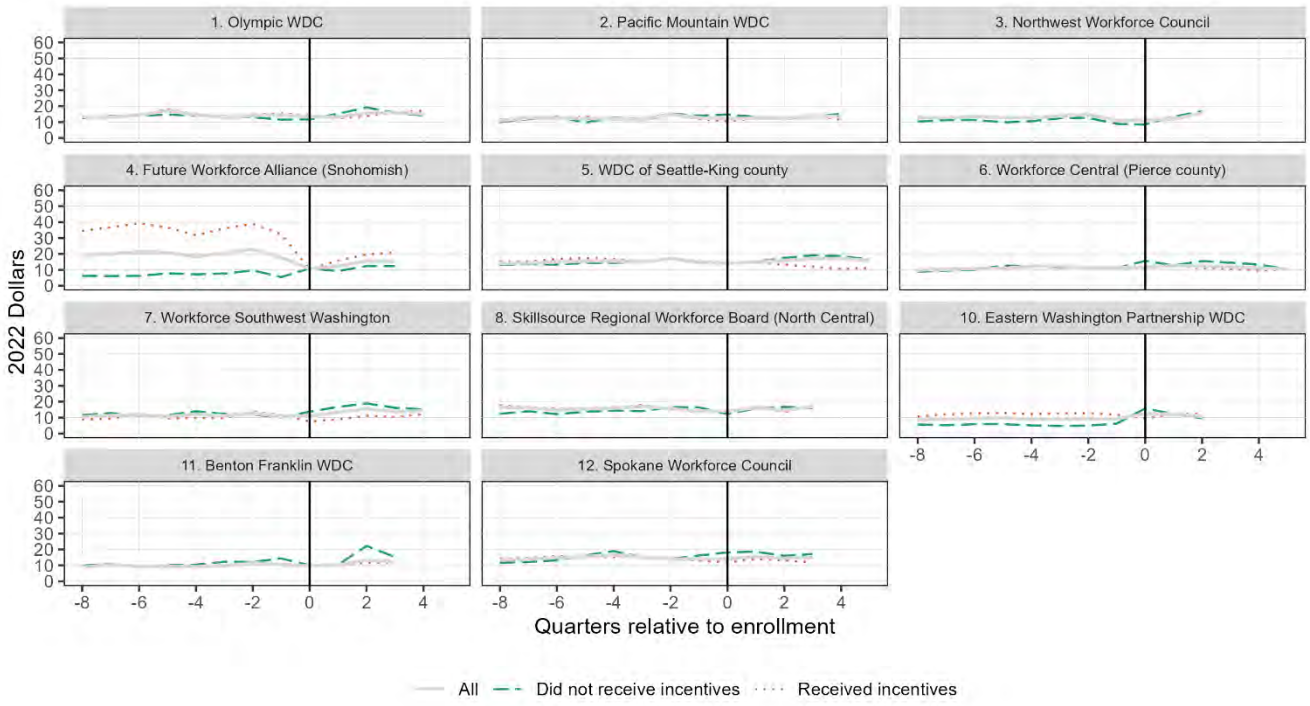
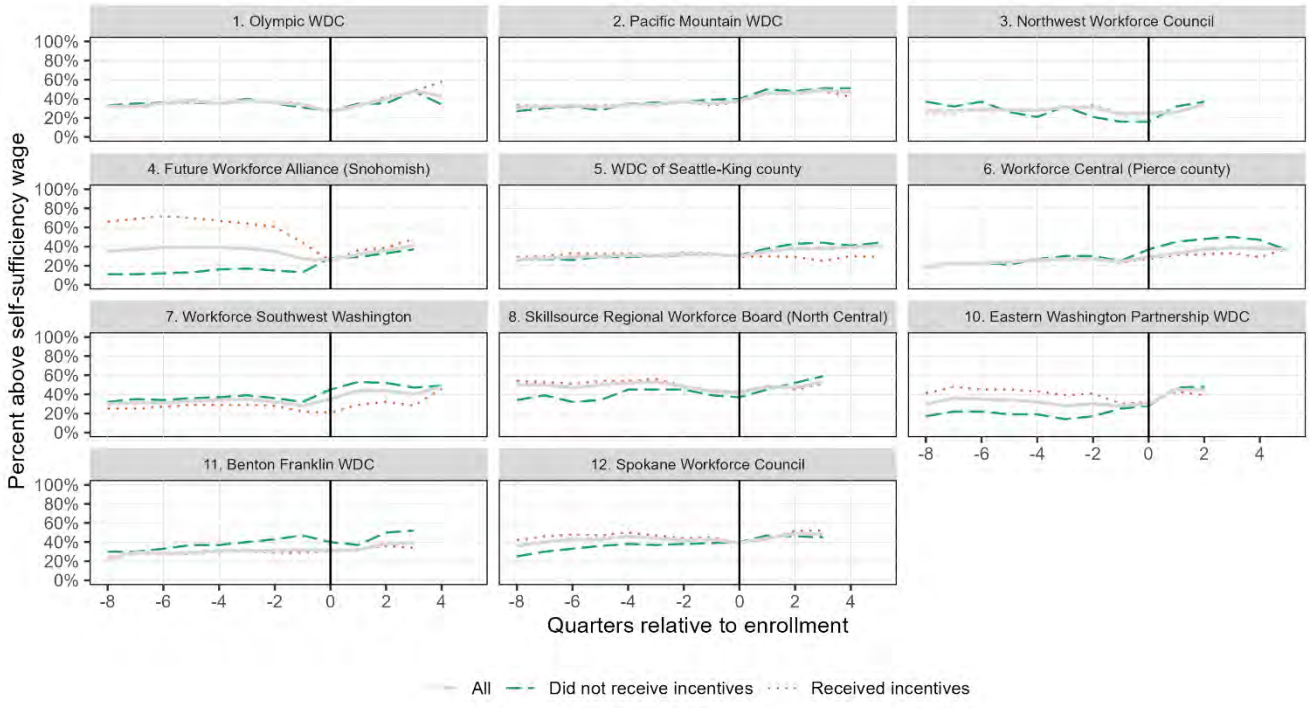


Figure 7.14 Percent of EcSA participants with wages above their self-sufficiency wage in each LWDB, by receipt of CRF incentive payments and quarter relative to program enrollment



Appendix 8: Summary of the external review of the ESD's 2025 evaluation of the EcSA program

This evaluation was reviewed by two external reviewers contracted by the University of Washington (UW) West Coast Poverty Center (WCPC). A document from UW-WCPC summarizing the review process and the assessment from the evaluators can be found below

TO: Gustavo Aviles, Director, Data Architecture, Transformation & Analytics, Washington State Employment Security Department

FROM: West Coast Poverty Center, University of Washington

DATE: JUNE 24, 2025

RE: Review of the Employment Security Department's 2025 Evaluation of the Economic Security for All Program

The Washington State Employment Security Department contracted with the University of Washington's West Coast Poverty Center to organize a peer review of its evaluation of the Evaluation of the Economic Security for All Program (EcSA) program.

Two economists with expertise in research methods and labor economics evaluated the EcSA evaluation approach and response to their suggestions as thoughtful and rigorous. The resulting report provides a definitive resource on the outcomes of this program.

This memo summarizes the review process, the comments provided on the version of the report that was reviewed, and the changes (and/or responses) that ESD made to the final version of this report based on that feedback.

Review Process

After meeting with ESD to understand its interests in introducing a peer review process for the report, the WCPC created a short list of potential reviewers who they believed would have the following skills and abilities:

- knowledge about evaluation and research methods
- some expertise in safety net, employment training, or workforce programs, and
- awareness of the Washington State context.

WCPC gave ESD a chance to review the list and eliminate reviewers who might have a conflict of interest or who might lack relevant expertise. ESD ranked the reviewers by their expected level of substantive and methodological knowledge. WCPC used the ranked list to contact reviewers and managed their participation in the process.

The two reviewers who participated were Marieka Klawitter, Professor Emeritus from the Evans School of Public Affairs at the University of Washington, and Benjamin Cowan, Professor of Economic Sciences at Washington State University.

The WCPC convened the reviewers and the ESD staff who worked on the report for an introductory meeting in April 2025. ESD provided background on the EcSA program along with an overview of the evaluation project. Reviewers were also pointed toward the published implementation report for the EcSA program.

Reviewers were given ESD's draft report. They provided written comments to the WCPC, who passed them to the ESD team. After sharing the feedback, the WCPC convened another meeting with the reviewers and the ESD team to clarify any questions about written comments and discuss preliminary ESD responses to the reviewers' feedback and suggestions. ESD then addressed the reviewers' feedback in writing and, where ESD felt it was warranted and feasible, made changes to the final report.

This document summarizes the feedback given by reviewers along with the changes that ESD made (or their response if they did not make changes) to the final version of the report based on those comments.[1] The two reviewers as well as ESD reviewed earlier drafts of this memo for accuracy.

Reviewer feedback and ESD responses

Overall, both reviewers noted that ESD had used appropriate data and reasonable econometric approaches to answer the research questions. One also praised the report for its utility in helping understand the impacts of EcSA on labor market outcomes.

While agreeing that the analyses and interpretations were generally solid and strong, each reviewer had some questions about potential alternative explanations for some of ESD's conclusions, and each provided suggestions for potential clarifications, additional statistical tests, and potential adjustments of the comparison groups used in the analyses.

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[1] This summary focuses on reviewers' substantive comments. Reviewers also suggested edits for clarity or to fix spelling or grammar. These are not included in this overview. ESD made other minor changes to the final version of the document based on feedback from other stakeholders.

Reviewers identified the following as areas where ESD might consider adding content or performing additional work to strengthen the evaluation report.

- **Understanding the EcSA program and the CRF payments**. Both reviewers asked questions about whether ESD could better define the "treatment" (EcSA services) that was offered to participants and that would be driving the program's impacts. EcSA services and targeted populations varied by location. One reviewer also noted that more insight into/discussion of how CRF payments were being used would have been helpful. ESD noted that this flexibility was by design, allowing local workforce boards to determine what populations to prioritize and what services to offer to meet their needs. As a result, EcSA services vary across participants and across the state. Reviewers noted that this variability makes it harder for policymakers and others to understand what contributed to program impacts or to understand how one might replicate the "program."

  ESD acknowledged that the flexibility of the EcSA model made it difficult to characterize a single "treatment" that program recipients received. ESD noted that the flexibility is a key part of the model. In the meeting to discuss reviews, ESD and one reviewer also discussed the possibility that the core of the program is the intensive, flexible, and ongoing case management. That reviewer suggested additional clarification of the elements that are more common (specifically, case management) and providing a sense of the range of services participants may have received.

  ESD also acknowledged the limitations of its ability to describe the variability and full range of services received by program participants across sites. ESD had hoped to explore how different sites used CRF payments in a set of interviews with local workforce boards, but the interview project was canceled, leaving them without additional insight into that variability. ESD did emphasize this flexibility and lack of clarity about a specific set of program services in their program description.

- **Sample and Estimation Issues.** Reviewers offered suggestions for a handful of potential changes or additions to ESD's analyses and comparison groups. Some of these more substantive suggestions included:
  - **The quality of the control group sample**. Reviewers wanted to better understand who is in the treatment and control groups as well as how those groups relate to one another. ESD attempted to create a matched sample that is otherwise similar to EcSA participants against which to compare participant outcomes. One reviewer expressed concern that the groups may

still have differed in important ways before the "treatment" and those differences make it difficult to understand the impact of the EcSA program. That reviewer provided several suggestions about how to test and check the quality of the match between the samples.

- **Eligibility changes**. A reviewer noted that eligibility requirements changed over time, which could change the profile of participants receiving services. The reviewer was interested in any additional information ESD might be able to provide about differences between individuals enrolled in EcSA versus in the WIOA programs.
- **Standard errors**. A reviewer suggested an alternative procedure for estimating standard errors, but noted that there was no single correct method.
- **Impact of enrollment over time**. Both reviewers commented about the difficulties of estimating effects given that participants enrolled in the program over time. A reviewer had a suggestion about how ESD could try to deal the potential for different effects of the treatment (EcSA program participation) over time. The reviewer provided a procedure that could help account for this variation over time.

ESD acknowledged that program eligibility requirements and recipient profiles did change during the evaluation period, driven partially by the targeting of the Community Reinvestment Fund program incentive payments.

Where possible, ESD added additional analyses to test reviewers' concerns about the sample and whether the control sample was appropriate for the methods used (mostly in appendices). They also ran different analyses to try to answer reviewers' questions about what patterns might be driving the results in the draft report. Most of these new tables and analyses are included in other appendices.

ESD notes that for most of these changes, there were not substantial changes in the findings presented in the report. There were some differences in which variables were statistically significant when ESD pursued some of the changes in sample or comparison groups that reviewers suggested. ESD noted that these differences, while statistically significant, were small relative to program impacts. Overall, however, most of the results and patterns held up to these alternative specifications or comparisons.

In spite of these tests and the durability of the main findings, ESD notes that they were not able to definitively eliminate the possibility of any pre-existing differences between treatment and control groups. While this is unsatisfying, it is not

uncommon for evaluations, in which analysts often need to make choices in defining appropriate treatment and control groups and must attempt to "match" those samples on background characteristics.

- **Policy Implications.** One reviewer noted that more discussion of policy implications could be a helpful addition to the report's findings. They suggested that ESD might consider adding a discussion of how the findings might translate into recommendations about program services or the best "dosage" of services. For example, both reviewers noted that the results seemed to show that EcSA services seemed to help participants find a job fairly quickly, but receiving EcSA services for longer periods was not associated with higher rates of employment or higher earnings. In the review conversation, a reviewer suggested that this dynamic may be important for the design of the program, as longer receipt of the services seems to have diminishing returns/does not seem to bring greater gains in the outcomes being measured. That reviewer noted that participants who remain on the program might benefit from a different set of services.

  A reviewer also suggested that ESD could do more to highlight their findings that EcSA appears to have impacted hours of work and wages more than employment. Understanding what program elements contribute to that dynamic and what could help increase employment might help improve the services offered.

  Another idea reviewers shared was that an analysis of patterns of employment (as opposed to a binary interest in whether a participant is employed in a given quarter) could help clarify whether participants need assistance with job search or with maintaining employment.

  ESD acknowledged that they did not focus on these dynamics or their implications for the program's offerings, noting that their emphasis was on the effectiveness of the program with respect to the outcomes being measured, and not on specific program or policy recommendations. Where they found it appropriate, they added some detail to their discussions of findings.

Reviewers also made a number of minor suggestions about additional areas where reviewers thought ESD could add context or caution to its interpretations. Examples of these include:

  - Alerting readers when what look like changes in program impacts may be driven by changes in the size of the sample or the number of quarters of

follow-up data available for specific cohorts. In that case, ESD added a footnote to draw attention to the changing follow-up period.

- Being careful about naming and interpreting differences between "part-time" and "full-time" work. Because wage data are reported quarterly, it can be difficult to tell if an individual is working full or part time. One reviewer flagged instances where the draft report used these terms. ESD agreed and added additional caveats when using those categories.

In summary, the two external experts provided a vigorous review of the draft EcSA report, noting the merits of ESD's analyses. ESD responded carefully and thoughtfully to reviewers' comments and suggestions to strengthen the report, including regarding alternative statistical tests or extensions of the analyses. The external reviewers and WCPC leadership believe that this process closely approximated external peer review and that the evaluation provides high-quality evidence about the program's impacts.