



## Child Development Accounts in the COVID-19 Crisis: Lessons from the Great Recession

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*Child Development Accounts (CDAs) were rigorously tested during the 2008–09 Great Recession and produced positive financial and family results, especially for children in financially vulnerable households. Likewise, CDAs can be expected to have positive impacts during and after the COVID-19 crisis.*

As the COVID-19 pandemic ravages the U.S. and global economies, another recession has arrived, and it may be severe. Economic downturns disproportionately affect financially vulnerable families. The coronavirus crisis makes matters even worse, because many financially vulnerable workers have jobs that are impossible to do from home. As a result, millions of already struggling Americans are losing their jobs, as evidenced by the staggering surge in unemployment claims and the overall unemployment rate.<sup>1</sup> The total number of unemployed Americans is estimated to peak as high as forty-seven million, which would be 32% unemployment.<sup>2</sup> These numbers at best represent an economic and social crisis, and at worst a potential depression.

To ease the crisis, Congress has responded with cash payments to households, extended unemployment benefits, and loans for small businesses. These time-limited supports are designed to keep up aggregate demand and hold down unemployment, and this is a good start. However, COVID-19 conditions are destroying businesses and employment that will not readily recover. Family hardships as a result of COVID-19 will endure long after the virus is less threatening.

These lasting hardships raise a fundamental question: Why does social policy in the United States not enable more families to become financially stable and secure? U.S. social policy for the poor focuses almost exclusively on supporting income for short-term consumption, and not enough on building assets for long-term stability and family development.<sup>3</sup> In the absence of asset-building policies, millions of families facing the financial consequences of COVID-19 have no resources to buffer negative economic shocks.

During this period of massive federal policy action, with trillions of dollars being spent, there is an opportunity to rethink the major purposes of social policy, and to turn more policy toward asset building for all Americans. From this perspective, social policy can and should become not just an expenditure for survival, but also a *social investment* for security and development.<sup>4</sup>

### Child Development Accounts: Toward a New Kind of Social Policy

One such policy, already being implemented with success, is Child Development Accounts (CDAs). CDAs provide assets and encourage saving for postsecondary education through deposits into investment accounts.<sup>5</sup> In 2007, the Center for Social Development (CSD) began conducting the most rigorous test of CDAs: the [SEED for Oklahoma Kids \(SEED OK\)](#) experiment.<sup>6</sup> SEED OK models a universal and automatic CDA policy, offering deposits at birth and progressive subsidies for the lowest income families.



Several states have enacted universal, automatic [CDA legislation](#). Building on lessons from SEED OK and these statewide policies, CDAs can become a foundation for asset building for all Americans over their lifetimes.<sup>3,7</sup> Such accounts aim first to improve educational attainment for all children—especially children in financially vulnerable families. Later, CDAs can transition into adult accounts to support homeownership, career training, small business development, resources for family well-being, and eventually increased security during older adulthood.

When every dollar is spent on necessities like diapers, food, gasoline, and utilities, saving for college may be the furthest thing from a parent’s mind. But CDAs can create a different point of view. Several studies from the SEED OK experiment demonstrate that CDAs can give parents, particularly those with low incomes and assets, a greater sense of optimism about their children’s future, even in the face of an economic downturn.

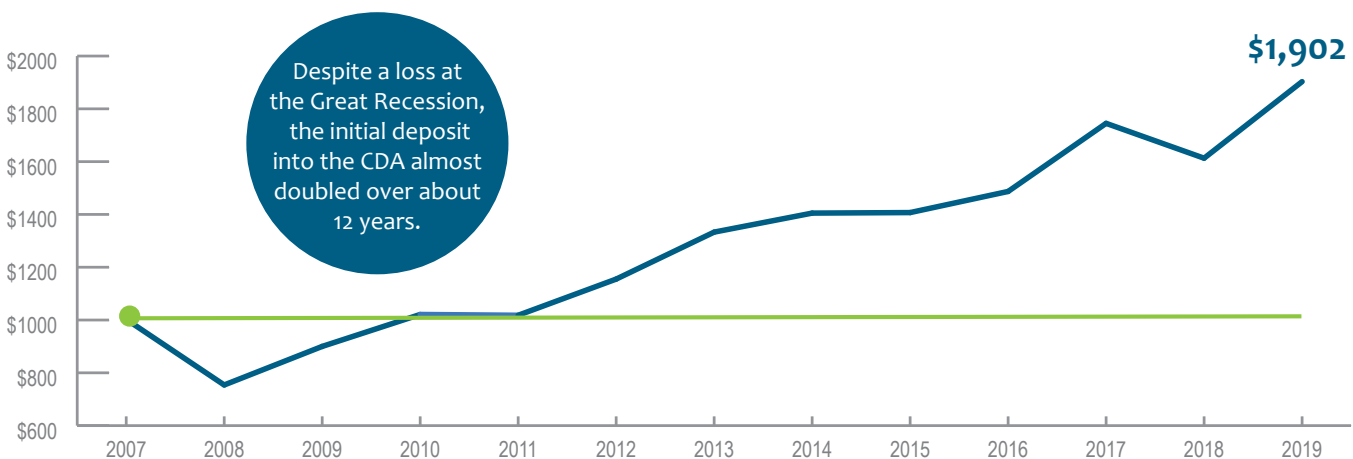
An important policy lesson from this research is that CDAs focus on *long-term development* more than short-term consumption. Long-term asset building can financially prepare families for crises like the COVID-19 pandemic, and also buffer psychological hardship during such crises. This report summarizes findings and recommendations from CDA research to inform policymakers and practitioners operating or considering CDAs in the midst of the COVID-19 health and economic crisis.

## CDA Research during and after the Great Recession: SEED OK

The credit and banking crisis of 2008–09 led to what is now commonly referred to as the Great Recession. Just prior to this in 2007, SEED OK completed telephone interviews with more than 2,700 mothers, representing mothers of all Oklahoma infants born that year. SEED OK made \$1,000 deposits into state-owned Oklahoma 529 college savings plan accounts for infants randomly assigned to the treatment group, whereas infants in the control group received no deposit. Between 2008 and 2011, low- and moderate-income families in the treatment group were eligible for progressive savings matches (i.e., larger matches for the poorest families).

During the recession, the initial \$1,000 investment in the Oklahoma 529<sup>8</sup> declined to just below \$700; however, because the CDA was restricted for long-term postsecondary education use, the money could not be withdrawn, and grew to about \$1,900 by the end of 2019 (Figure 1).<sup>9</sup>

**Figure 1. Investment Growth of the SEED for Oklahoma Kids CDA \$1,000 Initial Deposit: December 2007–December 2019**



This figure graphs year-end balances of the \$1,000 initial deposit in the state-owned CDA in SEED OK. These values represent the initial deposit only, which serves as a pure measure of investment growth. This balance does not include progressive savings matches between 2008 and 2011, or the automatic progressive deposit for half of the treatment children in early 2019. Nor does it include any of the family deposits. The CDA is invested in the OK 529 plan’s Moderate Age-based Option, which is tailored to the beneficiary’s age and becomes increasingly conservative as the beneficiary nears college age.

Source: Oklahoma College Savings Plan data.

This is a very positive financial outcome—especially compared to interest on bank saving accounts—*despite the SEED OK CDA weathering the biggest financial crisis since the Great Depression of the 1930s.*

Though assets are very important, CDAs are not primarily about money—they are about child and family development. On this topic, CSD has rigorous experimental research results, published in several peer-reviewed journals and summarized in key publications.<sup>10</sup> Evidence from SEED OK Wave 1 and Wave 2 (conducted in 2011, when the children were about 4 years old) demonstrates the positive impacts of universal, automatic, and progressive CDAs. As intended, CDAs substantially increase asset building for postsecondary education.<sup>11</sup> They also improve the social development of young children<sup>12</sup> as well as the mental health,<sup>13</sup> parenting practices,<sup>14</sup> and educational expectations of mothers.<sup>15</sup> Positive effects are observed regardless of whether or not the families have saved, and are usually greater for low-income and disadvantaged families (read a summary of the research [here](#)).<sup>16</sup> But quantitative data, though essential, do not provide the full story.

In this research and policy report, we present the voices of SEED OK participants by using evidence from in-person interviews with mothers, *conducted as the United States was recovering from the Great Recession.* This evidence may illustrate how CDAs can buffer economic hardship—psychologically as well as materially.

## Effects of the Great Recession: Evidence from In-Depth Interviews

Researchers at the Anne and Henry Zarrow School of Social Work at the University of Oklahoma-Tulsa and CSD conducted 60 in-depth interviews with a stratified random sample of SEED OK mothers from the treatment and control groups. To offer a window into the likely impacts of the COVID-19 recession, this section provides edited excerpts of interviews with mothers who said that they were affected by the 2008–09 recession.<sup>17</sup> (Read the entire report [here](#).)<sup>18</sup>

### Perspectives of SEED OK Mothers on the Great Recession

Some mothers reported that, between the baseline survey (in late 2007 and early 2008) and these in-depth interviews (between mid-2009 and late 2010), someone in their household either experienced a period of unemployment ranging from one month to one year, or had their work hours reduced. A few respondents said that their small businesses incurred financial losses during the period between the survey and the interviews, indicating that customers stopped using their services or were unable to pay their bills. Unsurprisingly, mothers spoke about the hardships caused by the Great Recession and how difficult it was to save.

Sherry, a 24-year-old married mother of two, moved in with her husband’s grandmother when the family lost their home due “to back taxes.” Because Sherry cared for her children and her husband had recently been laid off from his job for the third time, they had no reliable source of income. Sherry said:

*[The family] can’t afford tires for our truck. They keep going flat.... School trips, pictures, any school functions, or anything that they just want, I just can’t get it. I just cannot do it. All of our money goes to our truck payment.*

When asked what made saving difficult, Sherry said it was,

*The fact that we get so little and we need so much.*

Beth has a graduate degree. At the time of the baseline survey for SEED OK, her household

income was in the middle-income category, but since then her circumstances had changed dramatically. She and her husband purchased a home but then reported that they separated. Her husband's income "took a hit" from the recession, and as she noted, "We pretty much went through [our] savings to maintain the mortgage and the utilities and their [two children's] care." They also had health care debt from a child's hospitalization.

Many mothers applied all their income to basic living expenses. For example, 13 respondents (22%) said that purchasing necessities made it difficult to save. One mother spoke of priorities:

*I have to worry about my gas tank and I have to worry about her diapers, her wipes. That's my first priority.*

Yet, mothers still expressed a desire to save, one day, for their children's education. Letrece, a single mother of five children, reported that she received public assistance:

*Basically since they started this [CDA] program, I have been trying to save and put money in it, but I haven't been able to do nothing because of everything else . . . I've been dedicated to trying to, you know, put money off in that because they [SEED OK] say they'll double it or whatever, and I've been trying to put some money off in there. I basically live month to month.*

Julie, a single mother of two in the control group (her child did not receive the CDA), was unemployed at the time of the in-depth interview. She described the economic strains of trying to make ends meet for her family:

*When I get a job and make more money, I'll do it. I have to think of myself first, my situation first, before I can do any of that . . . I need to get me a car and a place, and then when that all falls together . . . I can do her savings part and my savings part besides. Hopefully that can be really soon. Just pray with me about it.*

Mothers reported that unemployment and other issues related to the economy made life difficult. Many explained that they used every dollar for basic living expenses (e.g., milk, gasoline, toothpaste, socks, and especially diapers). A few mothers expressed concern that the economic recession reduced the value of the initial \$1,000 deposit into the CDA.<sup>19</sup>

## Benefits of CDAs for Financially Vulnerable Families

This section highlights the positive impacts of CDAs, during and after—and in spite of—the Great Recession. It reviews perspectives from in-depth interviews and evidence from the SEED OK Wave 1 and 2 surveys.

### *Evidence from in-depth interviews*

As described above, financially vulnerable families early in SEED OK struggled with meeting basic needs during and after the 2008–09 recession, let alone saving for their children's future educations. To offer additional perspective on how CDAs can mitigate the long-term effects of a crisis—including perhaps the COVID-19 recession—this section draws from the SEED OK in-person interviews to illustrate *in participants' own voices* the benefits of the CDA in SEED OK on future orientation, especially for financially vulnerable families. Such examples of psychological well-being (e.g., hope, security, confidence, believing in a better future) are important for financially vulnerable families during economic hardships.

**[The CDA makes me feel] a whole lot better...like I have some hope for at least one of my kids.**

## Perspectives of SEED OK Mothers on the CDA

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Beth described the meaning of the CDA in SEED OK:

*[The SEED OK CDA] is very important to me because, you know, it starts to—at least one of my kids, you know, on the way of having a savings for college... But it also gives me a sense of relief as well. No, it just—to me it just says that you know this state is being proactive in trying to encourage parents to save for college or start something, start some sort of account, you know....*

The CDA makes Sherry feel,

*... a whole lot better. It makes me feel like I have some hope for at least one of my kids.*

Dawn, who believes that her daughter “may not qualify for Pell,” talked about the significance of the account and the CDA account statements:

*I think it's very important for her future. 'Cause I think that if she continues to see these papers [CDA statements] come in, then... people besides me and her dad...—people out there that she has no idea about—want to give her money to go to school, then it must be darn important to go to school.*

The CDA may be especially powerful with non-college-educated parents, who may begin to see their children as “college-bound.” Another mother said:

*I was thinking this is something that was good. I'm going to have to get him through school so he can use this and go to college...*

Some respondents expressed the feeling that they are not alone: They feel that the SEED OK CDA represents a partnership with others in securing their child's future. Tamara expressed this point:

*Just knowing that not only do I care about the future of my children but that the bigger picture, you know: There's other people that do care about what happens with our kids. They're not just my kids, they're everybody's kids.*

**Give[s] me something to look forward to . . . [The CDA] gives me a better outlook.**

Similarly, Miranda said:

*That means a lot for someone to actually do that [open the CDA] for you. You don't have too many people that's wanting to help you like that. So it's a blessing.*

Jasmine, a young single mother, talked about how her income fluctuations made it difficult for her to save, and she questioned her ability to create a secure economic future for her only child. She said that the CDA:

*Give[s] me something to look forward—to know that it would help ... [it] gives me a better outlook.*

She also conveyed gratitude that others are interested in her child's future:

*I think [the CDA] made it feel like they actually cared about my child's future along with me...*

Nicole did not open an OK 529 for her child, but in referring to her child's CDA, she said this:

*Before, . . . I got bills in the mail for me to pay something, but not to save. And when I started getting this, it almost even teaches you personally to save for you and whatever else and for her, you know. So to just to keep getting those things—it just open up your eyes about saving, period.*

**I think [the CDA] made it feel like they actually cared about my child's future along with me.**

Most treatment respondents thought that having a SEED OK CDA when they were children would have made a difference in their lives. This perception was especially common among those mothers who did not have a college degree. For example, Jackie, a mother who took some college courses, said:

*Yeah. I think I would have actually graduated.*

Sherry shared what she believes would have happened if a CDA were available when she was young, stating that she,

*. . . may have stayed in [high] school and not got off track like I did, and did some of the things that I did—I might have had hope for myself.*

Mary, who began college but dropped out after her partner lost his job, shared the same view and believes that the CDA has:

*Given my kid a chance. . . . That he could go, that he could actually grow up and be a very successful person. [And that she] . . . probably would have started college a lot sooner—probably wouldn't have got pregnant so young [at age 18], you know.*

But for at least one low-income mother, the CDA seemed to mean very little: Cindy and her husband did not trust that the stock market would rebound after the 2008 recession. They both expressed frustration that the value of the CDA had fallen from the original \$1,000. Cindy's husband stated,

*[The economy] is on an upscale right now, but it's not a guaranteed thing.*

Despite the above family's view in 2009–10, the SEED OK initial deposit in the state-owned CDA—which remained intact because state-owned funds are restricted for withdrawal only for postsecondary education—has almost doubled over 12 years.<sup>20</sup>

Overall, most treatment mothers' responses (90%) indicate that the CDA had a positive meaning for them. A majority spoke very favorably about the account. These mothers suggested that the account gives them hope, perhaps even confidence, in their child's future. Several of the respondents noted that the account offers them “security,” “ease,” or “relief.” Many said they could not finance college on their own and are grateful that someone other than their family showed concern about their child's future. The fact that they have the SEED OK account motivates some to see their child as college-bound, to support their child's education in the pre-college years, and to think more about ways to finance college. Many mothers believed that the CDA will create educational opportunities for their child that they did not previously have.

A few mothers expressed concern that the economic recession reduced the value of the \$1,000 initial deposit or said they believed that the initial deposit will not do much to make college affordable. This is understandable, but it is noteworthy that mothers in the lowest income and education categories were more likely than others to perceive the SEED OK CDA as being very meaningful.



## Evidence from SEED OK Surveys

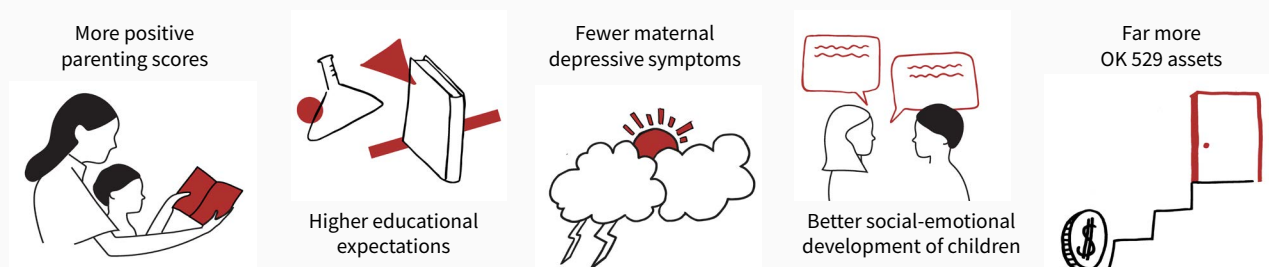
From the SEED OK sample of about 2,700 families, CSD researchers defined 426 who received cash assistance from TANF or whose children attended Head Start as financially vulnerable. Consistent with previous SEED OK quantitative research using broader samples of Oklahoma families,<sup>21</sup> a study focusing on this subsample of particularly vulnerable families<sup>22</sup> shows that *the CDA in SEED OK has positive and statistically significant impacts on financial and nonfinancial outcomes for disadvantaged families following the Great Recession.*

### Impacts of the CDA for Financially Vulnerable Families

- For TANF and Head Start families, the educational expectations and positive parenting of treatment mothers were better than those of control mothers.
- Maternal depressive symptoms were less intense and punitive parenting practices were less frequent among treatment mothers.
- For both maternal depressive symptoms and positive parenting practices, the positive effects of the CDA were greater for families that participated in TANF or Head Start than for families that did not.
- Treatment children had better social–emotional development than control children.
- Because of automatic CDA features, treatment children were much more likely than control children to have an OK 529 account, and the value of their OK 529 assets was much larger.
- In addition, regarding personal savings, treatment children were 13 times more likely than control children to have an individual OK 529 account opened by their mother. Families open individual OK 529 accounts to make personal deposits for their children’s future education. They may also withdraw these savings for emergency or other purposes, if necessary. Still, just 10% of the financially vulnerable treatment children in our subsample had such accounts.

The final result indicates that increasing personal savings, especially among financially vulnerable families, cannot be the primary focus of CDAs. Personal savings is very desirable, and CDAs increase it, but the core purpose of CDAs is broadly building assets, which means more than personal deposits.

In sum, rigorous empirical evidence documents that the CDA in SEED OK has positive impacts on both financial and nonfinancial outcomes for the whole treatment group, and also positive impacts for the most disadvantaged families, even during and after the financial crisis of the Great Recession.



## CDAs and the COVID-19 Crisis

How do these findings from SEED OK research during and after the Great Recession inform what Americans can anticipate for CDA policy during the COVID-19 pandemic and economic

downturn? Given the unprecedented scale of this public health crisis, every individual will inevitably be affected in some way, and as noted at the outset, disadvantaged families will suffer most. Therefore, universal policies that benefit everyone—not just the most advantaged—should be designed, tested, and implemented. CDAs offer both financial benefits (savings that appreciated in value, despite the crisis of the Great Recession) and nonfinancial benefits (improved outlooks and constructive behaviors of both parents and children). Importantly, *these benefits of CDAs also reach the most disadvantaged families who bear the brunt of economic downturns.*

**...the CDA has positive impacts for the most disadvantaged families, even during and after the financial crisis of the Great Recession.**

In SEED OK, we purposefully oversampled households of color—African American, Latinx, and Native American—and we can confidently report a pattern of positive impacts of CDAs, both financial and family functioning, regardless of race.<sup>10</sup> It seems likely that this policy lesson will apply broadly.

In all these ways, CDAs are a desirable social policy toward the larger goal of achieving child and family development for all. CDAs should be opened automatically for all newborns, in families across the socioeconomic and geographic spectrum, with progressive funding. Eventually, they may be administered by each state, within a federal policy framework, with deposits primarily supplemented by federal funds.<sup>23</sup>

In light of [encouraging CDA policy momentum](#) at the state level,<sup>5</sup> along with the urgent need to confront the economic fallout from COVID-19, the current crisis is an opportunity for bold policy action at state and federal levels. Private and non-profit sectors can contribute as well. Lawmakers who are seeking a better social policy in the future can consider three recommendations based on SEED OK research findings:<sup>24</sup>

- 1) Focus first on building assets for all children, and second on improving individual saving behavior (not the other way around).<sup>25</sup> Limited resources in the poorest households makes progressive deposits into CDAs fundamental.<sup>26</sup>
- 2) Adopt a universal CDA policy and automatically deposit funds at the time of a child's birth.
- 3) Include additional targeted deposits, benchmarks, and other incentives, particularly for low-income children—creating a progressive policy structure.

## CDA Research and Policy Innovations Going Forward

This report illustrates the benefits of well designed, rigorous, and long-term social research. In SEED OK, CSD is testing and implementing a new social policy over an extended period, with a rigorous research agenda. Based primarily on SEED OK research results, CSD has informed statewide CDA policy that is universal, automatic, progressive, and operates on an efficient and sustainable financial platform.<sup>5</sup>



## The massive federal [COVID-19 related] policy actions . . . present opportunities for different goals and focus in social policy.

Research and innovation in SEED OK are continuing. To test ongoing deposits into CDAs,<sup>27</sup> in early 2019 SEED OK made an automatic, progressive deposit into the state-owned SEED OK account for half of the treatment children (678). All of these children received \$200, and disadvantaged children received an additional \$400.

In Wave 3 of SEED OK, CSD researchers will analyze updated account and savings data from the Oklahoma 529 plan and also data from a survey of mothers being conducted in 2020, when the children are in middle school. Account data are expected to show that CDAs continue to have strong positive impacts on asset accumulation for education, especially for disadvantaged families. Longitudinal survey data are expected to show that CDAs positively affect education-related attitudes and behaviors. Outcomes of interest include parents' middle-school engagement, parents' education-related interactions with youth, and the academic engagement of youth.

SEED OK's state-run CDA financial platform and policy design (using the state 529 plan) also create opportunities for large-scale integration with other federal, state, city, and non-profit-funded services for financially vulnerable families.<sup>28</sup> Automatic enrollment is a critical design feature to ensure that all children, regardless of their socioeconomic status, are included. Several states have adopted automatic CDA policies, some by legislation and others by administrative rule. [A surge in legislative activity](#) in 2018 and 2019 signaled policy momentum toward CDAs at scale.

Though COVID-19 has (at this writing) diverted state legislators' attention, the massive federal policy actions to counteract the virus effects also present *opportunities for different goals and focus in social policy*. The positive experience with CDAs suggests that asset building for all can become a U.S. policy innovation. In the near term, CDAs can be viewed as a solid first step toward that fundamental social investment.

Because CDAs have been rigorously tested during the Great Recession and have produced positive financial and family results, CDAs can likewise be positive in the COVID-19 health and economic crisis. As researchers, we predict that SEED OK children (turning age 13 this year) in the treatment group will (again) come through the crisis in measurably better shape than children in the control group. If the SEED OK CDA impacts are sustained, they will provide strong evidence that the United States should embark on a universal CDA policy—and more broadly on social policy that is aimed not just at consumption for survival, but also at investment for development of all children and families.

### Endnotes

1. Bartash (2020).
2. Faira-e-Castro (2020).
3. Sherraden (1991).
4. Sherraden (2018).
5. Clancy, Sherraden, and Beverly (2019a).
6. Clancy, Sherraden, and Beverly (2019b). SEED for Oklahoma Kids (SEED OK) was conceived and designed as a policy model by CSD, with major funding from the Ford Foundation, and additional support from the Charles Stewart Mott Foundation and the Lumina Foundation for Education. CSD is grateful to our funders, and to the State of Oklahoma, which has

- implemented and managed SEED OK effectively since it began in 2007, under both Democratic and Republican Treasurers. CDA policy typically has bipartisan support—even during this very partisan political period—and existing state 529 policy infrastructure is ideal for delivery of a tested and sustainable CDA policy. For more information, see Clancy, Sherraden, and Beverly (2019c) and Clancy, Sherraden, and Beverly (2015).
7. Sherraden, Huang, and Zou (2020).
  8. The SEED OK state-owned deposits were initially invested in the Oklahoma 529 College Savings Plan’s Balanced Option, a mix of stock and bond funds. See Clancy and Beverly (2017). In late 2018, the funds were moved to the OK 529 plan’s Moderate Age-based Option, which is tailored to the beneficiary’s age, changes over time, and becomes increasingly conservative as the beneficiary nears college age. See Clancy, Sherraden, and Beverly (2019a).
  9. Oklahoma State Treasurer’s office, Oklahoma College Savings Plan SEED OK account and savings data, December 31, 2019.
  10. Sherraden and colleagues (2015).
  11. Nam, Kim, Clancy, Zager, and Sherraden (2013); Beverly, Kim, Sherraden, Nam, and Clancy (2015); Wikoff, Huang, Kim, and Sherraden (2015); Clancy, Beverly, Sherraden, and Huang (2016); and Huang, Kim, Sherraden, and Clancy (2017).
  12. Huang and colleagues (2014); Huang and colleagues (2017); and Huang, Beverly, Kim, Clancy, and Sherraden (2019a).
  13. Huang, Sherraden, and Purnell (2014); and Huang and colleagues (2019a).
  14. Nam, Wikoff, and Sherraden (2016); Huang, Nam, Sherraden, and Clancy (2019); and Huang and colleagues (2019a).
  15. Kim, Sherraden, Huang, and Clancy (2015); Kim, Huang, Sherraden, and Clancy (2017), and Huang and colleagues (2019a).
  16. Beverly, Clancy, and Sherraden (2016).
  17. Though the recession officially lasted until 2009, it took several years for the economy and families to recover to pre-crisis levels of employment and output.
  18. Gray, Clancy, Sherraden, Wagner, and Miller-Cribbs (2012).
  19. Sherraden, Peters, Wagner, Clancy, and Guo (2013).
  20. As noted above, the state-owned CDA was in a mix of stock and bond funds. SEED OK families can save in their own OK 529 account and (1) choose an investment that is more conservative, such as the Guaranteed Investment Option, which preserves the principal, (2) withdraw savings easily for personal or financial reasons, and (3) benefit from a state tax deduction. See Clancy and Beverly (2017).
  21. Kim, Sherraden, Huang, and Clancy (2015); Huang, Sherraden, Kim, and Clancy (2014); and Huang, Sherraden, and Purnell (2014).
  22. Huang, Beverly, Kim, Clancy, and Sherraden (2019a).
  23. Statewide CDA partnerships with other federal, state, city, and communities and philanthropies have the potential to deliver targeted services and reduce administrative costs. Together, these groups can contribute progressive funding to improve the well-being of financially vulnerable families. See Clancy, Sherraden, Huang, Beverly, and Kim (2019).
  24. Clancy, Sherraden, and Beverly (2019c).
  25. Clancy (2019); Sherraden and colleagues (2018); and Sherraden (2014).
  26. It follows from this that ongoing deposits should not be exclusively tied to saving behavior of families (e.g., savings matches). As other good policy options, ongoing deposits should (a) occur without any behavioral requirements, or (b) reinforce behaviors that are nonfinancial, such as educational success and community service.

27. Asset building accounts as early as birth were originally proposed by Sherraden (1991) as a policy with ongoing deposits. In SEED OK, we have not been able to test ongoing deposits because we did not have the additional millions of dollars to do so. However, in SEED OK Wave 3, we made automatic, progressive supplemental deposits for one-half of the treatment group, as described here. This enables us to test whether this additional deposit has impacts on the full range of CDA outcomes. As so often happens in applied social science, this is not a perfect policy test, but we are nevertheless looking for evidence of effect.

28. Clancy, Sherraden, Huang, Beverly, and Kim (2019).

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