

SEED for Oklahoma Kids: Summary of Project, Research, and Policy Implications

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Project: CSD's primary goal in the years ahead is to demonstrate, disseminate, inform, and influence a universal, progressive Child Development Account (CDA) policy in the United States. As such, CSD conceived and proposed the Universal Model in SEED, now known as SEED for Oklahoma Kids. SEED is a large-scale, multi-faceted demonstration of child development accounts. SEED for Oklahoma Kids is a keystone of the demonstration, and will use a 529 College Savings Plan to test the policy concept of giving every child an account at birth.

In a competitive process with RFP and thorough review, Oklahoma was selected as the state to implement this project. In Oklahoma, approximately 3,000 parents (primarily mothers) of infants from a random sample of Oklahoma birth records will be interviewed over the course of the study. The selection will include oversamples of American Indians, African Americans, and Latinos. After the first interview, about 1,500 randomly-selected treatment participants will receive a deposit of \$1,000 into state-owned Oklahoma College Savings Plan accounts for the benefit of their infant child. In addition, income-eligible treatments' deposits into a family-owned account will be matched up to \$250 each year over a four-year period.

Research: CSD leads the project implementation and putting in place of the policy instrument to be tested, and in planning and facilitating the research. SEED for Oklahoma Kids research will be multi-method, thorough, and rigorous, consisting of an Experiment, with random assignment of SEED participants and controls, Account Monitoring, and In-Depth Interviews.

The Experiment will be a seven-year, three-wave design. RTI International will conduct baseline and follow-up interviews. CSD will play a major role in analyzing experimental data following each wave. After RTI has provided its summary reports, the CSD team will explore in greater detail many questions of impacts and explanations regarding CDAs in SEED.

Account Monitoring data will be the most accurate measures of SEED for Oklahoma Kids savings. As in other SEED projects, Account Monitoring will be fundamental. In the case of SEED for Oklahoma Kids, the objective is accounting that is carried out fully by the 529 provider or the state with reporting and savings data transfer that is sufficient for the research objectives of SEED.

In-Depth Interviews will also be carried out by CSD during the experiment. Interviews will be an important component of research on SEED for Oklahoma Kids, and will provide detail and

insight into how families think and act in relation to the CDA. This detail will contribute to interpretation of quantitative findings. Having both quantitative and qualitative data on the same experimental population enables stronger analyses, wherein statistical findings can be illuminated by patterns in qualitative data.

Policy Implications: SEED for Oklahoma Kids grows out of groundwork laid by CSD to test a universal model that is scalable in the form that it is demonstrated—specifically, as a policy that does not depend on a community organization to implement and administer.

Working with CFED, the University of Kansas School of Social Welfare (KU), the New America Foundation (NAF), the Initiative for Financial Security of the Aspen Institute (IFS), RTI International and others, our aim is to inform and put in place a universal child development account. A key pathway to reaching this goal is to model a policy that can easily and efficiently be taken to large scale, and study this model thoroughly. This project will model such a policy, and at the same time develop a knowledge base to support and improve it.

We would not claim that a universal CDA is a sufficient answer to poverty or ensuring well-being. We do think, however, that asset accumulation is a key pathway for individuals, families and communities to develop, and that asset building through CDAs is a desirable policy objective. SEED for Oklahoma Kids aims to demonstrate that a universal asset-building policy is feasible and will have positive outcomes for children and families.

In planning for the SEED Initiative, CSD saw the potential of State College Savings (529) Plans. Since 2001, CSD has conducted research on inclusion in 529 plans, and published several studies and analyses. All of this background work has contributed to the plan to model a universal, progressive CDA.

We are especially interested in certain characteristics of 529s—particularly public oversight, centralized accounting, low deposit minimums, and matching provisions—that can become building blocks for an inclusive CDA policy. SEED for Oklahoma Kids will build on an existing policy structure that is centralized, efficient, and could potentially be rolled out to all children in the United States. This project is a key addition to SEED because, if successful, it could serve as a scalable model for a universal system of accounts.

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