

# Cook County Promise: Economic Impact Analysis

## BACKGROUND

As a response to rising inequality and suburban poverty and the economic fallout of the COVID-19 pandemic, the Cook County government launched a guaranteed income program in 2022 with funding from the American Rescue Plan Act. For two years, the Cook County Promise Pilot provided 3,250 residents with \$500 a month in unrestricted cash assistance to help families achieve financial stability and economic mobility.

While research is starting to paint a clearer picture of how cash assistance can impact participants, what is less known is the type of economic ripple effect these programs have on local economies. According to a recent study on a different cash assistance pilot, the categories that saw the largest increases in spending were food, rent, and transportation (Bartik et al., 2025). At the request of the Cook County government, the Inclusive Economy Lab asked E-Consult Solutions to conduct an economic impact analysis of Cook County Promise to better understand the greater economic impact of the program using survey data on expenditures by income level and results from other guaranteed income programs.

## KEY FINDINGS

According to the economic impact analysis:

- **Participant spending boosted Cook County's economy.** Overall, the direct impact of this spending is \$5.4 million in new annual output for the local economy. In addition, spending generated an economic impact of \$7.8 million annually, supporting around 60 jobs with \$2.4 million in employee compensation.
- **Annually, household spending likely made up more than half of how participants spent their funds.** Out of the approximately \$19 million distributed through Cook County Promise each year, recipients likely used more than \$10 million of those funds for household spending.
- **Recipients were more likely to shop local.** Of that \$10 million, an estimated \$8.3 million was spent on retail, arts and entertainment, and food services at local Cook County businesses. These businesses are often likelier to be small, women-owned, or minority-owned.
- **Recipient spending added to state and local tax revenue.** Recipients' spending activity generated an estimated \$286,000 in annual state and local sales tax revenue. The State of Illinois captures the largest share (estimated at \$181,800), followed by the Regional Transportation Authority (\$54,100), Cook County (\$44,500), and the City of Chicago (\$5,600).