

Poverty Action Report



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Sargent Shriver National Center on Poverty Law

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Federal Bill to Reform Voucher Program Introduced

H.R. 1851, the Section 8 Voucher Reform Act of 2007 (commonly referred to as “SEVRA”), was introduced in the U.S. Congress last month. Rep. Maxine Waters (D-CA), with cosponsorship from Illinois’s own Rep. Judy Biggert (R) and others, based this year’s bill on a similar bill from the 109th Congress aimed at reforming and improving the voucher program. The bill is currently before the House Financial Services Committee. The Sargent Shriver National Center on Poverty Law, Metropolitan Tenants Organization, Chicago Area Fair Housing Alliance, and Housing Action Illinois are meeting with Rep. Luis Gutierrez (D-IL), who sits on the House Financial Services Committee, to discuss how he can support this important bill.

SEVRA proposes several improvements on the Housing Choice Voucher Program, a housing subsidy hard hit by budget cuts and disastrous funding formulas over the last few years. SEVRA proposes a new funding formula for the voucher program by basing funding on the actual costs of administering vouchers for the prior calendar year. This proposed change builds off and makes permanent Congress’ 2007 fiscal year funding resolution, which determined voucher funding based on the cost—adjusted for inflation—of vouchers in use for the most recent 12 months.

SEVRA would allow housing authorities or agencies administering the voucher program to keep up to one month of reserve funding (fund balances accrued over the last two years) for use in 2008. After that time, agencies may keep up to 2 percent of their annual funding as reserves. This change in reserve funding should enable housing authorities to cover unexpected costs that are unavoidable in the voucher program in part due to its reliance on the ever-changing private rental market.

This change in the reserve funding should help promote portability, or the right of a Housing Choice Voucher recipient to move from one housing authority jurisdiction to another. The U.S. Department of Housing and Urban

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Development's recapture of excess dollars would then be dispersed to housing authorities experiencing financial needs as a result of costs related to portability or in certain cases the Family Self-Sufficiency Program. By simplifying the currently complicated billing system, SEVRA should provide voucher recipients with a better chance to move to communities with economic and social opportunities. Advocates for portability, however, would still like to see language included in SEVRA requiring that receiving agencies (where the voucher holder is moving to) absorb the voucher rather than force the sending agency to bill for payment.

Tenant protection vouchers, issued to replace lost public or federal subsidized housing units, would see improvements under H.R. 1851. Tenant protection vouchers currently replace only occupied housing units. SEVRA would replace all lost federal subsidized or public units, whether occupied or not, necessary to make a community whole for the permanent loss of hard units of affordable housing.

SEVRA would simplify the rules determining tenant rent payments for the voucher, public housing, and federally subsidized housing programs. While tenants would still be required to pay generally 30 percent of their income toward rent, SEVRA would streamline and increase certain deductions and simplify the rent determination process overall for families. These measures could mean substantial cost savings for housing authorities.

SEVRA would make changes in housing quality inspection rules, which require housing authorities initially to inspect prospective voucher units, and thereafter annually inspect the housing, to ensure it meet federal housing quality standards. SEVRA would require inspections only every two years after the initial inspection and would allow housing authorities to initiate payments to property owners for new units even if the housing technically fails the inspection, as long as the failure is not of a life-threatening nature. This change could ease administrative and delay complaints commonly associated with the Housing Choice Voucher Program and encourage more property owner participation in the program.

Advocates are relieved that H.R. 1851 would not propose an expansion of the Moving to Work (MTW) demonstration program, an initiative which provides certain housing authorities with broad waivers with respect to certain housing policies, rules, and laws. In last year's incarnation of the bill, the MTW demonstration program would have expanded MTW from 24 housing authorities nationally, including the Chicago Housing Authority in

Illinois, to 40 housing authorities. While some MTW-designated housing authorities have used this flexibility to enact programs to support their low-income tenants, anecdotal evidence reveals that this flexibility has also diverted funds from housing assistance for needy families to non-housing-related housing authority needs.

For more information, contact Kate Walz at katewalz@povertylaw.org or go to www.cbpp.org or www.nlihc.org.

The State of Poverty: 12 Ways to Lead the Change

The State of Poverty is America's most populous state—37 million people. For many living in poverty, opportunity is limited, mobility is restricted, and the road to prosperity is blocked.

Legal advocacy can reopen the paths of justice blocked by years of disinvestment in federal antipoverty policies, weak enforcement of civil rights laws, and unequal access to justice. The law provides the policies and enforcement tools needed to rebuild a national infrastructure to fight poverty. Through law and policy, leaders can create or reopen paths of justice ensuring that we all, regardless of race, class, or gender can advance toward economic security and success.

It's an exciting time in our nation. The new leadership of the 110th Congress offers opportunities to promote action. The presidential election season is an occasion to advance the battle against poverty on the national agenda and candidates are responding to the call for economic justice. Additionally, states are ahead of the national curve in passing large-scale health care initiatives, minimum-wage increases, and other antipoverty measures.

At this time of renewed promise in the fight against poverty, we put forth twelve ways to lead the change. Over the course of four months starting March 2007, Poverty Action Report will highlight three of these policy ideas and opportunities for action on both the federal and state levels in 2007. Now is the time to renew our energy in seeking out paths of justice to break through institutional barriers to economic success and lead the way out of the State of Poverty.

4. Invest in the Public Good Through Fair Budget and Tax Policies

The national revenue system has been in the hands of "starve the beast" ideologues pursuing a strategy to shrink revenues through tax cuts, thereby increasing the deficit

and creating the rationale to cut necessary entitlements and programs serving human needs. This is an ideology that subordinates public policy to a doctrinaire devotion to small government. It allows political leaders to abdicate responsibility for making difficult choices regarding support for programs—choices that disproportionately affect low-income people.

Rather than grapple with whether and how to fund a program, the leader can simply shrug and say, "No money, so I have no choice." But there is a choice for which such leaders can be held accountable. The choice is there if the tax and budget issues are in the conversation. The federal government has a crucial role in the fight against poverty, and this role requires funds.

Opportunities for Federal Action in 2007

Opposing the President's Budget Proposal

Every year the struggle over adequate funding for poverty-fighting programs is played out in the federal budget process. The president announced his proposals on February 5. Congress will be trying to pass a blueprint (the "budget resolution") for all the specific appropriations laws that are to be passed later this year. Then Congress will consider those appropriations bills and try to pass them by the end of the federal fiscal year on September 30.

As it stands, the president's budget proposes drastic cuts in the State Children's Health Insurance Program, the Food Stamp Program, Medicare and Medicaid, and numerous other programs serving human needs for low- and middle-income families. Many low-income people will lose vital services on multiple fronts due to cuts across the board. As the budget is finalized over the following months, the antipoverty community will have opportunities to take action and demand that the budget reflect our nation's commitment to economic security for all.

Repealing Tax Cuts that Benefit Only the Wealthy

The president's budget proposes to make tax cuts permanent for the most affluent Americans at the expense of the needs of low-income people. The pockets of wealthy Americans will become even deeper as tax cuts for millionaires are expected to average \$162,000 a year in 2012 dollars, according to Tax Policy Center estimates.

Without the revenue created by these taxes, the funding available for programs serving human needs will shrink drastically. In the first nine years, these tax cuts are expected to total \$3.4 trillion in lost revenue, according to the Center on Budget and Policy Priorities. As economic inequality grows and more Americans are in need of work

supports, a real antipoverty agenda must secure the revenue to guarantee basic human needs.

Opportunities for State and Local Action in 2007

Supporting State Revenue Reform

State revenue systems have been under severe pressure for several years, in part because of federal spending reductions for social programs. Several states are considering comprehensive revenue reforms to enhance state revenues and build in better growth as the economy grows.

In Illinois the A+ Illinois campaign is working to provide quality education for every child in Illinois, to deliver lasting property tax relief, and to protect services that are vital to children, families, and communities. Through a comprehensive restructuring of state finances to balance property tax reform with new state revenues to respond fairly and adequately to community needs, states can build capacity to improve student learning and close the student achievement gap.

States recognize that revenue from federal spending is not much different from revenue from the state's own taxes. Many state officials will advocate with their congressional delegations to maintain or increase federal spending.

5. Expand Low-Income Housing in Economically Diverse Communities

All over the country, low-income families face a shortage of safe, affordable rental housing. Housing is key to stability, and it serves as the nexus for other activities necessary to escape poverty (education, employment, family, health, safety). Recently policymakers have seen fit to dismantle our publicly supported low-income housing programs and erode the basic and fundamental housing protections for the lowest-income individuals. By repealing laws which required replacement of demolished or obsolete federal housing, promoting the loss of private-market federally assisted housing, or slashing the budgets of cash-strapped housing authorities, our leaders have ignored and worsened one of our nation's most daunting crises. In the short term, the agenda must be to reverse the recent tide of disinvestments. Without substantial federal and state leadership on this issue, every kind of publicly supported low-income housing will continue to diminish in size and availability.

Action must be taken to preserve federally subsidized, private-owner housing, which provides housing assistance to more than 1.4 million households but is threatened by a tide of contract expirations, opt-out policies, disrepair,

disinvestment, and more. Action must be taken to prevent the unnecessary demolition of public housing and the gross underbudgeting of public housing programs, leaving the administering housing authorities with insufficient funds to maintain this housing. And action must be taken to salvage the Housing Choice Voucher Program, which provides cost-effective rental assistance to low-income tenants so that they can live anywhere they would like in the private rental market. The program has shouldered the brunt of the funding cuts over the last several years, forcing housing authorities to turn new needy families away, limit the housing choices of assisted families, and even terminate the assistance of families already in the program for lack of funding.

Opportunities for Federal Action in 2007

Preserving Our Federal Housing Stock

The tight budgets of the next few years may still jeopardize our federal housing stock. Renewed advocacy is necessary to push pro-preservation legislation. Efforts to preserve privately owned, publicly supported housing may include legislation encouraging the transfer of properties to preservation-minded owners, helping (through grants, financing, tax incentives, etc.) the owners maintain the affordability of such properties, enlisting support for below-market sales of properties in foreclosure, and encouraging early U.S. Department of Housing and Urban Development intervention in potentially troubled properties.

Enacting a One-for-One Replacement Rule in the Housing Act

For public housing, advocacy efforts should support legislation aimed at restoring “one-for-one replacement.” Amendments to Section 18 of the U.S. Housing Act can ensure that all demolition and disposition of public housing and relocation of residents comport with fair housing requirements.

Granting Full Funding to the Housing Choice Voucher Program

The Housing Choice Voucher Program should be funded, at a minimum at the 2006 levels, or ideally above that. A pro-portability agenda (allowing families to move anywhere in the United States they would like with their vouchers) that meets the needs of both assisted families and the housing authorities can restore a lot of faith in this beleaguered program.

Opportunities for State and Local Action in 2007

Supporting Pro-Preservation Collaborations

At the state and local level advocates, governmental bodies, and forward-thinking institutions and foundations understand that the preservation climate will improve only if a coordinated, publicly backed, early warning system is

set up to prevent the loss of federally assisted private-market housing. This progressive agenda, with players from all levels of government, advocacy, and investment, should offer a road map to other states and municipalities on how to keep properties in the federal programs and get them into the hands of responsible owners.

Enhancing the Role of Local Housing Authorities

Housing authorities, which administer public housing or Housing Choice Vouchers or both, should be a central part of the state’s affordable-housing agenda and a central player in tackling that crisis. Housing authorities should be encouraged to increase and centralize their efforts through one central state body, which could in turn ease financial constraints, promote uniformity of policies, and increase the number of families in the program.

6. Create Redemptive Opportunities for People with Criminal Records

For too long, policymakers have been “tough on crime” without being “smart on crime.” The “tough” policies have done little good in the way of rehabilitation and often much harm to people who are convicted and imprisoned and are disproportionately poor, minorities, and suffering from mental illness or substance-abuse disorders.

Crime policy intersects with antipoverty policy in that those with conviction records become an unofficial but very real underclass barred or marginalized in employment, housing, education, family life, and many other areas of civic and personal life. People return to communities and families from prisons every year, making their difficult circumstances a problem that cannot be ignored and that affects everyone.

Congress and the states need to rethink and revise what they define as crimes and what sanctions to impose on those convicted of crimes. The government should examine the barriers that interfere with postprison life for those with conviction records, limit those barriers to ones that are rational in light of the offense, and increase the accuracy of and limit access to and use of criminal records for non-law-enforcement purposes.

Opportunities for Federal Action in 2007

Aiding in Successful Reentry into Communities or Passing the Second Chance for Ex-Offenders Act

The Second Chance for Ex-Offenders Act provides crucial funding and creates programs to help states aid the reentry of people into communities after a time in prison. In 2006 the House passed the Act and the Senate would have passed it except that Sen. Tom Coburn (R-OK) put a hold

on the bill. Sponsors in both houses intend to renew efforts to pass this legislation in the new Congress.

Adhering to American Bar Association Recommendation

In February 2007 the American Bar Association's House of Delegates adopted reports and recommendations from its Commission on Effective Criminal Sanctions covering, among other topics, alternatives to incarceration and conviction, employment and licensure for persons with conviction records, and access to and use of criminal records. The ABA's recommendations are a major call for the kind of rethinking and revising needed to be smart on crime. Congress should act on the ABA recommendations promptly as they affect federal laws and policies. Doing so is particularly timely and relevant because, since the attacks of September 11, 2001, in the name of "fighting terrorism," Congress has enacted legislation further limiting employment opportunities for people with conviction records.

Opportunities for State and Local Action in 2007

Granting Full Funding to Drug Treatment Programs

Efforts are under way in the Illinois General Assembly to fund drug treatment programs adequately, make treatment available to all who seek it, and fund drug-treatment programs as alternatives for conviction and incarceration for drug possession, drug use, and drug-related crimes. "The Smart Act" will fund drug school as an alternative to conviction and incarceration statewide.

Involving Corrections Departments in Transitional Jobs

The Transitional Jobs strategy is particularly well suited to the reentry context. It provides ex-prisoners who need jobs with immediate wage-paying work in a temporary subsidized job, with social services and referrals to help the worker learn to deal with employment-blocking problems. This is followed by placement into unsubsidized work.³ Many state corrections departments are realizing that employment is a cost-effective strategy to prevent recidivism, and they are investing in Transitional Jobs.

Look for three more ways to lead the change featured next month.

Democratic Presidential Candidates Talk About Their Solutions to the Health Care Crisis

Health care has taken a significant position on the national stage. One indication of this is the health care forum that the Center for American Progress, in coordination with the Service Employees International Union, sponsored last month for the field of declared Democratic presidential candidates.

Forty-eight million Americans have no health insurance. The uninsured are sicker and die sooner. They have crushing medical debt, which is the second leading cause of family bankruptcy and a leading cause of family stress and breakdown. The problem of health coverage concerns all Americans—those who have insurance, those offered insurance by employers who turn it down due to the expense, and the uninsured. The entire electorate must demand that every Democratic and Republican presidential candidate take a position on how to solve the nation's health care crisis.

The most radical option offered at the forum came from Rep. Dennis Kucinich of Ohio and former Sen. Mike Gravel of Alaska. Both candidates promoted delivering universal health care through a single-payer health insurance plan.

(According to Physicians for a National Health Program, a single-payer national health insurance is "a system in which a single public or quasi-public agency organizes health financing, but delivery of care remains largely private." A single-payer system would have all Americans covered for all medically necessary services, including doctor, hospital, long-term care, mental health, dental vision, prescription drug, and medical supply costs.)

Representative Kucinich said, "A not-for-profit health care system is not only possible, but H.R. 676 that I introduced ... actually establishes Medicare for all, a single-payer system and it's a not-for-profit system."

Former Senator Gravel echoed Kucinich's initiative: "We can turn around and say let's have a health care program that established equality... It's called the universal single-payer—by single-payer I mean all Americans pay for it regardless of the system you have now."

Gravel and Kucinich touted the effectiveness of the federal government's managed health care plans—Medicare, Medicaid, and the Veterans Administration and how these successful programs could be nationalized, benefiting all Americans.

Former Sen. John Edwards of North Carolina spent his three minutes detailing the specifics of his universal health care plan: "What we need is a big, bold, dramatic change, not small change... In my plan there's shared responsibilities. The employers are required to either cover their employees or to pay into a fund that will help pay for coverage for their employees."

Edwards's health care proposal establishes a national Medicare-like plan, which would essentially compete with private-market insurance companies. His proposal includes a subsidy program to help low-income and middle-income families pay their monthly health care premiums. Edwards proposed paying for the plan by rolling back President Bush's tax cuts.

Gov. Bill Richardson of New Mexico offered innovative ways to set up a more fiscally responsible health care program in America over the long-term—investing in cancer research, healthier school lunches, and stem cell research. The governor announced “by the end of my first term we're going to have universal health care for every single American in the United States.”

Sen. Barack Obama of Illinois admitted that his campaign did not have a vetted health care plan but presented the core features that he would incorporate: “Number one, we're going to have to make sure that everybody is in. Number two, we've got to make sure that we apply some principles... We've got to put more money in prevention... I do believe that employers are going to have to pay or play.”

Sen. Hillary Rodham Clinton of New York opened up by unabashedly showing her health care wounds. The former First Lady suggested that her experience with the 1994 universal health care plan would best equip her to maneuver around the powerful interest groups in the Beltway.

On the topic of health care for all, Senator Clinton said, “So we can't get universal health care coverage unless we end insurance discrimination once and for all... No more free riders. No more companies that don't insure everybody and shift their costs onto other companies that do and onto the taxpayer...” Senator Clinton also spoke about the nation's need to invest in technologies for record-keeping purposes.

Sen. Christopher Dodd of Connecticut focused on three principles: universality, prevention, and “building upon the good things we've done already: forty years of Medicaid and Medicare.” Dodd concentrated almost exclusively on his experience in the U.S. Senate for the past 27 years; he highlighted his work on the Family and Medical Leave Act and Head Start.

The Democratic presidential candidates seem to understand that the U.S. health care system is in desperate need of repair: Americans are sick and tired of being sick

and tired. Americans want a solution because the cost of doing nothing has been too great.

To learn more about the health care forum, go to the Center for American Progress website, www.americanprogressaction.org/events/healthforum/.

It's About Getting Ahead

It takes more than a paycheck to get ahead. Learn strategies to eliminate or reform barriers to savings for public benefits recipients. Please join Dory Rand, Supervising Attorney of the Community Investment Unit from the Sargent Shriver National Center on Poverty Law; Stacy Dean, Director of Food Assistance Policy from Center on Budget and Policy Priorities; and other advocates for **"It's About Getting Ahead"** conference call on May 23 at 12noon CST (1-888-296-6500, code: 115217).

For more information or to RSVP for this ***free*** event - call Meg Dunne at 312 263 3830 x 246 or email megdunne@povertylaw.org

After Massachusetts: What State Advocates Can Learn about Health Care Reform

Since Massachusetts passed a health care reform law a year ago, other states such as Illinois and California have begun designing innovative ways to provide affordable, quality health care for all their citizens. In the March–April 2007 issue of *Clearinghouse Review: Journal of Poverty Law and Policy*, Victoria Pulos's article, “The 2006 Massachusetts Health Care Reform Law,” describes how Massachusetts' legislators “enacted a health care reform law intended to achieve near universal health care for its residents within three years.”

Pulos's article analyzes how the Massachusetts law was formed, what the law means for the state, and what advocates in other states can learn from this law. Massachusetts' advocates were involved in all aspects of forming, passing, and implementing the legislation. This analysis is timely and informative to advocates who are now leading the charge for health care coverage in a number of states.

Published by the Sargent Shriver National Center on Poverty Law, the March–April 2007 *Clearinghouse Review* also features “Reforming State Rules on Asset Limits: How to Remove Barriers to Saving and Asset Accumulation in Public Benefit Programs,” an article by Shriver Center attorney Dory Rand. This *Review* issue has

the following other articles by advocates and attorneys nationwide:

- “Establishing Paternity through Voluntary Acknowledgment” by Paula Roberts
- “Judicial Deference to Administrative Agencies and Its Limits” by Graham A. Martin and David A. Super
- “American Dream or Nightmare? Identifying and Meeting Needs of Owners of Manufactured Homes” by Ishbel Dickens
- “Turning Closed Military Property into Affordable Housing and Homeless Services” by Patricia F. Julianelle
- “Twenty Years of Federal Homeless Education Law: Where We Stand on Enforcement” by Joy Moses
- “Affirmatively Litigating: Using Federal Rule of Civil Procedure 30(b)(6) to Depose an Organization and Avoid the ‘Discovery Runaround’” by Greg Bass

If you would like to schedule an interview with a legal editor or advocate, please contact Rikeesha Cannon at 312.368.2677. For more information on how to subscribe to *Clearinghouse Review: Journal of Poverty Law and Policy* and other Shriver Center publications, please visit our website at www.povertylaw.org.

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Published bimonthly by the Sargent Shriver National Center on Poverty Law, Clearinghouse Review: Journal of Poverty Law and Policy is an advocate's best resource for information on developments in poverty law. Each issue of the Review features in-depth, analytical articles, written by experts in their fields, on topics of interest to poor people's and public interest lawyers. Substantive areas covered include civil rights, family law, disability, domestic violence, housing, elder law, employment, health, and welfare reform. The Review also includes case notes written by legal aid attorneys from across the country.

Everyone pays for the uninsured

*Published in the Daily Southtown, March 22, 2007
By John Bouman (Guest Columnist)*

The problem of health coverage concerns all -- those with insurance and those without it. In addition to the human and social cost, bearing the expense of the uninsured now is a major part of the cost of doing business in Illinois. But no matter how steep the price of insuring all, the cost of doing nothing is greater than the cost of investing in the economic health of our state.

Since Gov. Rod Blagojevich announced his historic plan to offer affordable health insurance to everyone in the state, the response predictably has been about the price of the plan. But lets consider the benefit.

Illinois Covered would give everyone the opportunity to obtain health insurance at prices they can afford. Not only

does the plan cover individuals, but it also levels the playing field among employers by mandating that employers that do not offer health insurance contribute to a better, healthier work force. Additionally, as healthy employees get help to participate in employer plans, we will begin to see better actuarial performance -- which slows premium growth.

This plan is important to everyone because it eliminates the cost shifting caused by the uninsured. Now, the cost of emergency care for the uninsured is built into hospital rates charged to insured patients, raising insurance by \$1,000 each year. Additionally, we have to consider the true cost of inaction. Staying the course in our health crisis will cost us more than \$30 billion over the next 10 years.

The governor's proposal is a smart investment in the future. He should be applauded for a plan that guarantees health care through a responsible mix of private and public funding. Opponents should recognize that the true crisis lies not in the cost of health care, but in the social and human costs of neglecting real solutions.

Questions and Answers About Illinois Covered

Any new and ambitious plan that addresses the current health care crisis in Illinois is bound to raise questions from politicians, the press, and the general public. Below are commonly asked questions about Illinois Covered and appropriate responses that clarify portions of the policy while keeping the focus on the importance of providing health care for all.

Q: Is the health care plan too expensive?

A: No. There is no cheaper way to do health care reform in a respectable way. To accomplish this important task, we must recognize the cost and forthrightly pay for it.

The program will save money or at least break even over time. Recent research from Emory University shows that if we make no changes in the current system, it will cost all of us \$30 billion over the next 10 years in increased premiums and uncompensated care. The reform will avoid these costs and “rearrange” health care spending in a fairer and smarter way than the current system.

Q: How do we pay for it?

A: Gov. Rod Blagojevich proposes a Gross Receipts Tax (GRT), which imposes a low tax on all business receipts (with various exemptions). The GRT has two virtues: it produces the necessary money, and it will expand with the

economy, so it is a sustainable source of funds for health care. If there are other sources of revenue that can get this job done, we are open to that.

To the extent the GRT may be passed through to consumers, this can be offset through a family tax credit or an expanded state earned income tax credit or both. But low-income and middle-income people understand that they must bear part of the burden of paying for health care for all, and they are willing to do so.

Q: Isn't the additional "employer assessment" just another business tax?

A: The employer assessment is a way to make sure that all employers contribute to the healthier workforce. Those already providing health coverage for employees will not pay the assessment. Only those currently making little or no effort to cover employees will pay it. This levels the playing field among businesses while helping pay for the solution.

Q: Shouldn't we make sure Medicaid is working properly before we even think about expansions?

A: The main thing wrong with Medicaid is that it does not have enough funding. The governor's plan devotes money to fix parts of that blocked revenue stream for Medicaid.

The question also confuses Medicaid with the wider issues of health coverage. Most of the people who care deeply about this never have been and never will be covered by Medicaid. They are the people who have insurance and are worried about losing it, and worried about the cost of care even though they have insurance. They are the working middle-class people without insurance, or with paper-thin coverage. Everyone benefits when we have health care for all because premium increases are controlled, and everyone has an affordable option if everyone's own insurance becomes too costly or disappears.

Q: The governor says his plan will cover only 500,000 of the 1.4 million uninsured, so it's not even universal health care, is it?

A: The plan offers affordable, decent health coverage to everyone regardless of income. The 500,000 is the estimate of how many people will initially enroll.

Q: Well, would you support requiring everyone to enroll (an individual mandate)?

A: Our understanding is that the governor's office is open to this but wants to see how voluntary enrollment goes

first and make sure the program is truly affordable before mandating people to buy into it. If the insurance is truly affordable, we would be open to an individual mandate if there is a good reason for it.

Q: Explain to me how the governor's plan covers everyone?

A: It expands public insurance to cover the poorest of the poor, and it offers a variety of subsidies and reforms to make private insurance affordable on a sliding scale to everyone else. I cannot give you more details than that, but I can arrange for an expert to answer any question.

Q: Isn't this just Canadian socialized medicine?

A: No. It embraces the employer-sponsored and private insurance system. That system has been failing. It is responsible for the current mess that has everyone so angry and fearful. The governor's plan applies key public investments and reforms necessary to make that system work. The plan is a uniquely American public-private solution.

Q: Isn't this just too complicated? How can it ever work?

A: Sure, it's complicated, but so is any large program. The basic concepts are easy enough—affordable decent health coverage for all.

—John Bouman, President, Sargent Shriver National Center on Poverty Law, johnbouman@povertylaw.org

Legislative Update

The Sargent Shriver National Center on Poverty Law has been working with Representatives and Senators in the Illinois General Assembly to promote important legislation that improves the lives of low-income people. An update on some of that legislation follows.

House Bill 615—Amendments to the Juvenile Court Act (Sponsor: Rep. Ken Dunkin). H.B. 615 would protect confidential juvenile court and arrest records of children who are in the Juvenile Court system or are involved in delinquency or abuse and neglect proceedings or both. The Shriver Center initiated this legislation after a troubling appellate court decision erroneously determined that attorneys could legally access confidential juvenile court information by simply issuing a civil subpoena to the local police department or juvenile court. The proposed legislation would restrict this information to only authorized parties under the Juvenile Court Act (i.e., police, probation, and the child's attorneys) and require

everyone else to request the records from a juvenile court judge. Should the information be obtained without a court order, the information may not be used in any civil or criminal proceeding or to deny employment, the holding of public office, or a public benefit. The House Juvenile Justice Committee unanimously passed the bill, which is now on a second reading in the House.

Senate Bill 534—Safe Homes Act (Sponsors: Sen. Kwame Raoul and Rep. Patricia Lindner). S.B. 534 amends and improves the Safe Homes Act that the Shriver Center and Housing Action Illinois helped pass last year. The Safe Homes Act allows, in certain situations, survivors of domestic and sexual violence to end their leases early or request an emergency lock change in order to protect their physical safety and emotional well-being. This year's proposed amendments would extend the lock-change protection to oral leaseholders and to victims of violence where the perpetrator is a leaseholder. The Senate Judiciary Committee and the full Senate unanimously passed the bill, which is now in the House Rules Committee.

House Bill 1797—Amendments to the Condominium Conversion Act (Sponsor: Rep. Harry Osterman). H.B. 1797 amends the Condominium Conversion Act to provide tenants (and area nonprofit entities working on their behalf) displaced without the required 120 days notice of condominium conversion with financial and injunctive-relief remedies. The bill is being held on second reading in the House. The parties hope to negotiate a compromise with the bill's chief opposition, the Illinois Association of Realtors.

House Bill 949—Increasing the TANF Grant (Sponsors: 41 representatives). H.B. 949 requires the state to increase the Temporary Assistance for Needy Families (TANF) cash grants by 15 percent starting July 1, 2007. TANF grants have increased only once since 1994 and now are only 28.6 percent of the federal poverty level. The 15 percent increase would move the monthly cash grant for a family of three from \$396 to \$455. The House Human Services Committee passed the bill unanimously. The bill will be called for a vote on the House floor this week.

House Bill 1293 and Senate Bill 1391 (identical bills)—Amends the Unified Code of Corrections (Sponsors: 7 Representatives, Sen. Mattie Hunter). H.B. 1293 and S.B. 1391 award 90 days of early release from parole for convicted persons who pass the GED (general educational development) test while on parole. By 82 to 31 the House passed H.B. 1293, now pending in the Senate. The Senate Judiciary Committee passed S.B. 1391 unanimously; the bill awaits action by the full Senate.

House Bill 1294—Amends the Unified Code of Corrections (Sponsor: Rep. Constance A. Howard and Esther Golar). H.B. 1294 expands both the class of offenders eligible for certificates of relief from disabilities and certificates of good conduct and the effectiveness of certificates of good conduct. The bill expands eligibility to all offenders except persons required to register under the Sex Offender Registration Act (current law has much narrower limits). The bill provides that a certificate of good conduct lifts statutory employment and licensure bars automatically imposed by the applicant's conviction. The House Judiciary Criminal Law Committee passed the bill 7 to 6; the bill awaits action by the full House.

House Bill 1332—Creates the State Employment Application Act (Sponsor: 18 Representatives). H.B. 1332 attempts to lower barriers to employment by state agencies for persons with nonviolent criminal conviction records. It delays agencies' access to some applicants' conviction information until the agencies consider the applicants' suitability for the job without taking into account nonviolent criminal history. The bill does so by providing that applications for state employment may not contain any questions as to whether the applicant was convicted of or placed on supervision for a nonviolent offense. However, for positions off limits to persons with certain offenses because of federal or state law, the bill, in deference to public safety concerns, allows applications to contain questions about convictions for those disqualifying convictions. The bill allows state agencies to conduct criminal background checks on applicants for employment and to use that information in making employment decisions. And the bill requires applications to contain question as to whether the applicant has ever been convicted of a violent felony. The House State Government Administrative Committee passed the bill unanimously; the bill awaits action by the full House.

House Bill 1831—Amends the Criminal Identification Act relating to expungement (Sponsor: Rep. Constance A. Howard). H.B. 1831 changes current law regarding sealing and expunging of criminal records by expanding the categories of offenses eligible for expungement or sealing. The House Judiciary Criminal Law Committee passed the bill by a vote of nine in favor, two opposed, and two present. The bill awaits action by the full House.

House Bill 2734—The Drug School Act (Sponsor: 5 Representatives). H.B. 2734 authorizes state-funded drug school programs for nonviolent drug offenders. Favoring rehabilitation over incarceration (which costs \$22,607 per person imprisoned), the bill allows the state's attorneys of

all 102 Illinois counties to apply for state funds to operate drug schools modeled after the Cook County state's attorney drug school program, which has a success rate of over 85 percent. State's attorneys may allow people charged with crimes to participate in drug school programs in lieu of prosecution and will waive prosecution and discharge the cases of people who complete drug school programs. The House Criminal Judiciary Committee passed the bill unanimously; the bill awaits action by the full House.

House Joint Resolution 8 and Senate Joint Resolution 6

Both House Joint Resolution 8 and Senate Joint Resolution 6 reauthorize the Legislative Taskforce on Employment of Persons with Past Criminal Convictions. House Joint Resolution 107 in the General Assembly's 2006 session created the task force. The reauthorized task force will hold hearings, examine the employment barriers faced by persons with conviction records, and recommend, to the legislature and the governor, legislative changes to lower the barriers. The House passed both reauthorizing resolutions unanimously, and the Senate will consider them in the coming weeks.

Senate Bill 1237 and House Bill 684—The Hospital Discriminatory Pricing Act (Sponsor: 4 Senators, 12 Representatives). S.B. 1237 and H.B. 684 prohibit hospitals from collecting more than 110 percent of the Medicare reimbursement rate for services to uninsured patients and make violation of the new law a violation of the Consumer Fraud Act. Testimony in support of the bills showed that hospitals routinely charged uninsured patients double, triple, and even more than what they charged patients with insurance. The Senate Public Health Committee passed S.B. 1237 by 6 to 2; the bill awaits action by the full Senate. The House Health Care Availability and Access Committee passed H.B. 684 by a vote of 7 in favor, 4 opposed, and 2 present; the bill awaits action by the full House.

House Bill 1330--The Ensuring Success in School Act (Sponsor: Rep. Karen Yarbrough and 44 co-sponsors). HB 1330 promotes the successful school completion among youth who are parents, expectant parents, or victims of domestic or sexual violence. The House passed the bill with a strong majority a few weeks ago; Sen. Iris Martinez is the chief Senate sponsor and will lead the effort to pass the bill in the Senate.

Illinois May Soon Have Children's Savings Accounts

Legislation to create an Illinois Children's Savings Accounts Task Force passed the Illinois Senate (S.B. 388) unanimously last month and now moves to the Illinois House (H.B. 1662). The bills create a task force to review and recommend children's savings account program options and to create an implementation plan to open a savings account at birth for every child born in Illinois to Illinois residents.

Two of the lead sponsors, Sen. Jackie Collins and Rep. Marlow Colvin, spoke at an April 9 press conference and forum at the Federal Reserve Bank of Chicago. Students from Mayo Elementary School were recognized at the event for their achievement in saving over \$52,000 in their children's savings accounts as part of the national Savings for Education, Entrepreneurship, and Downpayment (SEED) Initiative. The event received extensive media coverage by the *Chicago Sun-Times*, Fox TV news, WBEZ radio, and the *American Banker*. See [Born with a bank account? Possibly](#) (*Chicago Sun-Times*, April 9, 2007) and [Sowing SEEDS of sense](#) (*Chicago Sun-Times*, April 9, 2007).

Cosponsored by both Republicans and Democrats, the bills require the task force to hold at least four public meetings at various locations throughout the state and to report, in writing, no later than September 1, 2008, its findings and recommendations, including a strategic implementation plan for an Illinois children's savings account program.

The Illinois Asset Building Group (IABG), a statewide coalition cochaired by the Sargent Shriver National Center on Poverty Law and Heartland Alliance, is spearheading efforts to create the task force. IABG members believe that universal children's savings accounts will help all children reach their full potential, produce a more educated workforce and consumer base, and generate new revenue over time by increasing individual earning power and investments. IABG invites interested persons to visit its website at www.illinoisassetbuilding.org and to attend the next member meeting in Springfield, Illinois, on May 9 (RSVP to megdunne@povertylaw.org). For more information, contact Dory Rand at doryrand@povertylaw.org or 312.368.2007.

Update on Citizenship Documentation Requirement

In the next issue of PAR, please be on the look out for updates from the Department of Healthcare and Family Services on how the Citizenship Documentation Requirement will impact Medicaid recipients in the state of Illinois.

At this time, the most important thing to remember is that a patient's public medical benefits will not be delayed or stopped while he/she is trying to obtain proof of citizenship and identity.

Let's Get It Right!**Burdensome IDHS Office-Visit Requirements Prevent Eligible People from Receiving Benefits**

The Sargent Shriver National Center on Poverty Law's welfare advocacy attorneys have been working for years to eliminate burdensome Illinois Department of Human Services (IDHS) requirements that prevent low-income people from accessing benefits for which they are eligible. Such a requirement is exemplified in the case of Sherry Howell, a single parent living in Hoffman Estates, Illinois.

Howell contacted the Shriver Center for help in completing an application for Temporary Assistance for Needy Families (TANF). Howell needed help in completing the IDHS 10-page application because she has dyslexia. Although she could have asked for assistance from an IDHS office, the only office that would serve her was in Skokie, approximately 30 miles away from her home. To reach this office is a hardship for Howell, who does not have a car. The only public transportation that could take her to the Skokie IDHS office was the Metra train, which would require her to travel all the way into Chicago and back out to Skokie—a trip of at least 2.5 hours each way.

Nevertheless, Howell was determined to reach the Skokie IDHS office for her TANF eligibility interview. She hoped that participating in the TANF program would help her reach her goals: overcoming her learning disability, developing reading skills, becoming job-ready, finding work, and becoming self-sufficient. However, when she appeared for her eligibility interview, an IDHS worker told her that in order to receive TANF she would need to return to the Skokie office for various job search activities on at least four subsequent occasions. Noting that Howell lived quite a distance from the Skokie office and that it would be a hardship for her to return, the worker urged Howell to withdraw her TANF application. The worker further advised Howell to find a job. Howell explained to the worker that she wanted to become employed but that she first needed help in overcoming her disability and lack

of job skills. The worker did not refer Howell to any services in her area.

Howell filed an appeal concerning this incident and submitted another TANF application. In this second application, Howell specifically requested that IDHS excuse her from unnecessary office visits and instead refer her to service providers (such as the Adult Educational Development program at Harper College) closer to her home. At press time, Howell had received no response to her second application; she is hopeful that IDHS will ultimately provide her with assistance.

Sherry Howell's story is not unique. It is consistent with many stories that the Shriver Center has heard over the years about individuals who cannot make repeated trips to IDHS offices and cannot access benefits as a result. IDHS has policies in place to excuse customers from office visits under certain circumstances, but often customers do not benefit from these policies. The Shriver Center wants to know if you were unable or anyone you know was similarly unable to access benefits due to excessive office-visit requirements. Please contact Elizabeth Mazur at 312.263.3830 ext. 225 for more information or to report new cases.

Supporting Work in Illinois: The Challenges Ahead

In Illinois, as in other states across the country, even a worker employed full-time does not always earn enough to support a family. Millions of parents who work for low wages cannot make ends meet without the help of public “work supports”—benefits such as earned income tax credits, health insurance coverage, child care assistance, and food stamps.

While work should be a primary path to financial security, *Supporting Work in Illinois: The Challenges Ahead*, a new study released by the National Center for Children in Poverty and The Sargent Shriver National Center On Poverty Law finds that Illinois' policies are generally successful in meeting the goal of providing adequate family resources but come short in rewarding progress in the workforce.

When parents' earnings increase, their families should always be better off. Using results from the Family Resource Simulator, a tool developed by the National Center for Children in Poverty researchers found that small increases in family income can trigger sharp reductions in benefits, leaving families worse off than before.

“Illinois work support policies make a huge difference in the lives of low-income families, said John Bouman, President of the Sargent Shriver National Center On Poverty Law. “But new analysis shows that getting ahead in the workplace means that you can fall farther behind in economic security.”

Eligibility for work support programs is typically based on income, so as earnings rise, families begin to lose eligibility for benefits. In some cases, eligibility rules mean that even a small raise can lead to a substantial benefit loss, which is often referred to as a “cliff.”

When a family’s total income exceeds 130 percent of the official poverty level, the family loses its entire food stamp benefit.

When a worker’s income rises enough to make the family ineligible for a child care subsidy, the family loses several thousand dollars worth of benefits.

When a parent’s earnings *double* from \$8 to \$16 an hour, the family actually loses ground.

“What we see in Illinois, and throughout the country, is that parents can work and earn more with no financial benefit for their families,” said Kinsey Alden Dinan, lead author of the report. “Parents should not have to choose between long-term success in the workforce and their family’s immediate financial stability.”

For Chicago, a single-parent family of three needs about \$36,000 a year to cover basic expenses, including housing, food, health care, child care, and transportation.³ That’s more than double the poverty level and the equivalent of fulltime earnings at about \$17 an hour. In a two-parent family of four in which both parents work full-time, each parent needs to earn more than \$9 an hour just to cover necessities. This leaves many low-wage workers facing a large gap between their earnings and the cost of basic family expenses.

The same basic findings hold throughout the state. In all six localities analyzed in the report, a single parent with an \$8 an hour job is unable to make ends meet without tax credits, food stamps, public health insurance, and child care assistance.

Illinois policymakers have made low-wage workers and their families a priority. Work support policies in Illinois help parents who work for low wages provide for their families. The challenge now is ensuring that these policies also encourage and reward progress in the workforce.

See the full report at www.nccp.org for more details, including results for single- and two-parent families living in six Illinois localities.

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The National Center for Children in Poverty (NCCP) is the nation’s leading public policy center dedicated to promoting the economic security, health, and well-being of America’s low-income families and children. Part of Columbia University’s Mailman School of Public Health, NCCP uses research to inform policy and practice with the goal of ensuring positive outcomes for the next generation. www.nccp.org

Sargent Shriver National Center on Poverty Law is a national resource that champions law and policy promoting equal opportunity and support for low-income individuals, families, and communities so that they can escape poverty permanently. www.povertylaw.org

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