

Poverty Action Report



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CENTER**

Sargent Shriver National Center on Poverty Law

A Publication of the Sargent Shriver National Center on Poverty Law
February 2007 www.povertylaw.org Vol. 12 Issue 2

Bush's "Response" to Income Inequality- Making it Worse

"Income inequality disparities is real. It's been rising for more than 25 years...And the question is whether we respond to the income inequality we see with policies that help lift people up, or tear others down," President Bush noted in his budget address. But Bush's answer to income inequality is to make it worse. He would cut necessary programs for low and middle-income people to fund expensive tax cuts for the people with the highest incomes. The result is that those that are at the top will be lifted even higher, and some who are on their way up the economic ladder will be torn down.

A January Congressional Budget Office report confirms that since the 1970s, the gap between the rich and poor has been growing wider. In 2004, the wealthiest 20 percent of households claimed 53.5 percent of wealth, while the bottom fifth of households claimed 4.1 percent of the nation's wealth in spite of containing many times more people than the top fifth. President Bush's response is to propose tax cuts that are expected to average \$162,000 a year to people with incomes of more than \$1 million by 2012.

The tax cuts and the expensive Iraq war grow the deficit. The President's solution is to propose drastic cuts to the State Children's Health Insurance Program, Food Stamps, Medicare and Medicaid, and numerous other human needs programs that serve low- and middle-income families. Children in families with incomes as low as \$35,000 will risk losing health insurance (SCHIP), and the elderly face sharp cuts in home energy assistance and (LIHEAP) and food assistance. These cuts hurt programs that allow retired people to be economically secure, and that support low and middle income working families as they attempt to progress economically or avoid falling out of the middle class.

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This year's budget is one more manifestation of Bush's active policy to de-fund necessary government programs. By shrinking government revenues through tax cuts, the deficit increases, and thereby creates the rationale to cut important programs and reduce the government's partnership role in addressing important problems. Bush's devotion to this cramped role for government is made more unfair by the expense of the Iraq war. But, even the need to pay for that adventure does not cause him to back away from his proposed raise for the wealthy and shrinking of support for low and middle income Americans.

Regardless of the administration's policy of official optimism regarding the economy, Americans are living in an increasingly harsh economic climate in which it is harder than ever to hold onto a middle class standard of living. A well-paying job, health insurance, the chance to own or keep a home, the opportunity to provide a good education to their children and the security of looking forward to a dignified retirement are slipping out of their reach.

Bush's response to income inequality is to give wealthier people a raise and ask everyone else to pay for the Iraq war through cuts to important programs. Now Congress must respond by rejecting this unfair budget, by ensuring that the burden of the war is shared fairly, and by making smart investments in programs that address crucial human needs and help all Americans in their efforts to move up the economic ladder.

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Bush's Budget Cuts Cost Effective Health Care for Kids

While paying lip service to our nation's health care crisis, the President's proposed budget includes drastic cuts to the State Children's Health Insurance Program and Medicaid, successful programs which provide health care mostly to children in working families.

Medicaid and SCHIP offer cost-effective coverage. Children are offered comprehensive, affordable insurance at a cost that is 31 percent less than private insurance. And children are the least costly group covered by Medicaid,

comprising nearly half of the program's enrollees but less than 20 percent of spending on the program.

Health care costs are rising, but cutting back on coverage for children won't fix this problem. In fact, offering coverage to all children once and for all can save money.

Studies show that children who are insured receive more consistent medical treatment, and those that get consistent treatment get more effective care – more accurate diagnoses, reduced emergency department use, fewer hospitalizations and fewer unmet medical needs – all of which reduce the cost of their care.

When children are uninsured, families have to delay or forego immunizations, preventative screenings, and treatments for chronic conditions like diabetes, or acute conditions like a case of the flu. Delaying or relinquishing care for our children simply doesn't add up to lower health care costs.

Covering children is profound common sense and compellingly moral. People all over America agree that it is time to cover all children. The debate should be over whether we can do it right now or whether it will take two or three years to travel the relatively short path to get there.

The President is not only wrong on policy but impossibly out of touch with the American people. Congress must reject the President's budget, fully fund the current SCHIP program and put American on a path to cover all children as soon as possible.

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Campaign to Increase Illinois's Earned Income Tax Credit Gathers Steam

Illinois Senate President Emil Jones and Illinois House Majority Leader Barbara Flynn Currie recently introduced legislation that would increase the size of the Illinois earned income tax credit (EITC). The Illinois EITC is a refundable tax credit for low-wage workers. Families with earnings up to \$37,263 qualify, but since the Illinois EITC is set at only 5 percent of the federal EITC, the maximum amount of the credit is \$220. Illinois's EITC is the lowest in the nation.

Jones's Senate Bill 12 would increase the Illinois EITC to 7.5 percent of the federal EITC in the 2007 tax year and 10 percent in the 2008 tax year and thereafter. Currie's House Bill 557 would increase the Illinois EITC to 10 percent of the federal EITC in the 2007 tax year, 15 percent in the 2009 tax year, and 20 percent in the 2011 tax year. Sen. Jacqueline Collins, a cosponsor of S.B. 12, also introduced S.B. 339, which is identical to Currie's bill.

The federal and state EITCs have enjoyed wide bipartisan support over the years. EITCs accomplish many policy goals. They provide a work incentive for the lowest-paid workers, help lift working families out of poverty, and are an economic stimulus to low-income communities. They also bring equity to the tax system by reducing the disproportionate burden imposed on low-income workers through the federal payroll tax and state and local sales taxes.

More than 750,000 Illinois taxpayers benefited from the federal EITC last year. The Illinois Department of Revenue estimates that increasing the Illinois EITC from 5 percent to 10 percent of the federal EITC would cost \$77 million.

Seeking expansion of the Illinois EITC—the Make Work Pay campaign—is a coalition, led by Voices for Illinois Children, of more than 25 organizations, including leading labor unions, faith-based organizations, low-wage workers' advocates, children's and women's advocacy organizations, and tax and fiscal policy groups.

For more information about the Illinois EITC, contact Dan Lesser, danlesser@povertylaw.org. If your organization would like to join the Make Work Pay campaign, contact Sean Noble, Voices for Illinois Children, snoble@voices4kids.org.

Bills Would Increase Participation in State Earned Income Tax Program

Legislation that would remove a significant, unintended impediment to receiving the state earned income tax credit (EITC) has been introduced in the Illinois General Assembly. Due to this impediment, Illinois taxpayers are three times more likely not to receive the state EITC than taxpayers in other states. Sen. Jacqueline Collins and House Majority Leader Barbara Flynn Currie are the chief sponsors of this legislation, Senate Bill 538 and House Bill 556.

The problem arises from a provision included when the state EITC became refundable in 2003. This provision states that EITC refunds are subject to the availability of funds from the Temporary Assistance for Needy Families (TANF) block grant and the state's ability to meet its required Maintenance of Effort (MOE).

Federal law allows states to expend TANF and MOE funds to provide the refundable portion of state EITCs. Illinois was looking for ways to expend its TANF block grant fully and meet its MOE obligation in 2003 when this provision was enacted. The provision was thus intended to identify a funding source. No one intended that this provision would limit eligibility for the state EITC. Rather, all parties involved in the legislative process thought that any taxpayer who qualified for the federal EITC would also qualify for the state EITC.

However, the Illinois Department of Revenue reads this provision as limiting the refundable portion of the state EITC to only those taxpayers who qualify for TANF or MOE funds. Five groups of taxpayers qualify for the federal EITC but are not eligible for TANF or MOE funding and therefore, by IDOR's reading of the statutory provision, are not eligible for the state EITC:

- foster parents;
- parents of totally and permanently disabled adult children;
- parents of children 19–24 who are full-time students;
- parents of children who turn 18 during the tax year; and
- childless adults.

If this was not convoluted enough, the Department of Revenue is excluding two groups of taxpayers who even by its own reading of the statutory provision should be eligible for the refundable portion of the state EITC: foster parents who are unlicensed relatives and families with 18-year-old children who are full-time students. Both of these groups are eligible for TANF and MOE funds.

The Department of Revenue includes a very complicated work sheet in the tax-form instructions to identify the five excluded groups of taxpayers. Not only are the five groups not receiving the state EITC, but also many eligible taxpayers are confused by the complicated instructions and are not applying for the state EITC. Only 86 percent of Illinois taxpayers who receive the federal EITC also receive the state EITC, while 95 percent is the norm in other states.

The legislation would remove the TANF and MOE language. This would allow the excluded five groups to receive the state EITC. It would also end the exclusion of eligible taxpayers who are confused by the Department of Revenue's tax-form instructions. The state may still use TANF or MOE funds toward the cost of refundable EITCs, as is allowed under federal law. The Department of Revenue estimates that enactment of this change would increase tax credits going to low-wage workers who qualify for the EITC by \$4 million annually.

For more information, contact Dan Lesser, danlesser@povertylaw.org

Bills Would Address Disparities in Minorities' Health Outcomes

Research demonstrates that racial and ethnic minorities generally receive poorer health care than the majority population and have worse health outcomes on a number of measures. Three bills introduced in the Illinois General Assembly would attempt to combat the problem of disparities in health outcomes based on race, ethnicity, religion, and sexuality. This legislation is supported by a coalition that includes the Illinois Public Health Institute, Heartland Alliance for Human Needs and Human Rights, the Sargent Shriver National Center on Poverty Law, and the Illinois Hospital Association.

Sen. William Delgado introduced all three bills in the Senate, and the same legislation will be introduced in the House. Senate Bill 545 would provide for a culturally competent health care demonstration program. National standards indicate that cultural competence—the ability of health care providers to understand and respond to the cultural and linguistic needs brought by patients to the health care encounter—are an important aspect of the quality of health care delivered to racial, ethnic, religious, and sexual minorities. The demonstration program established by S.B. 545 would build on the 2007 State Health Improvement Plan, which calls for increased cultural competence in Illinois health care settings. The bill would provide the Illinois Department of Public Health with authority, subject to appropriation, to award grants to health care entities across the state to establish models that reflect best practices in and expand the delivery of culturally competent health care. The demonstration program would include a collaborative learning project among the grantees to share effective practices and an evaluation of the program's effect on the quality of patient care.

S.B. 544 would increase the language assistance requirements on hospitals and long-term care facilities. All hospitals and long-term care facilities would be required to adopt and review annually a policy for providing language assistance services to patients with language or communication barriers. This policy must include procedures for providing, to the extent possible as determined by the facility, the use of an interpreter whenever language or communication is a problem; be designed to maximize efficient use of interpreters and minimize delays in providing interpreters to patients; and ensure, to the extent possible as determined by the facility, that interpreters are available, either on the premises or accessible by telephone, 24 hours a day. The facility must annually transmit to the Department of Public Health a copy of the updated policy that includes a description of the facility's efforts to ensure adequate and speedy communication between patients with language or communication barriers and staff.

S.B. 544 would require hospitals and long-term care facilities to post, in conspicuous locations, notices that advise patients and their families of the availability of interpreters, the procedure for obtaining an interpreter, and the telephone numbers to call for filing complaints concerning interpreter service problems, including, but not limited to, a TDD (telecommunications device for the deaf) number for the hearing-impaired. S.B. 544 would require hospitals and long-term care facilities to notify the facility's employees of the language services available at the facility and train them on how to make these language services available to patients.

S.B. 547 would create a health data task force. The task force would develop a plan for a linked health data system that measures, analyzes, and reports on the health status of Illinois residents, including those affected by health disparities. The task force would be composed of representatives from several affected state agencies and up to 20 public members appointed by the governor. The plan would address privacy and other legal issues, data system compatibility issues, and other complicated, technical issues. The development of this plan is a vital step in assessing the extent of health care disparities in Illinois.

For more information about the three bills, contact Dan Lesser, danlesser@povertylaw.org.

Shriver Center Sets National Agenda

The Sargent Shriver National Center on Poverty Law has been helping poor people in courtrooms and setting

policies at the state and national level for forty years, but now is a time when the country may be ready for deep and broad change.

The Shriver Center's newly named president, John Bouman, explains why now is the time for such change: "Woken by the powerful public images of deep-seated American poverty revealed during the Gulf Coast disasters, and tired of the widening of the income gap between rich and poor and the intensifying threats to the middle class, most people in America are ready for leadership to end poverty. That national readiness is creating a political change, evidenced in part by the elections last fall."

The Shriver Center's national policy agenda, to be released this month, outlines 12 poverty issues that are ripe for policy change at the state and national level and shows how such policy change can be accomplished.

The Shriver Center is calling on policymakers to (1) strengthen the legal foundation for civil rights and racial justice, (2) establish affordable quality health care for all, (3) guarantee economic safety for people who need jobs, (4) create redemptive opportunities for people with criminal records, (5) increase economic mobility through lifelong education, (6) advance low-wage workers by making work pay, (7) link economic development to workforce development opportunities, (8) create asset-building initiatives for financial stability and growth, (9) expand low-income housing in economically diverse communities, (10) protect access to the American dream for immigrants and refugees, (11) ensure economic opportunity and safety for women and girls, and (12) invest in the public good through fair budget and tax policies.

"Significant leadership on all 12 of the issues identified in the Shriver Center's national agenda would constitute a well-rounded, aggressive program to attack poverty," Bouman says. This is the first step in many toward the Shriver Center's renewed focus on national policy.

For an update, go to <http://www.povertylaw.org/>.

Foreclosing America

For many in the United States, the family home is their largest asset, and homeownership is an American dream. This dream, however, is turning into a nightmare because of nontraditional mortgage products. Poor lending

practices, often called predatory lending, are becoming a national trend and expanding into neighborhoods.

Nontraditional mortgages, such as option adjustable rate mortgages (ARMs), interest-only mortgages, and no-money-down mortgages, allow homebuyers to purchase more expensive homes than they can normally afford. The market recently expanded to less creditworthy borrowers as well. In 2006 option ARMs accounted for 12.3 percent—a large increase from the previous year—of all mortgages. Of these borrowers, 80 percent use the minimum-payment option, suggesting that their income can accommodate only small monthly payments. On average, a house goes into foreclosure 10 months after an open ARM is made. This affects not only the family losing its home but also the community because of decreased home values and abandonment. Local institutions making these loans in these communities are also affected.

The government is working to deal with the foreclosure problem. Illinois is reviewing its current law, House Bill 4050, which had originally designated areas and zip code requirements to educate consumers. Expanding the current law to include the entire state is a step in the right direction because the problem reaches all communities in the state, not just sections of it. As was the case when the legislation was drafted, insight from community groups will be taken into account to fight predatory lending practices. At the federal level the industry and community advocacy groups are preparing a number of bills to introduce in the House.

In the end, homebuyers must review their loan applications and consider such factors as property taxes, insurance, and interest rates. Consumers should also talk with a home-buying counselor to learn how state laws affect their mortgage. The industry can slow foreclosures by changing the way that it advertises mortgage products, thereby allowing consumers to make informed decisions. Monthly statements should show the principal, interest, and any increased balance. Institutions must review applications carefully to be sure that borrowers can repay their loans, especially in light of recent findings from the U.S. Department of Commerce that Americans are spending more than they earn. These changes will give homebuyers a better understanding of what they are getting into, keeping them off the path to foreclosure and on the path to homeownership.

To learn more about predatory lending, contact Patrick Hain at patrickhain@povertylaw.org or 312.368.1104.

Waiting for Subsidized Housing in Illinois: New Study Highlights Increasing Backlog

The demand in Illinois for public housing units is more than double the supply, and more than half of the state's public housing authorities that offer Housing Choice Vouchers have closed their waiting lists to needy families, according to a recent study by the Heartland Alliance. The study, entitled *Not Even a Place in Line: Public Housing & Housing Choice Voucher Capacity and Waiting Lists in Illinois*, evaluated the Illinois housing authorities' waiting lists for public housing and Housing Choice Vouchers and found that most are closed to new applicants.

The backlogged, closed waiting lists can be traced to the reduction in Illinois's public housing units, the insufficient number of new vouchers approved for use in the state, and drastic federal budget cuts, according to the study. These cuts, dropping from \$94.4 billion in 1979 to \$28.8 billion in 2006, are partly due to the U.S. Department of Housing and Urban Development (HUD) experiencing massive declines in budget authority. In turn, HUD has been unable to fund adequately the nation's key housing assistance programs, including public housing and vouchers.

In 2006 Illinois had approximately 63,810 units of public housing, and 92,521 Housing Choice Vouchers were approved for use in the state. But 65,184 Illinois households are on waiting lists for public housing—more than double the available units of public housing—and 52,969 households remain on voucher waiting lists. These long waiting lists actually underestimate, as the study notes, the need for subsidized housing since public housing authorities often close their lists and do not allow new people in need to apply.

Despite backlogged waiting lists, the demolition of distressed housing projects throughout Illinois has increased, with a loss of 5,000 units of public housing since 2003. While housing authorities have issued more vouchers, more than two-thirds of the new vouchers are simply conversion vouchers compensating for the loss of public housing.

For example, the study found that Chicago's supply of public housing units fell by 11.16 percent between 2003 and 2005 (from 31,536 units to 28,016 units). The Chicago Housing Authority (CHA) has increased the number of vouchers by 39.13 percent, but, in keeping with a statewide trend, more than 66 percent of these vouchers are

conversion vouchers. Then, too, CHA's waiting lists—already more than 9,700 households for vouchers and more than 42,000 for public housing—are closed to new applicants.

Even housing authorities with open waiting lists struggle to keep up with the demand for subsidized housing. While the St. Clair Housing Authority, covering one of the poorest counties in the state, has kept its waiting lists open, the study found that households languished on lists for both public housing and vouchers. From 2001 to 2006, available public housing inched up from 1,016 units to 1,023 units in the county. Meanwhile, the public housing waiting list jumped from 1,999 households to 3,655 households (an increase of 82 percent). The St. Clair Housing Authority issued the same number of Housing Choice Vouchers in 2001 and 2006 (1,909 vouchers). But the waiting list for these vouchers rose from 3,207 households to 5,101 households (an increase of 59 percent).

As the study notes, the problems of subsidized housing must be understood in the broader context of market forces, long-standing neglect of distressed properties, and policy changes. Since 2004, when HUD adopted a "dollar-based" funding structure for the voucher program, many housing authorities have faced additional financial difficulties. Under the new formula, HUD allocates voucher funding based on the previous year's amount (adjusted for inflation), rather than the housing authority's current need, and prohibits housing authorities from maintaining sufficient reserve funds to cover unexpected increases. This funding formula and reserve funds cap also limit housing authorities' ability to support rent levels, which often rise faster than inflation, in job-rich, economically thriving parts of the state.

Recommendations: Solutions that Can't Wait

The study recommends several policy changes, including the creation of a national housing trust fund and reforms of Illinois's real estate transfer tax to expand the supply of affordable housing. Federal and state governments must provide incentives and expand resources to preserve affordable housing.

Emphasizing the government's vital responsibility to provide funds for available housing, Doug Schenkelberg, one of the study's authors, noted: "The findings of this report clearly show that both the federal and state governments need to increase the financial resources for the preservation and creation of safe, decent and

affordable housing for the most vulnerable people in our society.”

For more information, contact Doug Schenkelberg, dschenkelberg@heartlandalliance.org. The study is available online at <http://www.heartlandalliance.org/maip/documents/NotEvenaPlaceinLine2007.pdf>

Legislation Ensures Paid Time Off for Illinois Workers with a Health or Family Need

On Thursday, February 22, 2007, Representative Julie Hamos will introduce new legislation providing support for workers in need of family or medical leave. The proposed bill, the Family Leave Insurance Program (FLIP), will ensure that all workers in Illinois receive some wages if they need time off for a health or family matter.

Members of the Illinois Paid Leave Coalition will join Representative Hamos and workers sharing their stories about the need for paid leave at a press conference at 1 p.m. in the Capitol's Press Room. The Coalition will hand-deliver to legislators thousands of signed postcards collected from constituents statewide in support of the paid leave program.

“FLIP will help low-wage workers meet their obligations to both job and family,” says Melissa Josephs, IL Paid Leave Coalition member and Director of Equal Opportunity Policy at Women Employed.

At some point, most Illinois workers will need time off work for a medical or family reason. Currently, the federal Family and Medical Leave Act (FMLA) provides only unpaid leave and applies to employers with 50 or more workers. Many workers are either ineligible for FMLA because they work for small businesses or cannot afford to take unpaid time off.

FLIP will provide up to four weeks of partial wage replacement, up to \$380/week, for an employee's own serious illness, to care for the serious illness of a family member, or for new parents.

“The Family Leave Insurance Program will help workers who live paycheck-to-paycheck and cannot afford to take an unpaid leave under the federal family leave law,” said Representative Hamos.

Workers, however, are not the only beneficiaries of FLIP. Small businesses, which are less likely to offer paid time off, will be able to provide their workers this benefit at a

modest cost that is shared equally by the employer and employee. Providing this benefit will help small businesses improve employee retention and lower the costs of turnover and re-training.

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The Illinois Paid Leave Coalition is comprised of local and statewide partners that support the creation of a paid leave program for workers who have a health or family need that requires time off from work. For a list of coalition members go to www.womenemployed.org For more information contact: Melissa Josephs at 312-782-3902 X234 or mjosephs@womenemployed.org.

Illinois' Future is Threatened by Poverty and Hardship

The seventh annual Report on Illinois Poverty, released today by the Illinois Poverty Summit, illustrates that there are many indications Illinois families are finding it increasingly difficult to make ends meet. 87 of Illinois' 102 counties had increases in poverty, nearly 1.5 million Illinoisans are poor – almost 700,000 of them live in extreme poverty, below half the poverty line – and over one third of Illinoisans in poverty are children.

The data in the report reinforce the urgency for a renewed, comprehensive anti-poverty effort in Illinois. The hardship faced by Illinoisans is evident:

Troubling economic inequalities exist in Illinois in both incomes and assets.

- Full-time, year-round working Illinois women make only 70% of what their male counterparts make.
- Illinois renters have a poverty rate of 28.7% compared to a poverty rate of only 3.6% for Illinois families who own their homes.
- White Illinois households have a 515.4% higher median net worth than minority households.
- In the Chicago region, from 1970 to 2000, the share of families with middle-incomes dropped by 26.7%.
- Cook County is home to some of the most startling inequality in the country: It has the second-highest number of millionaire households and the second-highest number of poor households of any county in the nation.

Income has stagnated and declined while expenses have soared. From the early 1980s to the early 2000s, Illinois families experienced very meager income gains. The

poorest fifth of families in the state saw their average income increase approximately \$145 per year, from \$14,969 to just \$18,032 during that two-decade period. Middle-income families saw their average income increase from \$41,179 to only \$50,032, around \$420 per year. The period from 2000 to 2005 was even worse: the Illinois median household income dropped by over \$5,000. During the same time period the cost of energy increased 42.1%, the cost of education rose 35.7%, and the cost of medical care increased 23.9%. Illinoisans are feeling the effects of these increases. Over 430,000 insured, working age Illinoisans incurred health costs in 2004 not covered by their insurance that totaled one quarter or more of their annual earnings.

Our children and young adults face significant educational and economic barriers to success. Illinois' funding gap of \$2,355 per pupil between high-poverty and low-poverty school districts was the second largest gap in the nation in 2004. Such funding disparities result in unequal educational opportunities for our children. Nearly 18% of young Illinois adults ages 18 to 29 lack a high school diploma, which severely limits their competitiveness in the current and future labor markets. Additionally, the yearly net college costs for a low-income Illinois student to attend a 4-year public college or university consumes an average of 52% of their annual family income – a significant barrier to obtaining higher education.

Income support programs, designed to supplement worker's low wages, are being compromised by inadequate benefit levels, as well as capacity and access issues. Despite increased participation in the Food Stamp program in Illinois, the program does not reach even half of Illinoisans who are eligible. Additionally, only 2 out of 10 people who are eligible for housing support or TANF actually receive the benefit. An Illinois family of three receiving the average monthly TANF cash assistance only receives \$3,036 a year, well below half the poverty line. Some families cannot even sign up to wait for assistance they are eligible for: over half of the public housing authorities in Illinois have closed waiting lists for housing vouchers.

Illinois' fiscal health crisis is jeopardizing the current and future economic well-being of families and communities. Illinois has cut aggregate spending on vital public services, the state continues to under fund the state pension fund, and service providers feel the effects of severe payment delays. Such short-term, quick fixes weaken the state's human services infrastructure, contribute to growing debt that our children will pay for through increased taxes and fewer public programs and services, and ultimately lead to more entrenched social and economic problems in the future.

Illinois leaders have made a number of sound decisions to address these problems: an increase in the state's minimum wage, a new rental housing support program that makes housing more affordable across Illinois, and an expansion of health insurance for all children in the state. Illinois must build upon these changes and continue to gather momentum to reverse these troubling poverty and hardship trends. This year, the report includes a series of concrete policy recommendations that, if implemented, will help more Illinoisans realize freedom from poverty. Some of the recommendations include:

- Hold statewide legislative hearings to inform a plan to reduce by half the number of Illinoisans living in extreme poverty by 2015.
- Develop a plan to ensure healthcare for all people in Illinois.
- Reform Illinois' tax system so state revenues support both the current level of public services and address growing unmet needs.
- Expand the state Earned Income Tax Credit program so low-income workers can keep more of their earnings.
- Strengthen communities' abilities to respond to rising costs of providing services through a cost of doing business adjustment for human services programs.
- Increase family asset building by developing a state plan for universal children's savings accounts, ensuring every child born in Illinois can save for a more secure financial future.

Downloadable copies of the *2007 Report on Illinois Poverty* and the *Chicago Area Snapshot* are available at <http://www.heartlandalliance.org/maip/research.html>

For more information contact Amy Terpstra – the Mid-America Institute on Poverty of Heartland Alliance for Human Needs & Human Rights <mailto:aterpstra@heartlandalliance.org>.

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