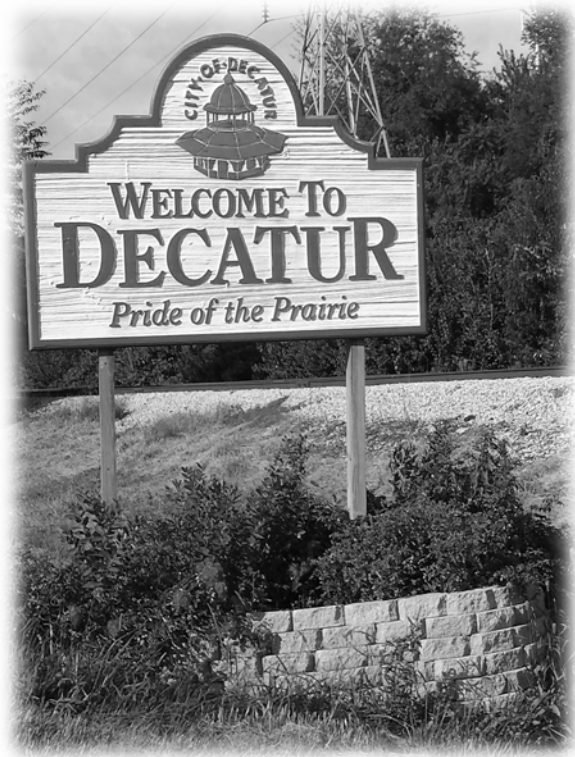


Illinois Commission on the Elimination of Poverty

2014 Annual Report



Acknowledgements

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LETTER FROM COMMISSION CO-CHAIRS

September 2014

Dear Members of the Illinois General Assembly,

It has been 6 years since the State of Illinois formed the Illinois Commission on the Elimination of Poverty to help reduce poverty throughout Illinois. In 2010 the Commission issued its recommended strategy in *Building a Pathway to Dignity & Work* and has since been monitoring Illinois's progress toward the goal of cutting extreme poverty in half.

This year Illinois saw a handful of reforms signed into law that will help address poverty, however, these advances are ineffective in light of the State's fiscal crisis. Critical safety net and human service programs have sustained years of significant cuts. On January 1, 2015, Illinois will lose billions of dollars in revenue needed to maintain those programs when the state's 5% income tax rate expires. Despite high poverty rates throughout Illinois, proposals to address our revenue crisis by maintaining the current tax rate or advancing a graduated income tax conversation stalled. The resulting FY15 budget is incomplete. The failure to vote for revenue sources will lead to the further erosion of programs and services and render recent advances futile since they are only complementary to the greater human services infrastructure.

The advances made during this previous legislative session should not be dismissed. Restoration of adult dental services for Medicaid patients, improved protections for pregnant workers, and several other noteworthy measures will improve the lives of thousands of people throughout Illinois who are struggling to make ends meet and live a life of dignity. Enclosed you will find an overview of the progress made this year in cutting extreme poverty in the state and a more detailed discussion of the state's budget woes.

While Illinois continues to make strides towards alleviating barriers caused by social and economic disenfranchisement of communities, we are not making advances at a pace that our poverty rate demands. We have yet to counteract the losses to education, human services, and other sectors of government that have suffered as Illinois struggles through the current budget crisis. We urge you to work with us to change this trend and ensure that we protect the most vulnerable by advancing policies that support Illinois in the fight against poverty.

Sincerely,

Rev. Dr. Sid Mohn, Co-Chair, Commission on the Elimination of Poverty
President, Heartland Alliance for Human Needs & Human Rights

Samantha Fields, Interim Co-Chair, Commission on the Elimination of Poverty
Deputy Chief of Staff, Office of the Governor

Introduction – Trouble on the Horizon



Each year, the Illinois Commission on the Elimination of Poverty (“the Commission”) identifies and evaluates proposals introduced in the General Assembly that will help reduce poverty. During the 2014 legislative session of the 98th General Assembly, 26 bills were introduced that the Commission recognized would help reduce poverty, and seven of those proposals passed both houses and were signed into law. In addition, many critical programs that keep individuals from

falling into poverty and help provide support to those experiencing extreme hardship, temporarily avoided deep cuts in the FY15 Illinois budget. Nevertheless, the General Assembly failed to take action on key proposals that would address significant shortfalls and structural inadequacies of the Illinois state budget.

Without action to identify new sources of revenue or restructure Illinois’s tax to adequately fund programs that serve individuals and families in our state experiencing extreme poverty, hardship in Illinois will increase.

The additional revenue from the income tax rates enacted in January 2011 has helped the state to avoid a larger erosion of state programs and, in recent years, better control our backlog of unpaid bills. We cannot make additional progress in achieving fiscal responsibility and honor the state’s commitment to cutting poverty without maintaining stable and adequate revenue. A responsible solution to the fiscal crisis must include preventing another round of deep budget cuts to education and human services by advancing real revenue solutions.

MEASURING PROGRESS

Faced with severe economic headwinds since the Commission on the Elimination of Poverty began its work, extreme poverty in Illinois has trended up. Only in the last several years has the number of Illinoisans in extreme poverty begun to decline. The most current data reveal that over three quarters of a million Illinoisans live in extreme poverty, up from 607,000 in 2008 when the Commission was formed. Indeed, 6.0% of the state's population remains in extreme poverty, highlighting the significant work facing the state to make real strides in reducing this figure.

The estimates presented in this section come from the U.S. Census Bureau's Current Population Survey, Annual Social and Economic Supplement. While there are several valid sources of data on extreme poverty, this source allows for a more comprehensive picture, which provides a better benchmark for measuring Illinois's progress toward reducing poverty.

A SNAPSHOT OF EXTREME POVERTY

2007-2008	2009-2010	2012-2013
607,247	823,406	766,984

A CLOSER LOOK AT EXTREME POVERTY IN ILLINOIS

Extreme Poverty by Race/Ethnicity

Extreme poverty disproportionately affects minorities.

Race/Ethnicity	2013 Current Situation	Percent*
White Non-Hispanic	338,530	4.1%
Black Non-Hispanic	227,458	12.9%
Hispanic	146,823	7.3%

Extreme Poverty by Age

Children are more likely to live in extreme poverty than adults.

Age	2013 Current Situation	Percent*
Children (0-17)	253,832	8.4%
Working Age (18-64)	456,455	5.7%
Seniors (65 and over)	56,697	3.3%

Extreme Poverty by Disability Status

Working-age Illinoisans with a work-limiting disability have much higher rates of extreme poverty than their non-disabled counterparts.

Disability Status (Working Age)	2013 Current Situation	Percent*
With a Work-Limiting Disability	96,618	13.3%
No Work-Limiting Disability	359,837	4.9%

Extreme Poverty by Work Limitation

Over half of all Illinoisans in extreme poverty are children, seniors, or working-age people with a work-limiting disability—people who cannot or are not expected to work.

	2013 Current Situation
Unable or Not Expected to Work	407,147
As a % of Those in Extreme Poverty	53.1%

Data Source: Social IMPACT Research Center's analysis of the U.S. Census Bureau's Current Population Survey's Annual Social and Economic Supplement, Microdata. Based on Census Bureau recommendations on proper data use, these estimates are 2-year averages (2008 includes 2007 and 2008; 2013 includes 2012 and 2013) to help smooth out variation due to small sample size. For information on poverty in local Illinois communities, visit www.ilpovertyreport.org

*Percent represents the percentage of people in the demographic group who are extremely poor.

The Commission's Recommendations

In 2010, the Commission on the Elimination of Poverty created a [comprehensive strategy](#) for cutting extreme poverty. Relying on public input, relevant census data, and research, the Commission developed a plan that offers a comprehensive approach to address the complex and multi-faceted nature of poverty. The recommendations contained within that plan relate to the following:

- Access to safe, decent, and affordable housing.
- Access to adequate food and nutrition.
- Access to affordable and quality health care.
- Equal access to quality education and training.
- Dependable and affordable transportation.
- Access to quality and affordable child care.
- Opportunities to engage in meaningful and sustainable work.
- The availability of adequate income supports.

Per the Commission's statutory mandate, the recommendations are consistent with international human rights standards. The Commissioners applied human rights principles and a solid understanding of those impacted by extreme poverty to guide the development of the plan.

The information that follows offers an overview of legislative action taken this year that aligned with the Poverty Commission's recommendations to cut extreme poverty.

Agenda for Change – 2014 Summary



SB68 & HB3718 – Minimum Wage Increase

Helps move more low-wage workers out of poverty by increasing the minimum wage to \$10.65: **LOSING GROUND**



HB3814 – Minimum Wage Question on Ballot

Puts an advisory question on the ballot in November to gauge voter support for increasing the state minimum wage: **MAKING PROGRESS**



SB1708 & HB4714 – Domestic Workers' Bill of Rights

Provides a set of workplace and benefit standards for domestic workers and removes domestic worker exclusions from state labor laws: **LOSING GROUND**



SB2758 – Secure Choice Savings Program

Creates the Secure Choice Savings Program. Allows Illinois workers access to a retirement savings account through their employer: **STALLED**



SB2789 & HB4420 – Earned Sick Time Act

Requires employers to offer paid sick time to their employees commensurate with the number of hours worked: **LOSING GROUND**



HB8 – Pregnancy Accommodations

Requires employers to provide workers with reasonable accommodations for conditions related to pregnancy: **MAKING PROGRESS**



HB5701 – Reduce Barriers to Employment for People with Criminal Backgrounds

Prohibits employers from asking applicants about their criminal background until the applicant is selected for an interview or receives a conditional offer: **MAKING PROGRESS**

**HB4369 & SB2735 – Assistance for Elderly and Disabled Refugees**

Updates and indexes the monthly Aid to the Aged, Blind, and Disabled (AABD) grant for elderly and disabled refugees: **MAKING PROGRESS**

**HB4474 & SB2865 – Earned Income Tax Credit**

Increases the Illinois Earned Income Tax Credit to 20% of the federal tax credit over 5 years: **LOSING GROUND**

**HB3757 & SB2692 – Child Care Assistance Income Thresholds**

Increases the threshold for child care assistance eligibility to 200% of the federal poverty level for each family size: **LOSING GROUND**

**HB4778 – Landlord Lease Application Fee**

Limits application fees for rental housing to the actual costs to the landlord to conduct screening of the tenant and requires that landlords provide the tenant with the information gained during that screening: **LOSING GROUND**

**HB1516 SA 2 – Restore Adult Dental to Medicaid**

Ensures low income people participating in Illinois's Medicaid program have access to restorative dental care: **MAKING PROGRESS**

**HB3688, HB3671, HB2469, & SB1807 – Access to Antipsychotic Medications through Medicaid**

Exempts antipsychotics from prior authorization requirements for individuals with serious mental illness enrolled in Medicaid: **MAKING PROGRESS**

**HJRCA33, HJRCA49, & SJRCA40 – Fair Tax**

Puts a question on the ballot about whether the state constitution should allow for different tax rates depending on the taxpayer's income: **LOSING GROUND**

**SB3558 – Specialized Services for Survivors of Human Trafficking**

Creates a fund for specialized services for survivors of human trafficking by capturing proceeds from certain criminal fines and forfeiture proceedings: **MAKING PROGRESS**

Progress Toward the Commission's Recommendations

Work Recommendations

SB68 & HB3718 – Increase the Minimum Wage

LOSING GROUND



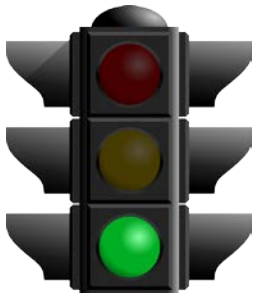
BILL SUMMARY – SB68, as amended, modifies the Minimum Wage Law to increase the minimum wage to \$10.65 an hour in three steps.

2014 OUTCOME – SB68 was introduced by Senator Kimberly Lightford and passed out of the Senate Executive Committee, but no further action was taken on the bill. HB3718 was introduced by Representative Arthur Turner, but no further action was taken on the bill.

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED – *Improve workplace compensation by increasing minimum wage/living wage and benefit standards:* A minimum wage employee working full time year round earns roughly \$17,000 per year. That means that a single parent with two kids would fall below the federal poverty line of \$19,790 for a family of three in 2014. The minimum wage should provide workers a minimum standard of living necessary for health and well-being and keep working families out of poverty.

HB3814 – Minimum Wage Question on Ballot

MAKING PROGRESS



BILL SUMMARY – HB3814 puts a non-binding question on the 2014 ballot about whether Illinois's minimum wage should be increased to \$10.00 an hour in 2015.

2014 OUTCOME – HB3814 was introduced by Speaker Michael Madigan and passed both houses in May. It was signed into law by the Governor on June 23, 2014 ([Public Act 98-0657](#)).

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED – *Improve workplace compensation by increasing minimum wage/living wage and benefit standards.*

SB1708 & HB4714 – Domestic Workers Bill of Rights
LOSING GROUND



BILL SUMMARY – SB1708 and HB4714 establish the Domestic Workers' Bill of Rights. The bills provide workplace and benefit standards for domestic workers and remove domestic worker exclusions from the Minimum Wage Law, the Human Rights Act, the Wages of Women and Minors Act, and the One Day Rest in Seven Act.

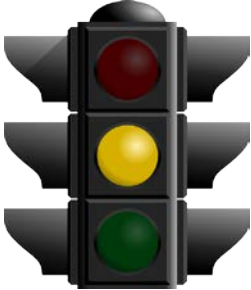
2014 OUTCOME – SB1708 was introduced by Senator Ira Silverstein, and HB4714 was introduced by Representative Elizabeth Hernandez. No further action was taken on either bill.

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED – *Improve workplace compensation by increasing minimum wage/living wage and benefit standards and eliminate categories of workers not covered by minimum wage:* Historically, domestic workers have been excluded from many of the basic labor protections afforded to other Illinois workers. Many of the laws and policies that govern pay and conditions in the workplace simply do not apply to domestic workers. The Domestic Workers Bill of Rights would create labor standards that are currently lacking in this industry and ensure that domestic workers have a right to earn the minimum wage, protections against sexual harrasment, and other basic labor protections.



SB 2758 – Secure Choice Savings Program

STALLED



BILL SUMMARY – SB2758 creates the Illinois Secure Choice Savings Program. This bill allows employees of established employers that do not offer a qualified retirement plan, with 25 or more employees, to set aside a percentage of their wages to be deposited into a retirement savings account administered by the State Treasurer's office at no long-term cost to the state.

2014 OUTCOME – SB2758 was introduced by Senator Daniel Biss in January of 2014 and passed out of the Senate in April. The bill passed out of the House Personnel and Pensions Committee and awaits a vote in the House.

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED – *Improve workplace compensation by increasing minimum wage/living wage and benefit standards:* Most low-wage workers do not have access to benefits such as paid sick leave, health insurance, or employer-based retirement savings. According to research by the Woodstock Institute, 60% of Illinois low-wage workers do not have access to an employer-based retirement plan.¹ More workers are retiring into poverty every year. For many low-income workers, without the added support of a retirement savings account, their Social Security benefits are not enough to retire with dignity. Improving benefit standards for the lowest-wage workers will help provide the stability needed for individuals and families to move out of extreme poverty and prevent workers from falling into poverty as they age and retire.

¹ Cowan, S. (2012, September). *Coming up short: The scope of retirement insecurity among Illinois workers*. Chicago: Woodstock Institute. Available at http://www.woodstockinst.org/sites/default/files/attachments/comingupshort_sept2012_cowan_0.pdf

SB2789 & HB4420 – Earned Sick Time Act**LOSING GROUND**

BILL SUMMARY – Requires all employers with 20 or more employees to provide paid sick time to their employees. Requires all employers to provide a minimum of 1 hour of paid sick time for every 40 hours worked by an employee, regardless of whether the employee is full-time or part-time, with a minimum of 2 days of paid sick time per calendar year.

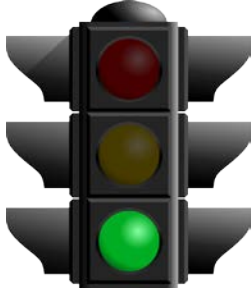
2014 OUTCOME – SB2789 was introduced by Senator Antonio Muñoz and HB4420 was introduced by Representative Maria Antonia Berrios. No further action was taken on either bill.

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED – *Allow employees that traditionally do not have a right to paid sick leave (e.g., part-time employees) to accrue sick days: Nearly 80% of low-wage workers do not have a single paid sick day.² These workers often have to choose between going to work sick and risking their health or taking a day off and risking their paycheck or even their job. All workers should have access to paid sick days.*

² O'Connor, Rachel, Hayes, Jeff, and Gault, Barbara. (2014, July). *Paid Sick Days Access Varies by Race/Ethnicity, and Job Characteristics*. Available at <http://www.iwpr.org/publications/pubs/paid-sick-days-access-varies-by-race-ethnicity-sexual-orientation-and-job-characteristics/#sthash.RVv8U9pa.dpuf>.

HB8 – Pregnancy Accommodations

MAKING PROGRESS



BILL SUMMARY – HB8 amends the Illinois Human Rights Act, making it a civil rights violation for an employer to refuse to provide reasonable accommodations for conditions related to pregnancy, childbirth, or related medical conditions.

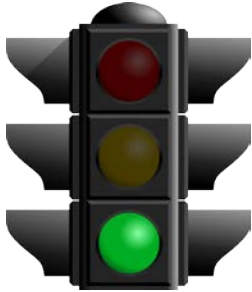
2014 OUTCOME – HB8 was introduced by Representative Mary Flowers and sponsored by Senator Toi Hutchinson. The bill passed both houses and was signed into law by the Governor on August 26, 2014 ([Public Act 98-1050](#)).

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED – *Improve opportunities to engage in meaningful and sustainable work:* Many women, particularly low-wage working women who often have more physically demanding jobs, have been denied reasonable accommodations that would allow them to keep working safely while they are pregnant. All women should have the right to continue working and maintain their job while pregnant.

Access to Work Recommendations

HB5701 – Reduce Barriers to Employment for People with Criminal Backgrounds

MAKING PROGRESS



BILL SUMMARY – HB5701 prohibits employers from asking applicants about their criminal background until the applicant is selected for an interview or receives a conditional offer, with some exceptions.

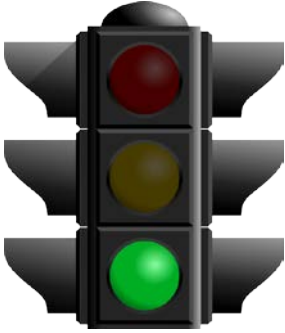
2014 OUTCOME – HB5701 was introduced by Representative Rita Mayfield and sponsored by Senator Antonio Muñoz. The bill was signed into law on July 21, 2014 ([Public Act 98-0774](#)).

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED – *Adopt a policy to “Ban the Box”, also termed “Move the Box”, which prohibits job applications from asking if an individual has a criminal background, and use the state’s leadership to encourage and promote the hiring of individuals with criminal backgrounds.* Those re-entering society after incarceration need true opportunity after paying their debt to society. Unfortunately, many employers outright deny employment opportunities to anyone with a criminal record. Prohibiting employers from asking applicants about their criminal background until the applicant is selected for an interview or receives a conditional offer will open the door for more people to secure quality employment and reduce recidivism in the correctional system.

Income Support Recommendations

HB4369 & SB2735 – Assistance for Elderly and Disabled Refugees

MAKING PROGRESS



BILL SUMMARY – HB4369 and SB2735 update and index the monthly Aid to the Aged, Blind, and Disabled (AABD) grant for elderly and disabled refugees.

2014 OUTCOME – Representative Greg Harris introduced HB4369, and Senator Heather Steans introduced SB2735. Although no further action was taken on either bill, SB220, the budget implementation bill, included language that ensures the AABD cash grant for elderly and permanently disabled refugees will equate to 90% of the current SSI payment amount per month and that the required funding to make this change was included in the budget.

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED – *Increase the availability of adequate income supports:* At \$500, the current AABD grant amount is not enough to meet recipients' basic needs.

HB4474 & SB2865 – Earned Income Tax Credit

LOSING GROUND



BILL SUMMARY – HB4474 & SB2865 increase the Illinois Earned Income Tax Credit (EITC) from 10% to 20% of the federal tax credit over 5 years.

2014 OUTCOME – HB4474 was introduced by Representative Barbara Flynn Currie, and SB2865 was introduced by Senator Jacqueline Collins. No further action was taken on either bill.

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED – *Increase the availability of adequate income supports.* The EITC supplements the wages of poor and near-poor workers, providing more money for working families to make ends meet.

HB3757 & SB2692 – Child Care Assistance Income Thresholds

LOSING GROUND



BILL SUMMARY – HB3757 & SB2692 change the income thresholds under the child care assistance program. Beginning in fiscal year 2015, the specified threshold would be no less than 200% of the federal poverty level for each family size.

2014 OUTCOME – HB3757 was introduced by Representative Christian Mitchell, and SB2692 was introduced by Senator William Delgado. No further action was taken on either bill.

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED – *Increase access to quality and affordable child care:* For low-wage workers, access to quality and affordable child care is essential for securing and maintaining employment and moving out of poverty.



Housing Recommendations

HB4778 – Landlord Lease Application Fee

LOSING GROUND



BILL SUMMARY – HB4778 limits application fees for rental housing to the actual costs to the landlord to conduct screening of the tenant, and requires that landlords provide the tenant a copy of any third-party report used as part of the application process and paid for with the application fee.

2014 OUTCOME – HB4778 was introduced by Representative Emanuel Chris Welch, but failed to advance through committee.

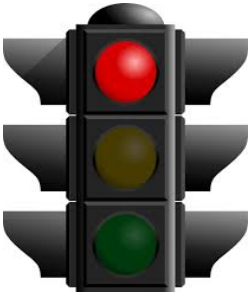
COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED – *Improve access to safe, decent, and affordable housing:* Safe, decent, and affordable housing is the cornerstone of economic security. With investments in affordable housing and protections for renters and owners, people will be able to better access housing and remain stably housed.



Education Recommendations

HB2213 – Ensuring Success in School

LOSING GROUND



BILL SUMMARY – HB2213 amends the School Code to include provisions that ensure the health, safety, and academic success of elementary and secondary students who are parents, expectant parents, or victims of domestic or sexual violence. The bill is based upon the recommendations of the Ensuring Success in School Task Force. Provisions include expanding what constitutes a “valid cause” for absences to include students’ pregnancy-related and parenting responsibilities and those related to domestic or sexual violence. The provisions also include accommodations for students to ensure their health and safety in school, confidentiality protocols, and a “go-to” person for confidential guidance and referrals for students, teachers, and other school personnel when relevant issues arise.

2014 OUTCOME – Amendments to HB2213 were filed by Senator Kimberly Lightford in 2014. Those amendments have not moved out of committee.

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED – *Ensure equal access to quality education and training:* Students who are parents, expectant parents, or the victims of domestic violence or sexual violence face barriers to school success and school completion that puts them at greater risk of experiencing extreme poverty.

Health Care Recommendations

HB1516 SA 2 – Restore Adult Dental to Medicaid

MAKING PROGRESS



BILL SUMMARY – HB1516, as amended, restores restorative dental care (e.g., filling cavities, root canals, dentures) for adults that had been eliminated from Illinois’s Medicaid program in 2012.

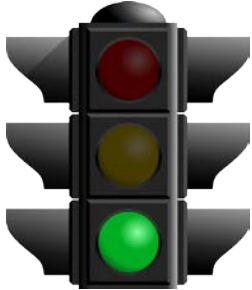
2014 OUTCOME – HB1516 SA 2 was sponsored by Representative Mary Flowers and Senator Donnie Trotter. Later in the legislative session, language restoring adult dental services to Medicaid was included in SB0741, which passed both houses and was signed into law by the Governor on June 16, 2014 ([Public Act 98-0651](#)).

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED – *Protect, restore, and enhance access to quality health care, including mental health and social and emotional well-being:* For individuals experiencing poverty, access to quality, affordable health care – including dental care – is essential for maintaining stability and moving out of poverty.



HB3688, HB3671, HB2469, & SB1807 – Access to Antipsychotic Medications through Medicaid

MAKING PROGRESS



BILL SUMMARY – These bills exempt antipsychotic drugs used to treat severe mental illness from prior authorization requirements for individuals enrolled in Medicaid.

2014 OUTCOME – HB3688 was introduced by Representative Greg Harris. HB3671 was introduced by Representative Mary Flowers. HB2469 was introduced by Representative Linda Chapa LaVia, and SB1807 was introduced by Senator Willam Delgado. Later in the legislative session, language removing the prior authorization requirement for these medications was included in SB741, which passed both houses and was signed into law by the Governor on June 16, 2014 ([Public Act 98-0651](#)).

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED – *Protect, restore, and enhance access to quality health care, including mental health and social and emotional well-being.* For individuals experiencing poverty, access to quality, affordable health care is essential for maintaining stability and moving out of poverty.

Other Recommendations

HJRCA33, HJRCA49, & SJRCA40 – Fair Tax

LOSING GROUND

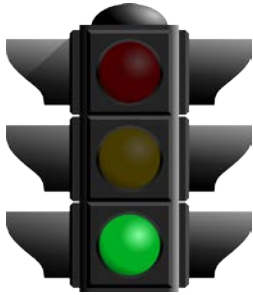


RESOLUTION SUMMARY – HJRCA33, HJRCA49, and SJRCA40 put a question on the ballot regarding whether the state should adopt a fair tax to allow for changes to the tax code that increase revenue while decreasing cuts to programs that help low-income people.

2014 OUTCOME – SJRCA40 was introduced by Senator Don Harmon. The resolution was heard and passed through subcommittee. HJRCA33 was sponsored by Representative Naomi Jakobsson and failed to advance through committee. HJRCA49 was sponsored by Representative Christian Mitchell, but further action was not taken on the resolution.

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED – *Put Illinois on the path to end poverty as we know it and affirm the dignity of all: Without new sources of revenue or restructuring Illinois’s tax system, the state’s ability to adequately fund programs and services that serve individuals and families in our state experiencing extreme poverty will continue to be compromised, and hardship in Illinois will increase.*

SB3558 – Specialized Services for Survivors of Human Trafficking MAKING PROGRESS



BILL SUMMARY – SB3558 creates a fund for specialized services for survivors of human trafficking, capturing the proceeds of certain criminal forfeitures and fines.

2014 OUTCOME – SB3558 was introduced by Senator Toi Hutchinson and sponsored by Representative Ann Williams in the House. The bill passed both houses and was signed into law by the Governor on August 21, 2014 ([Public Act 98-1013](#)).

COMMISSION RECOMMENDATION THAT WOULD BE ADVANCED – *Strengthen our safety net to ensure individuals have their basic needs met and their dignity affirmed:* Thousands of survivors of human trafficking and prostitution have no access to the specialized services that could help them move their lives forward. Specialized resources for housing, drop-in centers, and counseling could help people survive exploitation and provide critical support for trafficking survivors.

Budget Overview

Looming Cuts

On January 1, 2015, the temporary income tax rate passed by the General Assembly in 2011 will expire. This will result in roughly \$2 billion in lost revenue during the second half of FY15. For FY16, that revenue hole will be even greater when the lower tax rate is in effect for the entire fiscal year. In FY16, revenue will be about \$6 billion below the level it would have been if current rates are maintained, resulting in devastating cuts to already bare programs and services that help mitigate the worst effects of poverty and move people out of poverty. Multiple proposals to increase revenue were discussed during the 2014 legislative session. None advanced.

FY15 Budget

A number of different budget proposals were brought to the House floor this year, including budgets that allowed for growth and budgets that slashed programs and services. In the end, the General Assembly passed a budget that is essentially flat (funding at FY14 budget levels without providing for increases in need or operations costs).

The FY15 budget was pieced together by, among other things, borrowing \$650 million that will need to be paid back, underfunding existing obligations by \$750 million, and using a one-time revenue source of \$600 million.

Despite the tough fiscal situation, the General Assembly did provide modest increases in a few programs, including but not limited to:

- Homeless Youth Services
- Supportive Housing
- HIV/AIDS Prevention and Treatment

The final budget, however, also included some reductions from FY14. These reductions include:

- Child Care
- Community Care Program
- Anti-Violence Programs

Public Hearing and Listening Sessions

The Commission on the Elimination of Poverty held one public hearing and two listening sessions to hear public testimony about how the state's actions have impacted the day to day lives of citizens. Eighty people attended the hearing and listening sessions in Kankakee, Chicago, and Decatur.

The following themes and comments emerged from the discussions. A number of these recommendations will be promoted by the Commission in the upcoming legislative session.

Kankakee

- **The criminalization of the poor – “People get in trouble because they are poor.”** With driving infractions, a failure to pay fines can result in a suspension of your license. People experiencing poverty often struggle to pay these fines. In places like Kankakee where a car is really the only way to get to your job, to the doctor, or to pick up your kids, many people experiencing poverty have no choice but to continue driving without a license, an offense that can also land them in jail.
- **Transportation – “A license is a privilege here in Kankakee.”** In a community like Kankakee that is economically depressed and that has a high unemployment rate, people need access to affordable, reliable transportation to get and keep a job. For many folks, their only option for employment requires them to drive 45 minutes or more. The costs of car maintenance and fuel are often huge barriers for low-wage workers. If you don't have access to a reliable car, job opportunities are severely limited.
- **Work is not enough – “I had a single mom. She struggled to provide for me and my sister on \$200 per month.”** Even for individuals who are working minimum wage and low-wage jobs, the income workers are earning is not enough to stay housed, put food on the table, and provide for children. If you are a single parent, trying to provide for one or more children or trying to care for an aging parent, a minimum wage pay check does not go very far. People are having a difficult time meeting their basic needs.
- **State and federal dollars should be prioritized to support anti-poverty programs – “Poverty is systemic...”** State and federal legislators need to prioritize funding. More money is offered for “entrepreneurship” vs. investments in human capital and anti-poverty programs. We need to do a better job making sure that we are meeting the needs of people experiencing poverty by investing in programs that help people meet their basic needs but also help them move out of poverty.
- **Expand the number of offenses eligible for sealing and expungement – “Not enough people are aware of ‘Ban the Box’ in our community.”** Too many people with criminal backgrounds who have already served their time face significant or total bars from employment and housing. More offenses should be eligible for record sealing and expungement to give individuals with criminal backgrounds a second chance and a true shot at a life free from poverty.

- **Trades and life skills should be taught in high school – “We need to start teaching the kids the basics.”** Shop classes and life skills classes, such as home economics and culinary arts, have been eliminated from most high school curricula. These classes should still be offered, particularly for those students for whom higher education is not a possibility.
- **We are all part of the solution – “How can I be part of the solution?”** No one entity is solely responsible for cutting poverty in our state, and each and every one of us has a role to play. We all need to be a part of the solution.

Chicago

- **Mental health services for all ages – “Students are not getting any type of assistance.”** In recent years, many mental health care facilities have been closed, leaving many without access to services where they live. There are few mental health resources in schools. More adequate mental health resources could help alleviate other social concerns faced by low-income communities.
- **Workforce development for youth – Many youth in poverty “see no alternative until they have jobs.”** Current funding for workforce development, however, is limited. Existing programs are time-limited and do not give individuals a real opportunity to train, access, and maintain long-term employment.
- **Services for veterans – “Supposedly we have veterans’ preference, but it’s become harder to access services.”** The process to access veteran services and benefits is difficult because of the complexity, bureaucracy, and length of waiting times. When compared with other states, Illinois’s VA programs fall short.
- **Cost of public transportation – “When the bus rate went up, it cost almost \$9 to go back and forth.”** For individuals in extreme poverty, the cost of public transportation is an additional barrier to receiving services and finding and maintaining employment. Additionally, for those living on minimum wage, the cost of transportation has become more expensive and a larger share of a household’s budget.
- **Homelessness – “It took me 5 years to find housing.”** Many families in poverty experience bouts of homelessness. This is in part because of a shortage of transitional or affordable housing units, but also due to unemployment, low-pay, or unstable employment. Additionally, families who are not receiving additional social supports are particularly vulnerable to homelessness, especially families with adult children with disabilities for whom services and housing options are limited.
- **Lack of adequate services for adults with disabilities – “My daughter attended day programs, but she was mishandled.”** Families with adults with disabilities find it very difficult to access appropriate daily support for their adult children, forcing family members to leave jobs in order to provide home care. Additionally, state funding for programs and services supporting adults with disabilities has been reduced every year, therefore limiting the options available for families.

- **Lack of Information – “Many in our community are not getting the information.”** There is a widespread lack of awareness of recent changes to state laws such as “ban the box” or expungement of arrests for people under 18 years old. Additionally, community members felt they did not have access to information on services and programs for veterans, adults with disabilities, employment, and overall supports for individuals in poverty.
- **Year-long youth jobs – “It’s great for youth to have summer jobs, but what about after?”** Youth employment is often touted as a violence prevention strategy. However, current youth employment programs often only receive summer funding while youth violence persists throughout the year. In order to see lasting effects of youth employment, there should be more opportunities for youth to participate in year-long employment programs.
- **Services for Parents – “Parents aren’t getting the services they need.”** Despite early-intervention and after-school programming for children, many basic resources that children need to be school-ready are unmet because their parents’ needs also go unmet. The Parent Leadership program offered through the Community Violence Prevention Program, which hires parents for 8 hours a week, for 13 weeks, is a welcome resource, but that is not enough to support parents.
- **Sustainable funding – “When funding goes away, people are back to square one.”** Funding for employment programs is finite or is oftentimes cut from budgets, curtailing the progress of Illinoisans in poverty. In order to make funding more sustainable, the government should encourage program partnerships with the private sector in order to better connect program participants with employers and the necessary tangible skills. One such way to do this is to make use of “on-the-job training” Workforce Investment Act (WIA) funds, which can amount to thousands of dollars per person. It currently goes underutilized by businesses, particularly in impoverished communities.
- **Accountability for employer incentives – “WIA – who has the program been successful for?”** Businesses receive various incentives to hire disadvantaged groups such as youth and formerly incarcerated individuals, but some incentives are misused. WIA-affiliated employment programs receive financial incentives meant to promote hiring workers, but most workers are only hired temporarily. This allows WIA-affiliated companies to take advantage of incentives while not producing the expectant result of long-term employment.
- **Minority participation in union and government contracts – “There are no construction jobs for people of color.”** While encouraging the use of minority-owned businesses is important, it is similarly important to ensure that minorities have access to job opportunities created by government contracts. Therefore, community members have suggested that legislation should require and incentivize businesses to employ minorities if applying for government contracts.

- **Veteran services – “Veterans have a 35% employment rate.”** Access to veteran services has proven difficult because the Veteran Administration system is difficult to navigate. While there are some nonprofit organizations that are helping veterans navigate the system, the state also does not have direct access to the VA since it is a federal agency, therefore limiting the state’s ability to assist veterans.
- **Homeless children – “There are 54,000 homeless children in the public school system.”** Homelessness affects the continuity of children’s education because oftentimes children have to attend different schools while their family finds permanent housing.
- **Vocational programs – “We are running into a skills gap.”** Some youth lack the appropriate vocational skills to compete for permanent trade jobs in part because of a reduction in vocational programs in high schools around the state. In order to provide youth with multiple opportunities for employment beyond high school, it is important to create a pipeline starting with vocational programs, closer relationships between social service agencies and small businesses, and finishing with trade-union jobs that are currently inaccessible.
- **Low employment of people with criminal backgrounds – “It’s a black mark on employers to hire ex-offenders.”** Despite the education and job readiness programs that people with criminal backgrounds participate in as part of the correctional system, finding employment after returning to the community is very difficult. While the state has made attempts to incentivize businesses to hire people with criminal backgrounds through the Work Opportunity Tax Credit, which gives up to \$2,400 to businesses for each ex-offender hired, the situation has not improved.

Decatur

- **Food insecurity for children – “Summer food programs are great, but what do those kids do after-school or on the weekends?”** There are children in Illinois that are only getting fed at summer food programs and at school. Child nutrition programs should be adequately funded to make sure that they reach more kids in need.
- **Improve incentives for hiring people with criminal backgrounds – “I own a couple of businesses here, and I hire felons.”** Most business owners shy away from hiring ex-offenders creating significant barriers to employment for people with criminal backgrounds. Employers who do hire people with criminal background should receive cash incentives instead of tax credits.
- **Lack of information – “A lot of people who are experiencing poverty don’t know that programs exist.”** Many Illinoisans don’t have access to the Internet or use technology, limiting their access to information. This prevents many poor families from benefiting from the protections and programs available to others. In order to ensure there is equitable implementation of state laws and funds, attention must be paid to the government’s process of disseminating information.

- **Barriers to educating people in need about available programs and services – “Low literacy can impede efforts to educate the community about available services.”** A lack of education not only creates barriers to employment, but also creates a barrier to accessing support services. Additionally, human service providers might not be aware of the low rates of literacy, and therefore, might not be using effective outreach efforts.
- **Homelessness – “Even though you don’t see people on the street...people live under the bridge.”** There are few transitional housing options for people in poverty who might require assistance paying for rent or who would require other support services. The lack of services and programs works to maintain homelessness.
- **Lack of access to affordable housing – “There is no affordable housing anywhere.”**– Many of the individuals trying to access affordable housing are receiving disability income – living on around \$725 a month– which limits their housing options significantly. Additionally, certain housing practices such as credit checks and criminal backgrounds disproportionately affect people living in poverty, further restricting access to affordable housing options.
- **Lack of access to transportation – “Workers don’t have access to transportation or a driver’s license.”** Despite the availability of jobs in neighboring communities, those jobs are inaccessible because many workers don’t have access to transportation or a driver’s license.
- **Lack of access to programs and services for people reentering communities – “We need a one stop shop for people reentering communities after incarceration.”** People are not getting connected to the programs and services they need to be successful. Our state lacks any comprehensive approach to connecting people to services or true discharge planning when people exit prison.
- **Municipal governments should do more to attract employers to the area. – “They should quit dancing with Archer Daniels Midland and support small businesses.”** Municipal governments can and should play more of a role in attracting small businesses to local communities because they are important employers in our cities.
- **Public education about poverty is important – “We need to educate people about the realities of poverty so that stereotypes do not perpetuate.”** Everyone who is committed to addressing poverty needs to have a role in advancing solutions and educating the public. The solution lies in our collective impact – everyone has a role to play.

Looking Forward to 2015

The recommendations outlined in *Building a Pathway to Dignity & Work*, the Commission's poverty elimination strategy released in December 2010, will continue to inform the work of the Poverty Commission and provide guidance to decision makers and advocates committed to advancing solutions for individuals experiencing poverty. But our world is ever-changing. The Commission will therefore continue to weigh in on policy proposals that will positively or negatively impact the state's progress toward the goal of reducing extreme poverty while seeking new ways to address poverty in Illinois. The Commission continues to seek greater opportunities to work with policymakers to seek solutions as it moves forward.

While leaders in Illinois took a handful of positive steps toward addressing extreme poverty this year, Illinois is still experiencing near unprecedented levels of poverty in the wake of the economic downturn. As the state's budget situation continues to erode, it is critical that our leaders do not lose sight of the people who experience poverty every day in Illinois, their hardships, and their needs. By working together to advance policy and budget solutions that help people meet their most basic human needs and move out of poverty, we create stronger communities and a stronger Illinois.

With leadership and collaboration among all of us – those impacted by poverty, community stakeholders, and decision makers—we can take targeted, meaningful action to end poverty.

Commission Membership

Co-chairs:

Samantha Fields—Deputy Chief of Staff, Office of the Governor

Rev. Dr. Sid L. Mohn—President, Heartland Alliance for Human Needs & Human Rights

Elected Officials:

Michael Frerichs—State Senator

Jacqueline Collins—State Senator

Mary Flowers—State Representative

Sandra Pihos—State Representative

Robyn Gabel—State Representative

Public Members:

Michael B. Golden—Co-Founder, One Million Degrees

Jim Hires—Executive Director, Eastern Illinois Food Bank

Catherine Holland—Executive Director, Stone-Hayes Center for Independent Living

Andy Kulczycki—Executive Director, Community Service Center of Northern Champaign County

Eithne McMenamin—Associate Director, City Affairs, Chicago Coalition of the Homeless

Gayle Nelson—Development Consultant and Leadership Coach

Wendy Pollack—Director, Women’s Law & Policy Project, Sargent Shriver National Center on Poverty Law

Al Riddley—Executive Director, Illinois Coalition for Community Services

Daniel Schwick—Assistant to the President/Director, Office of Church and Government Relations, Lutheran Social Services of Illinois

Maria Whelan—President, Illinois Action for Children

Victor Dickson—President, Safer Foundation

Ex-Officio Members:

Stephen Konya III—Illinois Department of Public Health

Tracey Williams—Department of Corrections

Sheila Chalmers-Currin—Office of the Lieutenant Governor, State of Illinois

LaTonya Lumpkin—Illinois Department of Aging

Mike Jones—Illinois Department of Healthcare and Family Services

Hector Villagrana—Illinois Department of Human Rights

Vinni Hall—Illinois State Board of Education

John Egan—Department of Child and Family Services

Layla Suleiman—Illinois Latino Family Commission

Antonio Baxton—Illinois Department of Commerce & Economic Opportunity

Fernando Chavarria—Illinois Department of Economic Security

Michelle Saddler—Illinois Department of Human Services

Michael Holmes—Executive Director, Illinois African-American Family Commission

***Steering Committee members are listed in bold**

Public Hearing and Listening Sessions Testimony

Kankakee Public Hearing: August 8, 2014

Jasmine Martin
Elsa Velazquez
Shirley Byrd
Scarlett Mullikin
Diana Veal
Tomike Talley- Smith
Mike Willis
Vurnice Maloney

Chicago Listening Session: August 27, 2014

Maleka Fairley—Target Area Development Corporation
Adriene Hollins—Community Service Options, Inc.
Syndlve Netterville—NWVU
LeRonn Johnson Sr. —Target Area Development Corporation
JoAnn Johnson
Donald Fairley
Mary Fairley—Target Area Development Corporation
Mary Albert—Community Service Options, Inc.
Brandon Albert—Community Service Options, Inc.
Monica Daily—St. Sabina ERC
Kanoya Ali —Inner City Muslim Action Network (IMAN)
Shamar Hemphill—Inner City Muslim Action Network (IMAN)
Jimi Orange—Children's Home & Aid
Elizabeth Atwater—Children's Home & Aid
Sasha Robey—Children's Home & Aid
Kristen Nuyen—Children's Home & Aid
Aurora Cruz—GAGAC
David Ogunbode—Community Service Options, Inc.
Alden Loury—Better Government Association
Sharon Tillmon—St. Sabina/Catholic Charities
Tiffany Hightower—Community Assistance Programs
Debra Stanford—Target Area Development Corporation
Quintella Rodgers—Children's Home & Aid
Rochelle Crump—DCFS/ Community Veterans
Angela Thomas—St. Sabina Employment Resource Center

Decatur Listening Session: September 4, 2014

Sylvia Walker
Shirley Seals
Mike Crews
Pamela Swinford
Lore Baker

