

The Illinois Budget Landscape for Women and Girls:

Executive Summary

Analysis of Governor Blagojevich's
Proposed Budget for Fiscal Year 2008

Chicago Foundation for Women
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Table of contents

Introduction	3
Economic security	5
Health care	7
Freedom from violence	8
Conclusion	8
Call to action	9

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INTRODUCTION

We at Chicago Foundation for Women and our partners at Voices for Illinois Children know that a budget is more than just an accounting of expenditures. We know that it is actually a moral document. It serves as the blueprint for the state's values because while government officials may talk about programs and initiative, it is the ones they believe in that get funded.

Too often, budget documents which are long and cumbersome are not read carefully by the public. They neither have the time or the working knowledge of how funding breaks down.

So, Chicago Foundation for Women asked Voices for Illinois Children to analyze the state budget in a line-by-line manner to see how women and girls fare when it comes to where the money is actually going in Illinois. Voices for Illinois Children has a track record of being a strong advocate for children and families and analyzing budgets to weigh whether or not public funds are serving them well.

Chicago Foundation for Women has more than 20 years of understanding the issues most important to women and girls: economic security, freedom from violence and access to comprehensive health care and information. So, our analysis (attached) breaks down into those three categories from the various line items in the budget.

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Together we looked at the governor's fiscal year 2008 budget proposal through a gender lens. And in order to take it all in context, we took it a step further, looking at the past three years of appropriated funds as well as this proposal.

We have attended budget presentations from the administration, listened to the critics and read what they have to say. But in the end, if we view a government budget as a moral document—the blueprint for the values of a society and how it spends its money—we relied on the old idea of “follow the money” to see whether or not the state of Illinois puts women and girls as a priority.

And when you look carefully, we found: While there are a few proposals of concern, we think this budget is moving in the right direction. Indeed, since we know that education and health care are crucial to women and girls, we see the current proposal striving to bring up the level of services crucial to women and girls while trying to compensate for deep federal cuts in key programs. For instance, we take it as a great sign that there are increases in energy assistance subsidies from the state at a time when the federal government has proposed cutbacks in the Low Income Home Energy Assistance Program (LIHEAP).

Further, as we look at the past three years of appropriations and this year’s recommendation—we see that women and girls have made substantial progress, particularly when it comes to health and education issues.

We applaud the governor for being a national leader for bringing comprehensive health care to the state—something that will benefit women and girls. The new initiative, Illinois Covered, represents a large leap forward in helping women achieve economic security as well as giving them access to affordable health care. At a time when most companies and governments are backing away from the complex problem of spiraling health care costs, we see Illinois as going far to try to solve this problem. The governor’s proposal recognizes not only the serious problem health care represents for the 1.4 million uninsured adults in Illinois—but also the serious financial squeeze it puts on families who, on paper, seem to have enough income for coverage.

We also believe that education is the doorway to achievement for women and girls. Therefore, the governor’s ongoing efforts to expand education funding—\$69 million more for Preschool for All, as well as an increase in the per-pupil funding for each child and an increase in special education funding—are huge steps that will benefit girls. We also think that his proposal represents a step toward a sea change in the way we fund public schools and is therefore a very positive step.

Illinois is going far to try to solve the problem of health care.

We also have to salute the governor for his boldness and his understanding that in order to do what is necessary—expand health care and education funding—Illinois must have increases in revenue. We believe strongly that a tax structure should be based on fairness and that all community members and sectors should be called upon to pay their fair share. Investing in the state’s future, as well as the future of women and girls, is a sound business investment in the state’s most valuable commodity—its people.

We also are very pleased that the budget is taking into account a “cost-of-doing-business” increase for those people working within the social service industry. It is crucial that as federal money continues to shrink, the state remembers that those people on the frontline providing services need to be respected for the work they do. We know that the Illinois General Assembly has entertained automatically increasing state contracts by three percent each year for those funded by the Department of Human Services in direct services. This cost-of-doing-business adjustment is important especially in the context of federal cuts. We urge passage of this into law.

We believe there is much to praise in what we found in the budget documents. But we also feel it is important to sound a word of caution in a few areas. First and foremost, we are very worried about a national trend: the increase of the number of people living in extreme or severe poverty. Illinois is ranked fifth in the nation for the number of people living in severe poverty, and we know that the group is disproportionately represented by women of color with children.

Further, we are troubled by the state taking \$2.5 million for abstinence-only sex education. We believe that this is throwing money away on curricula that is flawed. And we know that more than half of Illinois sex education teachers are using this strict program, according to the Illinois Campaign for Responsible Sex Education. That means that Illinois students are receiving sex education that is neither accurate nor comprehensive.

No abstinence-only program has demonstrated success in keeping students from engaging in sexual activity. But they have successfully prevented young people from hearing about the proper use of contraceptives, including condoms. This poses a serious public health risk to Illinois youth. This policy must be examined, especially considering the rising teen birth rate Illinois. We strongly urge the state to just say no to abstinence-only money since it goes against a sound public health, educational and medical approach to sex education.

ECONOMIC SECURITY

For women and girls to achieve economic security, they must have jobs that will lift them above the poverty level. If women and girls can get education and training, it is a ticket to economic security. But too often, women are sidetracked from educational opportunities that can ensure economic self-sufficiency as they are trying to get an education while supporting a family. That means they must juggle child care, transportation and school with food, clothes and housing for themselves and their children.

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Education. It is true that the proposal does not bring the per-pupil expenditure up to the level recommended by the Education Funding Advisory Board—but it does increase General State Aid by more than \$808 million, bringing the per-pupil funding level to \$6,020. This is a very important step. We also see increases over the past three years in programs for Special Education, Jobs for Grads and Bilingual Education. And we think the increases in the Early Childhood Block Grant—up \$75 million since fiscal year 2005 with another proposed increase for fiscal year 2008—will mean tens of thousands of at-risk youngsters will receive crucial preschool education. This is important and should be supported.

Child Care Assistance programs. The governor's proposal increases the money for grants this year by \$33 million, a 10 percent increase in the level since fiscal year 2005.

Homelessness. Since fiscal year 2005, there has been more than a 250 percent increase in the funding of the Homelessness Prevention Act and a three percent increase in the Homeless Youth

program. That is moving in the right direction. The total for these two line items in the proposal is almost \$15 million, nearly double what it was in fiscal year 2005.

Workforce development. The state is holding the line here even as the federal government is making cuts.

EITC. Few programs are as effective as the Earned Income Tax Credit in putting money back into the pockets of the working poor. The federal EITC is often called, “The best anti-poverty, the best pro-family, the best job creation measure to come out of Congress.” Illinois has a state EITC to complement the federal program. Both allow low- and moderate-income workers to keep more of what they earn. Illinois EITC is set at only five percent of the federal refund, making Illinois’ EITC the smallest of the 21 states which have this program. EITC credits are paid out of the state’s Income Tax Refund Fund, and the governor’s proposal recommends no increase in the percentage of income tax revenues deposited into this fund for FY 2008.

It is women and children who account for most of those living in severe poverty.

Solution. We join Voices for Illinois Children in their proposal to raise the level incrementally over the next three or four years from five percent to 20 percent of the federal EITC. This would increase the earnings a family can keep from a maximum of about \$220 to \$880—which will make a large difference in the lives of many low-earning families and

particularly benefit women and girls. We also urge the state to increase its effort to reach all qualified families with this program.

TANF. Illinois is ranked fifth in the nation among states for the number of people living in severe poverty, according to an analysis of U.S. Census Bureau data. That means that 681,786 people in Illinois are living on less than \$5,080 a year or, for a family of four, an annual income of \$9,903. And the majority of those are living in the Chicago area—436,270 or almost two-thirds, according to the 2007 Report on Illinois Poverty by the Heartland Alliance.

We know that when it comes to severe poverty, the majority are female-headed households. So, it is women and children who account for most of those living in severe poverty. And African Americans are three times more likely to be living in extreme poverty than non-Hispanic whites, while Hispanics are twice as likely. Clearly it is women of color who disproportionately bare the burden of severe poverty. We also know that welfare, or Temporary Assistance for Needy Families (TANF), may have lowered the number of people on welfare rolls, but it has clearly not solved the problem of poverty.

Therefore, we see as troublesome the decrease in Illinois’ TANF rolls coupled with the lack of increase in the TANF subsidy. Funding for TANF is down this year from last—now more than 10 percent below the fiscal year 2005 level.

We understand that the clock is ticking with a five-year limit for people who receive TANF payments. And we know that there was an increase in the appropriations in fiscal years 2006 and

2007 because of increases in the caseloads. But we also know there has been no increase in the cash grants to those receiving TANF payments since 2002. Therefore, those receiving that assistance are woefully underfunded. In dollars, a family of three received a maximum monthly cash grant of \$237 in 1973. In 2006, that amount was \$396, according to the Sargent Shriver National Center on Poverty Law. Considering inflation over the past thirty years, today's TANF payment is leaving families in need behind. And we know that many of those who are being left behind are single mothers and their children. Even if they also receive the maximum amount of food stamps, that family of three is still living on a monthly amount that is more than 30 percent below the federal poverty level of \$16,600 a year.

Solution. Support House Bill 949, which says that beginning July 1, 2007, the state will increase TANF grants by 15 percent. Since TANF is a federal program, too often people do not realize that the grant levels are set by the state. We urge support and passage of this bill.

Emergency food and shelters. We see that the budget proposals hold appropriations steady this year for both the Emergency Food Program, funded by the state and the federal government, and the Emergency Food and Shelter program, a state-funded item. This represents three years of no change and a drop of more than 5 percent since FY 2005. This is at a time when more families are vulnerable because of federal program cuts. This is a dangerous trend especially in light of the increases in extreme poverty in Illinois. We hope that these programs are boosted during the budget debate. We feel that the state can afford to do no less.

HEALTH CARE

We saw a wealth of good news in this budget proposal when we survey women's health issues overall. And we see a positive trend for women and girls that health care is a right.

Illinois Covered. Illinois can be seen as a leader in the nation by providing health care coverage to all in Illinois. Access to health care does not only mean that women and girls will benefit by receiving care—it also means that they have a better chance at achieving economic security. Spiraling health care costs and lack of insurance are often key factors leading to bankruptcy and debt for too many women. We think this is a thoughtful program that addresses many levels of need—including a very squeezed middle class. We feel that this is an historic opportunity. The status quo is unacceptable. We feel we must vigorously support the administration's efforts to move Illinois into this new health care reality through Illinois Covered.

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Mental health. We applaud the governor's call to make mental health an issue for adults as well as for children by increasing funds. This is an area often overlooked and crucial to the development of healthy girls and boys.

Cancer. There are increases in Breast and Cervical Cancer programs and research. In fiscal 2005, \$9 million was allocated for these two killers. In the current proposal, that level is \$19.6 million.

Infant mortality and pregnancy. The state is making an effort to increase funding for programs to reduce infant mortality and compensate for a lack of federal commitment. So, while both the federal program and the state program have been flat for two fiscal years, there is an increase in the state program in this year's proposal. There is also an increase in funding for the Intensive Prenatal Performance project, which will serve women with the most at-risk pregnancies.

Abstinence-only education programs. As we stated earlier, we believe that education programs only advocating abstinence are not only based in flawed logic but serious threats to the public health of Illinois. We believe the state should forego money that requires abstinence-only programs as it is money down the drain and actually harmful to children and teenagers.

FREEDOM FROM VIOLENCE

Last year, our fears about federal cuts and a lack of coordinated violence prevention led Chicago Foundation for Women to the governor's office to talk about a comprehensive, coordinated look at the cradle-to-grave epidemic of violence against all women and girls.



As a result Chicago Foundation for Women received a \$1.25 million grant from the state last year and another \$750,000 in the current proposal to fund the initiative, "What Will It Take? Building the Safest State for All Women and Girls." We are working across the state to raise awareness about the various forms of abuse women and girls face, including child abuse, sexual assault, domestic violence, human and sexual trafficking, bullying, stalking and elder abuse.

As a result of this work, we know from providers that public attention may create greater demands for services. That is why we are using \$1 million of the state money to fund innovative and collaborative programs to address serious community needs, break down the issues of turf in violence prevention and services, and help us utilize the resources at hand to help the most vulnerable and marginalized women and girls.

We appreciate the governor's ability to listen and respond. But we also hope that the information we will present in September in our "Call to Action" report will help the state realize that funding violence prevention programs is crucial. The report will call for a continued commitment to make Illinois the safest state for all women and girls.

CONCLUSION

Illinois and so many other states are looking at hundreds of millions of dollars in federal budget cuts, hitting key programs such as child care, public housing, Head Start early education and education subsidies—if the President's proposed fiscal year 2008 budget were to go through as approved. On top of that, we have seen drastic rises in the cost of health care.

Add that all together and you have ripped out the path to education, health and economic security for too many women and girls. These needed federal dollars were barely holding up a safety net for many people already facing severe poverty. And the face of poverty is much more likely to be that of a woman. An Illinois woman working full time, year round still makes only 70 cents for each dollar that her male counterpart makes, according to the Heartland Alliance. But for each step along the education ladder that you add, you decrease the likelihood of poverty for a woman.

Illinois must be recognized as a national leader in education and health care.

And if you ensure that a woman and her children have access to health care, you are erasing another huge financial barrier to success. When women and girls also have the ability to live free from violence in the home, the community and the workplace, women have the opportunity to thrive and succeed.

We really believe that this budget proposal works hard to elevate women and girls by making sure that education and health care are priorities. Illinois must be recognized as a national leader in these two areas.

We also know that this budget takes a large step in making sure that the tax system moves toward one where every company and every sector pays its fair share.

For all these reasons and despite a few reservations we have noted, we have to vigorously applaud this budget and the cumulative direction of the state over the last four years.

Attached you will see a more detailed look at line items in the budget that we felt pertained to our three core issues of women's economic security, freedom from violence and access to comprehensive health care and information.

We know that when it comes to looking at a budget—everyone comes with their own idea of what is important. But we also know that for far too long, too few people have examined the budget to see what it says about how we value women and girls. Therefore, we hope that as you look through the next 13 pages, you see the faces of women and girls and the opportunities that these numbers represent to them.

CALL TO ACTION

We ask you to vigorously support:

- Illinois Covered, the state's proposed comprehensive health insurance program.
- Proposed education expansion efforts, including Preschool for All, more special educating funding and an increase in the per-pupil expenditure.



- An increase in the state's Earned Income Tax Credit, not yet proposed by the state.
- An increase in Temporary Assistance to Needy Families grants as outlined in House Bill 949.
- An increase in the Emergency Food and Shelter allotments, which have not increased in years, and are not yet in the state's proposal.
- An automatic annual 3 percent increase in the “cost of doing business” for direct service agencies in Illinois.
- A cut of all funds tied to abstinence-only sex education, which shortchanges young people and actually endangers their health.
- The First Offender Probation Act, Senate Bill 75, which would give first-time prostitution offenders a chance to leave the sex trade and offer them rehabilitation instead of jail time.

