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Illinois Kids Count 2010 Report: 20 Percent of Young Children Living Below Poverty Level

*Report Expects Devastating Long-Term Impact of Recession on Children & Families,
Underscores Importance of Strong Policy Investments*

CHICAGO – The first comprehensive study of how the recession is affecting Illinois’ children and families shows that child poverty is increasing and will get worse in years to come – even after the economy improves. The findings in *Illinois Kids Count 2010*, a report released today by Voices for Illinois Children, underscore the need to maintain strong public policy investments to help kids and families through the recession and beyond.

Children represent just one-fourth of Illinois residents but they are more than one-third of the state’s poverty population. Illinois’ child poverty rate hit 17 percent in 2008, and a sharp increase is expected in forthcoming data for 2009 and beyond. In 2007-2008, 10 counties – mostly in southern Illinois – had child poverty rates above 25 percent. Among the state’s 10 largest cities, child poverty was highest in Rockford (34 percent), Chicago (31 percent) and Peoria (27 percent).

“The effects of economic crisis can be devastating to children in the short-term and long-term,” said Kathy Ryg, president of Voices for Illinois Children. “We must act now to help children and families in need. We know that children who grow up in poverty fare worse than their peers, even well into adulthood, in education, work and health.”

The state’s youngest residents are hurt the most, Ryg said. Twenty percent of children age 6 and younger are living below the poverty level in Illinois – the highest poverty rate among any age group. “Poverty hampers the ability of these children to meet important developmental milestones before age 6,” she said. “For example, 90 percent of brain development occurs before age 3.”

The report, “Children and Families in a Time of Economic Crisis,” highlights these major themes:

- *Effects of the recession on child poverty.* In 2008, before the full-scale recession, about 530,000 Illinois children were below the poverty level. Rising unemployment and increased participation in the Food Stamp program indicate that this population will become substantially larger. Based on patterns of past recessions, national child poverty rates are expected to continue rising for several years after the economy begins to recover, reaching 24 percent in 2012, higher than at any time since the early 1960s.
- *Troubling trends even before the recession:* In the decade leading up to the recession, Illinois lost more than 200,000 manufacturing jobs. Between 1999 and 2008, median income for families with children in Illinois failed to keep pace with inflation while the costs of housing, health care and higher education rose. Median family income, adjusted for inflation, declined by 12 percent or more in Bureau, Franklin, Knox, Stephenson and Winnebago counties. Economic disparities among racial-ethnic groups became wider.

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- *Essential role of economic security programs:* For many families, access to income supports is essential for greater economic security. Among major income security programs, the federal Earned Income Tax Credit and the Food Stamp program are most effective in lifting children above the poverty level. In June 2009, 1.5 million Illinois

residents — about half of them children – participated in the Food Stamp program, up 22 percent from two years earlier.

- *Policy gains in jeopardy.* Plummeting state revenue and huge budget shortfalls threaten to undermine a decade of significant progress in key policy areas affecting child well-being, including early childhood programs, health insurance coverage, child care services, mental health services and child welfare.

“We need to continue our investments in programs that can have long-term benefits for children, their families, and the state as a whole,” Ryg said. “Now is not the time to pull back on ensuring that our children have the basic education and health care they need to develop their full potential.”

The national recession has meant reduced revenues for states across the country. The fiscal crisis in Illinois has resulted in budget cuts in many critical programs and long delays in payments to service providers, causing even more harm to children and families. Returning to fiscal stability and securing future prosperity for the state will require generating adequate revenue.

Kids Count presents data on a wide range of social, economic, and policy indicators related to child and family well-being, including employment and earnings, income and poverty, economic security programs, housing, health and education. The report also includes essays by policy experts, advocates and community leaders, who provide a broader context for understanding the major findings.

Illinois Kids Count is a project of Voices for Illinois Children and is part of a nationwide network of state-level projects supported by the Annie E. Casey Foundation. The data book is widely regarded as the most thorough annual examination of children's lives in the state. It uses the best available data to monitor the educational, social and emotional, economic and physical well-being of Illinois children. The entire report is available at www.voices4kids.org.

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Voices for Illinois Children is a champion for the full development of every child in the state, working with families, communities and policymakers on child-related issues. For more than 20 years, Voices has united community leaders and people who care passionately about children into a statewide network. Voices educates opinion leaders and policymakers about issues facing children and families.