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Illinois Kids Count 2015 Reveals Child Poverty Rates Are Likely to Remain High Even as the Economy Improves

State Budget Cuts Would Weaken Efforts to Expand Opportunities for Children & Families

CHICAGO — Child poverty rates in Illinois remain higher than pre-recession levels and are much higher than in 2000, according to the Illinois Kids Count 2015 report, “Confronting Poverty, Creating Opportunity.”

The new report, released by Voices for Illinois Children, shows that the extent and persistence of child poverty reflect not only the lingering effects of the Great Recession, but longer-term economic trends as well. Child poverty rates are likely to remain high even as unemployment subsides.

The report also identifies policies at both the federal and state levels that have been effective in alleviating and reducing child poverty. Unfortunately, existing efforts at the state level would be seriously weakened by the Governor’s proposed FY 2016 budget, which includes deep cuts in health care, child care assistance, child protection services, and other areas.

“Society as a whole pays the costs of persistent child poverty, but we all benefit when children have access to the building blocks of success,” said Gaylord Gieseke, president of Voices for Illinois Children. “The future prosperity of our state depends on investing in opportunities for all children and families across Illinois.”

Key findings in Illinois Kids Count 2015 include the following:

- In 2013, 21% of Illinois children lived in households with incomes below poverty level (about $18,750 for a family of three), compared with 17% in 2007 and 15% in 2000. The number of children living in poverty increased from 457,000 in 1999 to 634,000 in 2012.

- Child poverty rates are highest for the youngest children (under age 6). Moreover, early childhood poverty can have especially harmful effects on academic achievement, health outcomes, and economic opportunities in adulthood.

- The city of Chicago accounted for 46% of the state’s child poverty population in 1999 but only 33% in 2012. The share in the metropolitan suburbs rose from 22% in 1999 to 33% in 2012. Some of the largest increases in child poverty have been in economically distressed areas outside metropolitan Chicago.

- Children from low-income families (below 185% of poverty level) represent more than half of total enrollment in Illinois public schools. Nationwide data over the past three decades show growing disparities in academic achievement between the poorest and most affluent children.

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Most poor families do not become involved with the child welfare system, but poverty is clearly a risk factor. Substantiated cases of child abuse and neglect have increased more than 25% statewide since 2006. Counties with the highest rates of child abuse and neglect over the past three years tend to be areas with continuously high unemployment rates.

Larry Joseph, Voices’ director of research, noted that there are no “silver bullets” and no simple solutions: “Child poverty is a complex problem that must be confronted with a comprehensive set of policy strategies.” *Illinois Kids Count 2015* identifies some key strategies that should be part of a sustained effort to expand opportunities for children and families.

**Enhance tax credits for low-income working families:** The federal Earned Income Tax Credit (EITC) moved an estimated 130,000 Illinois children above poverty level in 2013. The EITC has had positive long-term effects for children, including better health outcomes and improved reading and math achievement. The Illinois EITC should be increased to 20% of the federal credit (from its current level of 10%), which would make the state EITC a more effective tool for bolstering family economic security.

**Strengthen food assistance:** In 2013, the Supplemental Nutrition Assistance Program (SNAP) moved nearly 70,000 Illinois children above poverty level. Access to food assistance in early childhood is associated with better child health and improved economic outcomes in adulthood. Given the evidence on early childhood development and the effects of poverty on young children, federal policymakers should consider increasing both SNAP and EITC benefits for families with young children.

**Promote healthy families:** We must sustain progress in expanding access to health care for low-income children and families. Medicaid and the Children’s Health Insurance Program (CHIP) have greatly reduced the number of uninsured children, while providing financial protection for families. Expanding coverage for low-income children has been shown to have positive effects on educational attainment and on earnings in adulthood.

**Renew investments in early childhood education:** High-quality preschool programs can produce significant gains in school readiness and academic success, as well as improved economic outcomes in adulthood. State support for preschool has been cut by 25% since FY 2009. In FY 2014, state-funded preschool programs served about 20,000 fewer children than five years earlier.

The Governor’s proposed budget includes a modest increase ($25 million) for the Early Childhood Block Grant, but other state-level strategies to expand opportunities for low-income children and families would be hit by devastating cuts.

- Medical assistance programs would be cut by $1.5 billion. General Revenue Fund resources would be at the lowest level in more than 10 years. Low-income parents and pregnant women would lose dental coverage, with the exception of emergency extractions. This misguided and counter-productive policy was previously enacted by the General Assembly in 2012 but was repealed last year.

- The Child Care Assistance Program, which helps low-income working families to maintain stable employment, would be decimated. New enrollment for school-age children would be eliminated. Family co-payments would increase for the third time in five years.

- High-quality afterschool programs provide educational and other supports that can reduce the negative effects of growing up poor while showing youth a pathway out of poverty. The Governor’s budget would eliminate 99% of all state funding for afterschool programs.
• The budget for the Department of Children and Family Services, which is already struggling to fulfill its mission, would be cut by $148 million. Funding from state resources would be 36% below the FY 2009 level. Budget cuts would include elimination of services for young adults (ages 18-21) who have been in substitute care. Other cuts would substantially reduce agency staff, including child protection workers.

• State funding for public universities would be cut by $388 million (more than 30%). Average undergraduate tuition and mandatory fees for in-state students in Illinois are already the highest in the Midwest.

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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 annual Illinois Kids Count report is widely regarded as the most thorough examination of children’s lives in the state. It uses the best available data to monitor the educational, social-emotional, economic, and physical well-being of Illinois children. The entire report and accompanying information are available at www.voices4kids.org.