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**Contact:** Sarah Fass: (646) 284-9692  
fass@nccp.org

**NEW REPORT FINDS POLICY CHANGES NEEDED TO MAKE WORK PAY IN ILLINOIS  
Organization Commends Illinois for Supporting Workers; Highlights What Remains to Be Done**

NEW YORK, March 29, 2007 – In Illinois, as in other states across the country, even a worker employed full-time does not always earn enough to support a family. A new report from the National Center for Children in Poverty (NCCP) finds that Illinois’ work supports—benefits such as earned income tax credits, health insurance coverage, child care assistance, and food stamps—can help families close the gap between low earnings and basic family expenses. But *Supporting Work in Illinois: The Challenges Ahead* also finds that small increases in family income can trigger sharp reductions in benefits, leaving families no better off—even worse off—than before.

“Illinois’ work supports can make a tremendous difference in the lives of low-income families, but benefit losses should not outweigh earnings increases,” said Dr. Nancy K. Cauthen, NCCP’s Deputy Director and report co-author. “The next policy challenge in Illinois is ensuring that when parents earn more, their families are always better off.”

In Chicago, a single parent with two children needs to earn about \$36,000 a year to afford basic family expenses—that’s more than double the poverty level. In all six localities analyzed in the report, a parent working full-time at poverty-level wages cannot pay for basic necessities without work support benefits.

Eligibility for work support programs is typically based on income, so as earnings rise, families begin to lose eligibility for benefits. In some cases, even a small raise can lead to a substantial benefit loss. As a result, parents can work and earn more with no financial benefit for their families.

- When a family earns too much to keep their child care subsidy, they lose several thousand dollars worth of benefits at once.
- When a family’s total income exceeds 130 percent of the official poverty level, the family loses its entire food stamp benefit.
- When a parent’s earnings *double* from \$8 to \$16 an hour, the family actually loses ground.

“What we see in Illinois, and throughout the country, is that parents can work and earn more with no financial gain for their families,” said Kinsey Alden Dinan, lead author of the report. “Parents should not have to choose between long-term success in the workforce and their family’s immediate financial stability.”

The report concludes that Illinois policymakers have made low-wage workers and their families a priority. Illinois does a better job of supporting work than many other states. The challenge now is ensuring that its policies encourage and reward workforce advancement.

To read the full *Supporting Work in Illinois: The Challenges Ahead*, visit [www.nccp.org](http://www.nccp.org).

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*The National Center for Children in Poverty (NCCP) is the nation’s leading public policy center dedicated to promoting the economic security, health, and well-being of America’s low-income families and children. Part of Columbia University’s Mailman School of Public Health, NCCP uses research to inform policy and practice with the goal of ensuring positive outcomes for the next generation.*