

STATE PROFILE: ILLINOIS



expanding economic opportunity

2009-2010 ASSETS & OPPORTUNITY SCORECARD

ABOUT THE SCORECARD

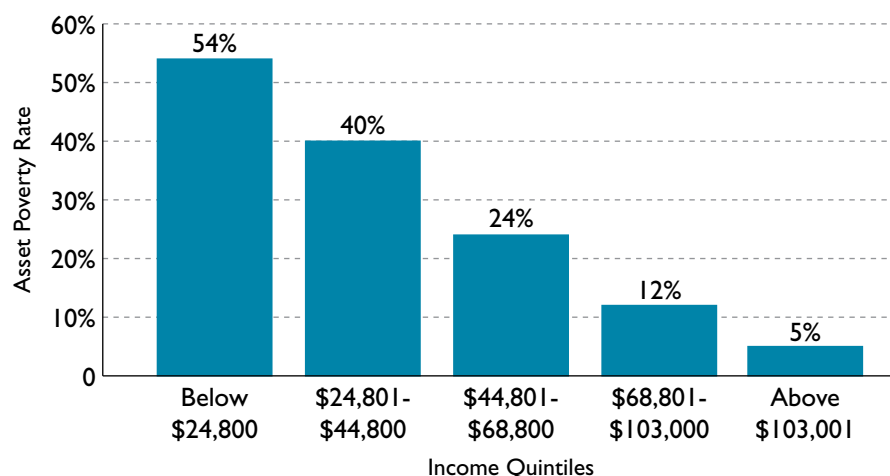
The 2009-2010 Assets & Opportunity Scorecard is a comprehensive look at wealth, poverty and the financial security of families. It assesses the 50 states and the District of Columbia on 92 outcome and policy measures, which describe how well residents are faring and what states can do to help residents build and protect assets. These measures are grouped into six issue areas: Financial Assets & Income, Businesses & Jobs, Housing & Homeownership, Health Care, Education and Community Investment & Accountability Policies. All data is collected from the latest available data sources and compiled by CFED.

Source: Estimations by Beacon Economics based on 2007 ACS and 2004 SIPP, Wave 6.

For a complete description of all 2009-2010 Assets & Opportunity Scorecard measures and sources, including how the grades and ratings were assigned, go to <http://scorecard.cfed.org>.

The data for Illinois reveal marked disparities in asset ownership among its residents, many of whom face significant barriers to economic security. A state's asset poverty rate is one indicator of economic security. A household is asset poor if it lacks the resources to subsist at the poverty level for three months if it loses its source of income. Even middle-income families face asset poverty. In Illinois, 24% of those earning \$44,801-\$68,800 are asset poor.

ASSET POVERTY BY INCOME IN ILLINOIS



WHAT ILLINOIS CAN DO

- **SUPPORT AFFORDABLE HOMEOWNERSHIP:** To address the high housing cost for renters and homeowners, Illinois should provide additional assistance to first-time homeowners, safeguard homebuyers from high cost mortgage products, and encourage the development of affordable rental housing.
- **IMPROVE ACCESS TO HEALTH CARE:** To address disparity in health care coverage across income groups, Illinois should expand public health care coverage for parents and adults without children, and help defray health insurance costs for small businesses and their employees.
- **CURB PREDATORY MORTGAGE LENDING:** To reduce the number of homebuyers with high-cost mortgage loans and to lower the high foreclosure rate, Illinois should strengthen predatory lending and consumer protection statutes.

"Illinois families and communities are struggling. CFED's Scorecard further highlights the need for Illinois to develop policies that help families make ends meet today and build assets for a prosperous future."

– Chris Giangreco, Illinois Asset Building Group

ILLINOIS

OVERALL OUTCOME GRADE: C

The *Scorecard's* 58 outcome measures are ranked best to worst; #1 is the most desirable, #51 is the least desirable. Grades are given on a curve: 10 states get A's, 10 get B's, 16 get C's, 10 get D's and 5 get F's. Grades for each issue area are calculated by averaging the ranks of measures within the issue area. The overall grade is calculated by adding together the average score from each issue area and ranking those scores.

FINANCIAL ASSETS & INCOME

OUTCOME GRADE: B

Are there widespread opportunities for wealth creation and protection, particularly for low-income residents?

OUTCOME MEASURE	RANKING	State Data	U.S. Data
(among the 50 states plus DC)			
Net Worth	20	\$94,399	\$88,803
Net Worth by Race	19	6.8 [^]	6.1 [^]
Net Worth by Income	13	22.7 [^]	44.9 [^]
Net Worth by Gender	2	1.1 [^]	1.2 [^]
Asset Poverty Rate	25	21.8%	22.5%
Asset Poverty by Race	29	2.9 [^]	2.3 [^]
Asset Poverty by Gender	6	1.2 [^]	1.2 [^]
Extreme Asset Poverty Rate	25	14.1%	14.3%
Income Poverty Rate	22	11.4%	12.3%
Unbanked Households	24	23.5%	26.8%
Bankruptcy Rate (per 1,000 people)	39	3.1	2.7
Median Credit Card Debt	28	\$2,911	\$2,960
Median Installment Debt	14	\$14,375	\$14,887

BUSINESSES & JOBS

OUTCOME GRADE: C

Is the opportunity to grow a business or get a job that pays a sufficient wage with benefits available to all those who choose to pursue it?

OUTCOME MEASURE	RANKING	State Data	U.S. Data
(among the 50 states plus DC)			
Small Business Ownership Rate	32	16.9%	17.7%
Private Loans to Small Business	28	\$2,034	\$2,116
Microenterprise Ownership Rate	31	15.6%	16.5%
Women's Business Ownership Rate	22	4.4%	4.4%
Minority Business Ownership Rate	25	3.8%	4.9%
Women Owned Business Value	5	\$164,450	\$144,969
Minority Owned Business Value	22	\$174,678	\$162,824
Employee Ownership (per 1,000 firms)	13	1.7	1.4
Business Creation Rate (per 1,000 workers)	38	8.5	9.6
Employment Growth	47	-1.3%	-0.5%
Annual Unemployment Rate	42	6.5%	5.8%
Low-Wage Jobs	22	20.7%	22.2%
Average Annual Pay	3	\$46,074	\$44,458
Retirement Plan Participation	31	49.1%	47.4%
Employers Offering Health Insurance	24	55.3%	55.8%

[^] This is a ratio of disparity that measures the difference in outcomes between two populations by: race (white and minority), income (high- and low-income groups), or gender (male and female). A ratio of 1 indicates perfect equality; the higher the ratio, the greater the inequality.

HOUSING & HOMEOWNERSHIP**OUTCOME GRADE: D****Is the opportunity to purchase and maintain a home available to all those who choose to pursue it?**

OUTCOME MEASURE	RANKING	State Data	U.S. Data
(among the 50 states plus DC)			
Homeownership Rate	18	67.7%	64.2%
Homeownership by Race	22	1.5 ^	1.5 ^
Homeownership by Income	35	3.1 ^	2.7 ^
Homeownership by Gender	37	1.2 ^	1.2 ^
Foreclosure Rate	44	3.5%	3.0%
High-Cost Mortgage Loans	39	18.7%	17.5%
Mortgage Debt as % of Home Value	21	73.1%	76.9%
Affordability of Homes	26	3.5 #	3.5 #
Housing Cost Burden: Homeowners	36	38.7%	37.5%
Housing Cost Burden: Renters	40	46.6%	45.6%

HEALTH CARE**OUTCOME GRADE: C****Is there broad access to health insurance as protection against income interruption and asset depletion from medical bills?**

OUTCOME MEASURE	RANKING	State Data	U.S. Data
(among the 50 states plus DC)			
Uninsured Rate	23	15.2%	17.2%
Uninsured by Race	29	2.1 ^	2.2 ^
Uninsured by Income	41	4.0 ^	3.6 ^
Uninsured by Gender	34	1.2 ^	1.0 ^
Uninsured Low-Income Children	28	15.3%	18.3%
Uninsured Low-Income Parents	23	32.3%	37.2%
Employees Insured by Employer	16	65.6%	60.9%
Employee Share of Premium	15	23.0%	25.0%
Out-of-Pocket Medical Expenses	12	17.8%	19.0%

EDUCATION**OUTCOME GRADE: B****Do residents have access to the education and training they need to get ahead?**

OUTCOME MEASURE	RANKING	State Data	U.S. Data
(among the 50 states plus DC)			
Head Start Coverage	19	26.2%	20.3%
Math Proficiency: 8th Grade	31	30.8%	31.0%
Reading Proficiency: 8th Grade	29	29.8%	29.2%
High School Degree	31	89.0%	87.6%
Two-Year College Degree	20	61.7%	58.7%
Four-Year College Degree	13	32.7%	29.9%
Four-Year Degree by Race	30	1.6 ^	1.5 ^
Four-Year Degree by Income	23	4.4 ^	5.0 ^
Four-Year Degree by Gender	19	1.0 ^	1.0 ^
Average College Graduate Debt	18	\$18,584	\$20,098
College Graduates with Debt	17	56.3%	59.0%

^ This is a ratio of disparity that measures the difference in outcomes between two populations by: race (white and minority), income (high- and low-income groups), or gender (male and female). A ratio of 1 indicates perfect equality; the higher the ratio, the greater the inequality.

This is a ratio of median home value compared to annual median family income, e.g., a ratio of 4 means housing values are 4 times higher than income.





POLICY RATINGS

The *Scorecard* includes 34 policy measures: 12 priority policies and 22 additional policies. For policy priorities, states are assessed against criteria for what constitutes a strong policy. These policies provide a comprehensive view of what states can do to help residents build and protect assets. Policy priority data are current as of June 30, 2009; additional policy data are drawn from the latest published reports, usually 2007-2008.

-  Very strong policy
-  Strong policy, but some room for improvement
-  Some policy, but much room for improvement
-  Minimal policy in place
-  No policy in place

FINANCIAL ASSETS & INCOME

Policy Priorities

-  State IDA Program Support
-  State Earned Income Tax Credit
-  Lifting Asset Limits in Public Benefit Programs
-  Payday Lending Protections

Additional Policies

State Minimum Wage ... \$8.00/hr; Not indexed to inflation
Income Tax Threshold ... \$13,900
Financial Education in Schools ... Included in curriculum standards; Standards required to be implemented; Required for graduation; Not all criteria met

BUSINESSES & JOBS

Policy Priorities



-  State Microenterprise Support

Additional Policies

Workers' Compensation Coverage ... 98.5% of workers covered
Unemployment Benefit Level ... 33.8% of average weekly wage
Unemployment Benefit Eligibility ... Uses alternative base period; Benefits for compelling family reasons; Not all criteria met
Family Leave Benefits ... No state policy
Incentives for Employee Ownership ... WIA funds support feasibility studies; Direct state assistance; Not all criteria met

HOUSING & HOMEOWNERSHIP

Policy Priorities

-  Predatory Mortgage Lending Protections
-  Housing Trust Fund
-  First-time Homebuyer Assistance

Additional Policies

Affordable Rental Housing Preservation ... 10.8% of LIHTC for preservation
Property Tax Relief ... Circuit breaker only for elderly & disabled; Tax deferral
Foreclosure Protections ... Homeowner access to judicial review; Protects pre-foreclosure rights; Protects against rescue scams; Not all criteria met
Resident Ownership of Manufactured Housing Communities ... No protections for homeowners

HEALTH CARE

Policy Priorities




-  Access to Health Insurance

Additional Policies

Insuring High-Risk Individuals ... Has high risk pool
COBRA Coverage of Small-Business Employees ... COBRA expansion for 24 months

EDUCATION

Policy Priorities

-  Early Childhood Education
-  Access to Quality K-12 Education
-  College Savings Incentives

Additional Policies

Postsecondary Education Financial Aid ... \$804.37 per undergraduate student
State-Funded Head Start ... No state supplement
WIA-Funded Workforce Training ... 57.1% of participants received training
TANF-Funded Workforce Training ... 6.59% of funds spent on training

COMMUNITY INVESTMENT & ACCOUNTABILITY POLICIES

Additional Policies

State Support for CDFIs ... No
Impact Analysis of Tax Law Changes ... Yes, multiple models

Community Investment for State-Chartered Banks ... No
Tax Expenditure Transparency ... Biennial report online; Covers major taxes