

Championing the Well-Being of Illinois' Children www.childrensadvocates.org

Children's Advocates for Change Newsletter

March 31, 2025



Message from the President
Dr. Tasha Green Cruzat

Dear Friends,

Generally, we enter spring with a sense of optimism as we think about the longer and warmer days ahead. However, many Illinois families are entering this spring season with a sense of concern about the days ahead of them.

President Donald Trump has signed an executive order calling for the dismantling of the U.S. Department of Education. As of last week, the Department's Office for Civil Rights, which investigates claims of discrimination against students, had been <u>cut in half</u>. The U.S. Department of Agriculture has cancelled two programs, with a total of more than \$1 billion, that helped schools and food banks buy food from local farms and ranchers.

Yet, those two actions alone represent what could be just the start of a round of deep budget cuts that could impact the health, housing, and food security – just to name a few areas – of our children.

With Congress passing a continuing resolution to keep the federal government running until September 30th, its attention now turns to the new federal fiscal year that begins on October 1st. In February, the U.S. House passed a resolution establishing the framework for future federal budgets. It calls for \$4.5 trillion in tax cuts over the next ten years with \$2 billion in budget cuts. Those cuts include instructions to the House Energy and Commerce Committee to cut \$880 billion over 10 years. That committee oversees Medicaid.

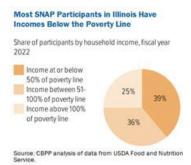
While the White House has <u>stated</u> the President will not cut Medicaid benefits, the administration has also indicated its commitment to eliminate "waste, fraud and abuse". Members of Congress have also indicated their commitment to Medicaid. Yet, the Congressional Budget Office noted in a March 5th memo that outside of Medicaid the rest of the expenditures on programs under the House Energy and Commerce Committee would only total \$581 billion over ten years and that includes the Children's Health Insurance Program. Absent a change in the resolution (and the U.S. Senate and House still need to agree on the same version) that would mean \$299 billion worth of cuts to Medicaid.

All of this could have big implications for Illinois children and their families. According to

the Illinois Department of Healthcare and Family Services, Medicaid covered 3.4 million Illinoisans in the state's Fiscal Year 2024 (FY24). That's more than a quarter of the state's population. Children represent 44% of Illinois Medicaid enrollees. In FY24, there were 1,487,024 children enrolled in Medicaid. Medicaid covers approximately half of all births in Illinois.

The 2010 Affordable Care Act allowed an expansion of Medicaid health insurance coverage to nearly all adults with up to 138% of the federal poverty level. In FY24, that provision alone allowed the state to provide health insurance to 770,000 individuals and brought in more than \$7 billion dollars. (According to the Department, Illinois received more than \$20 billion from the federal government for state Medicaid spending.)

There have been various reports of how Congress might change Medicaid but when it comes to the bottom line Governor J.B. Pritzker has <u>stated</u>, "We cannot make up for billions of dollars of Medicaid that might be taken away from the state of Illinois".



Other human service cuts could add to state budget woes. The U.S. House Budget Resolution also calls for the House Agriculture Committee to cut programs in its jurisdiction by at least \$230 billion. That committee oversees the Supplemental Nutrition Assistance Program (SNAP).

According to the <u>Center on Budget and Policy Priorities</u>, SNAP provided food assistance to 15% of the state's

population with more than 60% of SNAP participants in families with children.

One budget proposal is to have states pick up a share of the SNAP costs. The Center <u>estimates</u> a requirement for states to pick up 5% of the SNAP costs could cost Illinois more than \$2 billion over nine years.

All of this comes at a time when Illinois faces its own budget difficulties, which are detailed below. Deep cuts in federal funding received by Illinois would be difficult to replace and potentially put in jeopardy current programs serving Illinois youth.

I encourage you to let members of Congress know the impact of potential cuts in Medicaid, SNAP, housing supports, and other human services. Yes, there may be areas of waste that we need to curtail. However, we can't eliminate wholesale investments in our children. A recent <u>policy brief</u> by the organization First Focus on Children noted the impact of these investments: Children who grow up healthy, well-fed, and financially secure are more likely to stay in school, enter the workforce, and contribute meaningfully to society.

Children's Advocates for Change remains committed to investing in all our children to see that they all thrive. We will continue to present the data and tell the stories of Illinois families to see that no need goes unmet. I encourage you to join us. This is a fight we all need to be engaged in.

The Proposed Fiscal Year 2026 Illinois State Budget

As noted above, the current federal activity is occurring at a time when Illinois again faces difficult fiscal times and an uncertain economy. Last November, the Governor's Office of Management and Budget projected a potential budget deficit of more than \$3 billion. The \$55.2 billion budget proposed by Governor J.B. Pritzker in February is balanced and increases investments in K-12 public schools and higher education along with making a full pension contribution for the year.

Yet, the budget also holds the line on appropriations to the state's Early Childhood Block Grant Program (which funds pre-school programs across the state), cuts funding for a health care program serving undocumented residents ages 42-64 (estimated to save the state \$300 million), and trims funding in other areas. It is also balanced in part by restructuring state gaming taxes, pausing a shift of state sales tax revenue from motor fuel purchases to the state's Road Fund, and offering a delinquent tax payment program where taxpayers with an outstanding tax payment from prior years can make the payment without penalty or interest. These revenue measures, which the legislature would need to approve, are estimated to bring in \$468 million to the state.

The Commission on Government Forecasting and Accountability (a body whose responsibilities include providing the General Assembly with revenue projections) believes the estimated revenue for the next fiscal year could be off by more than \$730 million (if the legislature enacted the revenue measures noted above) due to economic uncertainty with the imposition of new federal tariffs on goods imported to the U.S. and subsequent retaliatory tariffs imposed on U.S. goods by other countries.

CAFC staff has reviewed the Governor's proposed budget and you can read our blog post here.



Take the Credit!

There is some good news this tax season. Last year, CAFC helped lead the effort towards state enactment of a new refundable Illinois Child Tax Credit. The credit is available to taxpayers eligible for the state Earned Income Tax Credit (EITC), which is 20% of the federal EITC, that have at least one child younger than age 12

in the household.

We've posted more information from the Illinois Department of Revenue on our <u>website</u>. The credit could be worth more than \$300 for qualifying taxpayers.

Tax Talk

As you can see from this newsletter, how we structure our federal and state taxes matters. Earlier this year, CAFC President Dr. Tasha Green Cruzat joined Constance Harper (Vice President of Policy, Advocacy, & Strategic Initiatives at the Deaconess Foundation) in a presentation to Grantmakers in Health regarding the intersection of tax policy, health, and family well-being.



CAFC and Deaconess have worked together on advocacy measures in the Metro East area designed to improve the well-being of area children and families. Grantmakers in Health is a non-profit organization with the goal of helping foundations and corporate-giving programs improve the health of all people.

Child Tax Credits, Earned Income Tax Credits, and a variety of other measures, both on the state and federal levels, can make a significant difference to households struggling to pay the rent and afford basic necessities. We look forward to working with state and national organizations in funding our advocacy work for a better tax system that benefits all Illinois children and families.

Women's History Month and Our Founders

As we close out Women's History Month, we take a moment to thank and honor the incredible women who founded Children's Advocates for Change: Dr. Patricia Jones Blessman, current CAFC President Dr. Tasha Green Cruzat, Christa Markgraff, and Dr. Gwendolyn Oglesby-Odom. Their dedication and vision continue to inspire us every day!



We also want to acknowledge the recent recognition received by Dr. Jones Blessman and her husband Steve for their work with the non-profit <u>A Boy and His Dream</u> that supports underserved youth. The organization presented its Beacon of Hope Award to Dr. Jones Blessman and her husband at its February Starlit Gala event. Dr. Green Cruzat co-hosted the event along with Samantha Chapman (weekend morning anchor for ABC7 Chicago).

Join our Cause

While foundations provide an important level of support to CAFC, the real driver of our work is you. Individual contributions are key to our advocacy, and we ask you to support CAFC in these turbulent times.

Even before the current round of federal activity, there was a need to do more for Illinois children. There are too many barriers and inequities in our communities that prevent every child from thriving.

In September, the U.S. Census Bureau released its 2023 one-year data sets under the American Community Survey. Of the number for whom the Bureau was able to determine poverty status, it categorized 14.7% of Illinois children (or 389,823) as being in poverty. That works out to 388,185 children.

Furthermore, there are still wide disparities in the Illinois child poverty rates by race and ethnicity for 2023. The poverty rate for white/non-Hispanic or Latino children was 8.6%. However, the rate was 19.3% for Hispanic or Latino children and 29.5% for Black children.

Our children deserve better, and we can do better. We need to ensure that every Illinois child has adequate economic support to be food secure and in stable housing. We need to ensure that every Illinois child has access to quality health care and a quality education. In good and bad economic times, these items need to form the baseline of budgeting efforts at the local, state, and federal levels.

To achieve this goal, we need to keep the pressure on our elected officials. Every contribution is key to that effort. Please join us in the fight for our children. Donate today to Children's Advocates for Change by going to our website https://childrensadvocates.org/donate/. CAFC does not take government funding, and its advocacy efforts begin with an examination of the data on the well-being of children. The importance of having an independent advocacy organization that starts with the question of "How are our children doing?" cannot be understated.

Your donation is an investment in our children today and our communities now and in the future. Donate today and help every child thrive.

