As POWER-PAC Illinois Stepping Out of Poverty (STOP) Campaign parent leaders, we teamed up with Loyola University’s Center for Urban Research and Learning to conduct participatory research, parent-to-parent, to find out what is financially holding us back. Through our research and experiences, we discovered that:

DEBT is getting in the way of us supporting our families. We are trapped in the debt spiral!

Today, we call on the City of Chicago to take action and to help low-income families and families of color not get stuck in debt by committing to create a CHICAGO FINANCIAL JUSTICE INITIATIVE! (similar to the one in the San Francisco Office of the Treasurer).

The Chicago Financial Justice Initiative would be tasked with:

1) Conducting a Financial Scan / ASSESSMENT OF ALL FEES AND FINES assigned to city residents to determine how they are disparately impacting our city’s low-income residents, immigrant residents, and residents of color.

2) Then, CHANGE THE POLICIES which are determined to have a DISPARATE IMPACT.

Immediately, we call on the City of Chicago to:
- Change policies so that residents with municipal fees owed, like unpaid parking tickets, are able to secure jobs and business licenses with the city.

- Make repayment plans more accessible to low-income people and hold parking ticket amnesties that allow residents to have late fines and fees erased and/or get on low-cost repayment plans.

- Implement a process to waive the city debt for domestic violence survivors whose partners have contributed to the city debt.
OTHER STATEWIDE STOP DEBT RECOMMENDATIONS FROM OUR REPORT

Fees and Fines Keep Us Trapped:

- Implement a Financial Justice Scan at all levels of government in Illinois to ensure that public fees and fines do NOT have a disparate impact on our state’s low-income residents and residents of color.
- Legislate governments, including the court systems, so that they cannot impose unwieldy fees or debt collection procedures in order to fund their budgets on the backs of families least able to pay.
- Limit Driver License suspensions to actual traffic violations only.
- Protect savings from debt collection, particularly college and retirement savings accounts.
- Strengthen laws prohibiting the use of credit reports/scores in hiring.
- Nationally, fortify the deferral Consumer Financial Protection Bureau and closely regulate all predatory lending.

Utility Debt Keeps Us in the Cold:

- Implement Lifeline Rates for utility costs, based on a family’s actual income, so that they’re charged electric and gas rates based on their ability to pay.
- Spread the word about available debt reduction, utility assistance and shut-off prevention programs for low-income consumers.
- Regulate scam artists and predatory companies that run rampant in this market.
- Implement Community Solar in Illinois with low-income families at the table and ensure that cost savings go to families that most need them.

Medical Debt Weighs Our Families Down:

- Expand Illinois’ Charity Care and ensure that patients at nonprofit hospitals and medical centers are told of their rights to financial assistance and how to access it.
- Ensure that access to the program is available in Spanish, family-friendly, transparent, and unimposing.
- Expand other free and low cost options for the uninsured and undocumented.
- Nationally, maintain the Affordable Care Act and fund CHIP (the federal Children’s Health Insurance Program).