

## **PRESS RELEASE**

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### **African-American and Latina Mothers and Grandmothers Release Report Showing How Debt Policies Lock Families in Poverty**

#### **Families forced to make impossible choices every day: Food or Heat? Rent or Car Payment? Diapers or Medicine?**

**Illinois Attorney General Lisa Madigan, Chicago Foundation for Women President/CEO  
K. Sujata, Alderman Toni Foulkes and local mothers discuss solutions to debt policies**

(Chicago, IL) Debt emerges as a massive component in keeping families trapped in a downward spiral. Local African American and Latina mothers and grandmothers, members of the statewide organizing group POWER-PAC Illinois shared the results of their parent-to-parent surveys to reveal what poverty means for very low-income families. They are asking local and state policymakers to create policies that lessen exorbitant fees, fines and debts that threaten the economic security for families already struggling to make ends meet.

In the report "*Stopping the Debt Spiral*" local mothers and grandmothers shared personal stories of how they become indebted by predatory systems that take advantage of people living on a low-income. Extra fees and fines on top of already dismal times leave women like Cornelia Simms with uncertain financial futures.

*"The fees and fines add up so quickly. We do our best to pay them off, but these extra costs make me feel like our financial future is very unstable. It is so much stress," said Simms.*

For mothers like Rosalva Nava, punitive hiring practices make efforts to get a job even more challenging.

"I was offered jobs at my children's school, to be a clerk and a recess monitor," said Nava. "But when they did the application, they said 'You have a bill with the city; you can't work.' For Rosalva, she says that 'Asking individuals who are living on a fixed or low income to make payments greater than their monthly earnings is unreasonable. That is how we become plagued

with unpaid debts, and then when opportunities arise to work with the city and earn critical extra income, we are denied.”

Alderman Toni Foulkes (Ward 16), a strong supporter of POWER PAC’s efforts to reform the City’s hiring practices, spoke to her experience working on the City’s hiring systems with local parents.

“When these mothers and grandmothers came to me, I remember thinking, ‘Well, you need to avoid getting parking tickets in the first place,’” said Alderman Foulkes. “But then they started sharing their stories. Hearing about what they’re going through really made me think about this issue in a different way. Now I’m really dedicated to working with these women to make sure the City’s hiring system is fair!”

As our country’s leaders demonstrate a disdain for poor families with policies making it more difficult for low-income and immigrant families to get ahead, POWER-PAC Illinois parent leaders are taking action to tackle the growing and ever-widening racial and gender wealth gaps, which leave women of color with far less income and net assets than their white counterparts. They are asking local and state governments to NOT fund their budgets on the backs of families least able to pay.

POWER-PAC parent leaders partnered with Chicago Foundation for Women and the Center for Urban Research and Learning (CURL) at Loyola University of Chicago on the participatory research on debt. Policy and research partners include: the Citizens Utility Board, the Heartland Alliance, the Illinois Asset Building Group (IABG), the offices of the Illinois Attorney General and State Treasurer, Shriver Center on Poverty Law, the Woodstock Institute and Closing the Women’s Wealth Gap national network, among many others.

Chicago Foundation for Women funds research to advance solutions to the most pressing challenges facing women and girls, Chicago Foundation for Women President/CEO K. Sujata said. “We are especially proud to support COFI’s work, which is a national model for community-led research and organizing. COFI recognizes that women are experts on their own lives, and the STOP Debt Report goes directly to the experts to help us better understand the issues facing women and their families, and where to direct our resources as funders.”

POWER-PAC Illinois, *Parents Organized to Win, Educate and Renew – Policy Action Council*, is a cross-cultural, statewide membership organization of low-income parents. POWER-PAC Illinois’ mission is to build a strong voice for low-income, immigrant, and working families by uniting parents across race and community around issues of importance to families. POWER-PAC Illinois is a project of Community Organizing and Family Issues (COFI), which provides staff support.

“*Stopping the Debt Spiral*” and more information are available online at [www.cofionline.org](http://www.cofionline.org).

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