

Cash Assistance for Illinois Residents Who are Not Eligible for Federal Stimulus Relief

It is irrefutable that financial assistance is necessary for families who have little or no income in order to meet basic needs. As the COVID-19 crisis continues to debilitate the job market, with over 1,200,000 people filing unemployment claims in Illinois from March to May alone- the need for financial assistance has exponentially increased.¹ While it is evident that vulnerable communities are negatively affected by this pandemic, the undocumented community has been disproportionately burdened. This burden is in large part due to the failure of the federal government to include this vital portion of the population in their multiple response packages, despite acknowledging their necessity in the current essential workforce. For this reason, this policy recommendation asks state government to intervene and take action to protect its undocumented residents through the distribution of emergency cash assistance.

The exclusion of undocumented people is a particularly harsh blow considering the substantial financial contribution undocumented workers provide the state. For example, in 2017, undocumented workers contributed roughly \$760 million in state and local taxes to Illinois. In the private sector, the undocumented population provide 3% of the country's annual GDP.² Yet, most are forced to live paycheck-to-paycheck without safety nets, because they earn an estimated 20%-40% less than native-born workers and do not qualify for public benefits.³

Approximately \$706 million of federal relief was deprived from Illinois residents, given there are roughly 440,000 undocumented individuals and 244,000 U.S Citizen and legal permanent resident children and spouses in Illinois that did not receive a federal stimulus check.⁴ These are households in which most individuals also do not qualify for unemployment benefits, and therefore did not receive the additional \$600/ week. In Illinois, In order to ensure a stable economic and social COVID-19 recovery, the state must guarantee the economic well-being of all its residents. Emergency cash assistance to the state's undocumented residents will restore consumer confidence and trust in governance. Most importantly, it will save lives, as individuals would not feel a pressing need to seek supplemental forms of employment during the pandemic, putting their lives and others at risk.

We recommend that the State provide direct emergency cash assistance to undocumented and mixed-status families who were left out of the federal stimulus aid through partnership with Community-Based Organizations, in order to ensure access for the undocumented community.

¹IDES, "Unemployment Insurance (UI) Program Data"
https://www2.illinois.gov/ides/lmi/Pages/Unemployment_Insurance_Program_Data.aspx


² <https://www.nber.org/papers/w22834.pdf>

³ <https://www.nber.org/papers/w23236.pdf>

⁴ Chart, Appendix A

Appendix A

MPI Chart below demonstrates a conservative estimate of the amount of federal stimulus relief funds, deprived from Illinois families that include at least one undocumented member.

						
Mixed-Status Families: Unauthorized Immigrants and Their Family Members Ineligible for Federal Pandemic Stimulus Checks under the CARES Act						
Ineligible U.S.-Citizen and Green Card-Holding Family Members						
	Population Ineligible for Stimulus	Ineligible Unauthorized Immigrants*	Children	Spouses	Subtotal (Children and Spouses)	
United States	15,392,000	9,901,000	3,744,000	1,746,000	5,491,000	
Illinois	684,000	440,000	164,000	80,000	244,000	

Source: MPI (2020), “Mixed-Status Families: Unauthorized Immigrants and Their Family Members Ineligible for Federal Pandemic Stimulus Checks under the CARES Act”,

<https://docs.google.com/spreadsheets/d/1eBGi2C4ZEio1RkageNQmOGmAldFRXDly/edit#gid=2100680809>