Disability is a natural part of the human experience. The Americans with Disabilities Act (ADA) defines disability as a physical or mental impairment that substantially limits one or more major life activities. Disabilities can be visible, invisible, and acquired. 

1 in 10 people in the Chicago region have a disability.

The Racial Wealth Gap Defined

In the Chicago region, there are over 400,000 people of color with disabilities. Wealth is defined as assets plus income minus debts. Nationally, white household wealth is 10x that of Black households and 8x that of Latinx households.

Segregation, discrimination, and long-term disinvestment in communities of color have created a growing racial wealth gap – particularly for people with disabilities.

Poverty Rate by Disability Status and Race

Source: American Community Survey, 2015
Barriers to Wealth Building

The Ability to Save
Living in poverty makes wealth accumulation all but impossible. When households live paycheck-to-paycheck, they do not have the opportunity to save for a down-payment on a home or build their personal savings - two of the most common mechanisms for wealth building. While 8,000,000 people with disabilities nationally are eligible for tax-advantaged savings accounts under the ABLE (Achieving a Better Life Experience) program created in 2016, only 40,000 have signed up. A major reason is the fear that savings will prevent individuals with disabilities from accessing benefits.

Finding Affordable and Accessible Housing
Although homeownership is the primary vehicle for wealth accumulation in American households, it is not always a viable option for many people with disabilities. Around 70% of accessible housing stock in Chicago is located in majority white neighborhoods with higher-than-average rent and property values.

Independent Living and Productivity
In Illinois, many people with disabilities require home care services provided by the state in order to live independently. For example, a person with disabilities may require a personal care assistant to get ready to go to work. However, the non-exempt asset threshold to qualify for these services is extremely low — $10,000 for an individual over 18. This threshold means that working and saving to build assets can mean losing the very benefits that make work possible.

Access to Bank Services
Being banked is critical for a household’s ability to build wealth, build good credit, and have access to affordable loan options. People with disabilities are disproportionately under-banked and unbanked — people of color with disabilities are more severely impacted.

Underbanked and unbanked
Rates of under-banked and unbanked status for people with disabilities is 48% compared to 20% for people without disabilities. For Black people with disabilities, that rate climbs to 67%, compared to 40% for white people with disabilities.

Your Next Step: Inform and Act.
If we are going to close the racial wealth gap, we can and must provide pathways for wealth building for people with disabilities, especially those of color. A prosperous region is an inclusive region.

To learn more, go to www.disabilitiesfund.org.