2024 Public Policy Roadmap:

Creating Pathways to Financial Stability & Equitable Communities
A Foreword From Our President

United Way of Pennsylvania recognizes that many individuals throughout Pennsylvania go to work every day and still struggle to provide basic necessities for themselves and their families. Referred to as Asset Limited, Income Constrained, Employed (ALICE), these households often have no savings safety net and are living paycheck-to-paycheck. In Pennsylvania, ALICE represents 1.4 million (27%) households struggling to afford the basic necessities of housing, child care, food, transportation, health care, and a basic smartphone plan. Despite facing these financial challenges, ALICE often does not qualify for public assistance and is one emergency away from financial disaster.

ALICE is in every Pennsylvania community, working in essential jobs across a variety of sectors including child care, home healthcare, retail, restaurant/hospitality, and more. When combined with Pennsylvania households who live in poverty, over 2 million families are living below the ALICE Threshold, which is a staggering 39% of Pennsylvania’s population. Friends, family members, co-workers, and neighbors are faced with a variety of financial challenges that some of us may take for granted.

United Ways are committed to breaking down the barriers to financial stability that many ALICE families face. We utilize the ALICE Survival Threshold as a roadmap to support our Pennsylvania communities. For a full description of the ALICE Project, visit http://www.uwp.org/alice.

United Ways are in a unique position to develop meaningful and lasting cross-sector solutions to the challenges facing ALICE in our communities. Through the generosity of donors, United Ways are able to reduce the burdens ALICE encounters on a daily basis and collaborate through various partnerships to help ALICE move along their journey to financial stability.

On behalf of United Way of Pennsylvania’s 43 member United Ways, and one United Fund, and our Board of Directors, I am pleased to share with you United Way of Pennsylvania’s 2024 Public Policy Roadmap.

Sincerely,

Kristen Rotz
President, United Way of Pennsylvania
PA 211: Measuring Need, Connecting Volunteers, & Assisting People in Need

Available 24/7/365, PA 211 is a one-stop connection for all Pennsylvanians, regardless of income, to receive information and referral for a multitude of health and human services needs. Every day, PA 211 provides ALICE with resources to help navigate barriers, such as food insecurity and high utility bills. From January 1, 2023, to December 31, 2023, PA 211 received **over 1.2 million** combined calls, texts, chats, and web sessions for a variety of supports and services. Additionally, PA 211 possesses the most comprehensive database in the Commonwealth, containing approximately 35,000 services, available through guided web search, phone, and text, allowing ALICE to better connect with the services they need when it is convenient for their schedule.

**UWP Supports:**

- Increased investment of state funds to continue a public-private partnership, strengthen PA 211, and ensure a consistent experience for every user in the state.
- Exploring ways to increase the efficiency of state and local governments by contracting to provide services currently offered through government-operated information phone hotlines.
- Leveraging PA 211’s community data to help Pennsylvania address social determinants of health and build resource coordination platforms.
- Providing data for workforce development and health and human service planning at the state and local level.
- Partnering with state agencies including the Departments of Aging, Community and Economic Development, Education, Health, Human Services, Labor and Industry, and the Pennsylvania Emergency Management Agency to save taxpayer dollars by connecting Pennsylvanians to the right services.
Rising inflation and stagnant wage growth further strain the budgets of ALICE households. The 2023 ALICE Report reveals that two out of five Pennsylvania households are struggling to make ends meet- a figure that is likely to rise with an impending economic downturn.

Accordingly, the United Way of Pennsylvania supports the expansion of the Earned Income Tax Credit (EITC) at the federal level and the creation of a refundable EITC at the state level to benefit Pennsylvania households.

For many households, refunds provide much needed return to help move towards financial stability. The ALICE Household Survival Budget indicates that families mostly use the EITC to pay for necessities such as, home repairs, vehicle maintenance, and in some cases, to obtain additional education or training to boost their employability and earning power.

United Way of Pennsylvania supports a state Earned Income Tax Credit at 25% of the federal credit that would provide an average benefit of $594. For a 25% credit, the likely benefits amount to at least $1.2 billion per year. For every $1 spent on a 25% EITC, Pennsylvania will see $1 back in economic growth and $2 back in social spending. A lower benefit of 10% yields higher investment returns, $4 in economic growth and saves $3 dollars in social spending, however, benefits drastically decrease for eligible recipients.

UWP Supports:

- Enactment of a State Earned Income Tax Credit of at least 25% of the federal tax credit.
- Expansion and enhancement of the federal EITC to further support working families and reduce poverty.
Creating Paths to Opportunity for Greater Financial Stability: Strengthening Pennsylvania's Workforce

The transition from poverty to ALICE, and ALICE to financial stability includes a variety of challenges including affording household essentials and benefits cliffs. Benefit cliffs refer to instances when benefit programs do not gradually phase out, and instead end abruptly once an income threshold is crossed. Benefit cliffs often force low to moderate income households to make decisions such as not taking pay raises, not working more hours and not advancing their careers. Oftentimes, wage increases do not fill the gaps created by the loss of benefits, leaving these working households in need of resources to smooth their transition off of subsidy programs and to financial stability.

For parents to be dependable workers, they need access to reliable, affordable, high-quality child care. Unfortunately, child care staff is paid less than $12.50 per hour, despite the role they play in the early development of our children. As a result, many are leaving the sector for higher-paying, lower-stress jobs. This is causing classrooms to close, leaving parents without viable child care options, which is forcing them to leave the workforce.

Unfortunately, the child care sector’s business model is challenging due to the limitations based on subsidy eligibility by the Commonwealth despite a broader eligibility window under Federal law. In addition, Pennsylvania provides a lower-than-suggested subsidy reimbursement to child care providers, which drives the cost for self-pay families up. This then impacts market rate studies, which drive subsidy payments, creating a constant cycle of unaffordability. With Pennsylvania’s population growing older, we need to ensure we have systems in place to create a vibrant and thriving workforce.

UWP Supports:

- Permanently increasing child care subsidy eligibility up to 85% of the Statewide Median Income or 300% of the Federal Poverty Level dependent on household size.
- Investments in new programs that help reduce the cost of child care for households transitioning off of subsidies.
- Policies that support recruitment and retention of child care staff.
- Increasing subsidy reimbursement rates to at least 75% of the market rate.
Investing in the Jobs of Tomorrow: High Quality Early Childhood Education and Out of School Activities

United Way’s goals include increasing school readiness, ensuring that children read at grade level by third grade, successful completion of middle school, and increasing high school graduation rates. Local United Ways advance these goals by funding high quality early education slots, summer learning programs, truancy prevention, and after school programs. United Way of PA supports policies which increase access to quality and affordable early learning and out of school time activities to ensure that parents can return to work and support the economy. Both are essential to maintaining our workforce developing a qualified workforce for Pennsylvania’s future.

UWP Supports:

- Consistent access to high quality and affordable early learning for all children through increased funding for Pre-K and Head Start programs with investments targeted to at-risk kids.
- Increased funding for Child Care Services to continue to provide reliable, high quality and affordable child care.
- Workforce development initiatives that include opportunities for child care workers, both in Pre-K and high-quality child care settings to further their training and career.
- Increased state and federal funding for the Child Care Development Block Grant to support the healthy development and school readiness needs of children.
- Creation of a forum for out of school time program funders, providers, schools, and policy makers to identify stable sources of funding, evaluate quality program standards, and foster partnerships.
- Aligning out of school activities with Pennsylvania’s projected work force needs to prepare Pennsylvania’s children for high-demand, family sustaining jobs.
Uplifting ALICE: A Continued Commitment to Financial Stability

In addition to the aforementioned public policy priorities, United Way of Pennsylvania participates in a variety of coalitions with the focus of seeking to alleviate barriers that impact ALICE. Our goal is to ensure ALICE is given fair consideration and voice in policy discussions. These issues are outlined as follows.

Housing Stability

Housing instability remains a major concern for many Pennsylvanians, including the ALICE population, as rental prices and mortgage rates continue to rise. United Way and PA 211 continue to connect families with services and information to help with housing and utilities, which continue to be the most requested resource. To begin to properly address housing insecurity in the Commonwealth, PA 211 must be adequately funded to support increased demands.

UWP Supports:

- Improving Pennsylvania’s housing infrastructure and affordable housing options in rural and urban areas for median and low-income individuals and families, veterans, seniors and the disabled.
- Reducing the housing and utility burden of families by supporting local solutions driven by the needs of Pennsylvania’s geographically diverse communities.
Digital Equity

Access to high-speed broadband and digital technology is not a luxury, rather it is a necessity. Many ALICE households struggle to afford and utilize Internet and phone access in a world that increasingly relies on technology for education work, healthcare, and support.

**UWP Supports:**

- Continued investment and education in broadband and digital technology to build out broadband infrastructure that prioritizes Pennsylvania’s unserved and under-served communities.
- Digital literacy and education that emphasizes the proper and effective use of digital technology for personal enrichment.

Affordable and Accessible Transportation

United Way of Pennsylvania is committed to breaking down workforce barriers, such as lack of accessible and affordable transportation. In many communities across Pennsylvania, it is nearly impossible to maintain a job without having reliable transportation. Lack of accessible and affordable transportation options causes ALICE families to miss work or be unable to find work that is easily accessible.

**UWP Supports:**

- Policies, programs, and infrastructure investments that break down transportation barriers for low-income individuals and families.

Food Insecurity and Nutrition Programs

United Ways work with many community organizations and programs to solve food insecurity, but we must strengthen our investments in essential food programs, such as Supplemental Nutrition Assistance Program (SNAP), the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) to ensure that every Pennsylvanian has access to food.

**UWP Supports:**

- Protecting, strengthening, and increasing access to SNAP and WIC and enhancing benefits to keep up with rising costs.
Health Care for All

United Way of Pennsylvania commits to advocating for policies and funding that encourage and assist the wellbeing of families and children. Pennsylvanians at every stage of life must have access to healthcare coverage that is affordable and adequate. Inequities in the social determinants of health, such as poverty, living below the ALICE Threshold, and healthcare access continue to negatively impact vulnerable communities.

UWP Supports:

- Ensuring all children have access to health care by building on the success of Medicaid and CHIP. United Way supports increased funding for Medicaid and CHIP and targeted investments for at risk families.
- Promoting efforts to identify, improve, and maximize good health for children and families by advocating for nutritional opportunities, decreasing lead exposure in children, and increasing maternal health access for expecting and new parents.
- Expansion of evidence-based home visiting financing and strategies. Home visiting programs are shown to promote child development and school readiness; improve maternal and child health; reduce child abuse and neglect; and support economic self-sufficiency.
- Expanding access to vital and affordable health care programs including Medicaid and CHIP which provide all essential health benefits such as behavioral health services.
- Implementing trauma informed practices and care that promote reducing risk factors and increasing protective factors for youth and families to break cycles of family and community trauma.
United Ways are committed to strategies that remove barriers to work and help Pennsylvanians access family-sustaining incomes. ALICE households are essential to the Pennsylvania economy, and business cannot grow without a stable workforce. While there are ALICE workers in all sectors, 15 out of the top 20 occupations had wages Below the ALICE Threshold in Pennsylvania in 2021. Those jobs included personal care aide, cook, wait staff, fast food and counter worker, nursing assistant, child care and cashier.

UWP Supports:

- Job training and career development, and workforce retention policies such as Employer Resource Networks (ERN).
- Workforce development initiatives that help more of Pennsylvania’s population achieve jobs that provide family-sustaining wages and lift them to a level of financial sustainability.
- Investing in workforce development, job training and skill-building to ensure workers have skills necessary to access and succeed in good jobs that businesses need filled.
- Amendments to state law which protect Pennsylvania’s service recipients and service providers by ensuring that federal dollars allocated to the Commonwealth, and state dollars for essential services that directly impact the health and safety of Pennsylvanians, continue to be paid during a budget impasse.
- Fair and adequate funding for human services.
About United Way of Pennsylvania

United Way of Pennsylvania is a 501(c)(3) organization with a mission to champion United Way as a leader and partner in building financially resilient families and thriving communities throughout Pennsylvania. United Way of Pennsylvania envisions an inclusive, impactful and collaborative network of United Ways working with business, community, faith and government leaders to advance equitable access to health, education and financial stability for all Pennsylvanians.

United Way is committed to raising charitable dollars that are invested in community impact work which addresses needs specific to the local community. In many cases, these funds support public-private partnerships that further leverage state taxpayer dollars.

Additionally, United Way commits to advocate for policy change which will help more Pennsylvania families and communities achieve the basic building blocks of a good quality of life in Pennsylvania. United Way of Pennsylvania is a membership organization which serves as the voice for 41 member United Ways and 1 United Fund across the Commonwealth.

For more information about United Way of PA's priorities, please contact:

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United Way of Pennsylvania

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