

January 2020 Archives:

1/31/20: 2020 HHS Poverty Guidelines Released

The [2020 poverty guidelines](#) are in effect as of January 15, 2020.

The poverty guidelines (unlike the poverty thresholds) are designated by the year in which they are issued. For instance, the guidelines issued in January 2020 are designated the 2020 poverty guidelines. However, the 2020 HHS poverty guidelines only reflect price changes through calendar year 2019; accordingly, they are approximately equal to the Census Bureau poverty thresholds for calendar year 2019. (The 2019 thresholds are expected to be issued in final form in September 2020; a preliminary version of the 2019 thresholds is now available from the Census Bureau.)

1/31/2020: Gov. Wolf, Business and Labor Leaders Unveil Strategy to Strengthen Pennsylvania's Workforce.

Governor Tom Wolf was joined by leaders of business, labor and economic development, and several cabinet members to release the [first report](#) from the governor's Keystone Economic Development and Workforce Command Center. The strategic public-private partnership, created by Gov. Wolf last February, identifies barriers to employment and provides recommendations for action by the governor, legislature, and private sector.

The report highlights recommendations to increase access to high-quality child care, and leverage additional federal workforce development funds to address transportation, child care, and other barriers to employment.

[Read the Press Release Here.](#)

Will it be Minimum Wage or a New Overtime Rule?

We are still waiting to see whether the House will pass a minimum wage proposal with support from the Wolf Administration, Senate, and business community. As you may recall, PA House Republican caucus have expressed opposition to increasing the minimum wage. And, some Democratic members are unsatisfied with the \$2.25 per hour increase, so it is unclear whether there will be enough votes in the House to pass SB 79. For now, there seems to be little interest from House leadership to bring this measure to a vote. In fact, they left Harrisburg for the holidays without acting on the Senate-passed bill. The bill would increase the state's minimum wage to \$9.50 an hour by 2022, the first increase PA would see since 2009.

At the same time as the minimum wage debate, Governor Wolf has moved a proposed overtime rule which would increase the state-level earning threshold for overtime requirements for executive, administrative, and professional (EAP) salaried workers. Originally planned for a vote by the IRCC in November, Wolf put the vote on hold to see where the minimum wage bill ended up in the legislature. He has indicated he would remove the proposed overtime rule from the table should the legislature pass a minimum wage bill. PA's Chamber of Business and Industry have been vocal in their approval of the minimum wage bill over the overtime proposal, noting the overtime rule would have much steeper consequences for their membership. You can read the comments submitted by UWP to the Independent Regulatory Review Commission regarding the proposed overtime rule [here](#).

Should no minimum wage bill be passed, the IRCC is slated to take up the overtime rule proposal at the end of January. UWP will be monitoring this movement closely and keep members updated with information as it becomes available.

Federal Spending Plan Agreed-To:

The President signed a set of spending bills that would increase funding in FY 2020 through September 30, 2020. In the wake of a government shutdown, a \$1.4 trillion spending agreement has been agreed-to, which include big wins for the United Way network.

Some of the highlights include an increase of \$550 million to the Child Care Development Block Grant (CCDBG) that is estimated to serve an additional 33,600 children across the U.S. Head Start and Early Head Start will also receive a \$550 million increase in funding, which will be allocated toward quality improvement, including trauma informed care support, a cost of living adjustment of approximately 2 percent, and expansion for Early Head Start and partnerships. The Volunteer Income Tax Assistance (VITA) program will gain an increase of 7 million in funding, taking that line-item to \$25 million for 2020 and allowing more hardworking families access free high-quality tax preparation and filing services.

Other increases include funding for Corporation for National and Community Service, including increases for AmeriCorps-both State and National, and VISTA. An increase for Emergency Food and Shelter Programs is also included.

A repeal of the Unrelated Business Income Tax (UBIT) is in the agreement and a big win for United Way. As many of you may recall, this tax was included in the tax bill of 2017 and required nonprofits to pay tax on employee benefits, such as parking spaces. Steve Taylor, Senior Vice President of Public Policy for United Way Worldwide, was quoted on the win for the network which you can access [here](#).

PA Supreme Court Denies Appeal to Reinstate General Assistance

A week before Christmas, the PA Supreme Court denied an appeal from Community Legal Services, a legal firm from Philadelphia that provides free legal service to low-income individuals, to temporarily reinstate the General Assistance program, eliminated during the June 2019 budget. General Assistance provided a small monetary grant each month to residents with less than \$250 in countable resources and could not qualify for the federal TANF program. CLS argued lawmakers violated a provision in the state Constitution that requires legislation to pertain to one subject.

1/31/2020: Gov. Wolf's Overtime Regulations to get Final Consideration by IRRC.

Governor Tom Wolf announced the state's Independent Regulatory Review Commission (IRRC) voted today to approve the Department of Labor & Industry's final regulation that will extend overtime pay eligibility to 82,000 more workers.

The new regulations require overtime pay to most full-time salaried workers in executive, administrative, and professional jobs if they make less than \$45,500 by 2022.

This increase will be phased in over three steps:

- \$684 per week, \$35,568 annually (federal rule that went into effect January 1, 2020);
- \$780 per week, \$40,560 annually in 2021; and

- \$875 per week, \$45,500 annually in 2022.

Starting in 2023, the salary threshold will adjust automatically every three years.

The Attorney General must approve the final regulation before it can be published in the Pennsylvania Bulletin and go into effect later this year.

[Read the Press Release Here.](#)

New Overtime Rule: Federal rule took effect January 1st, 2020.

The Federal rule to increase the salary cap on mandatory time-and-a-half pay from \$23,600 a year to \$35,500 took effect Jan. 1.

Governor Wolf has proposed to increase this mandate to \$45,000 for Pennsylvanians. This proposal was then halted at the end of 2019 as the GOP-controlled Senate passed a modest minimum wage increase from \$7.25 to \$9.50 an hour.

Governor Wolf has expressed his uncertainty with the PA House following suit on the minimum wage increase, therefore he is now going forward with his overtime plan.

The Independent Regulatory Review Commission, which is controlled by Democrats, is slated to vote on the rule January 31st.

EITC Awareness Day: January 31st, 2020.

Spread awareness of the [Earned Income Tax Credit](#) that will bring thousands in tax credits to hardworking Pennsylvanians this year. EITC is a common-sense tax break that helps low wage income earners, like our ALICE community, keep more of what they've earned. Last year, 865 thousand Pennsylvanians claimed EITC, pumping \$2 billion back into Pennsylvania's economy.

To find out if you are eligible for the EITC or CTC tax credits, click [Here](#).

United Way has also partnered with H&R Block to provide free tax programs for household incomes under \$66,000. Click [Here](#) to file your federal and state returns for free.

EITC Awareness Day Toolkits: January 31st, 2020.

Spread awareness of the [Earned Income Tax Credit](#) that will bring thousands in tax credits to hardworking Pennsylvanians this year. EITC is a common-sense tax break that helps low wage income earners, like our ALICE community, keep more of what they've earned. Last year, 865 thousand Pennsylvanians claimed EITC, pumping \$2 billion back into Pennsylvania's economy.'

Join us in our [call to action](#) to ask for the expansion of EITC.

Spread awareness of the ETIC credit through social media by using #EITCAwarenessDay on January 31st.

[EITC Awareness Day toolkit.](#)

[EITC Awareness Day Social Media Images.](#)

1/31/2020: Gov. Wolf's Overtime Regulations to get Final Consideration by IRRC.

The state Independent Regulatory Review Commission (IRRC) will meet this morning to consider several regulations, including one to increase the income threshold below which certain individuals will be able to receive overtime payments from their employers.

Department of Labor and Industry [Regulation #12-106](#) would increase the annual earnings threshold for executive, administrative and professional (EAP) salaried workers to \$40,560 in 2021 and then \$45,500 in 2022, and then automatically adjust it every three years. The current threshold, which was just changed by the federal government on Jan. 1, is \$35,568, with EAP workers who have annual earnings less than that amount given the right to overtime pay if they work more than 40 hours in a workweek. Given the composition of the commission, this morning's vote is expected to approve the regulation, though both the state Senate and House of Representatives Labor and Industry committees in recent weeks have voted to disapprove the regulation.

[Read the Press Release Here.](#)