
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE RESOLUTION

No. 344 Session of
2020

INTRODUCED BY HAYWOOD, TARTAGLIONE, FONTANA, ARGALL, MUTH,
COLLETT, DINNIMAN, COSTA AND A. WILLIAMS, JULY 13, 2020

REFERRED TO HEALTH AND HUMAN SERVICES, JULY 13, 2020

A RESOLUTION

1 Directing the Legislative Budget and Finance Committee to
2 conduct a study and issue a report on benefits cliffs in this
3 Commonwealth.

4 WHEREAS, A benefits cliff occurs when public benefit
5 recipients lose some or all support from a program because the
6 recipients' pay exceeds that program's income threshold; and

7 WHEREAS, Often the value of lost benefits exceeds increases
8 in wages, pushing individuals further into poverty and farther
9 away from self-sufficiency; and

10 WHEREAS, In this Commonwealth, approximately 1.5 million
11 individuals live in poverty, while 3.5 million individuals are
12 on the brink of destitution; and

13 WHEREAS, Among households experiencing poverty, more than 60%
14 have at least one working individual; and

15 WHEREAS, Individuals receiving multiple benefits may
16 experience multiple benefits cliffs because income requirements
17 vary by program; and

18 WHEREAS, Poverty affects rural, suburban and urban residents

1 alike, with individuals from each of these geographic areas
2 reporting similar barriers to escaping poverty, including a lack
3 of child-care services, housing, food, transportation, adult
4 education and job opportunities that pay livable wages; and

5 WHEREAS, Together, the barriers to escaping poverty form the
6 poverty "box," which entraps individuals living in poverty and
7 prevents them from improving their circumstances; and

8 WHEREAS, Benefits cliffs negatively impact employers,
9 individuals receiving benefits and their families; and

10 WHEREAS, More than half of employees earning \$20,000, and
11 nearly 41% of wage earners receiving up to \$35,000, are rent-
12 poor, spending more than 50% of their income on housing rental
13 costs; and

14 WHEREAS, Although 1.8 million Pennsylvanians receive
15 Supplemental Nutrition Assistance Program (SNAP) benefits,
16 approximately 12% of households remain unable to afford food;
17 and

18 WHEREAS, The unavailability of quality, affordable child care
19 in this Commonwealth costs employers, taxpayers and parents \$2.5
20 billion each year; and

21 WHEREAS, Children are the most likely of all populations to
22 live in poverty, with one in eight children living in high-
23 poverty neighborhoods and 12% living in neighborhoods with
24 concentrated poverty rates; and

25 WHEREAS, In many instances, impoverished Pennsylvanians
26 become constrained to a life of poverty due to the "cliff
27 effect," which perpetuates the poverty cycle, rather than
28 incentivizing individuals to become self-sufficient; and

29 WHEREAS, Several states, including Connecticut, Indiana,
30 Maine, Massachusetts, New Hampshire and Vermont, and

1 organizations, including the National Conference of State
2 Legislatures, the Urban Institute and the Aspen Institute, are
3 working to develop new solutions to address benefits cliffs; and

4 WHEREAS, The two-generational approach of providing public
5 benefits to assist adults and children of low-income families is
6 being explored by other states as a preferred method for
7 reducing poverty and benefits cliffs; therefore be it

8 RESOLVED, That the Senate direct the Legislative Budget and
9 Finance Committee to conduct a study and issue a report on the
10 benefits cliffs in this Commonwealth; and be it further

11 RESOLVED, That the report include:

12 (1) The impact of benefits cliffs in this Commonwealth.

13 (2) Models for overcoming the cliff effect in this
14 Commonwealth, including successful programs implemented in
15 other states.

16 (3) Policies that would mitigate barriers to overcoming
17 poverty, such as child care, housing, food, healthcare and
18 transportation.

19 (4) Best practices for alleviating poverty and
20 addressing benefits cliffs in this Commonwealth, including
21 two-generational approaches and strategies for incorporating
22 such approaches into current programming;

23 and be it further

24 RESOLVED, That the Legislative Budget and Finance Committee
25 provide the report with its findings and recommendations to the
26 Senate no later than one year after the adoption of this
27 resolution.