



FOR IMMEDIATE RELEASE
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Governor Wolf Delivers 2021 Budget Address

Harrisburg, Pa. – Today, Governor Tom Wolf delivered his 2021 Budget Address virtually, via a prerecorded video. The governor updated Pennsylvanians on the state of the commonwealth and announced his budget proposal for the 2021-2022 fiscal year.

Governor Wolf believes that Pennsylvanians are facing too many barriers - from an unfair tax system to an education system that is unequal and underfunded. The governor wants to lower barriers for working families and make it easier for people to succeed in Pennsylvania. Governor Wolf's budget plan will cut taxes for working families and businesses, while investing more money in education and workforce development.

[Watch the Governor's Budget Address](#) now, or find it at pacast.com after the live stream ends.

For more information:

[Read More About the Governor's Budget Proposal](#)
[Read the Budget Proposal Press Release](#)

Read the Governor's Budget Address as prepared:

My fellow Pennsylvanians:

These days are different and so is this budget speech.

I'm talking to you from the Governor's Residence in Harrisburg.

It's perhaps the only time in the last century that a governor has not made the annual budget address in person, in the Capitol with much of official Harrisburg arrayed in front.

Instead, today I am talking to you directly - all of my fellow Pennsylvanians.

And maybe this is the way it ought to be done.

After all, I work for you; I came here to do a job for you; and today, I want to tell you how I think this budget will make your lives better.

I arrived here in Harrisburg a little over six years ago.

I was a newcomer to elective politics having spent most of my life in business.

I aimed to be a different kind of governor.

I wanted to cut through the stale conventions, the entrenched interests and the old excuses.

I wanted to get things done.

One of the first things I did was try to get to know the Capitol and the people who worked there. I walked through its halls, meeting with senators and representatives of both parties, just hoping to introduce myself and put faces to names.

One of those faces belonged to a conservative Republican, sent here by rural voters from a remote area of the Commonwealth.

I went into the conversation knowing there were some obvious differences between us. But I told him I hoped we could work together anyway.

He said he'd like that.

And then he said something that has stuck with me ever since.

He told me that his approach to the job was pretty straightforward: he tried to always stay focused on addressing the real challenges that most of his constituents faced in their daily lives.

And to maintain that focus, he told me he liked to put himself in the shoes of a young family just starting out.

He tried to imagine the obstacles that might be getting in the way of their hopes and dreams, the burdens that kept them up at night.

Things like paying the rent, or a mortgage. Keeping up with car payments and insurance bills.

And what about the kids? Braces, summer camp, college applications – it's easy to dream about the better life you might be able to provide for your children, but expensive to make it possible.

A family like that, my new colleague said.

What would they truly need?

Then he got to his point.

What they definitely would not need, he warned me, was a bigger financial burden piled on top of them in the form of higher state taxes.

Well, I guess I shouldn't have been surprised that's where the conversation wound up.

Still, as I walked out of his office, it struck me that, despite coming from very different places both geographically and politically, we both came to the job of public service trying to answer the same questions.

What do people need to be able to build a brighter future here in Pennsylvania?

What are the barriers that get in their way?

And what can we do to help remove those barriers?

If you were to ask a young family whether they enjoy paying taxes, or whether they would like to pay more in taxes, they'd look at you like you were nuts.

But what if we started the conversation the way my colleague had described?

What if we asked people about the barriers standing between them and the bright future they imagined when they decided to build a life here in the Commonwealth?

When I first got to Harrisburg, the answer was almost always the same: it's the schools.

Far too many parents across the Commonwealth – in Westmoreland County, in Fulton County, in Tioga County, in North Philadelphia, and beyond – felt like the opportunities available to their kids would be determined less by their talent and more by their zip code.

No matter how great a parent you are, if your local school system lacks the resources it needs to provide your kids with a quality education, that's a barrier to giving them a better life.

A barrier so big, it actually blocks out the sun.

And even if you somehow make it over that barrier, there's another, higher mountain to be climbed – the skyrocketing cost of higher education.

High-quality education is the ticket to greater opportunity for our children.

Without it, how can we hope that our kids will lead better lives than we did?

And, by the way: Universal high-quality education leads to healthier people and healthier communities.

If it's not accessible to everyone, how will our kids be able to build a better Pennsylvania than the one we leave them?

Over the past five years, we've delivered an additional 1.4 billion dollars in funding, for pre-k through college education.

But it's not enough.

For too many families in our Commonwealth, insufficient access to education remains a barrier to opportunity.

But it's not the only one.

Parents worry about the quality of the air their kids breathe, and the water they drink.

They worry about the opioid epidemic ravaging so many communities across our Commonwealth, stripping hope away from so many people they know.

They worry about the possibility that they are one unlucky health emergency away from the complete collapse of their lives.

They worry about the economy, too.

But they're not worried about the stock market or bond prices. They're worried about the economy around them.

Will there continue to be good jobs?

Will there still be opportunities to advance and build some financial security?

Will their kids have a real chance to wind up better off than they are?

Parents worry. It's what we do.

Our daughters are grown now, and they've built successful lives of their own – but Frances and I still worry about them every day.

In difficult times like these, too many young parents are haunted by the fear that their children's lives will simply never be better than their own.

And there's a real cost to that fear.

These families are making the decisions that will shape their lives.

And all these burdens reduce any appetite they might have to take a chance on themselves.

These barriers to opportunity destroy hope.

They encourage pessimism.

They discourage the kind of broad ambition a robust free market economy depends on.

These fears – these barriers – diminish all our lives.

They destroy the optimism that drives a healthy society.

I, for one, worry about that a lot these days.

After all, here I am, speaking to you via video instead of before a packed chamber, due to a pandemic that has cost more than 17,000 Pennsylvanians their lives, thrown our economy into tumult, and disrupted every part of our lives.

Yes, we will defeat COVID.

But we can't yet say when it will be safe for life to return to normal – and it's hard to know what "normal" will even look like.

But I refuse to tell any young family in Pennsylvania that they just happen to be starting out at the wrong time – that, with everything going on, 2021 just isn't going to be the year we get around to lifting the barriers that stand between them and the future they hope to provide for their children.

Indeed, I think it's more important than ever that we act boldly and courageously to remove those barriers once and for all.

So, today, I'm proposing a budget designed to do exactly that.

Let's start with taxes.

Nobody likes paying them.

But I think we can all agree that some things can only be accomplished with everybody chipping in.

Repairing roads and bridges.

Keeping our communities safe.

And, of course, giving every child in this Commonwealth the education they need to thrive.

So, the question isn't whether taxes are unpleasant or necessary.

They're both.

The real question is whether everybody is paying a fair share – and whether we're all getting our money's worth.

And the truth is, the answer to both questions right now is "no."

Right now, Pennsylvania has one of the lowest personal income tax rates in the nation.

And, yes – for folks like me who have been lucky enough to build some real financial security, that's a pretty sweet deal.

But if you're just starting out, it's a different story.

For one thing, when you go to file your taxes every year, you have to pay the same exact rate as I do.

What's more, those taxes you pay aren't getting you nearly enough in return.

Too many communities across the commonwealth are still being left behind, especially when it comes to our schools. So local communities, especially rural towns and struggling cities like York, and Reading, and Scranton wind up raising property taxes.

Homeowners and renters alike wind up paying more. And even then, the schools lag behind.

Meanwhile, in order to keep that personal tax rate so low, we charge Pennsylvania businesses one of the highest tax rates in the nation, even as we underfund the schools and job training programs that are supposed to be building our future workforce.

What sense does that make?

So, today, I'm proposing that we do things differently.

First big change: We're going to stop asking working families to pay the same tax rate my family does.

I want to help working families get ahead by reducing their taxes.

This isn't about pitting the rich against the poor and the middle class.

This is about asking folks who have already made it to shoulder a little more of the burden so that folks who haven't made it yet have a better chance to do so.

That's the thing about financial security. Most people who have it had to earn it.

And if you're one of those people, think back to the early days, when you were just starting out, when you hadn't yet overcome the barriers that stood between you and your success.

Back when you were maxing out your credit card every month, hoping the old car would make it through one more winter, trying to save up enough for that down payment on a home.

If you could go back in time and give your younger self just a little bit more help, wouldn't you do it?

And that's exactly what I'm proposing we do for young families across our Commonwealth.

If you're married with two kids, and you earn less than 84,000 dollars a year, I suggest we give you a tax cut.

Second big change: My plan cuts taxes for Pennsylvania businesses... by 25%.

No longer will we ask the businesses that power our economy to pay the highest rate in the nation.

And not only does my plan help lift that burden, it levels the playing field by closing the loophole that lets too many corporations benefit from doing business in our commonwealth without paying their fair share.

Third big change: Even with these tax cuts for working families and businesses, my plan more than doubles our investment in education.

Finally, we will be able to fully and fairly fund every school, in every school district, in every part of the commonwealth.

Putting all this funding through the fair funding formula means that struggling schools will finally get the resources they need without taking away from schools already being adequately funded.

Imagine: No more chronic underfunding. No more budget gimmicks, shifting around money to hide our shortfalls.

No more picking winners and losers. No more last-minute, one-time bailouts for school districts because they can't make ends meet.

And no more passing on the cost of our broken system in the form of skyrocketing property taxes.

On top of that, my budget has new funding for early childhood education, special education, and higher education – including funding for our GI Bill and a new community college in Erie.

And it creates a tuition assistance program to help more Pennsylvanians attend PASSHE schools, opening up new opportunities for people to get degrees and other important workforce credentials.

Our commitment to education isn't just about funding.

It's about quality.

My budget includes reforms that would finally hold charter schools accountable for the results they deliver.

It lowers administrative costs in the Educational Improvement Tax Credit program so we can fund 36 million dollars more in scholarships.

And it gives the teachers to whom we entrust our children's future the security of a 45,000 dollar minimum annual salary.

We can make 2021 a year when we cut taxes for working families.

A year when we level the playing field for businesses.

A year when we finally and fully and fairly fund every school in the commonwealth so that no parent in Pennsylvania, no matter where they live or what they earn, will ever have to worry that their child will be unable to get a world-class public education.

While we're at it, let's do something else for our businesses.

The COVID pandemic has put a heavy burden on Pennsylvania businesses and the workers they employ.

For starters, let's move quickly to help struggling businesses weather the storm.

We can immediately allocate 145 million dollars to help them make it through the last months of the pandemic.

Let's do this now.

But my budget also make historic investments in our workforce and our infrastructure to help our economy come roaring back once we return to business as usual.

That includes a multi-billion-dollar investment in our workforce and economic development systems, enough to fund recommendations from our Bipartisan Workforce Command Center's report.

And it includes a major investment in our infrastructure – not just our roads and bridges, but infrastructure projects ranging from broadband internet in rural communities to getting lead and asbestos out of our school buildings.

At every stage, we'll be knocking down barriers to advancement for workers and businesses alike.

A road that is not paved that's a barrier.

A job with no prospects for advancement that's a barrier.

A classroom poisoned by lead paint, mold and asbestos that's a barrier.

And, by the way, a paycheck that doesn't cover basic necessities is a barrier too.

That's why we should immediately raise the minimum wage with a clear path to getting it to 15 dollars per hour as quickly as possible.

There's a lot more in this budget, including a number of things that I know have bipartisan support:

- Building on progress and continuing to reform our criminal justice system.
- Improving the professional licensing process to knock down barriers to entering high-demand professions
- Legalizing recreational marijuana.
- And heeding Sen. Corman's call to make government reform a priority by implementing a wide-ranging ethics plan that would make our state government more accountable and more responsible to the people we serve.

There's no reason why we can't work together, Democrats and Republicans, to pass these initiatives.

But if you're skeptical about the prospects for bipartisanship in the wake of what we've seen our politics become recently, well, I can't blame you.

So I want to close by saying this. I think it's incumbent on every public official, no matter what party you belong to or how much responsibility you bear for the events of last month, to look for ways to fix our broken politics.

After all, as my conversation with my conservative colleague demonstrated, we all come here with the same goal in mind: helping the people we represent build the lives they want for their families.

But while a lot of the anger and division in our politics comes from overheated rhetoric and selfish partisanship, I think there's something else going on here, too.

The people who sent us here are frustrated.

They keep telling us what they need.

They need good schools.

They need safe roads.

They need more opportunities to advance their careers, start businesses, and build economic security.

And then we come to Harrisburg and all we do is nibble around the edges of these problems.

A little more funding here.

A new pilot program there.

We do what the politics of the moment allows.

And we promise to try again next year.

But if you're one of those Pennsylvanians starting out, one of those young families surrounded by all these imposing barriers, that's just not good enough.

You only get to go through life once, and every year we don't act to solve these problems is a year you can never get back.

Another year where it feels like you're only working all those hours so you can write those checks to your landlord and your health insurance company.

Another year where you pay your taxes right on time, but there never seems to be enough money in the state's budget to fix that pothole on your way to work.

Another year where your kids get taller, and your local schools don't get better, and college doesn't get more affordable.

No wonder people get frustrated.

No wonder people get angry.

No wonder people start to feel like nobody in government cares.

No wonder they start looking to politicians who promise to shake everything up.

So, let's stop with the excuses; let's move beyond the chronic timidity.

Let's do something.

Let's lift those barriers, and let's stop making excuses for why we can't.

This budget makes major changes to our tax system.

It actually reduces the tax burden on Pennsylvania families earning 84,000 dollars or less.

It also proposes a major tax reduction for Pennsylvania businesses.

Still, I know that folks on the other side of the aisle are going to point to this budget and tell you all the things it does wrong or all of the things they don't like.

But you know what?

We're not in the chamber today. There's no one to clap or boo or sit stoically and not react at all.

So I'm not talking to them.

I'm talking to the people of Pennsylvania.

I'm talking to you.

And here's what I'm telling you.

I'm telling you there is a way out of this cycle of disappointment and half-measures, frustration and division.

I'm telling you we can lift these barriers once and for all, and we can do it this year.

I'm telling you we can have a great public school for every child in every neighborhood in Pennsylvania, and good job opportunities for everyone who wants them, and an economy strong enough to provide for everyone.

I'm telling you it is possible to pursue a legislative agenda for this commonwealth that is good for families, good for businesses, and good for the economy.

Most of all, I'm telling you I think your family's future is important enough that we ought to just have this argument right now instead of putting it off until next year, and the year after that, and the year after that.

Go online.

Look at my budget.

Look at what it would mean for your family, for your community, and for our commonwealth. And if you agree that your family would be better off in a Pennsylvania with fairer taxes and better schools, raise your voice.

At the end of the day, we all work for you.

If you've had enough of being told why your government can't solve your problems, make it crystal clear that, this time, you don't want to hear that anymore; that you won't accept any more excuses.

Call your representatives.

Help me get this budget through the legislature. Let's make Pennsylvania an even better place to live, work, and dream big dreams for your kids.

And for our future.

Thank you.

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