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Governor Shapiro Signs Into Law Commonsense Budget that Makes Historic Investments to Create a Stronger Economy, Safer and Healthier Communities, and Better Schools

Governor Shapiro also plans to sign into law tomorrow a bill to expand the Property Tax/Rent Rebate program to nearly 175,000 more Pennsylvania seniors and nearly double rebates for many of the 400,000 Pennsylvanians who already qualify – delivering the largest targeted tax cut for seniors in nearly two decades.

With this commonsense budget and historic expansion of the Property Tax/Rent Rebate, Governor Shapiro has already accomplished many of his top priorities from the campaign and budget address.



Harrisburg, PA – Today, **Governor Josh Shapiro** signed into law a commonsense, bipartisan budget for fiscal year 2023-24 that delivers on his top priorities to create a stronger economy, safer and healthier communities, and better schools. This budget makes historic investments in

Pennsylvania children's education, supports businesses and speeds up permitting, helps older adults stay in their homes, protects and strengthens communities, and ensures law enforcement and first responders have the resources they need.

Tomorrow in Scranton, Governor Shapiro also plans to sign into law a historic expansion of the Property Tax/Rent Rebate, making good on the commitment he made to Pennsylvania seniors during his campaign to ease the burden of rising costs.

Only seven months into his first term, Governor Shapiro has already accomplished many of the goals he laid out on the campaign trail and in his <u>budget address</u> – including expanding the Property Tax/Rent Rebate program, investing in workforce and economic development, supporting law enforcement, and delivering the largest increase in basic education funding in the Commonwealth's history.

"The people of Pennsylvania have entrusted me with the responsibility to bring people together in a divided legislature and to get things done for them – and with this commonsense budget, that's exactly what we've done," **said Governor Josh Shapiro.** "Throughout my campaign and in my first budget address, I laid out a vision for how the Commonwealth could create real opportunity and advance real freedom for all Pennsylvanians. With this budget and the expansion of the Property Tax/Rent Rebate, we're making good on that promise by delivering the largest targeted tax cut for our seniors in nearly two decades, creating real opportunity for our workers by expanding vo-tech and apprenticeship programs, supporting our state troopers and local first responders, and making historic investments in our kids and their schools. This is what it looks like when government works together to make Pennsylvanians' lives better."

"As the Governor and I have travelled the Commonwealth, one thing we've heard loud and clear is that folks want us to take off the red and blue jerseys and put on our Pennsylvania jersey, and that's exactly what we've done throughout this process," **said Lieutenant Governor Austin Davis**. "This budget addresses the most pressing issues facing our communities and delivers real results for the people of Pennsylvania. It's a direct investment in making our economy stronger, our communities safer, our schools better and our families healthier."

In the process of signing the budget, the Governor line-item vetoed the full \$100 million appropriation for the PASS scholarship program, as he promised he would. Click here to read the Governor's veto message.

See below for an overview of the programs and investments included in the budget and Property Tax/Rent Rebate expansion:

Property Tax/Rent Rebate Program

When Governor Shapiro signs <u>HB 1100</u> into law tomorrow, which mirrors his proposed expansion of the Property Tax/Rent Rebate program, nearly 175,000 more Pennsylvanians will qualify, and many of the 400,000 seniors who already qualify will see their rebates nearly double. This is the first time the program has been expanded since 2006 and the rebate amounts and income limits will increase with inflation, so no senior becomes ineligible just because their Social Security payment increased.

Largest Increase in Basic Education Funding Ever & Historic Investments in Our Schools

This budget makes historic investments in K-12 public schools, including the largest increase in basic education funding (BEF) in Pennsylvania history and universal free breakfast for our public school students. Thanks to this budget, Pennsylvania will spend over \$10 billion on K-12 public education funding. This budget includes:

- \$567 million increase in basic education funding for Pennsylvania school districts to be distributed through the BEF Formula, enabling all school districts to have the basic resources they need to provide a high-quality education for Pennsylvania students. This is the largest BEF increase in history.
- \$100 million for school-based mental health counselors and resources for students.
- \$100 million for Level Up to ensure more resources go to Pennsylvania's most underfunded schools.
- \$50 million increase in special education funding, reinforcing Pennsylvania's commitment to equitable education for all students.
- A \$46.5 million increase in funding to provide universal free breakfast to Pennsylvania's 1.7 million public school students regardless of income and free lunch to all 22,000 Pennsylvania students who are eligible for reduced-price lunches through the National School Lunch Program.
- **\$10 million** to provide Pennsylvania's student teachers with stipends so the Commonwealth can get more well-trained teachers into our classrooms.
- **\$7 million** to support dual enrollment opportunities for high school students allowing them to take advanced courses for college credit and chart their own course.

Historic Investments in Community & Economic Development

This budget spurs job creation, fosters innovation, and provides the funding to make Pennsylvania more competitive on a national scale. This budget also invests in communities across the Commonwealth, improving state parks, supporting historically disadvantaged businesses, and helping Pennsylvanians maintain safe, healthy homes. This budget includes:

- A \$20 million investment to fund the Historically Disadvantaged Business Program to invest in small minority-, women-, and veteran-owned businesses in the Commonwealth and provide sustainable support.
- **\$112 million** to improve our parks and forests and create a new Office of Outdoor Recreation to help connect our natural resources and parks with local businesses and put Pennsylvania on the map as a leader in outdoor recreation.
- A \$50 million investment in the Whole-Home Repairs program to take the burden off
 the shoulders of those living paycheck to paycheck while ensuring they can afford to
 maintain their homes.
- A **\$13 million investment** to make Pennsylvania more competitive on a national scale and help the Commonwealth become a leader in economic development, innovation, and job creation.

- A \$2 million investment in the Municipal Assistance Program to help the local, municipal, and county governments that are on the frontlines of supporting their communities and a \$1.25 million increase for the Strategic Management Planning Program (STMP) to help local governments create long-term plans for financial success.
- A **\$1 million increase in investment** for the Manufacturing PA Innovation Program, which connects Pennsylvania's universities with businesses to spur innovation and job creation here in the Commonwealth.

Increasing Access to Apprenticeships & Vocational and Technical Education

Building off the Governor's Executive Order announcing that 92 percent of state government jobs are open to Pennsylvanians without college degrees, this budget would ensure more Pennsylvanians have the freedom to chart their own course by expanding our workforce, investing in vo-tech, and supporting apprenticeship programs, including:

- A \$23.5 million investment in workforce training and vo-tech programs.
- A **\$6** million investment in apprenticeship and pre-apprentice programming that will lead to family-sustaining wages.
- **\$3.5 million** in funding for the Schools-to-Work Program through the Department of Labor & Industry to develop and expand career pathways for high school students via partnerships between schools, employers, organizations, and the Commonwealth.

Cutting Red Tape and Improving the Commonwealth's Licensing and Permitting Processes

Governor Shapiro is <u>committed</u> to making government work more effectively and efficiently to serve Pennsylvanians. This budget aims to address delays in state licensing, permitting, and certification processes and cut red tape for businesses, and includes:

- **\$2.9 million** to create the Office of Transformation and Opportunity, a one-stop-shop for businesses looking to grow and contribute to aggressively reignite Pennsylvania's economy.
- **\$6.4 million** to modernize and speed up permitting processes at the Department of Environmental Protection and clear permit backlogs.

Funding Indigent Defense for the First Time Ever

Previously, Pennsylvania was one of only two states in the country that did not allocate state funding for indigent defense. This budget invests:

• **\$7.5 million** to fund indigent defense for the first time in Pennsylvania history to ensure public defenders have the resources they need to provide legal representation to defendants who cannot pay for it on their own.

Investing in Mental Health, Addressing Maternal Mortality, & Supporting EMS and Health Care Providers

This budget makes critical investments in public health and wellness, including significant investments in mental health and the first-ever investment in addressing maternal mortality, including:

- A \$66.7 million increase for Child Care Services allowing up to 75,000 low-income families to continue to be enrolled in subsidized childcare through the Child Care Works Program.
- **\$50 million** for Hospital and Healthsystem Emergency Relief to support the vital work of hospitals.
- **\$20.7 million** to increase mileage rates for ambulance services, protecting access to healthcare and ensuring that EMS workers and first responders are properly reimbursed for the critical care they provide.
- **\$20 million** to increase base funding for counties to provide critical mental health services and address deepening workforce shortages.
- **\$2.3 million** to expand maternal health programming to allow for implementation of prevention strategies to reduce maternal mortality and morbidity.
- Funding to help an additional **850 individuals** with an intellectual disability and/or autism get off waitlists for home and community-based services.
- **\$5 million** in funding for the Help at Home (OPTIONS) program through the Department of Aging, to reduce the waitlist of seniors seeking services that will allow them to stay in their homes.
- A **\$1 million** investment in grants for Senior Community Centers to improve safety and accessibility, repair or replace essential equipment, and invest in technology supplies to continue creating safe spaces for older Pennsylvanians to gather and socialize.

Repairing Our Infrastructure While Supporting Law Enforcement

To ensure Pennsylvanians are and feel safe in their communities, this budget ensures that Pennsylvania police departments are well-staffed, well-funded, well-trained, and well-equipped and prioritizes public safety while making more funding available for our infrastructure needs, including:

- Sustainable funding for the Pennsylvania State Police (PSP) through the General Fund, reducing PSP's reliance on the Motor License Fund (MLF) by \$125 million annually over the next four years, putting those dollars directly into road and bridge projects. This was a key campaign promise for the Governor, guaranteeing PSP has a stable, sustainable funding source for the long-term while freeing up more state funds for key infrastructure projects.
- **\$16.4 million** in new funding for four trooper cadet classes in 2023-24, to train 384 new troopers, fill staffing gaps, provide more coverage, and ensure that Pennsylvania State Police are well-funded and well-trained.

- **\$40 million** in state funding for the Violence Intervention and Prevention program a \$10 million increase from last year to address community violence throughout the Commonwealth, on top of funding at the Pennsylvania Commission on Crime and Delinquency to reduce gun violence and make communities safer.
- \$355,000 for a new unit within the Department of Corrections, run by the Secretary of the Board of Pardons, underscoring the Governor and Lieutenant Governor's commitment to second chances and allowing the Department to address backlogs in the pardons process.
- A \$250,000 increase to support the It's On Us PA initiative which aims to create an environment where sexual violence is unacceptable and survivors are supported and to keep college students across Pennsylvania safe from campus sexual assault.

Making Critical Investments in the Future of Pennsylvania Agriculture

Pennsylvania's agriculture sector is a major economic driver for the Commonwealth, contributing \$132 billion a year to the economy and supporting over 580,000 jobs in Pennsylvania – this budget invests:

- \$34 million to help poultry farmers impacted by the hi-path avian influenza crisis pay for testing and get reimbursed for losses to their flocks.
- **\$2 million** in the Fresh Food Financing Initiative that will contribute to better health outcomes by improving access to PA-grown, processed, and produced foods.
- **\$2 million** to fund the State Food Purchase Program to provide state funds for emergency food assistance for low-income Pennsylvanians.
- \$1 million to create a new Organic Center of Excellence, one of the first-of-its kind, to empower and support organic farmers and businesses and create new markets for them.

For more information on the investments made in this commonsense, bipartisan budget, visit shapirobudget.pa.gov. While there are a few bipartisan priorities awaiting further legislative language – representing less than one percent of the overall investment in this budget – the Shapiro Administration fully expects the House and Senate to deliver that language to the Governor, as well as critical funding for Pennsylvania state-related institutions – the University of Pittsburgh, Penn State University, Lincoln University, and Temple University.