

#### FOR IMMEDIATE RELEASE

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Governor Shapiro Signs Bipartisan 2024-25 Budget, Investing in Economic Development, K-12 and Higher Education, and Public Safety to Create Freedom and Opportunity for All Pennsylvanians

The bipartisan budget is a product of hard work and compromise by all sides and delivers on the Governor's promises – including historic investments in economic development, K-12 and higher education, public safety, agriculture, workforce development, and more.

Pennsylvania is the only state in the nation with a divided legislature – and Governor Shapiro brought legislative leaders in both parties together to pass this bipartisan, fiscally responsible budget to continue to get stuff done and create real opportunity for Pennsylvanians.



Harrisburg, PA – Today, Governor Josh Shapiro signed into law a bipartisan budget for fiscal year 2024-25 that delivers on his top priorities and creates more freedom and opportunity for all Pennsylvanians. With historic investments in education, economic development, law enforcement and violence prevention, workforce development, affordable housing, health care, public transit and infrastructure, and much more – this budget invests in the people of Pennsylvania and solves some of the most pressing issues our Commonwealth faces.

Pennsylvania is the only state in the nation with a divided legislature, but Governor Shapiro has proven once again that he can work with both parties to get stuff done and deliver real results for Pennsylvanians. After proposing an ambitious budget that invests in Pennsylvanians in February, the final product is a result of hard work and compromise from all sides, and it follows through on the Governor's promises to Pennsylvanians.

"Since my first day in office, I've been focused on getting stuff done for the good people of Pennsylvania, solving the most pressing problems we face, and bringing people together in a bipartisan manner to deliver results – and I'm proud to sign this budget into law that makes historic investments in education and economic development, while continuing investments in public safety and violence prevention, all while cutting costs and reducing taxes," said **Governor Josh Shapiro**. "Pennsylvania is the only state in the nation with a divided legislature – and I'm proud that we came together with leaders in both Chambers and both parties to show that we can do big things together to make Pennsylvanians' lives better."

"This budget will deliver real results for the people of Pennsylvania, making our communities safer and creating ladders of opportunity for every Pennsylvanian, no matter what they look like or what zip code they live in," said **Lieutenant Governor Austin Davis**. "We're making big investments in public safety, including resources to staff up a statewide office of gun violence prevention, the state's first-ever funding for afterschool and out-of-school time programming and more resources for violence intervention and prevention programs that are working. We're also making smart investments to revitalize our communities' Main Streets and downtown business districts and to prepare more shovel-ready sites for companies that want to expand or relocate to the Commonwealth. This budget demonstrates how we can do big things when we take off our red and blue jerseys and put on our Pennsylvania jerseys."

### Fiscally Responsible, Balanced Budget

This budget is a product of hard work and compromise by all sides, it follows through on the Governor's budget proposal, and fulfills our responsibility to Pennsylvanians.

This budget cuts taxes and builds on the Governor's track record of fiscally responsible management. Since the Governor took office:

- His Administration <u>adopted the Commonwealth's first debt management policy</u>.
- Fitch upgraded Pennsylvania's credit rating to 'AA' from 'AA-.'
- <u>Moody's</u> reaffirmed Pennsylvania's Aa3 issuer credit rating and upgraded the Commonwealth's rating outlook to positive from stable.
- <u>S&P Global Ratings</u> improved Pennsylvania's outlook to 'positive' from stable and affirmed its A+ long-term rating affirming the Commonwealth's strong financial position.

This budget will leave Pennsylvania with a healthy \$10.6 billion surplus by June 30, 2025.

## <u>Delivering on K-12 Education & Ensuring Pennsylvania Students Have the Freedom to Chart</u> Their Own Course

In the 2023-24 budget, Governor Shapiro <u>secured</u> the largest increase in K-12 basic education funding in Pennsylvania up to that point and secured universal free breakfast for 1.7 million students.

The 2024-25 budget builds on this historic progress and makes the largest investment in Commonwealth history in K-12 public education and delivers a comprehensive solution on K-12 education in Pennsylvania, including:

- \$1.11 billion in total increases in K-12 public education funding and drives those dollars out in a more equitable manner to the schools that need it most under a new formula.
- \$100 million in sustainable funding for environmental repair and other facilities in schools to create safe and healthy environments for students to learn in and teachers to teach in, including \$25 million for Solar for Schools.
- A **\$100 million increase** for special education funding, reinforcing Pennsylvania's commitment to equitable education for all students.
- A **\$100 million** cyber charter reimbursement to better align tuition with the actual costs of providing an online education and save school districts millions annually.

Governor Shapiro has hosted <u>roundtable discussions</u> with Pennsylvania students across the Commonwealth listening to their needs and the resources they need to improve their mental health.

In the 2023-24 budget, Governor Shapiro secured **\$100 million** for student mental health services and **\$20 million** for county mental health support. The final 2024-25 budget matches those investments and takes a step further by:

 Continuing an annual \$100 million in mental health funding for K-12 schools, building upon one-time federal funds to ensure schools have the continued resources to provide mental health services to students and staff and increasing another \$20 million for county mental health.

Governor Shapiro knows that our parents and families in our workforce cannot succeed if we have a lack of affordable childcare – and this budget also makes a critically needed \$17.7 million increase for early childhood education, including:

- \$15 million for the Pre-K Counts program.
- **\$2.7 million** for the Head Start Supplement Assistance program to support our early learners and stabilize our workforce.

#### **Spurring Economic Growth and Development**

Since day one, Governor Shapiro and his Administration have worked aggressively to make Pennsylvania a leader in economic development – securing nearly **\$2 billion** in private sector investments to create economic opportunity for all Pennsylvanians.

To help Pennsylvania compete, the Governor created the first <u>Economic Development Strategy</u> in almost 20 years – and his budget called for significant investments directly tied back to this ten-year strategy.

This budget delivers on key elements of the Governor's strategy and spurs job creation, fosters innovation, and provides the funding to make Pennsylvania more competitive on a national scale with new and expanded investments, including:

- \$500 million in site development, including \$400 million to create the Pennsylvania Strategic Investments to Enhance Sites (PA SITES) program to bring more commercial and industrial sites to Pennsylvania. PA SITES received <u>bipartisan support</u> in the House and Senate to help sites across the Commonwealth become "shovel ready" in order to attract more businesses and good-paying jobs.
- **\$20 million** for the Main Street Matters program, to support small businesses and commercial corridors that are the backbone of communities across our Commonwealth. This new program will build upon and modernize the Keystone Communities program.
- Building on the first-time state funding for the Historically Disadvantaged Business Program in the 2023-24 budget, this budget invests \$20 million in state funding for small minority-, women-, and veteran-owned businesses across the Commonwealth.
- \$15 million for tourism marketing to boost our economy, attract more visitors, and support good-paying jobs building on the Governor's launch of the *Great American Getaway* brand to encourage tens of millions within a few hours' drive to visit Pennsylvania.
- This budget also continues to cut taxes for Pennsylvanians and provides tax credits to support further job creation and investment.

### Continuing Pennsylvania's Legacy as a National Leader in Agriculture

The Governor's Economic Development Strategy puts agriculture front and center in the conversation – because Governor Shapiro knows that the 53,000 farms across the Commonwealth support over 600,000 jobs and contribute \$132 billion to our state's economy.

This budget continues Pennsylvania's national legacy as an agriculture leader:

- \$31 million to help poultry farmers impacted by the hi-path avian influenza (HPAI) crisis pay for testing and get reimbursed for losses to their flocks.
- \$10 million in agriculture innovation to help support new solutions and technologies, including
  energy and conservation endeavors, and to continue to build the future of American agriculture
  right here in Pennsylvania.
- Invests in a new state laboratory in western Pennsylvania that will provide much needed testing capacity, helping with rapid diagnosis and mitigation of future HPAI outbreaks across the state.

### **Supporting Our Workforce and Opening Doors of Economic Freedom**

This budget makes investments to open doors of economic opportunity and give Pennsylvanians the freedom to chart their own course – investing in all paths to success, from vo-tech and apprenticeship programs to college and continuing education:

- Includes a \$30 million increase in Career and Technical Education (CTE) programming and
  equipment and continues Governor Shapiro's work to invest in apprenticeship programs,
  building on the nearly 40 new apprenticeship programs approved in his first year in office.
- After Governor Shapiro last year signed into law Act 33 establishing the \$10 million Educator
   <u>Pipeline Support Grant Program</u> -- which provides up to \$15,000 to eligible student teachers in
   Pennsylvania this budget secures an additional \$10 million for student teacher stipends,
   doubling last year's investment.
- **\$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.
- Provides \$2 million in first-time state funding for nursing apprenticeships.

# **Delivering a Bold New Vision for Higher Education Grounded in Access & Affordability**

As the Governor laid out in his budget address and when he <u>unveiled his plan for higher education</u>, there is a real need to improve our Commonwealth's higher education system – and after decades of disinvestment, too many of our colleges and universities are running on empty and not enough students have affordable pathways through college and into good jobs.

After Governor Shapiro started this conversation after decades of inaction, leaders in both parties have come together in this budget to take meaningful action to invest in higher education, make us more competitive, and create more opportunity for Pennsylvania students and families.

#### This budget:

- Creates the State Board of Higher Education to provide greater support and coordination and ensure our institutions of higher education meet Pennsylvania's workforce needs.
- Creates a performance-based funding formula for state-related universities.
- Provides critical increases to our community colleges and PASSHE schools, including a \$15.7 million increase or a 6 percent increase for community colleges and a \$35.1 million increase for PASSHE schools also a 6 percent increase.
- Delivers over \$120 million in increased funding for scholarships and grants to make college more affordable, including a \$54 million increase to PHEAA student grants and \$5 million for disadvantaged students' scholarships.

## <u>Supporting Pennsylvania's Intellectual Disability and Autism Community and Direct Support</u> Professionals

Governor Shapiro has <u>met with</u> Pennsylvanians with intellectual disabilities and autism (ID/A), caregivers, and <u>advocates</u> all across the Commonwealth – and he has heard their plea that something must be done to support home and community-based services and address the shortage of direct support professionals in our Commonwealth.

For years, the ID/A community has demanded real help. Governor Shapiro heard them loud and clear – and this budget finally stands up Pennsylvanians with intellectual disabilities and the direct support professionals who care for them with major investments:

- **\$354.8 million** in federal and state funding to provide more resources for home and community-based service providers, a 7 percent rate increase.
- This includes \$280 million to help raise wages for the direct support professionals who care
  for Pennsylvanians and \$74.8 million to begin the process of clearing the emergency wait list
  entirely ensuring more Pennsylvanians receive the care they need and deserve.

### **Backing Law Enforcement and Creating Safer Communities**

In the 2023-24 budget, Governor Shapiro invested in four new state trooper cadet classes and delivered **\$125 million** in additional funding for Pennsylvania roadways and bridges by reducing PSP's reliance on the Motor License Fund. Thanks in part to that investment, the Shapiro Administration repaired 74 bridges in 2023 and has started 161 bridge projects in the first half of 2024 alone.

## Ensuring Our Law Enforcement is Well-Staffed, Well-Equipped, and Well-Funded

Governor Shapiro believes Pennsylvanians deserve to be safe and feel safe in their communities – and that's why this budget funds our Pennsylvania State Police and makes critical investments in gun violence prevention efforts.

This budget will continue to sustainably fund the Pennsylvania State Police by reducing PSP's reliance on the Motor License Fund, delivering an additional **\$125 million** for road and bridge projects while ensuring law enforcement has the resources they need to keep our communities safe, including:

• \$16 million to create four more new cadet classes for the Pennsylvania State Police – funding nearly 400 more State Troopers – and supports PSP's mission to protect the safety of Pennsylvania communities and residents, building on the action undertaken by the Shapiro Administration to enable more individuals to qualify as Troopers through the elimination of college credits requirements.

# Investing in Gun Violence Prevention and Creating the Office of Gun Violence Prevention

Governor Shapiro and Lieutenant Governor Davis have traveled the Commonwealth with <u>gun</u> <u>violence prevention advocates</u> and <u>local law enforcement</u> to highlight their Administration's work to create safer communities by investing in community groups focused on reducing gun violence. To continue to keep our communities safe, the 2024-25 budget:

- Invests \$45 million in proven community-based programs to reduce violence through the Pennsylvania Commission on Crime and Delinquency (PCCD), including a \$5 million increase for the successful Violence Intervention and Prevention (VIP) program, which supports a wide range of models focused on reducing community violence and relies on community groups that are most in tune with specific local needs.
- Invests \$11.5 million to create a statewide Building Opportunity through Out of School Time (BOOST) program through PCCD, which will aim to reduce community violence by providing more after-school learning opportunities for young people.

- Includes a \$5 million increase for the Nonprofit Security Grant Fund at PCCD, which provides
  resources for places of worship, community centers, and other entities to equip themselves
  with security measures.
- Increases funding for domestic violence services by an additional \$2.5 million through the PA Department of Human Services (DHS).

Alongside the budget, Governor Shapiro will bring together law enforcement, gun violence advocates, and community members to stand up Pennsylvania's Office of Gun Violence Prevention within PCCD.

### **Investing in Public Transit and Infrastructure**

Governor Shapiro knows millions of Pennsylvanians in rural, urban, and suburban communities rely on public transit every single day to get to work, go to school, see their families, and travel – and clean, safe, on-time public transit is a key driver of economic development. This budget delivers:

- An \$80.5 million increase to help bridge the funding gap for public transit agencies across the Commonwealth until the legislature returns to develop a permanent solution, as leaders in both parties have committed to doing.
- This budget also delivers \$80.5 million in new funding to repair our roads and bridges, a key
  priority for Senate Republicans.

### **Protecting Health Care and Delivering for Seniors**

Governor Shapiro knows that too many Pennsylvanians are worried about the high cost of health care – and the Commonwealth is currently facing a health care crisis as hospitals close in rural communities. This budget will help ensure Pennsylvanians' access to quality, affordable health care with \$34.5 million in support to rural hospitals.

## **Helping Pennsylvania Seniors Age with Dignity**

In May 2023, Governor Shapiro <u>signed an Executive Order</u> directing the Pennsylvania Department of Aging (PDA) to develop a 10-year Master Plan for Older Adults. In May 2024, Governor Shapiro and Secretary of Aging Jason Kavulich<u>released</u> the *Aging Our Way, PA* 10-year strategic plan that will help transform service delivery to create the age-friendly Commonwealth that all residents deserve now and in the future.

The 2024-25 budget will help to ensure Pennsylvania seniors are able to live out their golden years with dignity by investing:

- \$75 million in increased funding for the care of seniors and adults with disabilities living in skilled nursing facilities. Nursing homes will receive a 7.04 percent annualized rate increase that will support facility staffing and quality of care.
- **\$2.95 million** to support PDA's implementation of *Aging Our Way, PA*. Through these initiatives, the Commonwealth can enhance accessibility, empower caregivers, bridge disparities, and build a resilient and compassionate community for everyone.
- **\$1.9 million** to create the first Alzheimer's Disease and Related Disorders Division within the PDA to support Pennsylvanians living with these conditions and their caregivers.

### **Increasing Access to Menstrual Hygiene Products in Schools**

Since taking office, Governor Shapiro has fiercely defended the rights of women and girls to access a full range of reproductive health care services and the freedom to make their own choices about their own bodies. Part of that freedom includes access to affordable menstrual hygiene products in Pennsylvania schools for students.

The Governor's proposal to make menstrual hygiene products available at no cost in Pennsylvania schools received <u>bipartisan support in the legislature</u> and was <u>championed by First Lady Lori</u> Shapiro.

This budget also delivers \$3 million to provide menstrual hygiene products at no cost to our students.

### **Combatting Maternal Mortality**

In the 2023-24 budget, Governor Shapiro secured the first-ever state investment of **\$2.3 million** in addressing maternal mortality and <u>signed a bill into law</u> that ensures improved access to timely data on maternal health and maternal mortality in Pennsylvania. This budget more than doubles last year's investment with a **\$2.6 million increase** for maternal mortality prevention.

### **Investing in Affordable Housing**

In addition to significant investments in education, workforce development, and public safety, this budget makes critical investments in housing to help Pennsylvania families who are struggling with the high cost of renting or owning a home.

To fight back against those high costs, this budget:

• Raises the cap for PHARE funding to **\$100 million** per year by 2026, nearly doubling the Commonwealth's commitment to building more affordable housing.

To keep more Pennsylvanians in their homes and ensure their constitutional rights are protected, this budget includes:

- A \$5 million increase for the Homeless Assistance Program, where rental assistance, bridge
  housing, emergency shelter, eviction prevention, and other innovative supportive housing
  services can be provided.
- The first-ever state investment of \$2.5 million in access to counsel for those facing eviction proceedings.
- **\$2.5 million** for to create a Local Government Emergency Housing Support program for our cities and counties.

#### **Supporting Commonsense Investments in Environmental Innovation and Monitoring**

In his <u>first budget address</u>, Governor Shapiro promised to draw down as much federal funding as possible to cap and plug the orphaned and abandoned wells that leak methane and endanger our communities.

After just one year in office, the Shapiro Administration <u>capped and plugged</u> over 200 wells – more than the previous nine years combined. The 2024-25 budget continues this progress by:

- Investing **\$50 million** in funding to clean waterways across Pennsylvania including local streams that feed the Chesapeake Bay, which <u>earlier this week</u>received the highest grade ever awarded to the overall health of the Bay since the reporting began.
- Allocating \$11 million in state funds to continue the important work of finding and capping abandoned wells. This funding will help the Commonwealth continue its work to address climate change and draw down as much funding to cap and plug as many orphaned and abandoned wells as possible.
- Investing \$10.5 million to speed up permitting processes at the Department of Environmental Protection (DEP) and clear permit backlogs – building on the historic progress made by the Shapiro Administration on permitting reform, including reducing the backlog at DEP by 41 percent.

Today, Governor Shapiro signed <u>HB 613</u>, <u>HB 2310</u>, <u>SB 219</u>, <u>SB 654</u>, <u>SB 700</u>, <u>SB 1001</u>, and <u>SB 1009</u> into law.

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