



GOVERNOR JOSH SHAPIRO

FOR IMMEDIATE RELEASE

Tuesday, March 7, 2023

Contact: ra-gvgovpress@pa.gov

Governor Josh Shapiro Unveils Commonsense Budget to Address the Issues Pennsylvania Faces



Gov. Shapiro's first budget proposal invests in a stronger economy, safer and healthier communities, and better schools for our kids

Harrisburg, PA – Today, Governor Josh Shapiro presented his first budget to the people of Pennsylvania – sharing his vision for commonsense investments to make Pennsylvania communities safer and healthier, create real opportunity and build an economy that works for all, and ensure every child has access to a quality education. This budget is a set of real solutions to the most pressing issues Pennsylvania communities face.

“This budget is packed with commonsense solutions to the problems the people of Pennsylvania face every single day,” **said Governor Shapiro in his address to the General Assembly.** “This budget lowers costs and cuts taxes for Pennsylvanians. It cuts red tape, speeds up permitting, and supports business. It strengthens our communities and makes them safer and more just. It protects our environment and invests in public health. And it starts the long process of making our education system more fair so that every child in this Commonwealth has a shot. The people of Pennsylvania have entrusted us with the responsibility to negotiate and come together. So instead of playing politics as usual, let's show the people that we are up to this task.”

Watch the Governor's full budget address to a joint session of the House and Senate [here](#).

Governor Shapiro's commonsense budget proposal will address the challenges Pennsylvanians face every day, create real opportunity, and advance real freedom here in Pennsylvania. Below, you can read more about the Governor's 2023-24 budget proposal, and [you can read the full budget in brief here](#).

Cutting Costs for Pennsylvania Families

Governor Shapiro knows many of our neighbors are being crushed under a mountain of rising prices, most of which are out of their control. But that doesn't mean the Commonwealth shouldn't try to help. Governor Shapiro's budget eliminates the state cell phone tax – specifically the gross receipts tax and the sales tax – **saving Pennsylvanians \$124 million every year.**

His budget also includes a significant expansion of the Property Tax Rent Rebate, which hundreds of thousands of Pennsylvania seniors rely on to stay in their homes. For people on a fixed income, this rebate is a lifeline. Under the Governor's plan, the maximum rebate would increase from \$650 to \$1000 a year, the income cap for renters and homeowners would increase to \$45,000 a year, and that cap would be tied to the cost of living. Under the Governor's proposal, **nearly 175,000 more Pennsylvanians will qualify** and many of the 400,000 seniors who already qualify **will see their rebates nearly double.**

Building Economic Prosperity through Key Investments in Communities, Businesses and Workers

Governor Shapiro's budget builds on actions taken during his first weeks in office that collectively made a significant down payment on innovation and economic development. This budget invests 50% more in the Commonwealth's **Manufacturing Innovation Program**, which connects Pennsylvania's universities with businesses to spur innovation and job creation right here at home. The Governor is planting a flag and making clear that Pennsylvania is open for business.

The budget provides **funding for Governor Shapiro's Office of Transformation and Opportunity**, a one-stop-shop for businesses looking to grow and contribute to aggressively reigniting Pennsylvania's economy.

The budget also includes **\$20 million for the creation of a new state program, to supplement previous federal investments, to invest in historically disadvantaged businesses** in the Commonwealth and provide sustainable support. On average, disadvantaged businesses have less access to capital, are three times more likely to be denied loans, pay a higher interest rate, and receive lower loan amounts than non-minority owned firms.

Pennsylvania stands on the precipice of a major opportunity for energy and tech jobs – and we must lead the way by securing at least one regional hydrogen hub. The Shapiro Administration wants the future of hydrogen to come through our Commonwealth, and it takes big investments to attract more innovative business and create thousands of new good-paying jobs.

The agriculture sector is critical to our economy, contributing \$132 billion a year – our farmers and agricultural workers do hard, important work, in challenging and sometimes dangerous conditions. The Governor's budget gives Pennsylvania's farms more access to capital and opens up new markets for our farmers by **funding a new Organic Center of Excellence** to continue the Commonwealth's long tradition of agricultural leadership.

Too many of our roads and bridges are crumbling and too many of our public transit systems are understaffed. Public transit connects our communities to work, family, doctors, and countless opportunities – and the Governor's budget, by freeing up more of the Motor License Fund for the Commonwealth's infrastructure needs, makes **an estimated \$1.5 billion available for road and bridge projects**.

Building a Strong Workforce

Governor Shapiro knows that economic prosperity involves more than just business expansion and development: it also requires a strong, skilled workforce.

A shortage of workers is one of the most pressing challenges our Commonwealth faces, with vital industries like nursing, law enforcement, and education dealing with thousands of unfilled positions. To address workforce shortages, the Governor's budget invests **\$24.7 million in job retention and recruitment efforts** to specifically attract more of these workers. For anyone who earns a new license or certification in one of

those three fields, or for anyone who has a license and decides to move to Pennsylvania for work, this budget proposes a **refundable tax credit** putting up to **\$2,500 back in their pocket** every year for up to three years.

It is hard for Pennsylvanians to get to work in the first place if they don't have access to affordable childcare. Our economy loses nearly \$3.5 billion a year because of a lack of childcare options, and that's holding all of us back. The Governor's budget provides investments **up to \$66.7 million in childcare services for low-income families**, an increase of **\$30 million for the Pre-K Counts program**, and **\$2.7 million in funding for the Head Start Supplemental Program** to help address staffing shortages in early childhood education programs.

The budget also boosts Pennsylvania's economy, expands our workforce, and builds robust pathways between schools and the workforce by proposing a **\$23.8 million investment in workforce training and apprenticeship programs** and strengthening skills-building programs that lead to family-sustaining wages.

When Pennsylvanians need help from the Commonwealth, they deserve fast, efficient service. In the past, the Unemployment Compensation system has failed workers who needed that help. When they are unexpectedly out of work, they don't need another roadblock – this budget works to fix the system and provide Pennsylvanians with accurate answers and timely support.

Investing in Children and Students

The foundation for building strong and safe communities starts with an adequate and equitable public education system. Governor Shapiro has a comprehensive plan to fully fund our public schools, push education dollars out adequately and equitably, support our teachers, and empower parents to put their kids in the best position to succeed.

To ensure that every Pennsylvania student has access to a quality education, Governor Shapiro's budget includes **an increase of \$567.4 million, or 7.8 percent, for basic education funding**, on par with recent inflationary and cost-of-living growth. This investment enables school districts to have the resources they need to provide a high-quality education for Pennsylvania students. Additionally, **an increase of \$103.8 million for special education** will ensure school districts have the basic resources they need to provide high-quality special education services to students with disabilities and/or special needs.

The research is clear: when students get proper nutrition, they are both physically and mentally prepared to learn and therefore, perform better in school. This budget proposes **\$38.5 million to continue to provide universal free breakfast for all Pennsylvania students, regardless of income**. This ensures all students have access to a healthy, nutritious meal to start the school day.

Every student deserves to be safe and feel safe in their learning environment. The Governor's budget provides **\$100 million for school safety and security grants through the Pennsylvania Commission on Crime and Delinquency's School Safety and Security Committee**, to build on the work state agencies are already doing to support the physical and mental well-being of students and staff. This budget also provides **an investment of \$100 million to reduce and remediate environmental hazards in schools** to ensure more children will have the opportunity to grow and learn in healthy settings.

Governor Shapiro believes having the freedom to chart your own course means ensuring access to affordable options for postsecondary education. For some, that may be a career and technical education from a specialized institution, a two-year degree from a community college, while for others it may be a four-year or graduate degree. **A more than \$60 million increase in funding for higher education institutions** will continue to support operations at Pennsylvania's diverse postsecondary institutions and increase postsecondary access and completion.

Ensuring Pennsylvanians Are Safe and Feel Safe in Their Communities

All Pennsylvanians, no matter their background, want and deserve a criminal justice system that keeps our communities safe and enforces the laws in a fair and consistent manner. Governor Shapiro's budget aims to build safer communities by supporting the work of law enforcement and first responders, investing in our communities, promoting anti-violence initiatives, and pursuing smart reforms to keep people safe across the Commonwealth.

Every Pennsylvanian deserves to be safe and feel safe in their community – and safe communities start with ensuring police departments are well-staffed, well-funded, and well-equipped. The Governor's budget will **sustainably fund the Pennsylvania State Police by creating a Public Safety and Protection Fund**, reducing PSP's reliance on the Motor License Fund. In doing so, an estimated \$1.5 billion will be available for road and bridge projects while ensuring law enforcement has the resources they need to keep our communities safe. Additionally, the budget proposes **\$16.4 million for four new trooper cadet classes** in 2023-24, which would hire and train 384 new troopers, helping to fill staffing gaps and provide more coverage across the Commonwealth.

The Governor's budget includes funding for the 911 system, one of the most important functions of public safety, by **eliminating the GRT cell phone tax** and adding a small surcharge increase to 911, putting more money back in Pennsylvanians' pockets while increasing critical emergency funding for counties. First responders play a vital role in keeping our communities safe and many do this dangerous work on a volunteer basis. That's why the Governor's budget also includes **a \$36 million increase in resources for emergency medical services (EMS) and fire services**.

Combatting violence is a crucial building block to creating real opportunity and advancing real freedom for Pennsylvanians. This budget makes record state funding

investments in grants and technical assistance to address community violence throughout the Commonwealth, including **\$105 million through the successful Violence Intervention and Prevention program** housed in the Pennsylvania Commission on Crime and Delinquency (PCCD).

Pennsylvania is one of only two states in the country that allocates no state funding for indigent defense, resulting in wide disparities across counties in the quality of legal representation available to indigent Pennsylvanians. The Governor's budget **invests \$10 million through PCCD and the Criminal Justice Advisory Committee (CJAC) to ensure access to constitutionally required legal defense** and ensure that public defenders have the resources they need to provide legal representation to defendants who cannot pay for it on their own.

The Governor's budget also aims to improve the clemency, parole, and probation processes by providing **funding to address bottlenecks within the Department of Corrections (DOC), \$2 million to provide early services with social workers to parolees**, as well as funding for body worn cameras for parole agents, and **an additional \$4 million investment in adult probation services** at the county level.

Protecting Vulnerable Populations

With this budget, Governor Shapiro is following through on his promise to protect our most vulnerable populations and make it easier for them – and their families – to live here. The Governor's commonsense budget proposal reduces costs, expands quality services, and increases the availability and affordability of healthcare for seniors and people with disabilities.

For many of our neighbors, federal emergency benefits from the Supplemental Nutrition Assistance Program (SNAP) provided stability over the last few years. Those emergency benefits have ended, leaving many families unsure of where their next meal will come from. This budget proposes to address food insecurity among seniors and people with disabilities by **investing \$16 million in SNAP to increase the minimum benefit by 52%**.

Governor Shapiro's budget further helps meet seniors' needs while also working to eliminate waiting lists for critical programs. First, the budget provides **an additional investment of \$10 million to support older adults by reducing the wait list for the Help at Home Program and providing additional funding to the Area Agency on Aging (AAA) network** to help attract providers and retain staff to keep our neighbors safe in their communities. Second, the budget provides an **additional \$1 million to issue Senior Community Center grants** to improve safety and accessibility, repair or replace essential equipment, and invest in technology supplies. Finally, the Governor's budget invests **more than \$1.9 million in resources for long-term care facilities** to ensure compliance with federal funding, address staffing shortages, and make certain every resident in a Skilled Nursing Facility receives the highest level of care possible.

People with disabilities should have opportunities to thrive and do what they want, when, where, and how they want to do it — safely, without barriers, and with access to support as needed. **An increased appropriation of \$684,000 will be used to recruit and hire staff at the nine state Centers for Independent Living (CIL)** who have the necessary qualifications to respond to the needs of Pennsylvanians, including bilingual staff for the regions that need them. This budget also invests **an additional \$17.6 million** toward reducing the waiting list for home and community-based services, and **an investment of \$3.4 million for Pennsylvania’s Lifesharing program**, which allows adults with disabilities to live at home with qualified adults, leading to better quality of life outcomes for many individuals with disabilities.

Supporting the Mental Health of Every Pennsylvanian

For too long, mental health has been an afterthought. Mental health is a crisis that needs to be addressed, and it starts with making sure every Pennsylvanian, no matter their age, has the support they need. That’s why Governor Shapiro has proposed a massive increase in mental health support to serve the needs of all Pennsylvanians.

The need for mental health programs is especially acute with our students. The Governor’s budget includes **\$500 million** to increase the mental health support our students need and deserve in Pennsylvania schools, including **\$100 million to connect students and staff to mental health services**, ensuring a pipeline of trained school-based mental health professionals in the future.

Pennsylvania’s counties provide a spectrum of community-based mental health services which are critical to the well-being of Pennsylvania’s residents. Recognizing the increases in mental health concerns among Pennsylvanians in recent years, the Governor’s budget proposes to **increase base funding to counties to provide critical mental health services** and address deepening workforce shortages.

People with serious mental illnesses who find themselves in the criminal justice system are often in need of more significant support. The 2023-24 budget **provides \$4 million to create three community-based programs** to reduce, or prevent, delays in admissions to state facilities and work to keep these individuals out of incarceration.

Farm safety and mental health continue to be significant challenges for farmers and ranchers, an industry with one of the highest rates of suicide. This budget builds on existing federal funding to support current efforts to assist farmers’ mental health concerns. A **\$200,000 investment for farmer mental health** will provide support services such as a mental health hotline, specialized trainings, and outreach to the agricultural community.

Safeguarding Pennsylvania’s Environment and Protecting Pennsylvanians’ Rights to Clean Air & Pure Water

Pennsylvania is home to some of America's greatest natural treasures. Governor Shapiro knows the Commonwealth is a steward of this rich environment, a role that is more important than ever as we face the evolving threat of the climate crisis. He is taking action to confront this crisis, **proposing \$5.75 million for the Department of Environmental Protection (DEP)** for improving air quality testing, increasing dam inspections, safeguarding water quality, and more.

This investment will also enable a new generation of Pennsylvanians, and visitors from across the world, to enjoy our parks, trails, and forests, while capitalizing on economic development opportunities that arise from our natural resources.

We also need to protect our communities and safeguard natural resources before disaster strikes. That's why the Shapiro Administration is tackling a significant source of greenhouse gas emissions here in Pennsylvania, and creating thousands of good-paying, union jobs in the process. The Governor has directed the DEP to draw down as much federal funding as possible to cap and plug orphaned and abandoned wells that dot rural Pennsylvania. An estimated 350,000 orphaned wells across our Commonwealth make up nearly 8% of our total methane emissions. Methane is particularly dangerous because it is up to 86 times more potent than Carbon Dioxide, and it's leaking into our atmosphere every day. Let's plug the wells, improve our air quality, and strengthen our communities.

Governor Shapiro was elected to bring people together and get things done for all Pennsylvanians – and this commonsense budget filled with solutions to the problems we face demonstrates his commitment to delivering real results for our Commonwealth.

Learn more about Governor Shapiro's budget here: <http://shapirobudget.pa.gov>

###