



Education Voters of PA Analysis of Gov. Shapiro’s Proposed 2023-2024 Funding for Education

In his budget address, Governor Shapiro acknowledged that the recent Commonwealth Court ruling recognized that education is a fundamental right guaranteed by the Pennsylvania Constitution to all children and that students in low-wealth districts are currently denied that right because their districts cannot raise sufficient local resources. The court also recognized that our schools require additional state funding to meet our constitution's mandate—a comprehensive, effective, and contemporary public education system that gives every child a meaningful opportunity to succeed academically, socially, and civically.

Governor Shapiro has shown that he is willing to work to find a comprehensive solution to the lawsuit decision, and that the proposed increases in basic and special education funding in this budget are inadequate to meet the moment. These increases keep pace with inflation—allowing districts to barely tread water when they need substantial additional state investments to meet their students’ needs. ***Lawmakers in the PA House and Senate must expand on the Governor’s proposal to provide an even larger down payment toward the public K-12 and public higher education funding that is necessary for our young people and the commonwealth to thrive.***

These are the new investments we and our partners with the PA Schools Work campaign asked Governor Shapiro to make into K-12 schools.

OVERVIEW OF PA SCHOOLS WORK RECOMMENDED INVESTMENTS		
	2023-24 Ask (Increase)	4-Year Ask
BEF/Level Up	\$1B (\$700m via BEF/\$300m via Level Up)	\$4B*
Special Education	\$236.5M	\$1.1B
Charter Reforms Savings	\$373M (\$174M in school district SPED spending + \$199M in District payments to charters)	
CTE	\$214M	TBD with reform of the career pathway system
Facilities	\$1B released over two years	TBD with reform of the processes and formulas

*This is an estimate that will need to be updated based on an updated adequacy calculation. It does not take into account the most recent investments from Gov. Wolf, which would reduce the total. A revised costing out analysis would factor in those revenues and also have to take into account the increased costs associated with meeting new state education standards and the mandated increases in district pension payments since 2020.

Pennsylvania is flush with cash.

Pennsylvania has a \$5 billion rainy day fund and a \$7.8 million budget surplus. Harrisburg is flush with cash and in a position to make a substantial down payment toward rectifying its unconstitutional K-12 public school funding system and to put the dream of higher education back within the reach of children from working families who will become our future teachers, nurses and other professionals that support a thriving commonwealth.

K-12 Funding

Basic Education Funding just keeps pace with inflation.

The proposed additional **\$567 million in Basic Education Funding** is a 7.8% increase in funding over last year. It keeps pace with inflation. All BEF funding will be allocated to all 500 districts through the Basic Education Funding Formula.

No additional Level Up funding for PA's 100 poorest districts.

There is no additional Level Up Funding that would be allocated to Pennsylvania's 100 poorest school districts. The absence of a new Level Up supplement in this budget proposal is both disappointing and puzzling. Level Up has earned strong bipartisan support during the past two legislative sessions. This well-recognized supplement helps to close the funding gaps that hurt our most vulnerable students and it is currently the only tool available to help remedy the inequities that are at the heart of Pennsylvania's unconstitutional school funding system.

Level Up funding that districts received in the past two budgets will be added to their base level of Basic Education Funding as required by the statute.

Special Education Funding continues to shift the cost to local taxpayers.

The proposed \$103.8 million increase in Special Education funding proposal continues to push the cost of providing services for students with disabilities on to local taxpayers.

[From 2008-09 to 2019-20, total special education expenditures grew by \\$2.2 billion](#) while total state funding has grown by only \$156 million. State funds have covered only one out of every 14 dollars in increased expenditures over this period.

Mental health funding for K-12 schools.

This proposal creates a \$100 million school-based mental health supports block grant with an unknown distribution. Mental health funding in this grant program totals approximately \$59/student.

This is a new structure for existing funds; the \$100 million set aside within the Ready to Learn Block Grant for school safety mental health grants is discontinued. The budget also maintains the \$100 million transfer to the School Safety and Security Fund for physical safety grants.

School environmental repairs.

This budget contains a new \$100 million state appropriation for school environmental repairs and improvements. The budget materials call these matching grants; further proposed distribution details are unknown. There is a five-year commitment for this funding. There has been no state school facility funding for new projects since the PlanCon moratorium in 2016.

A new school food service initiative

A proposed \$38.5 million increase would annualize Gov. Wolf's 2022/23 universal free breakfast initiative and expand free lunch to students previously only eligible for reduced price lunches (estimated 22,000 students)

Career and Technical Education funding would see increases.

This proposal contains \$23.8 million to expand in school and apprenticeship training options and funds to cover the cost of industry certification tests for students.

Early childhood education sees minimal increases.

- \$10.4 million increase for early intervention (3% increase).
- \$30 million increase for Pre-K Counts, or (10%), increase for. The entirety of this increase would be used to raise the state-funded, full-time rate from \$10,000 per seat to \$11,000 for the 29,661 existing Pre-K Counts funded seats.
- \$2.7 million increase for Head Start supplemental (3% increase) to cover rising costs of the program.

This budget does not contain funding that would allow any new children to enroll in Pre-K or Head Start.

No proposed charter school funding reforms; charter tuition will continue to force property tax increases.

The absence of proposals for commonsense charter school funding reforms that are [supported by 90% of school districts](#) is a missed opportunity to reduce pressure on property tax increases. More closely matching tuition payments with charter schools' actual costs will reduce overpayments to charter schools and help keep school funding in classrooms instead of siphoning it into expensive charter school advertising campaigns and private pockets.

Higher Education Funding would receive just a 2% increase in funding.

The Pennsylvania State System of Higher Education (PASSHE) would receive a \$11.0 million increase. **Community colleges would receive \$5.1 million and Thaddeus Stevens College of Technology would receive \$389,000.**

For the four state-related universities -- **Lincoln University, Temple University, the University of Pittsburgh and Penn State University**--federal dollars are treated as part of the base funding, so the overall increase for these schools is also 2 percent.

The commonwealth's appalling neglect of funding for higher education leaves our college graduates with the [third highest student debt](#) in the nation. If we hope to have a strong economy in the commonwealth, we need a robust investment in public higher education so that young people can afford to attend our high-quality **public** universities in the PASSHE system. And if we hope to address our looming teacher shortage, college students need to be able to get a teaching degree without being buried under a mountain of debt.

Property tax relief for seniors and people with disabilities who need it the most.

The Property Tax/Rent Rebate Program currently provides property tax relief in the form of rebates to eligible Pennsylvania seniors, widows and widowers, and individuals with disabilities.

This proposal increases the income caps for homeowners and renters from \$35,000 and \$15,000, respectively, to \$45,000 for both. It also increases the maximum rebate from \$650 to \$1000. This will allow an additional 173,000 individuals to become eligible for the program and increase assistance to the 398,000 individuals that already qualify for the program.