



PARSS Legislative Update ***July 3, 2023***

July 4th Fireworks Yes, State Budget No

The weekend failed to produce a breakthrough in negotiations on the state budget. The Legislature is in recess until after the holiday and will return to Harrisburg pending a breakthrough in the stalled negotiations.

The short story is that the voucher funding issue is making getting to an agreement difficult. The Senate Republicans have made the voucher issue, now called PA Award for Student Success Scholarship Program (PASS), a budget priority, the Governor has been on board in concept, but the House Democrats have been a hard no on the issue. The proposal under consideration at least makes the Commonwealth the responsible funding party. Previous efforts targeted school district budgets to pay for the vouchers.

Many of the other issues in the education budget appear to be headed in the right direction in terms of reaching a compromise. The chart below will show you where the Senate, House, and Governor differ and by how much.

	<i>(All dollars in 000's)</i>	Current Yr.	Gov	Change from Current	House Budget	Change from Current	Senate Budget	Change from Current
<i>Basic Ed Funding (BEF)</i>		7,604,572	8,421,751	11%	8,521,751	12%	7,872,444	4%
<i>Retirement</i>		2,986,000	2,971,000	-1%	2,995,000	0%	2,995,000	0%
<i>Special Ed Funding (SEF)</i>		1,336,815	1,440,641	8%	1,490,641	12%	1,336,815	0%
<i>Pupil Transportation</i>		602,746	593,100	-2%	593,100	-2%	593,100	-2%
<i>Level Up Supplement</i>		225,000	-	-100%	225,000	0%	100,000	-56%
<i>Career and Tech</i>		105,138	119,138	13%	119,138	13%	119,138	13%
<i>PASS Scholarship Program</i>		-	-		-		100,000	
<i>School Food Services</i>		46,000	91,536	99%	91,536	99%	92,500	101%
<i>Teacher Recruitment</i>		-	-		10,000		10,000	

Note: Some formula driven programs show reductions e.g., transportation and retirement which is a result of the formula elements. It is not a cut in the formula, but rather a reduction in the amount of funding driven out by the formula.

So, now what? The voucher issue will be the stumbling block. The Senate is likely to reject a budget without it. Similarly, the House is likely to reject a budget with it in. The ball is in the Governor's court to find the middle ground.

If your holiday plans get rained out, here is a good read to understand the basics of vouchers, scholarships, and tax credits. [Click here to read it.](#) Regardless, have a great holiday!