



July 23, 2025

## **The Good News and Bad News for School Budget:**

### **Federal Funds Flow, State Budget Slows**

After federal funds to schools were frozen at the end of last month, a day before the US Department of Education should have released the federal aid, the money will again be flowing to states. [Ten GOP US Senators wrote to the Trump Administration](#) calling for release of the funds as did [many House Democrats](#) including several PA House Democrats.

There was also [litigation filed by several governors and attorneys general](#) (including Governor Shapiro) general seeking release of the funds. The reinstatement of funding will mean that PA schools will receive about [\\$230 million in federal assistance to be directed to a variety of programs](#). Here is a breakdown of the federal funding to PA by program:

<b>Title II-A</b>	<b>\$11,162,804</b>
<b>Title III-A</b>	<b>\$70,576,382</b>
<b>Title IV-A</b>	<b>\$19,599,716</b>
<b>Title IV-B</b>	<b>\$55,431,763</b>

<b>Adult Basic and Literacy Education</b>	<b>\$53,160,818</b>
<b>Adult Integrated English Literacy and Civics Education</b>	<b>\$18,645,367</b>
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<b>Total</b>	<b>\$230,714,211</b>

The reversal of the federal freeze is good news for PA schools. However, the state budget dilemma continues without a good indicator of when the sides could find a resolution. There are no voting days scheduled, which is a sign that negotiations have stagnated. If a state budget resolution were imminent, the chambers would not have recessed. Keeping members in Harrisburg cuts time in recalling Legislators from across the state back to session in Harrisburg.

Budget negotiators will continue discussions, but at this point there is no timeline. Thursday is the scheduled July Unipay date for schools. Even with a sudden budget deal, it is extremely unlikely that the July state payments to schools will happen by the deadline.

The Senate Appropriations did move the Republican version of the state budget from committee. This move means that final passage of a budget deal could get voted in the Senate and sent back to the House and then to the Governor quickly.