



PARSS Legislative Update July 31, 2023

A Budget Breakthrough?

No, you have not missed anything. The state budget is still in a suspended state of deadlock. When we last left the Harrisburg drama, the House approved a Senate budget bill only when Governor Shapiro agreed to line item a funding source for PASS scholarships. The Senate approved budget contained \$100 million to implement the new program. Accusing the Governor of reneging on his support of PASS, the Senate adjourned and has indicated that it is not in any hurry to convene in Harrisburg in order to get the budget bill to the Governor.

However, an announcement last Thursday by Senate President Pro Tem Kim Ward (R-Westmoreland) indicates that a breakthrough was in development. Her statement said, ... “the Senate will return in August to complete the General Appropriations process which will allow funds to be dispersed in a timely manner to schools and organizations.” The statement also said, “Senate Republicans are actively negotiating the budget with Gov. Shapiro and things are moving forward.” You can read the short statement in its entirety by [clicking here](#).

Without a budget breakthrough, a massive cash flow jolt to schools will occur next month when the Unipay schedule calls for the transfer of state funds to districts including Basic Education Funding. The Unipay process is scheduled to begin on August 15 when PDE sends the payments to the Comptroller’s Office. On August 22, the Comptroller sends the payments to Treasury to prepare for the transfers to local education agencies. The August Unipay is a vital and significant state payment... If we are still without a final budget in mid-August, schools particularly lower wealth districts and those with lower reserves will be in financial difficulty. Already borrowing of short-term funds has begun.

It appears from the short statement that that a new agreement will likely mean changes to funding levels in [House Bill 611](#) which has passed both chambers. That means we will potentially see a new round of funding levels for at least some education programs. We will keep up to date on any breakthroughs in Harrisburg.