



PARSS LEGISLATIVE UPDATE

June 26, 2024

Fiscal Year Quickly Ending; Will the State Budget Get Across the Finish Line?

On Sunday night, the current fiscal year will fade into history. Can the General Assembly and Governor quickly conclude the state budget deliberations?
Answer: unlikely.

Both chambers are in session this week and will work through the weekend to get a final agreement on the budget. Last week Senate Majority Leader Joe Pittman (R-Indiana) told the media there was progress in the budget discussions but was very non-committal whether progress meant a final product would be in place by the close of the month. Similar “we want to get it right” statements came from House Democratic leadership.

If there have been any breakthroughs on the really big education issues, legislators are playing their cards very close to the vest. That probably signals that an agreement has not been reached with no indication of how far apart the parties may be.

The crucial issues that will need a quick resolution remain as they were last month—historic increases in education funding to schools (House Bill 2370) and tax cuts (Senate Bill 269). Plus, several ideas are swirling around cyber charter reform/funding, which is usually the case in June in Harrisburg—a lot of legislative focus on the issue, but little action. This year could be different.

Among many other provisions in the massive bill, [House Bill 2370](#) will create a new Equity Supplement of \$735 million to 371 districts, a new Tax Equity Supplement of \$137 million to 169 districts, and a \$200 million increase in Basic

Education Funding (BEF). To see your district's share of the funding, [go to this page](#), and scroll down to the 2024-25 Proposed Basic Education Funding link. The legislation passed the House on June 10 with all Democrats and a handful of Republicans voting in favor. The legislation is now in the Senate Education Committee. For more details on [what else is in House Bill 2370 go here](#).

[Senate Bill 269](#) will cut the state's Personal Income Tax from 3.07% to 2.8% and eliminate the Gross Receipts Tax on utility bills effective January 1, 2025. The bill passed the Senate on May 7 by a vote opposite of the House vote on HB 2370—a handful of Democrats joining with the Republican majority in support. For more information on [SB 269 click here](#).

With both Education Committees meeting this week, there could be floor action on School Code amendments this week. In most cases, the proposals are non-controversial and passed out of committee overwhelmingly.