



GOVERNOR JOSH SHAPIRO

Talking Points: Governor Shapiro's 2024-25 Budget Address

February 6, 2024

Governor Shapiro's Bold Vision & Balanced Budget

Governor Josh Shapiro's proposed 2024-25 budget is a continuation of his focus on bringing people together to get stuff done — and it puts forth a bold vision to create opportunity for all Pennsylvanians. From prioritizing economic opportunity and access to higher education, to making historic investments in public education and supporting law enforcement, this budget delivers solutions on the most pressing issues we face and creates real opportunity all across Pennsylvania. The Governor's vision maintains a balanced budget and does not raise taxes — and if every initiative is funded, Pennsylvania will still have an \$11 billion surplus by the end of FY2024-25.

Governor Shapiro brought people together and delivered results for Pennsylvanians in his first budget — and with this budget, we will continue to get stuff done and create real opportunity in our Commonwealth.

Topline Talking Points

- Governor Josh Shapiro's proposed 2024-25 budget is a continuation of his focus on bringing people together to get stuff done — and it puts forth a bold vision to create opportunity for all Pennsylvanians.
- From prioritizing economic opportunity and access to higher education, to making historic investments in public education and supporting law enforcement, this budget delivers solutions on the most pressing issues we face and creates real opportunity all across Pennsylvania.

- Right now, we are not investing at the levels we need to succeed in Pennsylvania — from being 49th in the nation in state investment in higher ed, to being outspent on economic development by many of our neighboring states, to maintaining an unconstitutional funding system for K-12 education. Governor Shapiro believes this is unacceptable — and inaction is not an option.
- The Governor’s vision maintains a balanced budget and does not raise taxes — and if every initiative is funded, Pennsylvania will still have an \$11 billion surplus by the end of FY2024-25.
- Governor Shapiro brought people together and delivered results for Pennsylvanians in his first budget — and with this second budget, this Administration will continue to get stuff done and create real opportunity in our Commonwealth.
- The Governor knows Pennsylvanians want an economy that works for them and their families, safer and healthier communities, real opportunity for their kids, and a Commonwealth where freedom is protected — and that is what he will continue working towards in this budget.

Making Pennsylvania a Leader in Economic Development, Job Creation, and Innovation

From Day One, Governor Shapiro has been planting a flag and sending a clear message that Pennsylvania is open for business — and in this budget, the Governor is proposing critical investments in order to make PA a leader in innovation, job creation, and economic development.

- In Governor Shapiro’s first year, this Administration worked aggressively to grow our economy — securing over \$1.2 billion in private sector investments, significantly cutting down business licensing time, and rethinking the way government works to operate at the speed of business.
- Now, in order to build on that progress and take our economy to the next level, Governor Shapiro and DCED created Pennsylvania’s first comprehensive economic development strategy in nearly two decades.
- This budget calls for \$600 million in total new and expanded investments to implement this strategy, increase Pennsylvania’s competitiveness, and deliver real economic growth. The investments include:

- **\$500 million in PA SITES funding** to bring more commercial and industrial sites online and ensure companies have options for attractive business environments where they can move quickly and thrive in Pennsylvania.
- **\$25 million for the Main Street Matters program** , to support small businesses and commercial corridors that are the backbone of communities across our Commonwealth.
- **\$20 million to support large-scale innovation** and leverage Pennsylvania’s best-in-class research and development assets.
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- **\$3.5 million to create and launch the Pennsylvania Regional Economic Competitiveness Challenge** , which will incentivize regional growth, build vibrant and resilient regions, and support communities by investing in the development of comprehensive strategies to propel entire regions forward.
- Governor Shapiro knows that growing and strengthening our economy is the key to creating more opportunity and a better future for Pennsylvania — and that’s exactly what this budget will do.

Building on Historic Education Investments & Making Progress to Support Every Pennsylvania Child

In his first budget, Governor Shapiro delivered the largest increase in K-12 basic education funding in Pennsylvania history, secured universal free breakfast for 1.7 million students, and made historic investments in school repairs. Now, the Governor will

- Governor Shapiro’s 2024-25 budget will build on last year’s historic progress by acting on the constitutional requirement upon us to deliver a comprehensive solution on K-12 education funding in Pennsylvania.
- Ensuring all Pennsylvania children have the opportunity to succeed is critical to our Commonwealth’s future — and that is why the Governor is proposing investments to fully fund public schools, support our teachers, and build healthy and safe school facilities.
- This budget proposal includes:

- **A historic nearly \$1.1 billion increase in basic education funding** — the largest increase in Pennsylvania history, recognizing the work of the BEFC and the need to direct these investments to the schools that need them the most.
- Of this significant increase, **nearly \$900 million** is proposed as a first-year adequacy investment as recommended by the BEFC.
 - The remaining **\$200 million** will be distributed through the Basic Education Funding Formula.
- **A \$50 million increase** for special education funding to ensure school districts have the basic resources necessary to provide special education services to students with disabilities and special needs.
- **A \$50 million annual investment** in school safety and security improvements and **\$300 million** in sustainable funding for environmental repair projects in school buildings.
- **\$10 million** for the Educator Talent Recruitment Account and **\$450,000** to support the Talent Recruitment Office at the Pennsylvania Department of Education.
- **A \$5 million increase — coming to a total of \$15 million** — in funding for student teacher stipends to support Pennsylvanians training to become certified and committed educators.

Delivering a New Blueprint for Higher Education Grounded in Access & Affordability

Governor Shapiro believes every Pennsylvanian deserves the freedom to chart their own course and have the opportunity to succeed — and in order to create that opportunity, they deserve more accessible, more affordable higher education in our Commonwealth.

- This budget delivers on the Governor’s blueprint for higher education — one that’s focused on competitiveness and workforce development, and grounded in access and affordability.
- Under this blueprint, higher education will serve as an economic driver for Pennsylvania, prepare workers for the future, and address workforce shortages by creating a new system that unites our PASSHE universities

and 15 community colleges under a new governance system, increases access, affordability, transparency, and invests in outcomes.

- This budget proposal includes:
 - **\$975 million** in this new governance system that combines our community colleges and PASSHE schools — **a 15 percent increase** from **\$850 million** last year in state investment in state-owned universities, community colleges, and the students they serve.
 - **A 5 percent increase** in institutional support for the Commonwealth's state-related universities — Penn State, Temple, Lincoln, and Pitt — and a 15 percent increase to Thaddeus Stevens College of Technology.
 - An increase in financial aid for students who attend the schools under the new governance system, so that Pennsylvanians making up to the median income will pay **no more than \$1,000 in tuition and fees per semester** .
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 - Increasing Pennsylvania Higher Education Assistance Agency (PHEAA) state grants by **\$1,000**, bringing the maximum award up from **\$5,750 to \$6,750 beginning in FY2025-26** .
 - Investing **\$279 million annually starting in FY2025-26** so Pennsylvania students can attend college in-state with a limited debt load after they graduate and can enter the workforce ready to start their careers and build a future in our Commonwealth.

Governor Shapiro's 2024-25 budget proposal is centered on a vision to create more opportunity and continue getting things done for all Pennsylvanians. From economic development and higher education, to public safety, health care, agriculture, and so much more, this budget funds critical initiatives to help Pennsylvanians from our cities to our farmlands — and it will deliver real results for the Commonwealth.