

STATE BUDGET UPDATE

HANNAH BARRICK, PASBO



2017-18 PROPOSED BUDGET REFRESHER

- \$32.3 billion budget
- \$2 billion in efficiencies/savings
- \$1 billion in new revenue



2017-18 STATE BUDGET REFRESHER

- \$100 million increase in BEF
- \$25 million increase in SEF
- \$75 million increase in early childhood education
- \$2 million school breakfast competitive grant program
- \$50 million cut to transportation



BUDGET HEARINGS

- Pushback on many components comprising the \$2 billion in savings/efficiencies
- Pushback on \$1 billion in new revenue



BUDGET HEARINGS

- General consensus on increases to BEF and SEF
- Lots of questions about \$50 million cut to transportation
- Some questions about \$75 million increase to early childhood education



NEXT STEPS

- House has introduced the budget vehicle— House Bill 218
- Negotiations will start and the bill will eventually be loaded with the budget

PRINTER'S NO. 162

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 218 Session of 2017

INTRODUCED BY SAYLOR, JANUARY 24, 2017

REFERRED TO COMMITTEE ON APPROPRIATIONS, JANUARY 24, 2017

AN ACT

1 To provide from the General Fund for the expenses of the
 2 Executive and Judicial Departments, the State Government
 3 Support Agencies and the General Assembly of the
 4 Commonwealth, the public debt and the public schools for the
 5 fiscal year July 1, 2017, to June 30, 2018, for certain
 6 institutions and organizations, and for the payment of bills
 7 incurred and remaining unpaid at the close of the fiscal year
 8 ending June 30, 2017; to provide appropriations from the
 9 State Lottery Fund, the Tobacco Settlement Fund, the Aviation
 10 Restricted Account, the Hazardous Material Response Fund, The

WHAT ELSE?

- Pension reform is again on the table—but it's unclear if they can lift this with the budget
- Property tax reform is floating around—but it seems unlikely it will become part of the budget right now
- No other big ticket items...at least not yet...

CRYSTAL BALL...

- Increases to BEF and SEF will remain largely intact—BUT the amount of the increase will depend on the total spend and the savings/revenue components
- Transportation cut unlikely to materialize
- Budget is done on time



QUESTIONS?

If you have any questions,
always feel free to email or call!

hbarrick@pasbo.org

717-979-0426

THANK YOU!!