



2022/23 Executive Budget Proposal At-A-Glance

The 2022/23 executive budget proposal spends \$43.7 billion in state General Funds, an increase of \$6.2 billion, or 16.6%, over the current year, after considering recommended reductions of \$1.11 billion to the current year possible in large part due to additional federal Medicaid spending.

Fiscally Responsible Budgeting and Corporate Tax Reform

- Strengthening corporate addback provisions and reducing the Corporate Net Income Tax (CNIT) from 9.99% to 7.99% January 1, 2023 (\$79.4 million reduction)
 - Additional reductions to 6.99% in tax year 2026, 5.99 in tax year 2027, with an ultimate goal of 4.99%

Prioritizing Education at Every Level

Investing in Pennsylvania's Kids

- \$1.55 billion, a 24% increase, in basic education funding
 - \$1.25 billion to be distributed through the fair funding formula
 - \$300 million in Level Up funding to the 100 most underfunded districts
- \$200 million, a 16% increase, in special education funding
- \$45 million for school safety and security grants
- \$60 million, a 25% increase, added to Pre-K Counts to increase the reimbursement from \$8,750 to \$10,000 for full-time slots and \$4,375 to \$5,000 for part-time slots, and to fund an additional 2,308 slots for eligible kids
- \$10 million, a 15% increase, for existing Head Start Supplemental Assistance Program slots to address rising costs
- **NEW:** \$1.2 million to expand access to early intervention by adding postpartum depression as an eligible tracking category
- \$77.8 million in federal funds to maintain Child Care Works base rates effective January 1, 2022
- \$44.3 million to maintain co-payment reductions for Child Care Works families effective January 1, 2022
- \$6.1 million to maintain incentive payments for providers of childcare during nontraditional hours effective January 1, 2022

Advancing Fairness, Equity, and Quality in the Public Education System

- \$45,000 minimum statutory teacher salary
- Charter school reform: \$373 million savings to school districts
 - Applies the special education fair funding formula to all brick-and-mortar charter schools (\$174 million in savings)
 - Establishes a statewide cyber charter tuition rate of \$9,800 (\$199 million in savings which includes the cyber charter savings from the special education fair funding formula)
 - Improves the redirection process
- Lowers the maximum administrative set-aside in the Education Improvement Tax Credit (EITC) and Opportunity Scholarship Tax Credit (OSTC) from 20% to 5% (channeling an estimated \$6 million more toward awards instead of overhead costs)

Supporting College Students and Postsecondary Pathways

- Nellie Bly Tuition Program:
 - \$200 million for a needs-based scholarship program for PASSHE and Pennsylvania community college students with a commitment to stay in PA
 - Proposal gives priority to students pursuing careers in high-need sectors
 - Funded by Race Horse Development Trust Fund and federal American Rescue Plan Act funds
- \$75 million for the operations of the Pennsylvania State System of Higher Education (15.7% increase)
- 5% increase for most other public institutions of higher education
 - Community Colleges and Capital Fund - \$14.9 million
 - Penn State University - \$12.1 million
 - Pennsylvania College of Technology - \$1.3 million
 - University of Pittsburgh (including rural education outreach) - \$7.7 million
 - Temple University - \$7.9 million
 - Lincoln University - \$758,000
 - Thaddeus Stevens College of Technology - \$935,000
- 2.5% increase for Institutional Assistance Grants for independent postsecondary institutions (\$663,000)
- **NEW:** \$1 million to support Hunger-Free Campus Initiative, which combats food insecurity at postsecondary institutions
- \$500,000, a 50% increase, to support It's on Us PA, which promotes healthy relationships and protects students from sexual violence
- \$500,000, a 4% increase, for Adult Education and Family Literacy to support adult learners

Advancing Pennsylvania's Economic Recovery through Business, Agriculture, and Workforce Investments

- Increases the minimum wage to \$12 per hour effective July 1, 2022, including tipped workers, with 50 cent annual increases up to \$15 per hour (\$74.6 million direct revenue increase)
- **NEW:** \$30 million to fund two new childcare options for state employees
- **NEW:** \$3.2 million for a statewide longitudinal data system to better understand education and workforce outcomes
- \$1.5 million, a 13% increase, for competitive grants to the Industrial Resource Centers (IRCs) to partner with institutions of higher education to innovate new and existing manufacturing services
- \$1.5 million, a 15% increase, for competitive grants to the Partnership for Regional Economic Performance (PREP) Network
- **NEW:** \$2.35 million for Invent Penn State initiative, supporting business accelerators and entrepreneurship
- \$18 million, a 124% increase, to the Ben Franklin Technology Partners, including:
 - \$10 million for Ben Franklin Technology Development Authority; and
 - \$2 million to each of the four Ben Franklin Technology partners
- \$2 million investment, an 80% increase, in the Pennsylvania Agricultural Surplus System (PASS) to allow more Pennsylvanians access to healthy meals

Keeping Pennsylvanians Safe through Criminal Justice Reforms

- \$141 million to maintain adequate statewide police coverage and enable the State Police to start two new cadet classes with the target of graduating approximately 200 new troopers
- **NEW:** \$7.7 million for technology such as mobile video recorders and body worn cameras to increase safety of the public and officers
- \$35 million for grants and technical assistance to support community-led gun violence prevention, an increase of \$5 million, or 17%, over the initial year of funding of \$30 million
- Doubles the commonwealth's investment to \$10 million for non-profit security grants
- Implement a best practices model for bail and pretrial services, including monetary cash bail reform
- Probation reform that balances services and accountability
- **NEW:** \$425,000 for three additional positions to provide technical assistance to county juvenile probation offices to improve consistency between counties
- **NEW:** \$1 million for reentry services for women
- Expand clean slate to additional offenses and reduces the waiting periods for lesser offenses



- Expand eligibility for elderly and infirmed individuals to be released from prison
- **NEW:** \$7 million to establish capacity within the Department of Human Services to serve individuals leaving correctional facilities with complex medical or behavioral health needs
- **NEW:** \$1 million to support the defense of indigent individuals

Protecting the Most Vulnerable

- \$91.25 million (\$190.1 million total funds) to increase MA rates for skilled nursing facilities effective January 2023 to comply with regulatory changes planned for July 2023
- \$14 million, a 12.7% increase, for Department of Military and Veterans Affairs to hire 292 additional staff to implement regulatory changes surrounding safe staffing levels at nursing facilities
- \$50 million, or a 44% increase to state supplemental programs for aged, blind, and individuals with disabilities, to increase the personal care home state supplement from \$439.30 to \$1,351.80 per month
- \$75 million in federal funds to recruit and retain behavioral health providers
- \$36.6 million to invest in critical county behavioral health services
- \$15 million in federal funds to stabilize payments to substance use disorder treatment providers and assist with pandemic related expenses
- **NEW:** \$14.3 million to increase the monthly Supplemental Nutrition Assistance Program (SNAP) benefit from \$20 to \$35 for 75,000 to 95,000 seniors and individuals with disabilities
- **NEW:** \$280,000 to implement Agency with Choice preserving the ability for home and community-based waiver participants to choose their worker while allowing workers to obtain the support of an agency
- \$18.8 million to serve an additional 832 individuals with intellectual disabilities and autism currently waiting for services
- \$1 million to provide community placements for individuals residing in intermediate care facilities
- \$1.25 million to discharge 20 individuals from state hospitals through the Community Hospital Integration Project Program (CHIPP)
- \$2.4 million for Department of Aging and Department of Human Services to strengthen older adult protective services (8 positions), create a child welfare crisis response team (4 positions), and support increased regulatory, licensing, budgetary, and administrative functions (30 positions) through increasing complement
- **NEW:** \$8 million to extend postpartum coverage for birthing parents eligible for Medical Assistance to 12 months
- \$15 million, a 77% increase, to implement additional evidence-based home visiting and family support services to 3,800 additional families
- \$1.8 million to support court appointed volunteer advocacy
- **NEW:** \$10 million for State Disaster Assistance, a new initiative to provide disaster assistance to individuals and to improve access to safe, secure, and weathertight homes.

Investing in Pennsylvania's Public Health Workforce and Infrastructure

- \$4 million, a 12% increase, to enhance the commonwealth's public health workforce by 49 positions, including the capacity of the state laboratory
- \$7.2 million, a 26% increase, to support county and municipal health departments at the \$6 per capita maximum amount permitted by statute
- **NEW:** \$5 million to invest in innovative gene and immunotherapy research to develop targeted cancer therapies

Protecting the Environment by Investing in Workers, Communities, and a Clean Future

- Invest Regional Greenhouse Gas Initiative (RGGI) revenues to support communities and employees impacted by the energy transition, while making targeted investments in greenhouse gas abatement, energy efficiency, and clean, renewable energy programs
- **NEW:** \$100,000 to develop a strategic plan for industrial sector decarbonization through carbon capture and hydrogen technology
- \$5 million and 41 additional staff at the Department of Environmental Protection and \$2.5 million and 31 additional staff at the Department of Conservation and Natural Resources to fill critical needs



Expanding Critical Services for Pennsylvania’s Veterans and Active Military

- **NEW:** \$284,000 for Veteran Service Officer Grant program to bring mobile services to veterans
- **NEW:** \$500,000 for PA VETConnect to provide veteran outreach
- **NEW:** \$444,500 for readiness and wellness programs at the PA National Guard to prevent suicides

2022/23 Executive Budget			
\$ amounts in millions	2021/22 Available	2022/23 Budget	% Change
Adjusted Beginning Balance	\$4	\$6,455	
Revenues, Including Proposed Changes	\$44,959	\$41,866	-6.9%
Less Tax Refunds and Lapses	\$(1,031)	\$(1,231)	
Funds Available	\$43,932	\$47,089	7.2%
Enacted Appropriations	\$38,589	\$43,707	
Supplemental Appropriations	\$(1,111)		
Total Expenditures	\$37,478	\$43,707	16.6%
Funds Available Less Total Expenditures	\$6,455	\$3,382	
Transfer to Rainy Day Fund	\$0	\$0	
Ending Balance	\$6,455	\$3,382	

