



## Winners & Losers in 2013/14 State Budget

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### Winners

- **Businesses & Natural Gas Drillers**
  - The tax code includes several new tax breaks for corporations and mobile communications service providers.
  - Out-of-state natural gas drillers continue to extract non-renewable resources from our land without paying a reasonable severance tax, and the tax code includes a new expensing provision allowing drillers to write off certain drilling costs.
- **Corrections**
  - Even with efforts to rein in rising costs with the Justice Reinvestment Initiative, the Department of Corrections receives a \$75.2 million (4 percent) increase over last year.
- **Charter, Private and Parochial Schools**
  - Budget does not include financial, academic or funding reforms for charter schools.
  - Despite businesses only using \$20 million of the \$50 million available last year to provide vouchers, the budget continues to include \$50 million for the Educational Opportunity Scholarship Tax Credit.
- **School Safety**
  - Budget includes \$8.5 million for the Safe School Initiative to provide targeted grants to schools and municipalities to help address school violence and safety issues.
- **Seniors & People with Disabilities**
  - Budget includes \$49 million in state funds to expand home and community based services for 4,528 elderly and disabled Pennsylvanians.
- **Public Servants & Future Generations**
  - The governor's attempts to turn over management of the PA Lottery to a foreign company and sell the state liquor system remain unresolved, hopefully sparing thousands of people from losing their jobs.
  - The governor's attempt to "reform" the state pension systems remains unresolved, hopefully ensuring retirement security for tens of thousands of people and future generations will not be burdened with billions of dollars in debt.

### Losers

- **Public Schools, Students & Property Owners**
  - The \$1 billion in cuts to classroom funding made in Gov. Corbett's first budget remain largely in place. Public schools are forced to increase class sizes, eliminate educational programs and activities, eliminate positions (in addition to the 20,000 jobs already lost) and raise property taxes.
  - No broad-based increases for institutions of higher education or additional money for PHEAA grants.
- **500,000 Uninsured Pennsylvanians**
  - House Republicans stripped language from a bill at the last minute that would have allowed Pennsylvania to opt-in to Medicaid Expansion. Now, the decision rests solely with Gov. Corbett.
- **County Human Service Programs & State Health Care Centers**
  - Budget fails to restore cuts to critical county human services programs.
  - The State Health Care Centers receive less funding than the governor's plan, which included consolidating the 60 centers into 36 and furloughing 73 people.
- **Transportation**
  - Budget fails to adequately address Pennsylvania's transportation needs, including crumbling roads, bridges and mass transit. House Republican transportation proposals were dangerously inadequate.
- **State Police**
  - The State Police is currently short 545 troopers and 1,000 troopers are eligible to retire; however, the budget only includes funding for 380 troopers (290 new troopers and 90 civilians to free up troopers).
- **State Parks & Forests**
  - Budget uses \$106 million from the Oil and Gas Lease Fund to backfill General Fund budget cuts to state parks and forests for operating, leaving less money for infrastructure projects, dams and flood control.
- **Horse Racing & Breeding Industry**
  - Budget takes \$17.7 million annually from the Race Horse Development Fund to backfill General Fund cuts to the Department of Agriculture, leaving less money for the horse racing and breeding industry.
- **Taxpayers & Pennsylvania Economy**
  - Because of missed opportunities - transportation, liquor system modernization alternatives and Medicaid Expansion - Pennsylvania is missing out on billions of dollars to spur its economy and new jobs.