



Children First Applauds Governor Shapiro’s Historic Investment in Children *Shapiro budget prioritizes children by dedicating 53% of budget to new funds to children* February 7, 2024

Governor Shapiro’s 2024/25 budget released yesterday includes urgently needed resources to improve every aspect of a child’s development from birth to young adulthood. The Shapiro proposal limits state spending growth, leaving \$10 billion in state surplus after accounting for his priorities. Over 50% of all new spending is focused on making the lives of children better. Without question, this budget proposal responds to the pleas of parents from every corner of the state for the tools and resources needed for their children to thrive.

Public Education

“Shapiro’s proposal includes a much needed investment in public schools. For the key line item, the Basic Education Funding alone, the Governor almost doubles the funds compared to last year. This investment represents a serious effort to abide by the Commonwealth Court order to meet its constitutional obligation to provide a quality education to every child,” said Donna Cooper, Executive Director.

Every local school district will receive more funds via a \$200 million statewide increase and an additional \$872 million will go to the 387 rural, suburban, and urban schools that have long been underfunded and that educate most of the PA’s Black, Hispanic, and low-income students.

Other key priorities in the Governor’s education funding plan include:

- \$300 million more for school facilities so every student learns in a safe and healthy environment.
- \$100 million for school-based mental health services.
- \$50 million more to serve students with special education needs.
- \$50 million more to improve school safety.
- \$15 million for student teacher stipends and teacher recruitment.
- \$7 million more for dual enrollment, bridging the gap between our high school and higher education systems.

In addition to these investments, the Governor proposed adopting a standard cyber charter school tuition rate of \$8,000 per student, saving school districts an estimated \$262 million annually that otherwise would go to cyber schools. (This [policy reform](#) was recommended two years ago by Children First’s PA Charter Performance Center.)

Despite making a strong case about the need to give more Pennsylvanians access to good jobs, the budget proposal failed to ensure the legislature codifies six more years of education funding increases in accordance with the recommendations of the Basic Education Funding Commission.

A final budget plan must include legislation that guarantees that the constitutional violation of our current school funding system is fully cured with more than \$5 billion invested in public schools over seven years.

Another overlooked opportunity was the failure to make substantial investments in career and technical education. The budget proposes a \$2.4 million increase – lower than the inflation rate – for career and technical education, which means no additional students will get access to these career-launching programs in the next school year.

Meanwhile the Governor proposed a sweeping redesign of the state’s higher education system, creating one public college board that unifies the 15 community colleges and the 14 schools operated by the State System of Higher Education. This move will make college access easier for families and ensure all credits earned in community colleges transfer to the four-year public colleges. Temple, Pitt, Penn State, and Lincoln will also benefit from transformational reforms.

On top of the inspired restructuring of higher education, the Governor proposed \$157 million to make higher education more affordable, a down payment on a five-year investment plan expected to top out at \$2.2 billion.

The beneficiaries of these new investments are families who will pay no more than \$1,000 in tuition per semester to attend a public college if their income is below the state median (currently \$70,000). For those with higher earnings, state-funded financial aid will be increased by \$1,000 to defray the cost of attending college. Adopting these reforms will move Pennsylvania from near the bottom of all states where students can afford higher education to 22nd in the nation.

Early Childhood Education

The budget proposal includes a strong increase of nearly \$33 million in new state funding for Pre-K Counts (\$30 million) and a modest increase in Head Start Supplemental Assistance (\$2.7 million). These funds will help pre-kindergarten programs hire great teachers and begin to re-open shuttered pre-k classrooms across the state.

The Shapiro proposal also raises the state’s reimbursement rate for child care providers with \$31.7 million to alleviate some – but not all – of the rising facility, food, utility, and supply costs for child care programs. The funds may also begin to help programs boost wages. Wage increases are essential to filling the 2,400 child care job vacancies and start to reduce the child care waitlist now topping out at 26,000 children. The additional state funds are expected to leverage federal matching funds.

Even with the early childhood increase, pre-k programs and child care centers will still struggle to pay a competitive wage for talented early learning staff. Unfortunately, the plan proposed by the Governor is not likely to materially make pre-k or child care more available to families. More robust measures that provide funds to recruit and retain great learning staff are sorely needed.

Early Intervention funding, another key aspect of the early learning system, received a modest increase to keep pace with inflation and an expected reduction in federal funds. The Governor’s plan will

protect the Early Intervention program from cuts to services but fails to meet the burgeoning demand for these critical services that curb the impact of early developmental delays.

Finally, Shapiro's proposed funding for home visiting for babies under three years old fails to compensate for inflation and federal funding reductions. As a result, more young children will be without the services proven to reduce child abuse and promote healthy child development.

Improving Community Safety by Investing in Young People

The Shapiro budget includes a \$60 million increase to the Violence Intervention and Prevention Programs, and a new \$11.5 million for positive youth activities through the Building Opportunity through Out of School Time (BOOST) program. These investments are historic and can have a dramatic impact on protecting youth, engaging them in enriching activities and keeping our communities safer.

"We are pleased to see Governor Shapiro prioritizing violence prevention and academic, social, and emotional investments in our children and teens," said Stefanie Arbutina, Vulnerable Youth Policy Director. "Young people deserve to grow up in safe communities and these new funds greatly contribute to giving them secure places to learn and play."

Unfortunately, Shapiro also proposes a nearly \$50 million increase in state dollars for secure juvenile facilities where children are locked up for involvement in the juvenile justice system. Research shows these measures harden children rather than rehabilitate them. Meanwhile the budget doesn't provide any new investments that offer diversion or intervention programs that give young people a chance to learn from their mistakes.

One positive sign is nearly a half million dollars is allocated to provide stronger oversight of educational programs offered by juvenile detention facilities. Children First has long called on state agencies to make sure that state licensed facilities housing children provide quality education or be shut down. These funds are a good step in that direction.

Health

The Shapiro plan embraces the critically needed policy of guaranteeing continuous Medicaid coverage for children from low-income families ages birth to six years old. This move, and the funds behind it, waive the antiquated requirement that children demonstrate Medicaid eligibility every six months, often causing them to intermittently lose access to health care in their formative years.

More good news on the health care front is the proposed boost to the state Children's Health Insurance Program (CHIP) of \$18 million to insure 27,000 more PA children. Still, his budget is silent on longstanding efforts to expand eligibility to public insurance for children growing up in Pennsylvania without legal citizenship documents, a measure Children First has championed for several years.

Also missing from the proposed budget are funds to protect children from lead poisoning. The lingering toxin still poisons more than 8,000 children a year. The state budget includes no funds to remove hazardous lead paint from homes and child care centers, nor does it provide the \$1.5 million for a public education campaign mandated by a lead paint law enacted in 2023.

“Considering how ambitious the Governor was on education, his approach to children’s health was far less extensive,” said Diana McWilliams, Director of Health Policy. “He failed to make significant investments in protecting children from lead paint poisoning, stunting the lives, and life chances, of thousands of children in the Commonwealth every year.”

On the bright side, Governor Shapiro included \$300 million to repair public schools, paving the way to remove asbestos, and lead paint and pipes in classrooms. It also provides \$50 million more for the Whole Home Repair Program to help homeowners remove lead paint from their homes, the place where most children are poisoned by lead.

“Even at this early stage of the budget process, the promise of Governor Shapiro’s budget proposal is legendary,” said Cooper. “With \$14 billion in state surpluses available, we urge all lawmakers to rally behind the wise investments in children.”

According to Cooper, “the true test of the Governor and every lawmaker who says they are dedicated to improving the lives of children will be their capacity to build the bipartisan support to enact what’s been proposed because we know it will improve the lives of children for good.”