



2024/25 Budget Summary

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Overview

In total, the 2024/25 budget reflects \$47.598 billion in enacted state appropriations from the General Fund. This represents a \$2.72 billion (6.2%) increase from the prior fiscal year (2023/24).

State appropriations include a year over year increase of \$1.68 billion to replace enhanced Federal Medical Assistance Percentage (FMAP) funds that offset Medical Assistance (MA) expenditures within the Department of Human Services (DHS) beginning in fiscal year 2022/23. The enhanced federal match received by states during the pandemic was phased down and ended December 2023.

The 2024/25 budget package includes the following bills:

- General Appropriations Act (SB1001)
- Fiscal Code (HB2310)
- Tax Code (SB654)
- School Code (SB700)
- Higher education school code package (SB1150, SB1154, HB897)
- Capital budget (HB2328/SB1072)
- “Housekeeping” Appropriations:
 - Bureau of Professional and Occupational Affairs (SB1002, Act 2A of 2024)
 - Workers’ Compensation Act Administration for the Department of Labor & Industry (SB1003, Act 3A of 2024)
 - Office of Small Business Advocate (SB1004, Act 4A of 2024)
 - Office of Consumer Advocate (SB1005, Act 5A of 2024)
 - Public School Employees’ Retirement System (SB1006, Act 6A of 2024)
 - State Employees’ Retirement System (SB1007, Act 7A of 2024)
 - Philadelphia Parking Authority (SB1008, Act 4A of 2024)
 - Public Utility Commission (SB1009)
 - Pennsylvania Gaming Control Board (HB2337/SB1010, Act 10A of 2024)
- Non-Preferred Appropriations (HB613)
 - University of Pennsylvania for Veterinary Activities and for the Center for Infectious Diseases
 - State-related universities
 - Agricultural College Land Scrip Fund

Education

- K-12 Education Investments
 - Standard subsidies:
 - \$225 million through the basic education fair funding formula (2.9% increase)
 - \$100 million or 7.2% increase in Special Education Funding
 - \$100 million for mental health and physical safety
 - \$30 million increase for Career and Technical Education (CTE)
 - \$12.7 million or 12% increase for the CTE subsidy
 - \$5 million or 33% increase for CTE equipment grants
 - \$12 million for PA Smart (STEM grants)
 - **NEW** subsidies:
 - \$493 million adequacy supplement (in Ready to Learn Block Grant)
 - \$32 million tax equity supplement (in Ready to Learn Block Grant)
 - \$60 million through a new hold harmless relief supplement (in BEF)
 - \$100 million for a new cyber charter reimbursement
- \$100 million for Public School Facility Improvement Grant Program through the Commonwealth Financing Authority (CFA)
- Pre-k Counts - \$15 million increase that supports a 5% rate increase
- Early Intervention (age 3-5) - \$33 million or 9% increase to meet growing costs
- Dual Enrollment - \$7 million
- Cyber charter school tuition reform (takes effect January 1, 2025) **[NEW]**
 - Provides an estimated \$34.5 million in savings to school districts in 2024/25 through changes to the special education tuition calculation. Under current law, the special education add-on tuition rate for charter school students is determined by dividing the resident school district’s special education expenditures (net of deductions) by 16% of the school district’s average daily membership. The school code bill changes the calculation to use each school district’s actual special education average daily



membership in place of the outdated 16% assumption. For 2022/23, the median school district’s special education population was 19.6%.

- Annualized estimated savings are \$69 million
- The cap on the Educational Tax Credit programs increases by \$75 million or 14%

Educational Tax Credits Summary	Increase in 23/24		23/24 credits still available on June 1, 2024	2024/25 Cap in SB700	Increase in 24/25 in SB700	
EITC - Scholarship Organizations	\$62,000,000	24%	\$25,000,000	\$375,000,000	\$50,000,000	15%
EITC - Supplemental Scholarships for Economically Disadvantaged	\$48,000,000	400%	\$47,000,000	\$60,000,000	\$0	0%
EITC - Educational Improvement Organizations	\$10,000,000	22%	\$0	\$74,500,000	\$20,000,000	37%
EITC - Pre-Kindergarten Scholarship Organizations	\$10,000,000	49%	\$9,000,000	\$30,500,000	\$0	0%
Educational Improvement Tax Credit (EITC) Total:	\$130,000,000	38%	\$81,000,000	\$540,000,000	\$70,000,000	15%
Opportunity Scholarship Tax Credit (OSTC) Total:	\$20,000,000	31%	\$18,000,000	\$90,000,000	\$5,000,000	6%
Educational Tax Credits (EITC and OSTC) Total:	\$150,000,000	37%	\$99,000,000	\$630,000,000	\$75,000,000	14%

Higher Education

Policy [NEW]

- Senate Bill 1150
 - Grow Pennsylvania Scholarship Program
 - Begins in 2024/25 and is administered by PHEAA
 - \$5,000 grant award for eligible students, who must be a commonwealth resident, be enrolled in an approved course of study, maintain satisfactory academic progress, not have earned a bachelor’s degree, and enter into an agreement to work in Pennsylvania for 12 months for every year the student receives a grant
 - Grow Pennsylvania Merit Scholarship Program
 - Allows PASSHE to charge the in-state tuition rate for first-time, freshmen, nonresident students who commit to work in Pennsylvania after graduation
 - Begins in 2025/26 and PHEAA administers this program in conjunction with PASSHE
 - Eligible nonresident students must be enrolled in an approved course of study, maintain satisfactory academic progress, not have earned a bachelor’s degree, and agree to work in Pennsylvania for 12 months for each academic year the student received the scholarship
 - If less than 300 scholarships are awarded (the estimated break-even point for PASSHE), the Commonwealth shall pay PASSHE the difference in the subsequent year
 - Ready to Succeed Scholarships – annual household income limit is increased from \$126,000 to \$175,000
 - Name, image or likeness (NIL) is moved from Title 5 to the school code; changes incorporated
- Senate Bill 1154
 - Establishes the Performance Based Funding Council within the new State Board of Higher Education to make recommendations for a process to distribute funds to Penn State University, the University of Pittsburgh, and Temple University
- House Bill 897
 - Articulation agreements
 - Student Fee Transparency – institutions of higher education must describe mandatory fees
 - Dual Credit Innovation Grant Program
 - Creates the State Board of Higher Education
 - Develop a strategic plan
 - Promote coordination
 - Create a comprehensive data system
 - Create procedures to follow in the event of the closure of an Institution of Higher Education



Pennsylvania State System of Higher Education (PASSHE)

- \$35.1 million or 6% increase
- \$85 million supplemental appropriation for facilities transition

Community Colleges

- \$15.7 million or 6% increase
- Funding is maintained for Community College Capital Fund

State-Related Universities

- 13% increase for Lincoln University, Pennsylvania College of Technology, and the Rural Education Outreach under the University of Pittsburgh
- University of Pittsburgh, Temple University, and Penn State University funding maintained at the 2022/23 fiscal year level

Pennsylvania Higher Education Assistance Agency (PHEAA)

- \$54 million increase to ensure the maximum State Grant level is maintained
- \$20 million for student teacher stipend
 - This brings the two-year total to \$30 million, which is below the \$45 million that is needed to fund all applications for 2024/25
- Grow PA Scholarships – \$25 million **[NEW]**
- Ready to Succeed Scholarships -- \$36 million or 150% increase
- Increases for Bond Hill Scholarships, Higher Education for the Disadvantaged, Cheyney University Honors Academy, and the Targeted Industry Scholarship Program

Human Services

Physical and Mental Health programs increases over fiscal year 2023/24:

- \$273.4 million (5.2%) – MA Community HealthChoices
 - Includes funding for an increase to Nursing Home rates
- \$261 million (11.4%) – Intellectual Disabilities (ID) – Community Waiver program
 - Includes additional spots for the Consolidated and Community Living Waivers
 - Increases MA rates paid for home and community-based services
- \$71 million (8.0%) - Mental Health Services
 - Includes an increase of \$20 million over fiscal year 2023/24 for county based mental health services.
- \$34 million (51.2%) – MA Workers with Disabilities (MAWD)
 - Includes increased enrollment for the MAWD program
- \$12.6 million (7.3%) – Long-Term Care Managed Care (LIFE program)
 - Includes funding for an increase to the LIFE program provider rates.
- \$9.1 million (4.9%) – Early Intervention program
- \$7 million (190.1%) - Obstetric and Neonatal Services
 - Provides an increase for payments to eligible hospitals.
- \$4 million (3.7%) – Children’s Health Insurance Program (CHIP)
 - Includes funding for increased enrollment.
- \$1.4 million (9.8%) – MA Critical Access Hospitals
 - Provides an increase for payments to eligible rural hospitals.

Human Services programs with increases over fiscal year 2023/24:

- \$55.6 million (60.9%) - Youth Development Institutions
 - Includes funding for the new Southeast Secure Treatment Unit.
- \$26.2 million (9.6%) – Subsidized Child Care Services



- Includes 75th percentile child care payment rates.
- \$5 million (27.0%) – Homeless Assistance
 - Includes funding to prevent evictions, provide rental assistance, and other supportive housing services.
- \$2.5 million (12.4%) - Domestic Violence
- \$2.5 million (60.1%) – Legal Services
 - Includes funding for eviction proceedings

Other Human Services Appropriations that increased over 2023/24:

- \$34.3 million (10.7%) - County Assistance Offices
- \$17.4 million (10%) - ID – Intermediate Care Facilities
- \$13.9 million (13.8%) - Intellectual Disabilities – State Centers
- \$12.7 million (0.4%) – MA Capitation
- \$9.1 million (6.1%) - ID – Community Base Program
- \$3.9 million (24%) - Cash Grants
- \$3.5 million (11%) - Autism Intervention and Services
- \$2 million (0.1%) – County Child Welfare
- \$500,000 (5%) - Physician Practice Plans

Appropriations maintained at the 2023/24 level:

- Hospital Burn Centers
- Trauma Centers
- Academic Medical Centers
- Community Based Family Centers
- Rape Crisis
- 211 Communications
- Blind and Vision Services
- Nurse Family Partnership
- Expanded Medical Services for Women
- Behavioral Health Services
- Special Pharmaceutical Services for Schizophrenia
- Child Care Assistance
- Breast Cancer Screening
- Human Services Development Fund

Physical and Mental Health programs decreases over fiscal year 2023/24

- \$48.4 million (-6.9%) - MA Fee-for-Services
 - Due to decreased enrollment as a result of the MA redetermination process.
- \$16 million (-8.5%) - MA Long-term Living
 - Due to one-time nonrecurring payments in 2023/24
 - Includes payments for certain nursing homes.



Conservation & Natural Resources

- Reduction of \$120.79 million in the use of the of the Oil & Gas Lease Fund from fiscal year 2023/24

2024/25 DCNR Major Appropriations Summary				
General Fund and Oil & Gas Lease Fund Comparison				
(\$ amounts in thousands)				
Funding Source/FY	Available	SB 1001	SB 1001 Less Available	
	2023/24	2024/25	\$ Chng	% Chng
General Fund (GF)				
General Gov't Ops	\$ 29,465	\$ 33,031	\$ 3,566	12.1%
State Parks Ops	\$ 60,787	\$ 71,967	\$ 11,180	18.4%
State Forests Ops	\$ 44,431	\$ 51,435	\$ 7,004	15.8%
GF Subtotal	\$134,683	\$ 156,433	\$ 21,750	16.1%
Oil & Gas Lease Fund (OGLF)				
General Gov't Ops	\$ 19,178	\$ 20,790	\$ 1,612	8.4%
State Parks Ops	\$ 32,169	\$ 25,500	\$ (6,669)	(20.7%)
State Forests Opts	\$ 25,233	\$ 21,500	\$ (3,733)	(14.8%)
State Parks/Forest Facilities	\$112,000	\$ -	\$ (112,000)	(100.0%)
OGLF Subtotal	\$188,580	\$ 67,790	\$ (120,790)	(64.1%)
GF/OGLF Total	\$323,263	\$ 224,223	\$ (99,040)	-30.6%

Environmental Protection

- Oil & Gas Program Oversight Funding
 - Permitting process/activities initiative
 - \$7 million within General Government Operations
 - \$3.5 million within Environmental Protection Operations
- \$6 million Transfer from the General Fund to the Well Plugging Account Energy Programs Office
 - \$2.49 million within General Government Operations
- Expansion of PFAS water testing
 - \$1.5 million within Environmental Protection Operations
- \$9.89 million increase in General Government Operations
- \$2.79 million increase for Environmental Program Management
- \$9.4 million increase for Environmental Protection Operations

General Services

- \$2.53 million in General Government Operations for Asbestos Remediation in Capitol Complex
- \$668,000 in General Government Operations for Expansion of Contracting Opportunities for small/diverse businesses

Agriculture

- \$10 million for Agricultural Innovation **[NEW]**
 - Supports innovations to improve energy efficiency, water quality, reduce water consumption and odors, and attract new agricultural businesses to the Commonwealth
- \$26.688 million for the State Food Purchase Program maintained at fiscal year 2023/24 level
 - Appropriation includes funding for:
 - Core State Food Purchase Program - \$18.688 million
 - Pennsylvania Agricultural Surplus System (PASS) - \$5.5 million
 - The Emergency Food Assistance Program (TEFAP) - \$1 million
 - TEFAP Distribution - \$500,000
 - Senior Food Box Program - \$1 million
- \$11.53 million for the Animal Health and Diagnostic Commission maintained at fiscal year 2023/24 level
 - Includes \$5.35 million traditionally funded through the Racehorse Development Fund



- Level funding for Penn State Ag Extension within Transfer to Agricultural Land Scrip Fund

Transportation

- Motor License Fund:
 - \$110 million increase for Highway Maintenance
 - \$1.2 million increase Real ID
 - \$20 million decrease for Highway and Safety Improvement
 - \$2.28 million decrease for Safety Administration and Licensing – funding for Drivers License Centers
- \$75 million for the Maintenance Program and \$50 million for the Construction Program funded by \$125 million reduction in utilization of the Pennsylvania State Police \$161 million in funding for Transportation and Multimodal Projects in supplemental appropriation for fiscal year 2023/24

Health

- Funding increases compared to 2023/24:
 - \$903,000 (2.9%) - General Government Operations
 - \$2.7 million (115.4%) - Health Promotion and Disease Prevention
 - \$1.4 million (4.7%) - Quality Assurance
 - \$542,000 (10.5%) - State Laboratory
 - \$3.1 million (10.9%) – State Health Centers
 - \$237,000 (3.3%) – Newborn Screening
 - \$3 million (8.7%) – School District Health Services
 - The school code designates these funds for menstrual hygiene product grants
 - \$824,000 (2.3%) – Local Health Departments
 - \$9,000 (0.6%) - Maternal and Child Health
 - \$8,000 (0.9%) - Tuberculosis Screening and Treatment
 - \$600,000 (5.7%) - Bio-Technology Research
- Funding and allocations maintained at 2023/24 levels:
 - Health Innovation
 - Sexually Transmitted Disease Screening and Treatment
 - Achieving Better Care – MAP Administration
 - Diabetes Programs
 - Primary Health Care Practitioner
 - Community Based Health Care Practitioner
 - Cancer Screening Services
 - AIDS Programs and Special Pharmaceutical Services
 - Regional Cancer Institutes
 - Local Health – Environmental
 - Renal Dialysis
 - Services for Children with Special Needs
 - Adult Cystic Fibrosis and Other Chronic Respiratory Illnesses
 - Cooley’s Anemia
 - Hemophilia
 - Lupus
 - Sickle Cell
 - Lyme Disease
 - Regional Poison Control Centers
 - Trauma Prevention
 - Epilepsy Support Services
 - Tourette Syndrome
 - Amyotrophic Lateral Sclerosis Support Services



State Police

- \$73.5 million combined net increase (5.4%) across the General Fund and Motor License Fund
 - \$77.4 million increase (6.2%) for General Government Operations
- Total State Police Motor License Fund expenditures reduced to \$250 million, a reduction of \$125 million from fiscal year 2023/24

Pennsylvania Emergency Management Agency (PEMA)

- \$221,000 or 1.4% increase for General Government Operations
 - \$1.4 million Supplemental Appropriation for 2023/24
- \$5 million for Disaster Relief
- \$6 million for Urban Search and Rescue **[NEW]**

Pennsylvania Historical and Museum Commission

- \$1.8 million (8.1%) increase for General Government Operations
- \$2 million increase for Cultural and Historical Support grants

Corrections

- \$185.9 million (6.3%) increase for Department of Corrections
- \$73.9 million in Supplemental Appropriations for 2023/24
 - \$68.2 million for State Correctional Institutions
 - \$5.7 million for State Field Supervision
- \$804,000 (2%) increase in General Government Operations from 2023/24
- \$52.4 million (14.7%) increase in Medical Care from 2023/24

Pennsylvania Commission on Crime and Delinquency (PCCD)

- \$800,000 (3.4%) increase for General Government Operations
- \$56.5 million in State funds for Violence Intervention and Prevention
- \$7.5 million for Indigent Defense
- \$5 million increase for Nonprofit Security Grant Fund
- \$20.7 for School Safety and Security Fund

Military and Veterans' Affairs

- \$3.6 million increase (11%) for General Government Operations
- \$10.4 million increase (7%) for State Veterans Homes
- \$60,000 increase (44.4%) for Education of Veterans Children
- \$222,000 increase (5.6%) for Paralyzed Veterans Pensions
- \$424,000 increase (9.7%) for Veterans Outreach Services

Community and Economic Development

- Funding increases compared to 2023/24
 - \$4.514 million (14%) for General Government Operations
 - \$569,000 (12%) for Center for Local Government Services
 - \$17,000 (1%) for Marketing to Attract Business
 - \$11,000 (2%) for Base Realignment and Closure
 - \$2.35 million (100%) for Invent Penn State
 - \$5 million (15%) for Pennsylvania First
 - \$20 million (100%) for Main Street Matters **[NEW]**
 - \$500,000 (50%) for Tourism – Accredited Zoos
 - \$2.5 million (100%) for Local Government Emergency Housing Support **[NEW]**



- \$7 million (88%) for Workforce Development
- \$15.404 million (100%) for PA SITES Debt Service **[NEW]**
- Funding maintained compared to 2023/24
 - Office of International Business Development (World Trade PA)
 - Transfer to Ben Franklin Technology Development Authority Fund
 - Municipal Assistance Program
 - Historically Disadvantaged Business Assistance
 - Partners for Regional Economic Performance
 - Foundations in Industry
 - Appalachian Regional Commission
 - Manufacturing PA
 - Strategic Management Planning Program
 - Supercomputer Center Projects
 - Powdered Metals
 - Rural Leadership Training
 - America 250PA

Row Offices

- Attorney General
 - \$1 million for Human Trafficking Enforcement and Prevention **[NEW]**
 - \$2.7 million for Organized Theft **[NEW]**

Judiciary

- \$27.2 million total increase for the Judiciary, a 6.7% increase to fiscal year 2023/24 (revised)
 - Includes \$13.3 million in supplemental appropriations for fiscal year 2023/24

Labor and Industry

- \$1.8 million increase for General Government Operations (GGO)
 - Includes \$1.2 million to improve labor law enforcement
- \$2 million increase for Apprenticeship Training

