

Pennsylvania Association of Realtors® - Capitol Report

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Shapiro Delivers First Budget Address

Pennsylvania Gov. Josh Shapiro delivered his first proposed budget address before a joint session of the Pennsylvania General Assembly on March 8. Governor Shapiro called for \$1 billion in new education spending, cutting red tape in licensing and permitting and an expansion of the Property Tax Rent Rebate Program for seniors, among other priorities. Shapiro's budget request totals approximately \$44.4 billion – a 3.6% increase in spending over the current fiscal year.

Shapiro proposed increasing the income threshold for older adults from \$35,000 to \$45,000 a year for eligibility for the Property Taxing Rent Rebate Program. This change would raise the maximum rebate for seniors from \$650 to \$1,000. Shapiro also intends to bind the income cap to increases in cost of living. If approved as part of the final state budget, this proposal would result in approximately 175,000 more seniors qualifying for the rebate, as well as doubling the rebate that the existing 400,000 Pennsylvanians already in the program receive.

The governor's proposed budget also includes a \$567.4 million increase — or 7.8% — in basic education funding under the fair funding formula, as well as a \$103.8 million increase in special education funding.

Shapiro also specifically addressed the licensing and permitting process during his address, alluding to his previously signed executive order that requires all state agencies to review any license and permit processes they oversee from top to bottom and submit those results to the administration. The governor's office intends to use that information to set specific time deadlines for processing of license applications. If an agency does not meet the time deadlines, then the application fee will be waived. Commonwealth agencies have until May 1 to submit their findings to the administration.

Immediately after the completion of Shapiro's address, the House reorganized all standing committees. Of significant note to our industry, Rep. Frank Burns (D-Cambria) will chair the House Professional Licensure Committee. The House Urban Affairs Committee also saw a name change to the Housing & Community Development Committee. Rep. Mike Sturla (D-Lancaster) will be the chairman this session.

Both House and Senate have now recessed for the annual Appropriation Committees' budget hearings, with both chambers returning to full session on April 24.