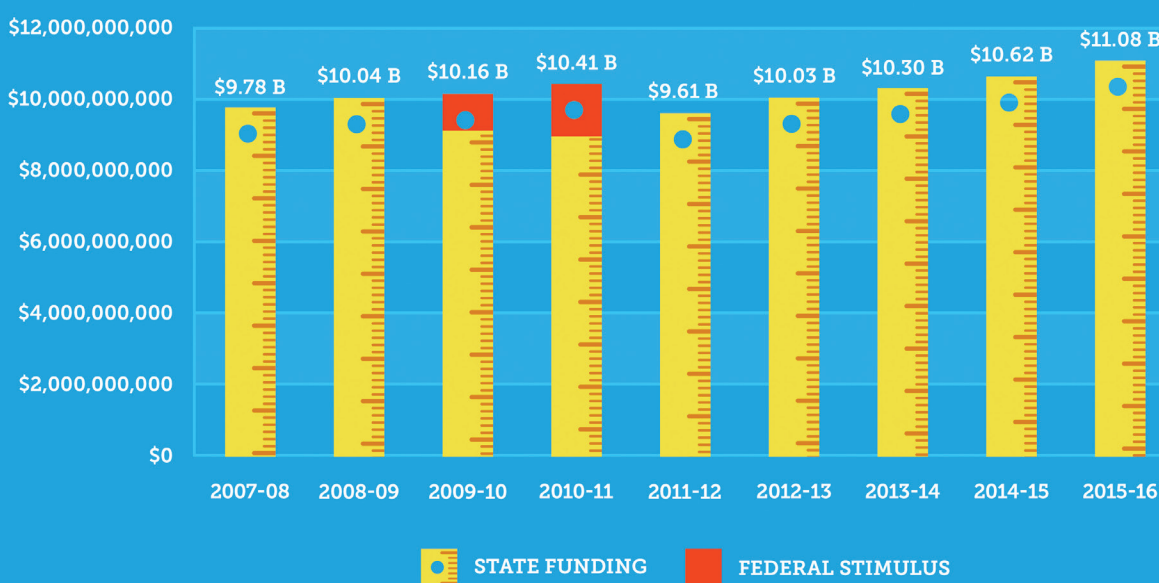


EDUCATION SPENDING TRENDS

Pennsylvania's FY 2015-16 budget was finalized in late March when Gov. Tom Wolf allowed HB 1801, a supplemental funding bill, to become law. This legislation appropriated an additional \$3.1 billion for K-12 education—on top of nearly \$8 billion that was signed into law in December 2015. The chart below illustrates education funding trends over time. At over \$11 billion, the FY 2015-16 budget includes a record level of state support for K-12 public schools.

STATE EDUCATION FUNDING



Source: Pennsylvania Office of the Budget

Please note two things regarding FY 2015-16. First, the chart above includes a \$150 million increase in Basic Education spending above FY 2014-15 levels. Importantly, HB 1801 stipulates that new Basic Education funding may not be expended until enabling legislation, with instructions for distributing this funding, is also enacted. As of this writing—and as a result of Gov. Wolf's veto of the fiscal code—enabling legislation has not been enacted. Second, the FY 2015-16 total does not include state funding (PlanCon) to reimburse school districts for renovation and construction projects. The General Assembly shifted PlanCon funding from a General Fund expenditure to a capital expenditure, but this funding was eliminated when Gov. Wolf vetoed the fiscal code.

The General Assembly approved line item increases in Basic Education (\$150 million), Ready to Learn Block Grants (\$50 million), Pre-K (\$30 million), and Special Education (\$30 million).

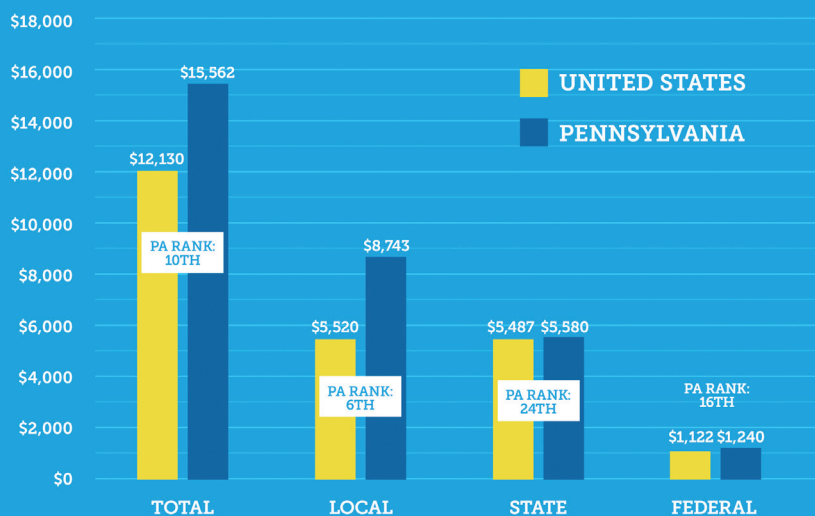
EDUCATION INCREASES FROM 14-15 TO 15-16 (THOUSANDS)



Source: 2015-16 Final Enacted Budget Line Item Appropriations

According to the federal Department of Education, Pennsylvania per-pupil revenue ranks 10th in the nation and exceeds the national average by \$3,400. Contrary to the myth that state taxpayers do not contribute their fair share, Pennsylvania's state funding exceeds the national average, too.

PUBLIC SCHOOL REVENUE PER STUDENT, 2012-2013



Source: National Center for Education Statistics