

■ State Update

Legislators Return to Harrisburg to Debate Budget

The House and Senate returned to session June 5 for what is likely to be a full month of negotiating and debating the Commonwealth's FY 2006/07 budget. Under the Pennsylvania Constitution, the budget must be passed by June 30. All four legislative caucuses have been working on budget basics for weeks. Preliminary negotiations involving the four caucuses and the Governor's Office have just begun. PPC is working with a number of allied organizations to urge the General Assembly to increase funding for key health, education and child care programs. Specifically, PPC is supporting the following investments:

"Cover All Kids" – Gov. Rendell's plan to expand the Children's Health Insurance Program (CHIP) to all children in the Commonwealth, regardless of income. More than 133,000 children in Pennsylvania lack health coverage. The Governor's proposal would build upon the success of the CHIP program and make it better by offering CHIP to every child in Pennsylvania. Under the "Cover All Kids" plan, children in families under 200% of federal poverty income guidelines (FPIG) would continue to be eligible for free CHIP; children in families between 200% FPIG and 350% FPIG would be eligible for reduced-cost CHIP, and children in families above 350% FPIG would be able to access the program by paying the Commonwealth's negotiated cost for coverage, or approximately \$145 per month.

Extending coverage to all children would have a dramatic impact on the health and well-being of the Commonwealth's youngest residents. Children who are insured are more likely to be immunized, receive regular check-ups and get prompt treatment for ordinary childhood ailments such as asthma. Children who are uninsured have poorer health and miss more school than their insured peers. Rep. Mike Sturla (D-Lancaster) introduced "Cover All Kids" legislation in the House earlier this week. HB 2697 was referred to the House Insurance Committee. As previously reported, Sen. Robert Mellow introduced Cover All Kids as SB 1192, which is currently in the Senate Public Health and Welfare Committee.

PPC is working with a broad coalition of healthcare providers and children's and family advocates to engage the General Assembly and the media across the Commonwealth, supporting the passage and enactment of "Cover All Kids." In addition to communicating with legislators, these organizations have been meeting with newspaper editorial boards across the state urging them to support "Cover All Kids." To date editorials or guest opinion essays supporting CHIP expansion have appeared in the following newspapers: *Allentown Morning Call; Delaware County Times;*

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Harrisburg Patriot-News; Philadelphia Daily News and Pittsburgh Post-Gazette.

ACTION ALERT

We invite you to send a letter to the editor of your local newspaper stating your support for “Cover All Kids,” the CHIP expansion legislation.

In addition, PPC asks you to visit our online action center and send an e-mail to your legislator urging him or her to support “Cover All Kids” legislation for a healthier Pennsylvania. Click here to send an e-mail TODAY:

Please visit our online action center to send an e-mail to your legislator:

http://www.capwiz.com/papartnerships/issues/alert/?alertid=8817041&type=ST&show_alert=1

Early Care and Education – The Governor proposed a \$59.5 million increase in child care subsidy and quality improvements, \$50 million increase for the Accountability Block Grant, and \$15 million increase for Head Start. In addition, to these much-needed increases, the child care subsidy budget must be increased by \$14 million to eliminate a backlog of nearly 8,000 children who are waiting for subsidized care; and funding for Keystone STARS must be increased by \$10 million to provide technical assistance and supports that child care programs need to improve their quality. (Keystone STARS is Pennsylvania’s program to improve the quality of early learning environments.)

ACTION ALERT

Please contact your members of the Pennsylvania General Assembly and urge them to support these critical investments in early care and education.

Click here to send an e-mail to your legislator urging him or her to support an increase in funding for early care and education.

http://www.capwiz.com/papartnerships/issues/alert/?alertid=8825876&type=ST&show_alert=1

High School Reform and Career Preparation – The Governor’s proposed budget includes increased investments in Project 720 and dual enrollment, thereby providing more opportunities for high school students to transition successfully from youth to adulthood. Under the governor’s proposal, Project 720, the Department of Education’s high school reform initiative, will grow to \$9 million. Project 720 makes grants to school districts to increase the rigor of curriculum, establishes smaller learning environments and improves counseling services. If the increased investments are secured, 30 more high schools are slated to join the initiative.

Dual enrollment efforts – which allow school districts to enter into agreements with higher education institutions to offer college-level courses and credits to high school students – will grow from \$5 to \$7 million under the governor’s budget plan, enabling 3,000 more students to take college-level courses. The Governor also proposed a \$3 million investment to improve career counseling in Pennsylvania schools.

In addition, career and technical education funding increases 2.5 percent for a total of \$61.1 million, and college and career guidance counseling would be funded at \$3 million under Gov. Rendell’s proposed budget.

Pennsylvania Partnerships for Children fully supports these initiatives to help youth transition successfully to

adulthood. In this vein, PPC has launched Ready by 21™, a new project focusing on the career and college readiness of Pennsylvania teens. Visit our web site June 14 for the release of a new PPC report: *Preparing PA Youth for Success in a 21st Century Economy*.

To be successful in a 21st century economy, Pennsylvania needs a highly-educated workforce with the knowledge and skills to compete in a global economy. To accomplish this, our young people need rigorous academic courses in high school to prepare them for postsecondary education and work, along with effective career education and guidance.

Preparing PA Youth for Success in a 21st Century Economy is the fourth report in the Ready By 21™ series. This report examines a variety of issues: Are our youth ready to compete in a global 21st century economy? Do they have the academic foundation they need to be ready for college or career? What are the public policies the Commonwealth needs to adopt to address these issues and ensure our students are prepared and successful?

This is an important issue for the Commonwealth. We need to act now to develop a public policy agenda and strategy to ensure our young people have the knowledge, skills and career guidance they need to become contributing adults, capable of earning family-sustaining wages – and that our employers have a pipeline of qualified workers.

Primary Election Results

A total of 17 incumbents in the Pennsylvania General Assembly lost bids for re-election in the May 16 Primary Election (please note that this is based on unofficial results, several of the races were very close and the results could change after re-counts). Heading into the Primary, a total of 31 legislators decided not to seek re-election. This means that when the General Assembly convenes in January, there will be at least 48 new members. Of course, more changes could occur in the November General Election.

Of interest, the following incumbents lost their Primary Elections: Sen. Robert Jubelirer (R-Blair); Sen. David Brightbill (R-Lebanon); Rep. Dennis Leh (R-Berks); Rep. Bob Allen (R-Schuylkill); Rep. Steve Maitland (R-Adams);

Rep. Teresa Forcier (R-Crawford); Rep. Tom Stevenson (R-Allegheny); Rep. Sue Cornell (R-Montgomery); Rep. Gib Armstrong (R-Lancaster); Rep. Paul Semmel (R-Berks); Rep. Roy Baldwin (R-Lancaster); Rep. Pat Fleagle (R-Franklin); Rep. Peter Zug (R-Lebanon); Rep. Frank Pistella (D-Allegheny); Rep. Fred Belardi (D-Lackawanna); Rep. Ken Ruffing (D-Allegheny); Rep. Frank LaGrotta (D-Lawrence).

Also of interest, Andrew Dinniman (D) defeated Republican Carol Aichele in a special election to fill the unexpired term of the late Robert Thompson (R-Chester).

New Issues PA Poll Shows Education Matters are Key to Voters

Education continues to be at the top of voters' lists as they cast their ballots for legislative offices. In a new *Issues PA/Pew Poll* released in May, education issues were a major concern of voters.

According to the *Issues PA/Pew Poll*:

- 85% said making sure high school graduates have the skills they need for college or a career will be very important in determining their vote for offices like governor and state legislator this year;
- 81% said making sure children have a similar opportunity to a quality education regardless of where they live will be very important.

A third education issue – keeping education taxes reasonable and fair – was very important to just under eight in 10 polled (77%).

View the poll results at <http://www.issuespa.net/>

Child Care Regulations Published

The Department of Public Welfare published proposed regulations for child care facilities in the June 3 issue of the Pennsylvania Bulletin. A 30-day comment period commenced upon publication.

<http://www.pabulletin.com/secure/data/vol36/36-22/979.html>

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Federal Update

U.S. House Passes Budget

On May 17, the U.S. House of Representatives voted 218-210 to approve a \$2.8 trillion fiscal year 2007 budget resolution. The resolution sets domestic discretionary program spending at \$873 billion, equaling the President's request. However, the total for domestic discretionary spending is \$10.3 billion less than programs need for fiscal year 2007 to keep pace with inflation. House Republican leaders worked for many weeks trying to satisfy the demands and concerns of conservatives and moderates alike in order to garner enough votes to secure passage of the budget.

The House Appropriations Committee issued targets May 4 for each of its 11 subcommittees that implicitly increased funding for domestic programs under the jurisdiction of the Labor-HHS Appropriations Subcommittee by \$4.1 billion, at the expense of funding for defense and international affairs. House Moderate Republicans demanded more from their leaders. Prior to passage, the House Budget Resolution was amended to include language that recognizes the need to increase funding for these programs by an additional \$3 billion by shifting dollars from other sources. Unfortunately, the language is advisory and not binding. Notwithstanding, the deal helped secure the votes of House moderate Republicans, including Congressmen Platts, Dent, and Weldon.

Two Pennsylvania moderate Republicans, Congressmen Gerlach and Fitzpatrick, voted against the House Budget Resolution because it did not do enough to guarantee sufficient funding for important domestic discretionary spending programs. The House and Senate will attempt to resolve differences between their respective budget resolutions. In the meantime, the House is working to pass individual appropriations bills, including the important Labor-HHS appropriations bill, before the July 4th recess.

When Congress returns the week of June 5 they will be considering the following proposals that could result in reduced federal investments in children:

1. **Line-Item Veto** – Puts funding for important children's services at risk. The Senate Budget Committee will be considering line-item veto legislation the first week in June. The House Budget Committee will also take up the legislation some time in June.
2. **Sunset Commission** – Gives an *eight-member panel* the ability to cancel funding for important children's programs. The Sunset Commission legislation will come up in both the House and Senate along with other budget reform legislation sometime in June.

Pre-K Now Releases Pre-K Leadership Report

In May, Pre-K Now released *Leadership Matters: Governors' Pre-K Proposals Fiscal Year 2007*, a comprehensive analysis of governors' leadership and budgetary commitments to expanding access to pre-kindergarten. If legislatures across the country approve these proposals, for the third straight year more children than ever before will have access to pre-K.

According to Pre-K Now, gubernatorial increases to pre-K were bolstered for 2007 budgets by favorable state revenue forecasts. Pre-K Now reports that 22 states are likely to enjoy increased income in fiscal year 2007 while 26 others anticipate fiscal stability. Governors who once felt hamstrung by budget shortfalls are emerging with plans to improve educational opportunities in their states by advancing pre-K.

Pennsylvania provides funding for pre-K through the Education Accountability Block Grant and a \$30 million appropriation for Head Start. Current estimates show that only 19 percent of Pennsylvania's 4-year-olds are being served through Head Start or public school pre-K/K4 programs. In order to fill this need, PPC recommends the Accountability Block Grant be increased by at least \$50 million.

Pre-K Now estimates that 84 percent of voters nationally have expressed a belief that pre-K prepares children to succeed in school and should be a priority investment.

The report also found that:

- The trend toward increased funding for pre-K enjoys the bipartisan support of 11 Republican and 13 Democratic leaders, including the mayor of D.C.;
- Gubernatorial budget proposal increases for FY07 averaged 25 percent; governors in every region of the country proposed increases for pre-K and only two governors proposed decreased funding for pre-K;
- Despite continued budget deficits in their states, governors in Connecticut, Illinois and Washington found a way to propose increases to pre-K totaling more than \$46 million;

The following funders contributed to Pre-K Now's report: The Pew Charitable Trusts, the David and Lucile Packard Foundation, CityBridge Foundation, and the Schumann Fund for New Jersey.

View the report at
http://www.preknow.org/documents/LeadershipReport_May2006.pdf