

# Nearly 2 weeks past deadline, Pa. officials share few details on state budget progress



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Gov. Josh Shapiro, right, gives his annual budget address inside the House of Representatives at the Pennsylvania Capitol on Tuesday, Feb. 4, 2025. Speaker of the House Joanna McClinton, left, and Lieutenant Gov. Austin Davis listen to Shapiro's address.

BLAINE SHAHAN | Staff Photographer

Nearly any legislative leader asked for an update on state budget negotiations this week said they've made progress on negotiating a broad funding package for public schools, mass transit systems, tax policies and social programs, like Medicaid.

But details about what agreements Republican and Democratic lawmakers have reached are scarce.

At a Wednesday bill signing ceremony, Gov. Josh Shapiro said House Democratic Leader Matt Bradford and Senate Republican Leader Joe

Pittman met in his office on Tuesday.

"I'm not going to get into our internal dialogue here," Shapiro said, responding to a reporter's question about the budget talks. "I can just tell you that we all understand the issues. We understand each other's perspectives. We also understand that our job is to compromise."

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In the Capitol halls on Tuesday, Bradford said leaders are "continuing to talk."

And a spokesman for Senate Appropriations Chairman Scott Martin, a Martic Township Republican, this week referred a reporter to the party leaders' joint statement from June 30 — the day Pennsylvania's budget is due for the next fiscal year.

There, Senate Republicans restated that their "top priority" in negotiations is to reduce the amount by which Pennsylvania's spending outpaces its revenues.

Though the Senate does not have a scheduled session day until September, its members have been placed on 24-hour notice to return to the Capitol once leadership strikes a deal. Meanwhile, the House has added voting session days to its calendar this month, including three days next week.

Shapiro's proposed budget for fiscal year 2025-26, which began on July 1, would spend \$51.5 billion, pulling \$4.6 billion from the state's reserves to offset the gap in money raised during the last fiscal year.

The federal tax and spending cut megabill signed by President Donald

Trump on July 4 has also added pressure on the state's finances. It slashes expenditures on state and federal collaborative programs like Medicaid, one of Pennsylvania's top expenses.

Addressing those federal Medicaid cuts is among the biggest hurdles lawmakers will need to clear before they can strike a deal. Shapiro has repeatedly said that Pennsylvania cannot backfill the federal money pulled from the program under the bill signed by Trump.

Shapiro's administration estimates roughly 310,000 Pennsylvanians will lose their Medicaid coverage under the legislation.

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