



State College Area School District

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To: Curtis Johnson
From: Randy Brown, Joseph Viglione and Donna Reinhardt
Date: July 20, 2026
Subject: 2026-2027 State Budget Update

On July 12, 2026, Governor Shapiro signed a \$50.8 billion state budget for the 2026-2027 fiscal year following deliberation ending with bipartisan support. The budget avoids new revenue sources, leaves the state's Rainy Day Fund intact, and includes historic investments in education and performance-based funding for universities. A summary of the education budget including comparisons to the prior year budget has been prepared.

Basic Education Funding increased by \$58 million (0.70% increase over the 2025-26) funding focused on the poorest schools and \$100 million in facility improvement grants under the purview of the PCCD. Special Education Funding increased by \$55 million (3.60% increase over the 2025-26). Ready-To-Learn block grant funding increased by \$565 million (40.84% increase over 2025-26). Career and Technical Education will increase by \$10 million. Funding for Safety in the amount of \$100 million is included along with Facilities funding in the amount of \$125 million. The budget includes increased funding for Pre-K Counts, Early Intervention, and Staffing.

A number of school districts, sixteen in fact, will receive less basic education funding in 2026-27 than in the prior year, while thirty-three school districts will receive less special education funding.

State Budget Summary

Line-Item	Dollar Amount
Basic Ed. Funding	\$8.3 billion (+ \$58 million)
Special Ed. Funding	\$1.6 billion (+\$55 million)
Ready-To-Learn	\$1.9 billion (+\$565 million)
CTE (for CTC)	\$154 million (+\$10 million)
PCCD/School Safety Grants	\$100 million (level funding)
School Facilities	\$125 million
Teacher Stipends	\$10 million

District Impact

Subsidy Increase	Final State Budget	SCASD Budget	Difference
Basic Education	\$14,161,830	\$13,884,000	\$277,830
Special Education	3,748,254	3,655,188	93,066
Ready to Learn	410,013	360,013	50,000
CTC	464,968	250,000	214,968
Cyber Charter Tuition	0	0	0

The administration recommends waiting to allocate this additional state funding until evaluating any additional needs with a transfer to the capital reserve fund being an option as well.

For reference purposes, a three year comparison of several revenues received by the district and the state totals have been provided.

District	2026-27	2025-26	2024-25
Basic	\$14,161,830	\$14,025,977	\$13,776,132
Special Education	3,748,254	3,711,256	3,663,973
Ready to Learn	410,013	360,013	310,013
Charter Tuition Reimbursement	0	0	119,267
State Allocations	2025-26	2025-26	2024-25
Basic	\$8,320,444,000	\$8,262,444,045	\$8,157,444,049
Special Education	1,581,815,000	1,526,815,000	1,436,815,000
Ready to Learn	1,948,481,000	1,383,340,655	821,500,000
Charter Tuition Reimbursement	0	0	100,000,000

Percent Change

District	2026-27	2025-26
Basic	1.0%	1.8%
Special Education	1.0%	1.3%
Ready to Learn	13.9%	16.1%
State Total	2026-27	2025-26
Basic	0.7%	1.3%
Special Education	3.6%	6.3%
Ready to Learn	40.9%	68.4%

Of note:

- PCCD funding will be awarded in a competitive process again this year.
- Facility grants will remain competitive again this year
 - The PlanCon moratorium continues.
- Summary of school code changes
 - Residency/Truancy Changes
 - Facilities Inventory
 - School Mapping
 - Lead Testing
 - School Safety
 - Cyberbullying/Artificial Intelligence
 - Flexible Instructional Days
 - NOCTI Exam
 - Mandatory Recess
 - School Start Times
 - Cyber Wellness
 - Classroom Monitors
- Upcoming session discussions
 - Cell phones
 - Skill Games
 - Data Centers