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Senate of Pennsylvania

March 18, 2009

COMMITTEES

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APPROPRIATIONS
1-800-364-1581 (TT)

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Dr. Robert E. Terrill Superintendent Warren County School District 185 Hospital Drive North Warren, PA 16365-4885

Dear Superintendent Terrill:

I am writing today concerning a matter of great importance. Earlier this month, you received a letter from the state Department of Education outlining broad categories of benefits and an estimated amount of federal stimulus money potentially available for local school districts through the American Recovery and Reinvestment Act of 2009.

While the letter contained very useful information about federal funding for local school districts, it also included assumptions about what may or may not be a part of the approved state/federal funding mix.

As you know, Senate Democrats have been strong advocates for increased basic education subsidies, early-education funding, full-day kindergarten dollars, block grant funding as well as other valuable program initiatives undertaken by the governor and ably implemented by the Department of Education in concert with your leadership on the local level. These programs have made a difference. The improved test scores from school districts throughout Pennsylvania are proof that we are on the right track.

However, it is important that school district officials do not rush into budget preparation without a firm understanding that the state fiscal situation is fluid, and likely to remain so until a final agreement is negotiated. Therefore, although I recognize your own deadline pressures, I urge you to be cautious and flexible.

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For example, the correspondence sent to your earlier this month included a data table indicating an increase in basic education support above what the governor recommended in his budget proposal in February. This new projection assumes the federal stimulus funds allocated for this increase will not be necessary to simply maintain the level of basic subsidy support proposed by the governor in his budget address.

The severe economic recession has resulted in a projected state budget shortfall of \$2.3 billion, which may worsen over the coming months. Given this dire situation, the General Assembly—in consultation with the governor—is now working to assemble what promises to be an exceptionally austere budget.

As the situation regarding state funding clears, a more defined estimate of the funding available for local school districts will emerge. Please be assured that I will keep you apprised on new developments.

Sincerely

ROBERT J. MELLOW The Democratic Leader

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