

Pennsylvania budget impasse adversely affects social services, schools

Douglas Lyons
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The Pennsylvania budget impasse has entered its fourth month, negatively affecting social service programs, non-profits and public schools. Without state funds flowing to schools and non-profits to wholly or partially fund them, some have had to scale back or fully eliminate programs and lay off workers. The Republican-controlled legislature and Democratic Governor Tom Wolf, in the meantime, are negotiating on the best method to attack the working class, either by raising taxes and/or destroying pensions.

One such school, a nursery school called Live 'N Learn located in Reading, had to close over the past four weeks due to lack of funding. Kelly McCauley and Natalie Barna were interviewed by WFMZ radio in Eastern Pennsylvania. McCauley, a teacher at the school for four years, told the station, "We're not getting our paycheck that we need, and the kids sitting at home are not getting the education they need either." Barna, the school director, said, "It's just heartbreaking that legislators and government are not getting their job done, and they're getting paid, but my teachers want to do their job and can't because there's no financial support."

Touching the Future in Fleetwood, a childcare center, has been forced to lay off workers. Fifteen workers have lost their jobs and 80 low-income families will not be able to drop off their children for care, forcing them to find alternative and perhaps more expensive daycare centers, or having to take time off work to care for their children.

Nonprofits are also experiencing cash shortage problems. According to a survey covering Allegheny County and released by the Greater Pittsburgh Nonprofit Partnership and the Forbes Funds, roughly 60 percent of nonprofits such as community development agencies said they were having a shortage

of cash, with another 26 percent saying they will by November.

Some nonprofits are about to close their doors by the end of this month while others have stopped providing some services that people use to meet their basic "needs and security." Fourteen percent of those surveyed have reduced their staffs' hours or delayed payroll.

First Step Recovery Homes in McKeesport, near Pittsburgh, treats clients recovering from alcohol and drug abuse, but its services may indefinitely come to a halt. Nine employees have been laid off since state contracts, which account for 37 percent of First Step's annual budget, have been deferred. Some dedicated employees have voluntarily worked several times a week to help struggling clients.

In south-central Pennsylvania, Franklin County is paying \$50,000 a day of local tax money to provide human service programs, expecting the state to reimburse them in the future. But the coffers may run dry by the end of the year, officials said, as the county each year manages \$26 million in human service programs, helping thousands people.

Women in Need (WIN), an organization that helps just under 2,000 people a year, has postponed a move to a larger and more modern building. State money comprises about 80 percent of WIN's yearly budget. Some women and children have been forced to stay at the shelter because state money to pay for rent has not been allocated.

Public schools are experiencing terrible times funding programs and paying employees' salaries. Most have started to borrow from banks, amounting to more than \$346 million, according to a report by Pennsylvania Auditor General Eugene Depasquale. Depasquale, a Democrat, supports the cutting of pensions for all state

workers, teachers and local government employees. Usury interest and fees might total \$11.2 billion once the budget impasse is resolved.

For example, the School District of Philadelphia has had to borrow \$275 million, the most thus far of any public school district, while Stroudsburg Area School District has borrowed \$10 million.

Some teachers working within the Chester-Upland School District have started working without pay in order to serve the kids until the budget impasse has been overcome. Schools in Erie are considering extending the Thanksgiving and Winter breaks along with payless paydays for teachers and staff as their funds run out.

Earlier this month a proposal by Governor Wolf to raise taxes was defeated in the Republican-controlled state legislature. It would raise income tax from 3.07 percent to 3.57 percent, while a new natural gas tax would impose a paltry 3.5 percent tax on the gas barons' revenue. Wolf is now seeking to get the votes he needs for the tax hike by agreeing to pension cuts and the privatization of the state-owned liquor stores, a move that would eliminate 5,000 jobs.

This plan came after another overture by the governor to the Republican-controlled legislature in which he said he would eliminate pensions for state and school employees whose salaries are above \$75,000 annually, reneging on his campaign promises not to touch public pensions. It is clear now that Wolf will agree to even deeper cuts to pensions for state workers and school employees.

Overall, negotiations are still ongoing, with Wolf telling KDKA radio station in Pittsburgh, "I can't cave on this [broad-based tax increases]. We've got to have our state on a sound financial basis. That's all I want." As Wolf insists on raising taxes on the working class, an agreement with Republicans on tax increases and attacks on pensions and liquor-store jobs will naturally follow.



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