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LEGISLATIVE BULLETIN

COUNTY COMMISSIONERS ASSOCIATION OF PENNSYLVANIA THE VOICE OF PENNSYLVANIA COUNTIES

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SENATE, HOUSE ADVANCE MEASURES AS **BUDGET STALEMATE PERSISTS**

On Monday, September 8, the Senate returned to Harrisburg as the state budget impasse neared the three-month mark without a finalized agreement. While in session, the chamber advanced several pieces of legislation, including **Senate Bill 114**, sponsored by Senator David Argall (R-Carbon), which modernizes nurse aide training and certification requirements. The bill directs the Department of Health to establish a standardized curriculum, set instructor qualifications, and implement a train-the-trainer program to expand access to instruction, while also creating multiple certification pathways. CCAP, together with the Pennsylvania Coalition of Affiliated Healthcare and Living Communities (PACAH), supports the measure as it broadens the pool of qualified nurse aides, addresses workforce shortages, and ensures consistent, high-quality care in county nursing homes.

Budget negotiations also continued in the House Appropriations Committee on September 11, where members reconsidered **Senate Bill 160**, introduced by Senator Scott Martin (R-Lancaster). The bill represents the Senate's \$47.6 billion short-term spending plan and was unanimously advanced to the House floor for further consideration. While positioned as a vehicle for a final agreement, the measure has not resolved the fundamental divide between the two chambers over overall spending levels, leaving the budget impasse ongoing.

The House is scheduled to return to session the week of September 29, while the Senate is set to return the week of October 20. However, Senate leaders have stated that the chamber remains on 24-hour call and may reconvene sooner if needed. As negotiations continue, counties proceed to emphasize that passage of a full state budget is essential to ensure the continuity of services that support residents across the Commonwealth.

STATE FLEXES TRANSIT CAPITAL FOR OPERATING COSTS

On Monday, September 8, Governor Josh Shapiro directed PennDOT Secretary Mike Carroll to approve the Southeastern Pennsylvania Transportation Authority's (SEPTA) request to shift \$394 million from the Public Transportation Trust Fund's capital budget to cover operating expenses. The decision followed a letter from SEPTA leadership urging PennDOT to authorize the transfer after a court blocked plans for a second round of service cuts due to insufficient state funding. As a result of the approved transfer, those planned service reductions have been rescinded.

PennDOT also approved a similar request from Pittsburgh Regional Transit (PRT), allowing the agency to redirect nearly \$107 million in capital funds to operating costs. This action prevented PRT from implementing planned service cuts and fare increases.

While capital funding is intended to support long-term infrastructure improvements, the state does permit its largest transit agencies to "flex" those dollars toward operating expenses under extraordinary circumstances.

Counties recognize the critical importance of these actions to keep transit systems running, but they also underscore the broader challenge. As counties face rising demands and costs to maintain local roads, bridges, and public transportation networks, the need for sustainable and reliable funding solutions grows more urgent. Counties remain committed to working with the General Assembly to strengthen revenue streams and ensure lasting investments in both local and regional transportation infrastructure.

COUNTIES PUSH TO MODERNIZE USDA RURAL DEVELOPMENT

On September 18, Potter County Commissioner Paul Heimel <u>testified</u> on behalf of the National Association of Counties (NACo) before the U.S. House Agriculture Committee on USDA Rural Development's critical role in delivering programs and services to rural America. Potter County falls within USDA Rural Development's mission area, which provides financing for community facilities, entrepreneurial capital, technical assistance, and support to help local governments, partners, and residents build and sustain thriving rural communities.

Commissioner Heimel highlighted that, given the challenges facing rural Potter County, USDA Rural Development is the county's most important federal partner. The agency finances tens of billions of dollars in rural infrastructure, housing, and business investments across tens of thousands of projects nationwide. Heimel stated, "In many rural areas, the USDA field office is the front door to the federal government. That local presence helps projects take root and succeed." He emphasized that counties like Potter are ready to contribute to these efforts but rely on USDA Rural Development's support to maintain strong federal partnerships.

With the upcoming Farm Bill under consideration, Heimel noted that this is a critical opportunity to expand access and modernize the delivery of USDA Rural Development programs and resources. He stressed the importance of simplifying access for small-dollar projects, improving program sequencing and coordination, strengthening field-based delivery, enhancing rural-scale financing, modernizing technology to improve access, and investing in rural capacity building.

As Congress considers the future of USDA programs through the Farm Bill, it is equally important to ensure that USDA's internal reorganization strengthens, not weakens, the Department's ability to deliver results in rural communities. Counties strongly support USDA's goal of improving operational efficiency and ensuring taxpayer dollars are used effectively. At the same time, Heimel urged the House Agriculture Committee to exercise rigorous oversight to ensure that USDA's reorganization builds on its greatest asset: its field-based presence and deep local relationships.



HOUSE INTRODUCES SHORT-TERM RESOLUTION TO AVOID SHUTDOWN

On Tuesday, September 16, House Republicans unveiled a **short-term continuing resolution** to fund the federal government through November 21. The measure generally maintains current spending levels while providing an additional \$88 million to enhance security for lawmakers, the Supreme Court, and executive branch officials.

With the fiscal year set to close on September 30 and no agreement yet on full-year appropriations, Congress must act on a stopgap measure to keep agencies operating. Because advancing any spending bill in the Senate requires 60 votes, bipartisan support will be necessary to avoid disruption.

The most significant point of contention lies in what the resolution omits: provisions to extend enhanced Affordable Care Act premium subsidies and to restore Medicaid funding reduced under the "One Big Beautiful Bill Act." If lawmakers fail to reach an agreement by September 30, the expiration of budget authority would trigger a government shutdown.



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