



LEGISLATIVE BULLETIN

COUNTY COMMISSIONERS ASSOCIATION OF PENNSYLVANIA

THE **VOICE** OF PENNSYLVANIA COUNTIES

IN THIS EDITION:

- Budget Stalemate Threatens Vital County Services
- House and Senate Diverge on Budget Implementation
- OOR Addresses Risk of AI in Right-to-Know Requests
- IFO Issues June Revenue Update
- CCAP Members: Help Shape CCAP'S Policy Positions

BUDGET STALEMATE THREATENS VITAL COUNTY SERVICES

As Pennsylvania enters its fourth week without a finalized budget for FY 2025-2026, counties are under growing pressure with the prolonged impasse jeopardizing the stability of critical services that residents across the Commonwealth depend on every day. Without an enacted budget, the state cannot release funding for many of its core obligations - most notably, the critical human services counties deliver on the state's behalf.

Counties are now bracing for missed payments that support vital programs such as mental health and behavioral health services, child protective services, drug and alcohol treatment, supports for individuals with intellectual disabilities, and assistance for those experiencing homelessness. In every case, timely state funding is not just helpful - it is essential to sustaining operations and meeting community needs.

While this year's budget impasse is not unprecedented, the consequences can be significant. For more than a decade, counties have been expected to do more with less, contending with flat or declining state support while costs and responsibilities continue to rise. Without payments, counties may be forced to freeze spending, delay contracts, borrow funds, or make other difficult decisions that ultimately disrupt service delivery and harm residents.

Counties cannot bear this burden alone. Pennsylvania's human services safety net is unraveling - and each day without a budget further accelerates that decline. CCAP is urging swift action from state leaders. Finalizing the budget is critical to ensuring counties can continue to protect vulnerable children, support individuals in crisis, respond to emergencies, and uphold public safety and justice in every community. What's at stake is not just funding - it's the health, safety, and stability of every Pennsylvanian.

With no compromise yet in sight, counties encourage the legislature to take up **House Bill 1609**, sponsored by Rep. Marla Brown (R-Lawrence). This legislation would amend the

Pennsylvania Administrative Code to authorize continued payments for essential human services during a budget impasse. It would allow the Secretary of the Budget, in consultation with department heads, to disburse funds to maintain services. This measure would provide critical relief and stability, ensuring that service delivery does not grind to a halt during future budget delays.

As the budget stalemate continues, counties urge state leaders to consider the real-life consequences of interrupted services and to act to protect the wellbeing of residents. Action is urgently needed to maintain essential services and support the communities that depend on them.

HOUSE AND SENATE DIVERGE ON BUDGET IMPLEMENTATION

On July 14, the Pennsylvania House of Representatives passed **House Bill 1330**, a \$50.6 billion state budget proposal sponsored by House Appropriations Chair Jordan Harris (D-Philadelphia). Both Chair Harris and Minority Chair James Struzzi (R-Indiana) described the bill as a step toward reaching a final budget agreement.

The proposal comes in at \$900 million below Governor Shapiro's original request. While HB 1330 outlines **major appropriations**, it does not include the necessary fiscal code bills that direct how those funds will be implemented. Several fiscal code vehicles are currently circulating in the legislature, but the final language remains unclear. Until these codes are enacted, it is uncertain how the appropriated dollars in HB 1330 will actually be distributed.

For counties, the proposal presents a mixed picture. Many of the funding lines that CCAP prioritizes appear to be level-funded compared to the Governor's original proposal. However, a particularly concerning development is the reduction in the Mental Health Services line item within the Department of Human Services budget. The line is reduced from \$988 million to \$981 million - approximately \$7 million below the Governor's initial proposal. Due to the absence of finalized fiscal code language, it is unclear which specific components of the mental health allocation have been affected.

After the House vote, the Senate returned to session on July 17 to consider HB 1330 and adopted amendments that removed much of the implementing language previously added by the House. The Senate remained in session through July 18 before adjourning until further notice. Both chambers are not expected to reconvene until the fall, leaving Pennsylvania in a prolonged period of budgetary uncertainty.

OOR ADDRESSES RISK OF AI IN RIGHT-TO-KNOW REQUESTS

The Pennsylvania Office of Open Records (OOR) recently published an **update** regarding the use of artificial intelligence (AI) in matters related to the state's Right-to-Know Law (RTKL). As generative AI tools, such as chatbots and content generators, become more commonly used in preparing RTKL requests, appeals, and legal submissions, the OOR is emphasizing the risks associated with relying on these technologies without proper oversight.

While current law does not prohibit the use of AI in crafting submissions to the OOR, the office strongly warns that AI tools are not reliable substitutes for legal counsel or professional assistance. Specifically, the OOR cautions that parties who submit AI-generated materials without independently verifying the accuracy of the content may face sanctions. Courts are authorized under the RTKL to impose penalties, including attorney's fees and fines, for frivolous or misleading filings. Additionally, OOR appeals officers have the discretion to reject any submissions that contain false or unverified statements, fictitious legal citations, or duplicative content generated by AI.

This guidance has important implications for counties, which regularly handle and respond to RTKL requests. While AI tools may appear to offer efficiency, especially in high-volume

or repetitive requests, they carry significant legal and reputational risks when used improperly. As the legal landscape continues to evolve, counties are encouraged to approach the use of generative AI with caution in RTKL proceedings. The OOR's guidance underscores the importance of accuracy, credibility, and human oversight in maintaining compliance with transparency laws.

IFO ISSUES JUNE REVENUE UPDATE

The Independent Fiscal Office (IFO) released the monthly **revenue update** for June 2025, reporting that General Fund collection totaled \$3.74 billion, which was \$81 million (+2.2%) above the IFO's official estimate and \$108 million (+3.0) higher than collections in June 2024.

June collections were led by stronger than expected personal income tax revenues, which came in \$78 million (+5.0) above estimate, driven by non-withholding payments. Sales and use tax revenues were \$19 million (-1.5%) below estimate but \$33 million (+2.7%) above last year.

Corporate net income tax collection fell short by \$52 million (-5.8%) and were \$74 million (-8.1%) lower than June 2024.

Fiscal year-to-date (FYTD) collections for FY 2024-2025 totaled \$46.41 billion, exceeding the IFO's official estimate by \$640 million. Compared to the previous year, FYTD revenues were \$1.27 billion higher.

CCAP MEMBERS: HELP SHAPE CCAP'S POLICY POSITIONS

One of the most impactful ways to make your voice heard as a CCAP member is by actively engaging in the policy-setting process **throughout the year**. Participation is especially valuable during July and August, as these months offer key opportunities to influence decisions that shape county policy priorities. Now is the time to get involved and help drive the issues that matter most to your county.

All CCAP members are invited to observe any of our ten policy committee meetings, held in-person on August 17, the Sunday prior to the **Annual Conference**, at the Seven Springs Mountain Resort (Somerset County). Voting on all policy resolutions to update the **CCAP Platform** will take place during the conference at the business meeting on Tuesday, August 19. For those not able to attend in person, CCAP members will have the ability to participate in the business meeting and voting process virtually. The full voting packet, which also includes 2026 CCAP officer selection, 2030 Annual Conference site selection and a proposed bylaws amendment will be distributed prior to the conference.

Questions should be directed to **PACountiesGR@pacounties.org**.

Other CCAP Publications

CCAP | PO Box 60769 | Harrisburg, PA 17106-0769 US

<u>Unsubscribe</u> | <u>Update Profile</u> | <u>Constant Contact Data Notice</u>



Try email marketing for free today!