



## Pennsylvania Human Services & Nonprofit Budget Requests FY 2026–27

Pennsylvania’s nonprofit sector is facing pressure from both ends: federal funding cuts are reducing resources while community need grows. With a June 30 state budget deadline approaching and a multi-billion dollar structural gap to close, the decisions made in Harrisburg this year will determine whether the Commonwealth’s safety net holds. 68% of nonprofits project increased demand for services; 74% project increased expenses — while only 41% project increased revenue. The coalition presented the following priorities and budget asks to support Pennsylvania families, communities, and the organizations that serve them.

### **Pennsylvania Nonprofits: The Stakes**

- Pennsylvania is home to 49,000 active 501(c)(3) organizations, employing 10–25% of private-sector workers in most counties.
- Federal funding freezes, paused grants, and last year’s 135-day budget impasse have left organizations with depleted reserves and limited capacity to absorb further disruption.
- 86% of Pennsylvania nonprofits operate on budgets under \$500,000 — leaving little margin when payments are delayed.

### **Core Communities & Arts and Culture, Presented by Pennsylvania Downtown Center and Creative Pennsylvania**

Local customers now account for 46% of Main Street sales, up from 30% pre-COVID. A new state arts framework threatens to defund 70% of small arts groups and 500+ jobs.

#### **Asks**

- \$20 Million for Main Street Matters (level funding from FY 2025–26).
- \$5 Million appropriation increase for arts and culture to preserve existing grants and invest in Creative Placemaking.

### **Working Families, Presented by United Way of Pennsylvania, CAAP, GPNP**

39% of PA households earn above the poverty line but cannot afford basic expenses. PA 211 handled 227,180 interactions in 2025, with housing, utilities, and food as the top needs.

#### **Asks**

- \$2.5 Million increase for PA 211 to sustain this free, statewide resource available 24/7/365 in 180 languages.
- Support the Working Pennsylvanians Tax Credit — a refundable credit set at 30% of the federal Earned Income Tax Credit.

### **Housing, Presented by the Housing Alliance of Pennsylvania**

Only 39 affordable homes exist per 100 extremely low-income households. 47% of PA’s housing stock predates 1959, and thousands of renters carry eviction records even when never found at fault.

#### **Asks**

- HB 643 — increase the PHARE cap to \$110 Million by FY 2028–29.
- HB 876/HB 1640 — \$50 Million for the Home Preservation and Repair Program.
- HB 1095/SB 549 — Order of Limited Access for eviction filings to help renters maintain stable housing.

### **Food Security, Presented by Feeding Pennsylvania**

Food insecurity is up 40.4% over two years. More than 1.7 million Pennsylvanians — including 475,000 children — are food insecure, and federal uncertainty is compounding pressure on state programs.

#### **Asks**

- \$35 Million for the core State Food Purchase Program (SFPP).
- \$11 Million for the PA Agricultural Surplus System (PASS) to source nutrient-dense local food.

### **Child Care, Presented by PennAEYC**

Child care wages fail to meet the cost of living in all 67 PA counties. 27% of child care workers rely on Medicaid; 21% rely on SNAP. 83% of PA voters support increased child care funding.

#### **Asks**

- \$55 Million for child care staff recruitment and retention.
- \$15 Million for Pre-K Counts and \$9.5 Million for Head Start Supplemental Assistance.
- \$16.2 Million for Infant/Toddler Early Intervention — including a long-overdue rate increase and services for 3,000 additional children.

### **Disabilities & Vision Services, Presented by PAR, VisionCorps**

Blindness services generate \$281M in state savings by enabling individuals to remain independent. All 26 PA Association of the Blind agencies received just \$4.7M in state funding last year — agencies are subsidizing the gap.

#### **Ask**

- \$1 Million increase to support blindness and vision rehabilitation services statewide.

### **Behavioral Health, Presented by Rehabilitation & Community Providers Association (RCPA)**

County mental health is underfunded, 988 requires sustained investment, and federal Medicaid cuts threaten coverage for the most vulnerable. Telehealth restrictions and unfunded mandates compound the problem.

#### **Asks**

- \$20 Million for the county mental health system.
- \$15 Million for ongoing 988 crisis system implementation.
- \$100 Million for school-based mental health to build a service continuum — not a parallel system.
- Approve the proposed \$640 Million behavioral health capitation increase to protect Medicaid coverage for the most vulnerable.

### **Children's Services, Presented by Pennsylvania Council of Children, Youth & Family Services (PCCYFS)**

During the FY15-16 impasse, 100+ providers borrowed \$172M just to stay open — many are still paying that debt. 71% of providers face insurance requirements that exceed what is available in the market.

#### **Asks**

- Pay private providers their “maximum allowable rate” to sustain the provider network Pennsylvania’s children and families depend on.
- Create viable pathways for children’s services providers to obtain affordable professional liability insurance.

### **Nonprofit Governance & Capacity, Presented by PANO**

In a year of compounding federal and state uncertainty, targeted governance and management support ensures nonprofits remain accountable stewards of public dollars.

#### **Ask**

- \$250,000 to enable PANO to extend support to an additional 750 nonprofits navigating current funding uncertainties.