

EMBARGOED FOR TUESDAY, FEBRUARY 3rd, WHEN THE SPEECH BEGINS



GOVERNOR JOSH SHAPIRO

Key Excerpts from Governor Josh Shapiro's 2026 Budget Address – As Prepared for Delivery

February 3, 2026

Pennsylvania is on the Rise

Because I know government can be a productive force for good in people's lives.

I know because I've seen it over the past three years.

Our kids are getting a better quality education, our workers have more opportunities to chart their own course, our economy is growing, and our communities are safer.

We've done that work, together.

And we've done it in a way that shows we respect all people — no matter what you look like, where you come from, who you love, or who you pray to, or choose not to pray to.

We've increased funding for education by nearly 30 percent.

We've expanded vo-tech, CTE, and apprenticeships to open new pathways of opportunity.

School attendance is up, graduation rates are up, and more young people are finding their passion in the trades.

For 31 straight months, our unemployment rate has remained lower than the national rate.

It's a point of pride that we have more young farmers under the age of 35 than any other state in the nation.

We're producing more energy today than ever before — 240 million megawatts — because our all-of-the-above energy strategy is working.

Since we last gathered, we landed the largest private sector investment in the history of our Commonwealth in Luzerne and Bucks counties.

And just last Friday, we won the biggest life sciences deal in Pennsylvania history and the largest economic development deal ever in the Lehigh Valley.

We now have the only state economy in the Northeast that's actually growing, according to Moody's.

And Forbes rated us one of the best states in the country to start a business.

The investments we've made are paying off — our economy is growing in the first seven months of this fiscal year, we've collected \$417 million more in revenue than estimated.

Our bond rating has gone up not once but twice, resulting in taxpayer savings of more than \$200 million.

What we're doing, together, is working.

We're solving problems and getting stuff done to improve people's lives.

And Pennsylvania is on the rise.

Raising the Minimum Wage

Our minimum wage in Pennsylvania has been stuck at \$7.25/hour for the last 16 years.

In that time, every single one of our neighboring states has raised the wage for their workers.

Four of our 6 neighbors are at \$15 or more.

Ohio is on their way to \$15.

Even West Virginia is ahead of us.

The House of Representatives has passed legislation to increase our minimum wage twice.

And each time, the Senate refused to act.

As Senator Tartaglione will tell you from the floor of the Senate later today, it's been 7,150 days since Pennsylvania last passed legislation to raise the minimum wage.

That's hurting over half a million workers who are still making less than \$15/hour.

But you know what — clearly those arguments haven't convinced our friends in the Senate to act over the last decade and a half.

So let me give you one more reason why we need to do this.

Because raising the minimum wage to \$15/hour will save this Commonwealth \$300 million a year on entitlement programs like Medicaid.

Not by adding arbitrary and cumbersome requirements that push people who still need help off the rolls but by literally raising the wages of nearly 61,000 people who currently rely on Medicaid and make less than \$15/hour.

We can put more money in their pockets so they don't need Medicaid anymore.

Passing Statute of Limitations Bill

Every year since then, I have urged you to open a civil window to give survivors a chance at real accountability.

The House has passed a clean bill 6 different times over the past 3 years.

But Senate Republicans have refused to act.

Stop cowering to the special interests, like insurance companies and lobbyists for the Catholic Church.

Stop tying justice for abused kids to your pet political projects.

And start listening to victims.

It is shameful that this hasn't gotten done here in Pennsylvania when almost 30 other states have followed our grand jury report and passed it in their legislatures.

Cutting Taxes

This budget doesn't raise taxes — in fact, it continues to cut taxes.

And it doesn't require a broad-based tax increase today, tomorrow, or at any point in the next five years.

Listen, I know some of you try to score political points by saying that it does — but saying that doesn't make it true.

What this budget does do is finally regulate and tax skill games and pass comprehensive cannabis reform.

On Working Together and Lessons Learned

We've shown what's possible when we all work together.

Even when it takes longer than it should.

We all recognize it took too long last year — and that had real impacts on Pennsylvanians.

But we learned some valuable lessons through that process.

We learned that we all need to be at the table, and that we all need to be at the table sooner.

When we all sat together, majority and minority, we made progress.

In that spirit, I've invited the leaders of all four caucuses to my office tomorrow to begin this process in earnest.

And I appreciate that they've all accepted the invitation.

But despite the extended process, we all agree we made real progress last year.

Progress that unlocks two of the most powerful forces in our society — hope and optimism.

That's what we're beginning to see more of.

You can feel it on our farms and in our skyscrapers.

Along our Main Streets and in our classrooms.

At a time when dysfunction and chaos reigns elsewhere, Pennsylvania is showing that we can be a model for steady progress when we come together, treat others with respect, and find ways to extend a helping hand to our neighbors.

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