

**GOVERNOR
JOSH SHAPIRO
EXECUTIVE BUDGET
2025-2026**

BUDGET.PA.GOV



Commonwealth of Pennsylvania
Office of the Governor
Harrisburg

February 4, 2025

To the People of the Commonwealth of Pennsylvania:

When you elected me two years ago, you came together behind a common vision for Pennsylvania's future. Since then, I've traveled all across our Commonwealth and I've stayed focused on a few commonsense Pennsylvania principles: creating good schools for our kids, building safer communities, opening up the doors of economic opportunity, and protecting Pennsylvanians' fundamental rights and freedoms. Every day, my Administration pursues those goals with three letters in mind – G-S-D – we get stuff done and deliver results for the people of Pennsylvania.

In my first two budgets, we've brought Democrats and Republicans together to secure critical investments in commonsense initiatives that benefit all Pennsylvanians – from historic investments in K-12 education to ensure students, teachers, and staff have the resources and the safe, healthy learning spaces they need to succeed; to expanding and increasing property tax relief for seniors; to implementing targeted strategies that make Pennsylvania more competitive and help businesses thrive; to investing in law enforcement and making our communities safer.

As a result of those investments – which were approved by Democratic and Republican leaders in the General Assembly – older adults in Pennsylvania received the largest targeted tax cut in two decades, more entrepreneurs are starting new businesses and more major companies are moving their operations here, more kids are eating breakfast before school, more bridges are being repaired and more roads are being paved, and Pennsylvania is now one of the best states in the nation to raise a family. Thanks to our hard work, Pennsylvania is on the rise.

But I know our collective work is far from over. That's why my proposed budget for fiscal year 2025-26 directly builds on the work we've done over the last two years. It continues the bipartisan, agreed-to schedule of investments in our public schools. It helps create safer, healthier schools through continued investments in physical upgrades and mental health supports. It also provides for increased rates in pre-k and early intervention programs to ensure our children have the supports they need at the most critical stages of development.

This budget builds on the progress made during last year's budget in support of the Blueprint for Higher Education, making competitive funding available to our State-Related Universities to incentivize them to return results that benefit all Pennsylvanians. It provides funding to our public universities and community colleges and directs new investments into workforce development to create more paths to opportunity.

My proposal doubles down on the Commonwealth's first economic development strategy in nearly 20 years, with a key focus on innovation in a variety of sectors, including agriculture, life sciences, and our prospective entrepreneurs. This budget continues to cut taxes streamlining, simplifying, and modernizing our corporate tax structure to reduce the burden and level the playing field. It injects nearly \$300 million per year to our public transportation agencies, to ensure people can get to and from where they need to go safely and efficiently. And it ensures that our childcare facilities have the staff they need to operate, allowing more individuals to enter – and stay in – the workforce with assurances their children are in good hands throughout the day.

My budget invests in public safety and our first responders, providing critical resources to the paid and volunteer firefighters that risk their lives to keep our communities safe. This budget provides funds to recruit more troopers to protect our communities, expands resources to data-driven gun violence and crime reduction programs that have proven effective, and ensures efficient operations and safety of our corrections staff and inmates at correctional institutions.

The 2025-26 budget focuses on supporting our hospitals, protecting access to Medical Assistance even as costs of care are increasing, providing for initiatives to assist in recruiting and retaining critical health care staff, investing in medical support services for those re-entering society, and increasing supports to our elderly population so that they can remain in their homes. And this proposal provides investments into behavioral and mental health services to always be there when someone most desperately needs a resource.

Finally, this budget tackles one of the biggest challenges I hear about from hardworking Pennsylvanians: the high costs of childcare, housing, and energy. In my first two years, we've passed historic tax cuts to help families afford childcare and seniors stay in their homes. This budget prepares for the recommendations anticipated from the forthcoming Housing Action Plan, making Pennsylvania more affordable and more attractive for homeowners and renters alike. It would provide funds to help folks restore and stay in their homes, while also providing critical resources to assist first time homebuyers to make that life changing purchase, implement reforms related to eviction record sealing, and provide assistance to municipalities in enforcing codes and local zoning best practices. This budget includes meaningful investments in our childcare workforce to expand opportunities for children and families – and it is paired with a significant energy plan focused on expanding affordable, reliable, and clean power all across Pennsylvania.

As part of this commonsense vision, this budget proposes two new revenue sources, from the legalization of adult use cannabis and the regulation of games of skill, both of which will help Pennsylvania remain competitive with our neighbors while providing regulated markets that increase certainty and accountability across the Commonwealth.

We've made real progress over my first two years as your Governor – and that work is showing real results. We need to continue that progress by working together in support of commonsense Pennsylvania principles. We can do all of this and maintain fiscal stability, planning for the future and retaining \$6.4 billion in the Rainy Day Fund by the end of June 2026. Recognizing that the only way we move forward and progress as a Commonwealth is together, I am calling on the General Assembly to work with me in enacting these commonsense initiatives laid out in this Executive Budget proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "Josh Shapiro", written in a cursive style.

Governor Josh Shapiro



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Commonwealth of Pennsylvania

For the Fiscal Year Beginning

July 01, 2024

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the Commonwealth of Pennsylvania for its annual budget for the fiscal year beginning July 1, 2024. This award is valid for a period of one year.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

The Commonwealth has received this award for 27 consecutive years.

To view the Governor's Executive Budget online or learn more about the Pennsylvania Office of the Budget, go to www.budget.pa.gov.
To learn more about the Commonwealth of Pennsylvania, go to www.pa.gov.

Overview of Sections within the Budget

Preface

Includes the Governor's Letter, Distinguished Budget Presentation Award, an overview of sections within the budget, and the table of contents.

Reader's Guide

Provides an explanation of the budget process, program budget structure, and the basis of budgeting and accounting, and summarizes significant financial policies and lists terms used in the budget.

A. Overview and Summaries

Provides summary information regarding program policy direction and budget themes. It discusses the economic outlook, major operating funds, and overall complement and summarizes the budget for major Commonwealth funds including the General Fund, Motor License Fund, Lottery Fund, and Budget Stabilization Reserve (Rainy Day) Fund.

B. Program Budget Summary

Provides a summary of the budget by major revenue source and information for each major program by component categories and subcategories (subdivisions of programs).

C. Summary by Fund

Provides a summary for the General Fund and Special Funds, including detailed data on revenues and a summary of expenditures for each fund. Detailed expenditure and program information is found within Section E: Department Presentations.

D. Tax Expenditures

Provides information regarding tax expenditures for the General Fund, Motor License Fund, and selected other funds. These are tax credits, deductions, exceptions, and exclusions provided in law which result in a significant reduction in revenues that would otherwise be received at current tax rates.

E. Department Presentations

Provides detailed expenditure information by agency, program, and funding source. Each department presentation includes a Summary by Fund and Appropriation, Program Funding Summary, information on major programs, appropriation funding details, and Program Measures.

F. Capital Budget

Provides detailed information by agency regarding proposed capital budget projects. In addition, lists proposed funding sources and amounts needed to support the capital program for the next five years.

G. Public Debt

Provides data on the debt obligations of the Commonwealth used to fund capital programs, voter-approved bond referendums, and certain disaster relief programs.

H. Other Special Funds

Provides a brief description and financial data for all Commonwealth funds not given an expanded treatment in other sections of the budget.

I. Complement

Provides a summary by department of salaried complement on a full-time equivalent (FTE) basis. It also provides a brief description by agency and appropriation of the complement changes recommended in the budget.

J. Statistical Data

Provides historical data for various Pennsylvania economic indicators.

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READER'S GUIDE

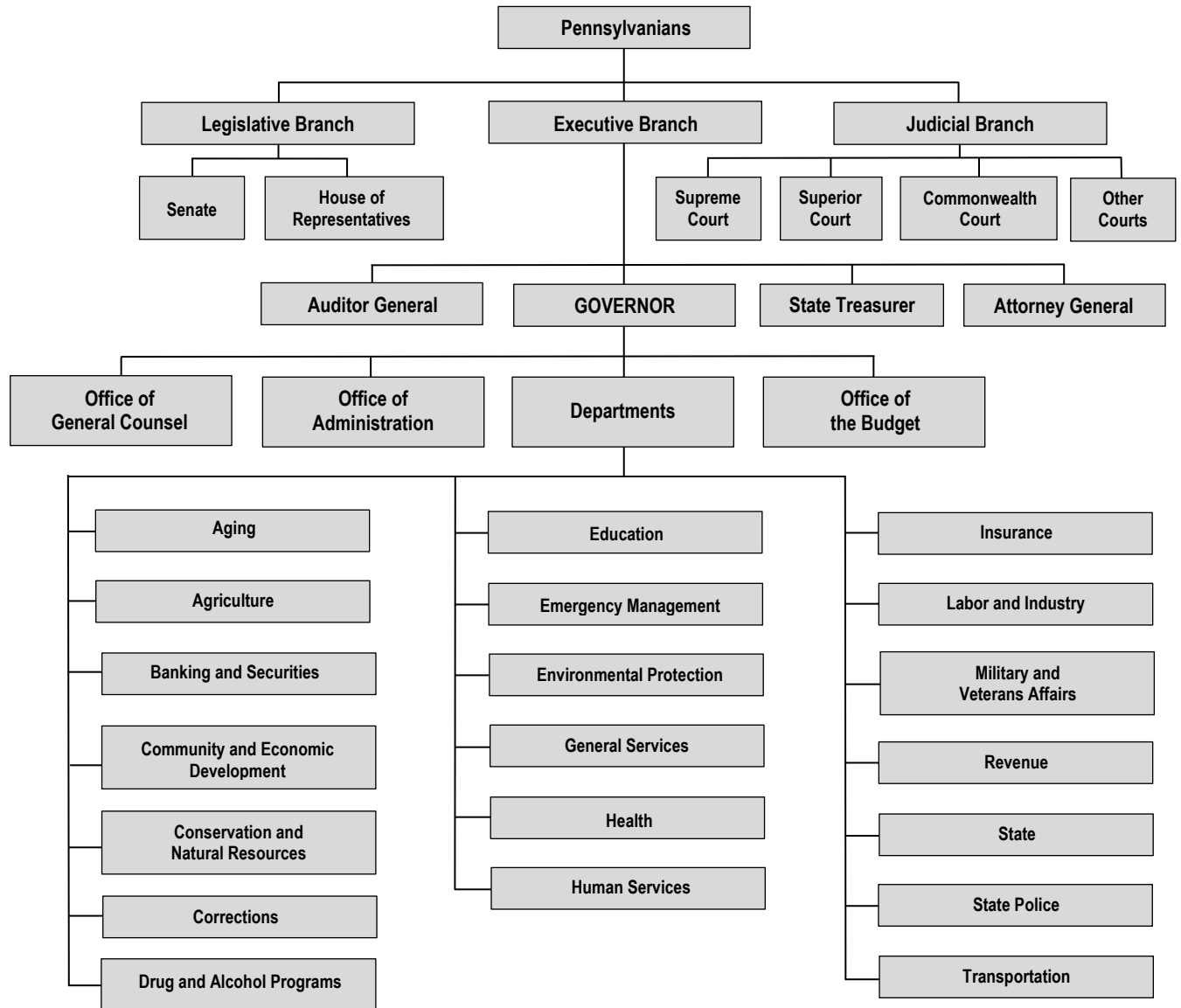
This section of the budget is intended to assist readers with interpreting and understanding the content of the Governor's recommended budget.

It contains an organization chart of the Commonwealth, descriptions of the operating and capital budget processes, explanations of the program budget structure and the basis of budgeting and accounting, a summary of significant financial policies, terms used in the budget process, and a list of common federal funds abbreviations.

The government of the Commonwealth is comprised of three separate branches: the Executive Branch, the Legislative Branch, and the Judicial Branch. The organization chart shown on the following page provides additional information about the structure of Pennsylvania State Government.

To view the Governor's Executive Budget online or learn more about the Pennsylvania Office of the Budget, go to www.pa.gov/agencies/budget.html. To learn more about the Commonwealth of Pennsylvania, go to www.pa.gov.

Commonwealth of Pennsylvania Organization Chart



AGENCIES

Higher Education Assistance
Interstate Agencies

AUTHORITIES

Automobile Theft Prevention
Broadband Development
Commonwealth Financing
Economic Development Financing
Energy Development
Health Insurance Exchange
Higher Education Facilities
Industrial Development
Infrastructure Investment
Insurance Fraud Prevention
Minority Business Development
Patient Safety
Public School Building
Rural Health Redesign Center

BOARDS

Claims
Environmental Hearing
Finance and Revenue
Gaming Control
Liquor Control
Milk
Municipal Retirement
Pardons
Parole
Public School Employees' Retirement
State Employees' Retirement
Tax Equalization

COMMISSIONS

Civil Service
Crime and Delinquency
Ethics
Fish and Boat
Game
Harness Racing
Historical and Museum
Horse Racing
Human Relations
Juvenile Court Judges
Public Utility
Turnpike

The Budget Process

The Pennsylvania Constitution requires that the Governor submit a budget annually to be adopted by the General Assembly for the ensuing fiscal year. The General Assembly may add, change, or delete any items in the budget proposed by the Governor, but the Governor retains veto power over the individual appropriations passed by the General Assembly. The Governor may also reduce individual appropriations but may not increase them. A gubernatorial veto can be overridden only by a two-thirds majority of each chamber of the General Assembly.

The Governor's Executive Budget is developed with a focus on the results of government programs and provides information about program goals, objectives, accomplishments, and impacts.

The Governor's Executive Budget is a statement of the Commonwealth's program plan, the resources necessary to support that plan, a description of how resources are to be used, and an assessment of the effectiveness of programs on people and the environment. This information is presented so that the levels of expenditure are associated with levels of government services and, ultimately, with the resulting effects on important public policy issues and concerns faced by the Commonwealth.

PHASES OF THE BUDGET PROCESS

The state budget process can be divided into four phases: gubernatorial preparation and submission to the General Assembly, approval (involving the executive and legislative branches), execution, and program performance evaluation and financial audit.

Preparation

The preparation phase of the budget process begins nearly twelve months prior to the July 1 start of that fiscal year. The first step of the preparation phase is the distribution of the budget instructions by the Office of the Budget and program policy guidance by the Governor's Policy Office. The program policy guidance defines major policy issues, spells out priorities, and provides policy direction to the agencies for budget preparation.

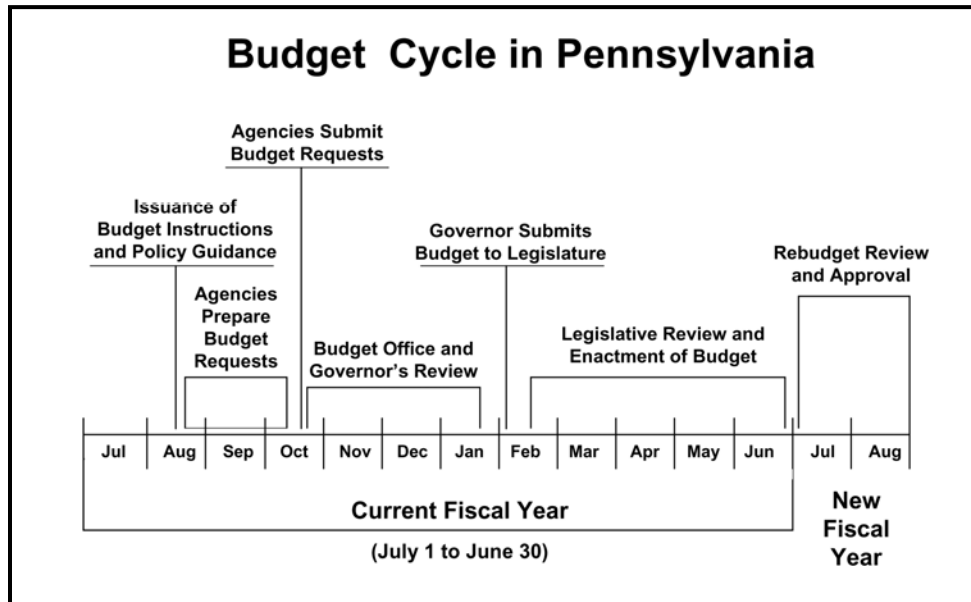
Agency budget requests are submitted to the Office of the Budget beginning in early October. Agencies prepare and submit their requests electronically. The Agency Program Plan, the programmatic presentation of agency budget requests, and the appropriation-level information are prepared and submitted in the format and manner specified in budget instructions issued annually by the Office of the Budget.

During December, the Governor apprises legislative leaders of anticipated spending and revenue levels and major fiscal issues expected to be addressed in the upcoming budget.

The Secretary of the Budget and Office of the Budget staff review agency budget requests for accuracy and adherence to the policy guidance. The Agency Program Plan and appropriation data are used by the Office of the Budget to analyze the agency requests and prepare funding recommendations for the Secretary of the Budget and the Governor. Total agency requests must be brought into balance with total funds estimated to be available from existing sources and any new revenue sources that are recommended. The Secretary of the Budget makes recommendations to the Governor on the expenditure proposals contained in each agency budget request and, along with the Secretary of Revenue, provides revenue estimates. The Governor reviews these recommendations and makes final budget decisions. The Governor's Executive Budget document is then completed and submitted to a joint session of the General Assembly by the Governor through the budget address. In some instances, the data tables presented in the Governor's Executive Budget may not add to totals due to rounding.

Approval

Shortly after receiving the Governor's Executive Budget, the Appropriations Committees of the House of Representatives and Senate hold public hearings to review agency budget proposals. The appropriations hearings provide the legislators with an opportunity to review the specific programmatic, financial, and policy aspects of each agency's programs. The legislators' decisions on the budget are reflected in the annual General Appropriation Bill and individual appropriation bills. The General Appropriation Bill contains appropriations for the executive, legislative, and judicial departments, public schools, and for public debt. All other appropriations are made individually by separate bills.



Appropriations made to institutions not under the absolute control of the Commonwealth are considered nonpreferred appropriations and require a two-thirds vote of each chamber of the General Assembly for passage. The passage of the General Appropriation Bill and other appropriation bills by the General Assembly and the passage of any revenue measures which may be required to ensure a balanced budget constitute the legislative approval phase of the budget process.

At the time that the General Appropriation Bill and other appropriation bills are presented to the Governor for approval, the official revenue estimates for the budget year are established by the Governor. If the appropriations passed by the Legislature exceed the revenue estimates plus any available surplus, the Governor has the authority and duty either to veto entire appropriation bills or to reduce the amount of appropriations in order to produce a budget that is in balance with total resources available. The Governor also has the power to reduce or item veto any appropriation he thinks excessive or unnecessary, even if the total appropriations passed by the legislators do not exceed estimated resources available. A Governor's item veto may be overridden by a two-thirds vote of each chamber of the General Assembly.

The signing of the appropriations bills and any revenue bills by the Governor is the last step in the approval stage of the budget process.

On occasion, additional appropriations are made subsequent to the enactment of the General Appropriation Act. These additional appropriations are made for a purpose for which either no appropriation was originally made or where the General Assembly deems it desirable or necessary that an original appropriation be adjusted in the current fiscal year period. These appropriations are made in supplemental appropriation bills that are passed in the same manner as regular appropriation bills.

Execution

The Office of the Budget has the authority to request and approve agency spending plans, commonly referred to as rebudgets, and to establish authorized levels for an agency's full-time equivalent (FTE) salaried complement, i.e., personnel. The rebudgets are based primarily on the enacted appropriations. The Office of the Budget electronically enters allocation amounts into the accounting system based upon the approved rebudget. Program managers and administrators are responsible for operating their programs within the resources that are available and for producing the results cited in the budget.

Audit

The last phase of the budget cycle, which occurs after the close of the fiscal year, encompasses audit and review of program and financial performance. The Office of the Budget informally reviews program and financial performance and performs formal evaluations of selected programs. In addition, the Auditor General performs a financial post audit.

The Capital Budget Process

Preparation, Submission, and Approval

The capital budget process in Pennsylvania is similar to the process used for the operating budget. The capital budget process has the following phases: preparation and submission to the General Assembly, approval (involving both the executive and legislative branches), and capital budget execution.

The preparation phase follows the operating budget preparation cycle for a fiscal year beginning July 1. When agencies submit operating budget requests to the Secretary of the Budget beginning in early October, agencies also submit a capital budget request itemizing proposed capital projects they want to undertake. The Office of the Budget reviews capital requests and develops recommendations based on the Governor's financial parameters and policies.

The Governor makes final decisions on the capital budget at the same time as the operating budget. The Governor's final recommendations are contained in a separate capital budget section in the Governor's Executive Budget submitted to the General Assembly.

The Governor's capital project recommendations, along with any additions or deletions made by the General Assembly, are contained in a separate bill usually known as the Capital Budget Project Itemization Act. This bill, along with the Capital Budget Act which contains the maximum debt limitations for the next fiscal year beginning July 1, must be passed by both chambers of the General Assembly and presented to the Governor for signature.

The Governor reviews the projects contained in the Capital Budget Project Itemization Act taking into consideration his priorities, the importance of the project, and the impact the project will have on agency operating budgets. The Governor may approve the bill as is or item veto parts or all of the amounts contained in the bill. Any item veto may be overridden by a two-thirds vote of each chamber of the General Assembly. The Governor's approval of the Capital Budget Project Itemization Act is the final stage of the capital budget approval process.

Each year, even if a capital budget project itemization bill is not passed, a Capital Budget Bill - legislation establishing limitations on the debt to be incurred for capital projects - is proposed. If passed by the Legislature and signed into law by the Governor, the act establishes a debt ceiling for each major category of the capital program and remains in force for a single fiscal year.

Capital Project Activation

In order for a capital project approved in an enacted project itemization act to move forward, the Department of General Services must request that it be activated. All project activation requests are reviewed by the Office of the Budget for consistency with the Governor's priorities and policies. Projects approved by the Office of the Budget are scheduled for release, first for design, and then when design is complete, for construction. Project releases are made in accordance with certain fiscal guidelines in order to keep the entire capital budget at affordable levels each fiscal year.

Debt Financing vs. Current Revenue Financing

A capital project can be funded by Commonwealth debt obligations, current revenues, or funds received from other jurisdictions if it meets one of the project category criteria listed in the Capital Budget Program Summary. Most capital projects are funded through general obligation bonds, however, highway capital projects are funded from current revenues of the Motor License Fund or through highway bonds. Agencies request either bond funding, current revenue funding, or a combination of both when they submit capital project requests. The statements in Section F summarize proposed new project itemizations by capital program category, department, and funding sources. The capital projects for each department are listed for both bond-funded and current revenue projects.

The Commonwealth's Program Budget Structure

COMMONWEALTH PROGRAM PLAN

The budget presentation for each Commonwealth department or agency is shown on a program basis and on an appropriation basis. Section B: Program Budget Summary provides a summary presentation by Commonwealth program and shows program costs according to eight major Commonwealth program classifications. These eight Commonwealth Programs are each defined in terms of broadly stated goals of state government.

The first Commonwealth program, Direction and Supportive Services, includes the resources to support administrative functions that affect the overall operations of the Commonwealth. The next six Commonwealth programs are substantive in nature and deal with costs related to their program titles: Protection of Persons and Property; Education; Health and Human Services; Economic Development; Transportation; and Recreation and Cultural Enrichment. The last Commonwealth program, Debt Service, includes the resources to meet the timely payment of Commonwealth debt obligations. Debt Service is shown as a separate Commonwealth program and is not merged with program expenditures so that direct program expenditures may be more clearly identified.

Program Budget Structure
<ul style="list-style-type: none"> • <i>Commonwealth Program – eight major programs</i> • <i>Program Category – defined by desired goals</i> • <i>Program Subcategory – Program Presentation that includes an objective, narrative, and funding</i> • <i>Program Element – activities contributing toward the accomplishment of the subcategory program objective</i>

Each of the eight major Commonwealth programs is subdivided into program categories defined by more specific goals. Program categories are further broken down into program subcategories (more commonly referred to as program presentations in the budget book). The program presentations include program objectives, narratives, and funding recommendations. Program narratives are further broken down into program elements – the basic unit of the program budget structure. Program elements are the activities that contribute to the accomplishment of the program objective of the program presentation.

Department Presentations

Each agency presented in Section E of this budget book includes a Mission Statement, an Organization Overview, a Summary by Fund and Appropriation, a Program Funding Summary, and a program subcategory Program Presentation.

Mission Statement

The mission statement is included on the title page of the department or agency presentation and describes what the agency does or intends to accomplish and why.

Summary by Fund and Appropriation

The Summary by Fund and Appropriation (SFA) presentation is organized by fund, character of expenditure, state appropriation, and the federal funds, augmentations, and restricted funds that supplement the activities funded by each state appropriation. Three fiscal years are shown on this presentation – the budget year and two prior fiscal years. The most immediate prior fiscal year is named the “available year” and the second most immediate prior fiscal year is named the “actual year.”

State funds included in the SFA presentation are the: General Fund, Motor License Fund, Lottery Fund, and all appropriations or executive authorizations made from these funds. Section C presents financial statements and revenue detail for each of these state funds.

Federal fund amounts shown on the SFA include appropriations to date as well as anticipated adjustments because of increases or decreases in the amount of funds to be received. Because of the manner in which they are appropriated, federal funds are deposited as General Fund revenues rather than as augmentations. Federal funds are not, however, included in the revenue sections of the budget. Instead, federal funds are shown with the state funds they supplement. Abbreviations or acronyms often are used in the federal appropriation titles shown on the SFA. The Federal Funds Identification section in this Reader's Guide lists common federal fund abbreviations.

The SFA example pages immediately following this section explain the layout of the SFA and provide more detail on the items discussed here.

Program Funding Summary

The agency Program Funding Summary presents general, special, federal, and other funding organized by the program subcategory Program Presentations of the Commonwealth's program budget structure rather than by appropriation. The summary is a seven-year presentation – including the actual, available, and budget years previously discussed, plus four additional planning years beyond the budget year. The four planning years do not show cost projections based on desired progress toward meeting goals, but rather show the future cost consequences of current program policy including the cost of any current legislatively mandated increases that may be effective in a future year. All departmental program funding summaries are shown aggregated in Section B according to the eight major Commonwealth Programs and their identified Program Categories. Each departmental subcategory shown in its Program Funding Summary is included in one and only one of the eight major Commonwealth Programs and in one of the Program Categories.

Program Presentation

Each program subcategory Program Presentation includes a program goal that states the program's purpose in terms of desired accomplishments, a narrative describing program activities and services, program recommendations that identify increases or decreases over available year funding, and a list of state appropriations that support the activities within the program.

An agency may have one or more Program Presentations, depending on the breadth and complexity of its mission, activities, goals, and objectives. The reader can quickly see program presentation titles in the Table of Contents which lists every Program Presentation for every agency. Each Program Presentation begins with and is defined by one program goal. Program narratives describe program activities, services, and expected outcomes and may be further broken down by program element narratives which focus on specific program activities.

Program Presentation
• <i>Program Goal – program purpose stated as desired accomplishments</i>
• <i>Narrative – program activities and services description</i>
• <i>Program Recommendations – proposed funding increases or decreases</i>
• <i>Appropriations within this Program – appropriations supporting program activities</i>
• <i>Program Measures – activities funded by the program</i>

The Program Recommendations section lists and briefly describes each funding increase or decrease for each state appropriation. Major funding changes are identified as Initiatives which often are more fully discussed in Section A: Overview and Summaries section.

The Appropriations within this Program section is a seven-year presentation of the state appropriations included in the Program Presentation. As noted in the previous planning year discussion, the four planning years do not show cost projections based on desired progress toward meeting goals, but rather show the future cost consequences of current program policy including the cost of any current legislatively mandated increases that may be effective in a future year. Each state appropriation appears in only one agency Program Presentation.

Within the Commonwealth's program budget structure, performance measures are used to quantify program activities and results. Program Measures is the last section in the Program Presentation and is a seven-year presentation of performance measures that identify program activities and outcomes in addition to the impact the proposed budget is expected to have on those activities and outcomes.

The Program Presentation example pages immediately following the Summary by Fund and Appropriation example pages in this section explain the layout of the Program Presentation and provide more detail on the items discussed here. The reader is also referred to the Terms Used in the Budget Process section of this Reader's Guide for the definitions of the terms discussed in this section.

OTHER SPECIAL FUNDS

Section H: Other Special Funds provides brief descriptions and financial data for those special funds of the Commonwealth not given an expanded treatment in other sections of this document.

The Summary by Fund and Appropriation

A summary by fund and appropriation (SFA) is shown at the beginning of each agency presentation in Section E. The SFA identifies all state appropriations within the agency and those federal funds, augmentations, restricted accounts, and other funds which supplement the activities within the respective state appropriation.

- (1) **Commonwealth Fund** — The fund into which revenues are deposited and from which monies are appropriated or executively authorized to pay expenses.
- (2) **Character of Expenditure** — A classification of an expenditure symbol according to its general purpose. Characters of expenditure include general government, institutional, grants and subsidies, capital improvements, and debt service.
- (3) **Expenditure Symbol Title** — Identifies an appropriation by the General Assembly or an executive authorization (EA) by the Governor to spend state monies.
- (4) **"(F)"** Identifies a federal appropriation by the General Assembly or an executive authorization by the Governor to spend federal monies.
- (5) **"(A)"** Identifies other monies which augment a state appropriation.
- (6) **"(R)"** Identifies funds which are in a restricted account and may only be spent for limited purposes related to the state appropriation.
- (7) Identifies one of a group of special funds which are presented fully in Section C: Summary by Fund. For purposes of this presentation, state funds include the General, Motor License, and Lottery funds.
- (8) Identifies one of a group of special funds which are presented on a limited basis in Section H: Other Special Funds.

Environmental Protection

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	20XX-XX ACTUAL	20XX-XX AVAILABLE	20XX-XX BUDGET
(1) GENERAL FUND:			
(2) General Government:			
(3) General Government Operations	\$ 15,095	\$ 16,759	\$ 19,929
(4) (F)COVID-SFR Transfer to Clean Streams Fund	220,000	-	-
(5) (A)Water Pollution Control Administration.....	292	653	703
(6) (R)Electronics Material Recycling Account	460	330	509
Subtotal.....	<u>\$ 235,847</u>	<u>\$ 17,742</u>	<u>\$ 21,141</u>
Vector Borne Disease Management.....	5,609	5,880	5,880
(F)Zika Vector Control Response (EA)	37	100	100
(A)Tick and Lyme Testing	603	740	700
Subtotal.....	<u>\$ 6,249</u>	<u>\$ 6,720</u>	<u>\$ 6,680</u>
Environmental Hearing Board	2,554	2,593	2,728
STATE FUNDS.....	\$ 23,258	\$ 25,232	\$ 28,537
FEDERAL FUNDS.....	220,037	100	100
AUGMENTATIONS	895	1,393	1,403
RESTRICTED.....	460	330	509
GENERAL FUND TOTAL	<u>\$ 244,650</u>	<u>\$ 27,055</u>	<u>\$ 30,549</u>
(7) MOTOR LICENSE FUND:			
General Government:			
Weights and Measures Administration	\$ 5,817	\$ 5,817	\$ 5,817
Grants and Subsidies:			
Dirt, Gravel, and Low Volume Roads	\$ 28,000	\$ 28,000	\$ 28,000
MOTOR LICENSE FUND TOTAL.....	<u>\$ 33,817</u>	<u>\$ 33,817</u>	<u>\$ 33,817</u>
(8) OTHER FUNDS:			
UNCONVENTIONAL GAS WELL FUND:			
Transfer to Well Plugging Account (EA).....	\$ 6,000	\$ 6,000	\$ 6,000
UNDERGROUND STORAGE TANK INDEMNIFICATION FUND:			
Environmental Cleanup Program (EA).....	\$ 3,479	\$ 4,244	\$ 4,306
Pollution Prevention Program (EA)	100	100	100
UNDERGROUND STORAGE TANK INDEMNIFICATION FUND TOTAL	<u>\$ 3,579</u>	<u>\$ 4,344</u>	<u>\$ 4,406</u>
DEPARTMENT TOTAL - ALL FUNDS.....			
GENERAL FUND.....	\$ 23,258	\$ 25,232	\$ 28,537
MOTOR LICENSE FUND	33,817	33,817	33,817
LOTTERY FUND	-	-	-
FEDERAL FUNDS.....	220,037	100	100
AUGMENTATIONS	895	1,393	1,403
RESTRICTED	460	330	509
OTHER FUNDS	9,579	10,344	10,406
TOTAL ALL FUNDS	<u>\$ 288,046</u>	<u>\$ 71,216</u>	<u>\$ 74,772</u>

GOVERNOR'S EXECUTIVE BUDGET 20XX-20XX

Program Presentation

Each Program Presentation provides a written and financial explanation of the activities of the program. Recommendations for the continuation of current programs at essentially current levels of commitment are shown within department program subcategories. Recommendations for major program changes are identified as department Program Revision Requests (PRRs) or Initiatives which provide explanations and justification for the change.

- (1) Identifies the agency being presented.
- (2) **Program** — Focuses upon objectives which can be measured in terms of quantifiable impact.
- (3) **Narrative** — Describes program services and activities.
- (4) Underlined text indicates a hyperlink contained in the online version of the Governor's Executive Budget. These links connect to additional programmatic information contained on agency websites or other web locations. Please refer to the online document found at www.pa.gov/agencies/budget.html.
- (5) **Program Element** — Used within a program narrative to identify sub-program components.
- (6) **Program Recommendations** — Identifies the increases or decreases over the available year funds as presented in the Summary by Fund and Appropriation.
- (7) **Expenditure Symbol Title** — Identifies a specific appropriation.
- (8) **Initiative** — Identifies a major program change and is explained in more depth in a presentation following the program.
- (9) **Appropriations within this Program** — Identifies all state appropriations which support the activities within the program. Each appropriation appears in only one agency program.
- (10) **Program Measures** — Indicates the expected impact of the proposed budget on services, costs, etc., involved in all programs within the entire agency.

Environmental Protection

(1)

(2) Program: Environmental Support Services

Goal: To provide administrative and technical support for the Commonwealth's environmental protection programs.

(3) This program provides for the administrative and technical systems that direct and support the [Department of Environmental Protection's \(DEP\)](#) programs. It includes the executive and administrative offices, the [Office of Chief Counsel](#), information and data processing systems, and the [Citizens Advisory Council](#).

(5) Managing Land Protection Activities

DEP encourages waste reduction, promotes recycling and reuse of waste products, and protects the public by providing for safe transportation, processing, and disposal of municipal waste, and hazardous waste. The department also protects land resources by regulating above-ground and underground tanks that store petroleum and other hazardous substances.

(6) Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	General Government Operations		Environmental Hearing Board	
(7)	\$ 213	—to continue current program.	\$ 36	—to replace nonrecurring benefits cost reduction.
	621	—to meet federal infrastructure matching requirements.	99	—to continue current program.
(8)	2,336	—Initiative—to provide state match requirements for federal infrastructure funding.	\$ 135	<i>Appropriation Increase</i>
	\$ 3,170	<i>Appropriation Increase</i>		

(9) Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	20XX-XX	20XX-XX	20XX-XX	20XX-XX	20XX-XX	20XX-XX	20XX-XX
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations.....	\$ 15,095	\$ 16,759	\$ 19,929	\$ 19,929	\$ 19,929	\$ 19,929	\$ 19,929
Vector Borne Disease Management	5,609	5,880	5,880	5,880	5,880	5,880	5,880
Environmental Hearing Board	2,554	2,593	2,728	2,728	2,728	2,728	2,728
TOTAL GENERAL FUND.....	<u>\$ 23,258</u>	<u>\$ 25,232</u>	<u>\$ 28,537</u>	<u>\$ 28,537</u>	<u>\$ 28,537</u>	<u>\$ 28,537</u>	<u>\$ 28,537</u>

(10) Program Measures:

	%	20XX-XX	20XX-XX	20XX-XX	20XX-XX	20XX-XX	20XX-XX	20XX-XX
		Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Meet or exceed Permit Decision Guarantee timeframes. Close 100% of new permit applications within their designed time frames by December 31, 20XX.								
Percentage of permits processed on time (active in Permit Decision Guarantee)		90	90	94	94	94	96	98
Total Authorizations Received.....		43,576	43,786	41,676	38,920	39,800	40,596	41,408

GOVERNOR'S EXECUTIVE BUDGET 20XX-20XX

Basis of Budgeting and Basis of Accounting for Financial Reporting

Basis of Budgeting for Control and Compliance – Modified Cash Basis

The Commonwealth's budgets are prepared on a modified cash basis that is used to establish and ensure compliance with enacted budgets according to applicable Commonwealth statutes and administrative procedures. For each Commonwealth operating fund, the total amount appropriated by the General Assembly for a fiscal year may not exceed the fiscal year's estimated revenues available for appropriation, as developed by the Governor, plus the unappropriated surplus fund balance (or less a deficit) of the preceding fiscal year, except for constitutionally authorized debt service payments.

With a modified cash basis of budgeting, tax receipts, nontax receipts, augmentations, and all other receipts are recognized when posted to the Commonwealth's accounting system. Expenditures are recorded at the time payment requisitions and invoices are posted to the Commonwealth's accounting system. Expenditures include appropriated amounts reserved for payment of contracts for the future delivery of goods and services to the Commonwealth through an encumbrance process. Also, appropriated funds are retained at fiscal year-end to pay direct expenditures such as salaries, wages, travel, and utility costs payable against a fiscal year's appropriation authority but expended in the subsequent fiscal year.

Budgetary control is exercised at the appropriation level (legislative spending authority level). Encumbrances and expenditures cannot exceed appropriated amounts. Appropriation transfers between departments and any supplemental appropriations require both executive and legislative branch approval. Uncommitted and unexpended appropriations return to the fund balance (lapse) at fiscal year-end and become available for appropriation in the subsequent fiscal year. Over-estimates of amounts required to meet current year obligations are lapsed in the subsequent year and under-estimates are paid from subsequent year appropriations.

Budgets are statutorily adopted each fiscal year for the General Fund and other select special revenue funds. However, not all special revenue funds are controlled by statutorily adopted budgets. Controls over spending in such special revenue funds are maintained by use of spending limits (executive authorizations) established by the Governor, within parameters established by the General Assembly.

The Commonwealth also makes appropriations to authorize expenditures for various capital projects. Capital project appropriations normally remain in effect until the completion of each project unless modified or rescinded.

Basis of Accounting for Financial Reporting – GAAP Modified Accrual Basis

In addition to the budgetary basis financial information maintained by the Commonwealth to monitor and enforce budgetary control, special account balances, principally receivable and payable items, are maintained to provide and report information in conformity with generally accepted accounting principles (GAAP) applicable to state and local governments. GAAP requires a modified accrual basis of accounting for governmental fund types. With modified accrual basis accounting, revenues are recognized when they become both measurable and available to finance expenditures. Expenditures are generally recognized and recorded when a liability to make a payment is incurred, regardless of when the cash disbursement is to be made. For proprietary and fiduciary fund types, GAAP requires a full accrual basis of accounting.

Accounting Differences in GAAP Financial Reporting versus Budgetary Reporting

Revenues and expenditures reported and included in GAAP financial statements differ from those reported in the Commonwealth's budgeting system. Among other differences, the GAAP statements generally recognize revenues when they become measurable and available rather than when cash is received; report expenditures when goods and services are received and a liability incurred rather than when cash is disbursed; include government-wide statements, representing aggregate governmental activities of the Commonwealth, along with fund statements, including individual major and aggregate nonmajor funds grouped by GAAP fund type rather than by Commonwealth funds; and include activities of all funds in the financial reporting entity, including agencies and authorities usually considered as independent of the Commonwealth for budgetary accounting and reporting purposes. GAAP financial accounting generally requires sales/use, personal income, corporation, and other tax revenue accruals as well as tax refunds payable and tax credits to be subtracted from reported tax revenues and expenditures not covered by appropriations to be included as expenditures.

Significant Financial Policies

A summary of significant financial management policies of the Commonwealth is presented here.

Accounting

Accounting policies are noted in the Basis of Budgeting and Basis of Accounting for Financial Reporting section immediately preceding this section. In addition to the budgetary basis financial information maintained by the Commonwealth to monitor and enforce budgetary control, special account balances, principally receivable and payable items, are maintained to provide and report information in conformity with accounting principles generally accepted in the United States applicable to governments. The Governmental Accounting Standards Board (GASB) establishes accounting and financial reporting requirements for state and local governments.

Budget Stabilization Reserve Fund

This fund is commonly referred to as the Rainy Day Fund. Act 91 of 2002 provided for this fund effective July 1, 2002, to eventually establish a reserve fund amounting to 6 percent of the revenues of the General Fund. For the fiscal year beginning July 1, 2002, and in any fiscal year thereafter in which the Secretary of the Budget certifies that there is a surplus in the General Fund, 25 percent of the surplus is to be deposited by the end of the next succeeding quarter into this fund. If, at the end of any fiscal year, the ending balance of the Budget Stabilization Reserve Fund equals or exceeds 6 percent of the actual General Fund revenues received for the fiscal year in which the surplus occurs, 10 percent of the surplus shall be deposited into the fund.

Investments – Investment Pools

The Fiscal Code provides the Treasury Department with investment control over most Commonwealth funds. The Treasury Department uses a variety of sophisticated internal investment pools that seek to provide preservation of principal, liquidity, diversification, and income for Commonwealth funds. All participating funds report amounts invested in such pools as temporary and/or long-term investments; the pools themselves are not financially reported.

Debt Issuances

The Pennsylvania Constitution permits debt to be issued for capital projects in approved capital budgets; purposes approved by voter referendum and response to disasters. The constitution limits outstanding capital budget debt to 1.75 times the average tax revenues during the previous five fiscal years. Voter approved and disaster relief debt are not subject to the constitutional debt limit.

Additional detail on these financial policies can be found in other sections of this document including Section A: Overview and Summaries, Section F: Capital Budget, Section G: Public Debt, and Section H: Other Special Funds.

Terms Used in the Budget Process

Accrual: The accounting recognition of revenue or expenditures/expense amounts prior to cash receipt of revenue or cash disbursements for expenditures/expenses. Accruals are based on the delivery of a good or completion of a service by a specific date for which related cash receipts or disbursements have not yet occurred. Accruals are typically posted at the end of an accounting period and are reversed during a subsequent accounting period.

Agency Program Plan: The aggregation of program and financial information projected over a five-year period that serves as the agency input into the Commonwealth Program Plan.

Annual Comprehensive Financial Report (ACFR): A set of government financial statements that complies with accounting requirements prescribed by the Governmental Accounting Standards Board and provides information about the financial condition of the Commonwealth. It is prepared primarily by accounting staff in the Office of Comptroller Operations and jointly audited by the Auditor General and independent auditors using GASB requirements.

Appropriation: Legislation requiring the Governor's approval authorizing an agency, department, board, commission, or institution to spend a specified amount of money for a stated purpose or purposes during a particular period of time, usually one fiscal year.

Augmentation: Monies such as institutional billings or fees credited to a specific appropriation of state revenues. An augmentation can usually be spent for those purposes authorized for the appropriation it augments. Although augmentations usually are appropriated in general terms with no specific dollar limits, federal aid monies must be appropriated specifically.

Authorized Salary Complement: A complement authorization established by the Office of the Budget based on funding and agency justification for positions.

Balanced Budget: A budget in which proposed expenditures equal actual and estimated revenues and surplus. The Constitution of Pennsylvania requires the Governor to submit a balanced budget and prohibits the General Assembly from appropriating monies in excess of actual and estimated revenues and surplus.

Bond: A debt investment issued by the Commonwealth or other public agency or authority. Bonds are used to raise money to finance new projects, maintain ongoing operations, or refinance other existing debts, and are issued for a set number of years (often more than 10 years). At maturity, the issuer repays the principal to the investor. The investor also receives regular interest payments from the issuer until the bond matures.

Budget: A statement of the state's program plan, the resources necessary to support that plan, a description of how and for what purposes the resources are to be used, and a projection of the effects of the programs on people and the environment.

Budget Type: A term used to describe the components of various funding sources and status of the funding sources that determine the total funds available for each Commonwealth appropriation or executive authorization. Budget Types include:

- **Appropriation or Executive Authorization** – The amount provided in an enacted appropriation bill or executive authorization and issued in approved Expenditure Symbol Notification letters.
- **Augmentations** – The amount made available in an approved allocation or allocation amendment to supplement an appropriation or executive authorization from non-federal sources.
- **Federal Transfers** – The amount of expenditures anticipated to occur in the state appropriation or executive authorization in the first instance and then transferred to a related federal appropriation or executive authorization.
- **Non-Federal Transfers** – The amount of expenditures anticipated to occur in the state appropriation or executive authorization in the first instance, and then transferred to another state appropriation or executive authorization or other funds source within the same or a different Commonwealth fund.
- **Pending Lapse** – The amount of funds from an appropriation or executive authorization that may potentially lapse. These funds are no longer available for expenditure or commitment.
- **Lapse** – The amount of funds from the appropriation or executive authorization for which a lapse has been processed and approved. These funds are no longer available for expenditure or commitment.
- **Federal Expiration** – The amount of lapse of appropriation or executive authorization authority from a federal appropriation or executive authorization.
- **Budget Carry Forward** – The amount of prior year available funds that have carried forward to a subsequent fiscal year.

Capital Authorization: The appropriations and/or debt authorization enacted in an annual capital budget to fund any permitted capital program.

Capital Budget: The capital budget recommends projects for the construction, renovation, improvement, acquisition, and purchase of original furniture and equipment of any building, structure, facility, land, or land rights. Projects must have an estimated useful life of not less than ten years and an estimated cost in excess of \$100,000 or more if bond funds are used. Funding for minor capital projects costing between \$100,000 and \$600,000 can be included in the agency's general operating budget. Those projects under these thresholds are not considered capital and are funded from operating budgets. Most of the capital budget projects in the past have been paid from monies obtained by the sale of bonds.

Character of Expenditure: A classification of an expenditure symbol according to its general purpose, including general government, institutional, grants and subsidies, capital improvements, and debt service.

Commonwealth Program Plan (CPP): The aggregation of all of the Agency Program Plans (APP) within the framework of the Commonwealth's program structure.

Complement: A term synonymous with state personnel or workforce, more often used in the context of positions rather than employees or persons employed. Complement terms include:

- **Authorized Salaried Complement** – A complement authorization established by the Office of the Budget as part of the annual rebudget process and based on funding and agency justification for positions.
- **Complement Level** – The number of full-time equivalent wage or salaried positions authorized by appropriation and agency. The Office of the Budget establishes authorized salaried complement levels and the Governor's Office of Administration establishes authorized wage complement levels.
- **Full-time Equivalent (FTE)** – A numeric unit that indicates the workload of an employed person in a way that makes full- and part-time workloads comparable. A full-time worker is equivalent to one FTE and two half-time workers are also equivalent to one FTE. For budgeting purposes, an agency's total FTE count is rounded to the nearest integer.
- **Limited-Term Salaried Position** – A salaried position that has a specific date of expiration, regardless of duration, that requires the temporary, full-time, or part-time employment of at least one person.
- **Position** – An authorized and individually identified group of duties and responsibilities requiring the full- or part-time employment of at least one person.
- **Salaried Position** – A position requiring the full-time or part-time employment of at least one person on a regularly scheduled basis for a period of time exceeding six months.
- **Wage Position** – A position requiring the full-time or part-time employment of one person, either on a regular schedule for a short-term duration of time or on an intermittent or irregularly scheduled basis.
- **Workforce** – Persons employed by the Commonwealth.

Current Commitment: Current level of services; when used in projecting costs, the future cost consequences of current program policy. Also referred to as "Cost to Carry." The four planning years do not show cost projections based on desired progress toward meeting goals, but rather show the future cost consequences of current level of services and current program policy including the cost of any current legislatively mandated increases that may be effective in a future year.

Deficit: A fiscal operating result for an individual fund that may occur at the end of a fiscal year, whereby expenditures for a fiscal year exceed the actual revenues during the same period plus the prior year surplus. The deficit must be paid from the next year's revenues.

Encumbrance: That portion of an appropriation representing a Commonwealth obligation or commitment pursuant to a contract, a purchase order, a grant, or another known obligation but where an actual disbursement has not been made.

Executive Authorization (EA): An authorization made in the name of the Governor to spend money from funds that had been previously appropriated through blanket action of the General Assembly. Usually this term is used in connection with the special funds. An example of this would be the operations of the Vocational Rehabilitation Fund.

Expenditure: An accounting entry indicating a disbursement has been made.

Federal Fiscal Year: A twelve-month period beginning October 1 and ending September 30 of the following calendar year which is used as the federal accounting and appropriation period. Referred to by the year in which the fiscal year ends.

Federal Funds Appropriation: An appropriation of monies received from the federal government. All monies, regardless of source, deposited in the state treasury must be appropriated. Federal funds are appropriated for a specific time period.

Fiduciary Funds: These funds are used to account for assets held by the Commonwealth as trustee or agent for individuals, private organizations, and other government units.

Fiscal Year: A twelve-month period beginning July 1 and ending June 30 of the following calendar year which is used as the state's accounting and appropriation period. In the accounting system, the fiscal year is referred to by the year in which the fiscal year begins.

- **Actual Year** – Includes all expenditures and encumbrances chargeable to that fiscal year as of June 30 of the previous year plus available balances held for certain commitments and any supplemental appropriations enacted after June 30. In the case of continuing appropriations, the actual figure will also include any available balances. For non-appropriated and non-executively authorized restricted receipts and restricted revenues, it reflects expenditures only.
- **Available (Current) Year** – For state funds, includes appropriations to date and supplemental appropriations recommended in this budget. For non-appropriated and non-executively authorized restricted receipts and restricted revenues, the best estimate of expenditures currently available is used.
- **Budget Year** – Reflects the amounts being recommended by the Governor in this document for the ensuing fiscal year.
- **Planning Years 1, 2, 3, and 4** – Reflects only the cost of the budget year projected into the future and the implementation of legislatively mandated changes that may be effective in a future year.

Full-time Equivalent: see **Complement**.

Fund: An independent fiscal and accounting entity comprising a source of money set aside by law for the purpose of carrying on specific activities in accordance with special regulations, restrictions, or limitations. A fund is created by legislation. The General Fund is the fund from which most state programs are financed.

Fund Balance: The beginning balance is the ending balance brought forward from the previous year. The ending balance (positive or negative) is the sum of the beginning balance, revenues/receipts, and lapses less expenditures within the fiscal year.

General Appropriation Act: A single piece of legislation containing numerous individual appropriations. The General Appropriation Act contains only appropriations for the executive, legislative, and judicial departments of the Commonwealth, for the public debt, and for public schools. All other appropriations are made by separate acts, each concerning one subject.

General Fund: The major operating fund of the Commonwealth. It receives all tax receipts and other types of revenue not specified by law to be placed in special funds. Except for certain restricted receipts, the income of the General Fund is appropriated in specific amounts for the ordinary programs of government. Pennsylvania's major sources of General Fund revenues are corporation taxes, consumption taxes, the personal income tax, and nontax revenues.

General Obligation Bonds: Bonds guaranteed by the full faith and credit of the Commonwealth, repayment of which is from the General Fund.

Goal: A goal is a desired state of affairs based upon current knowledge and values. It is timeless in the sense that as achievement approaches, goals tend to be restated at a higher level of aspiration or new goals are projected. Goals reflect the basic values of society and are therefore always culture bound and subjective.

Governmental Funds: Collectively these funds account for and report activities that are associated with routine, ordinary governmental functions and are financed largely by tax and grant revenues. Funds include the General Fund, Special Revenue Funds, Capital Project Funds, and Debt Service Funds. (See page H3 for additional information.)

Initiative: Changes in program purpose, level, or activity as the result of changes in policy, statute, regulation, or court direction are identified as Initiatives. Cost increases to operate an existing program without change in policy, law, or regulation such as increased fuel costs or rental costs are current commitment costs and are not identified as Initiatives.

Item Veto: The Constitution of Pennsylvania empowers the Governor to disapprove part or all of any item or items of any bill making appropriations of money. The part or parts of the bill approved become law and the item or items disapproved become void. This power is known as the item veto.

Lapse: The return of unencumbered or unexpended monies from an appropriation or executive authorization to the fund from which the money was appropriated. Most appropriations are for one fiscal year and any unencumbered and unexpended monies usually lapse after the end of that fiscal year.

Lottery Fund: A special revenue fund comprised of monies received from lottery ticket sales. It provides for lottery prizes and for programs to support older Pennsylvanians including property tax and rent assistance, community care programs, mass transit fare subsidies, and prescription drug costs.

Mandated Expenditures: Expenditures that are authorized and required by legislation, other than appropriation acts, or required by the state constitution. Such expenditures include payment of public debt.

Motor License Fund: A special revenue fund comprised of monies received from liquid fuels taxes, licenses and fees on motor vehicles, aviation fuel tax revenues, federal aid for highway and aviation purposes, contributions from local subdivisions for highway projects, and other miscellaneous highway revenues. The fund provides for highway and bridge improvement, design, maintenance, and purchase of rights-of-way, as well as aviation activities, and Department of Transportation driver and vehicle services. It also finances State Police highway patrol operations and pays subsidies to local subdivisions for construction and maintenance of roads.

Nonpreferred Appropriations: An appropriation to any charitable or educational institution not under the absolute control of the Commonwealth that requires the affirmative vote of two-thirds of the members elected to each chamber of the General Assembly.

Official Revenue Estimate: The estimate of revenues for the ensuing fiscal year determined by the Governor at the time the Governor signs the General Appropriation Act. This revenue estimate is used to determine whether appropriations are in balance with available revenues.

Operating Budget: The operating budget is that portion of the state budget that supports the general day-to-day activities and expenses of state government paid out of revenues derived from taxes, license or permit fees, or other non-tax sources.

Other Special Fund: A fund in which revenues raised from special sources named by law are deposited (earmarked revenue). Such revenues can be spent only for purposes prescribed by law and for which the revenues were collected. Examples are: Boat Fund, Game Fund, Purchasing Fund, and State Racing Fund.

Position: see **Complement**.

Preferred Appropriation: An appropriation for the ordinary expenses of state government which only requires the approval of a majority of the senators and representatives elected to the General Assembly.

Program: A general term applied to any level of program aggregation defined in the Agency Program Plan. Included are the Commonwealth Program, the Program Category, the Program Subcategory, and the Program Element.

Program Budgeting: A method of budgeting that relates expenditures to government program accomplishments. Program budgeting generally includes the identification of programs and their objectives, a system of measuring and reporting program results, and the allocation of funds with a consideration of program effectiveness.

Program Category: see **Program Structure**.

Program Performance Measure: A general term applied to any of the substantive measures found in the agency programs. Included are impacts, outcomes, output/activity indicators, efficiency measures, and need and/or demand estimators.

Program Policy Guidelines: Issued by the Governor, the policy guidelines identify those problems confronting the Commonwealth that are of major concern. The guidelines initiate the budget process in that they ask for a preliminary assessment of alternative program changes which respond to the Governor's concerns.

Program Structure: The system used to organize goals and objectives within a logical framework so that activities of different organizational units designed to accomplish similar results can be reviewed for decision purposes within the appropriate program context. Program structure also provides the means for determining what information is required in order to identify the needs and demands on government and what information is required for the management and evaluation of program operations. Program structure terms listed in system order are:

- **Commonwealth Program** – There are eight major program classifications in the program structure: Direction and Supportive Services, Protection of Persons and Property, Education, Health and Human Services, Economic Development, Transportation, Recreation and Cultural Enrichment, and Debt Service.
- **Program Category** – The first major subdivision of the Commonwealth program. The program category is defined in terms of desired goals, e.g., clean air environment.
- **Program Subcategory** – A subdivision of a program category. The subcategory focuses upon objectives that can be measured in terms of quantifiable impact. Program subcategories within agencies are commonly referred to as programs or program presentations within the Governor's Executive Budget.
- **Program Element** – The agency activity or set of activities which produce an output or group of related outputs that contributes to the accomplishment of the objective of a single program subcategory. Program elements are the basic units of the program structure of the budget.

Proprietary Funds: These funds include Enterprise Funds and Internal Service Funds. Such funds account for and report activities the way a private business or industry would. They include such activities as sale of goods or services, lending, and other financing activities where purchasers or customers pay a charge or a user fee. (See page H3 for additional information.)

Rebudget: An agency-revised spending plan based on its enacted appropriations. The Office of the Budget has the authority to request and approve agency spending plans or rebudgets.

Restricted Receipts: Monies received by a state fund (usually the General Fund) from a source outside of the state which may be used only for a specific purpose. The funds are held in a trust capacity for a period of time and then are disbursed to authorized recipients including other state agencies. Restricted receipts do not augment an appropriation. Usually the state makes no other appropriation for the purpose specified for the restricted receipt.

Restricted Revenue: Monies designated either by law or by administrative decision for specific purposes. The revenues are deposited in the General Fund or in certain special funds but reported separately. Restricted revenue accounts continue from one year to the next and finance a regular operation of state government. Disbursements from restricted revenue accounts must be accounted for as expenses of state government.

Revenue: Monies received from taxes, fees, fines, federal grants, bond sales, and other sources deposited in the state treasury and available as a source of funds to state government.

Special Fund: A fund in which revenues raised from special sources named by law are deposited (earmarked revenue). Such revenues can be spent only for purposes prescribed by law and for which the revenues were collected. Examples are: Motor License Fund, Game Fund, and Boat Fund.

Surplus: A fiscal operating result that may occur in a fund at the end of a fiscal year, whereby expenditures are less than the fund's beginning balance, revenues/receipts, and lapses during the same period. The surplus funds become available for appropriation during the following fiscal year.

Tax Expenditures: Tax credits, deductions, exemptions, and exclusions provided for in law which result in a significant reduction in revenues that would otherwise be received at current tax rates. See section D.

Workforce: see **Complement**.

Federal Funds Identification

The most common abbreviations used to identify federal funds in this document are:

ARC	Appalachian Regional Commission
ARPA	American Rescue Plan Act
CARES	Coronavirus Aid, Relief, and Economic Security Act
CCDFBG	Child Care and Development Fund Block Grant
CDBG	Community Development Block Grant
CMAQ	Congestion Mitigation and Air Quality Improvement
COPS	Community Oriented Policing Services
COVID-ESSER	COVID Elementary and Secondary School Emergency Relief
COVID-RF	COVID Relief Fund
COVID-SFR	COVID State Fiscal Relief
CSBG	Community Services Block Grant
DOE	Department of Energy
EDA	Economic Development Administration
EEOC	Equal Employment Opportunity Commission
EMS	Emergency Medical Services
EPA	Environmental Protection Agency
EPSDT	Early Periodic Screening Diagnosis and Treatment
ESEA	Elementary and Secondary Education Act
ESG	Emergency Solutions Grant
FEMA	Federal Emergency Management Agency
FHWA	Federal Highway Administration
FMAP	Federal Medical Assistance Percentage
FQHC	Federally Qualified Health Center
FTA	Federal Transit Administration
HUD	Department of Housing and Urban Development
IJA	Infrastructure Investments and Jobs Act
IRA	Inflation Reduction Act
LIHEABG	Low-Income Home Energy Assistance Block Grant
LIHEAP	Low Income Home Energy Assistance Program
LIHWAP	Low-Income Household Water Assistance Program
LSTA	Library Services and Technology Act
MA	Medical Assistance
MCH	Maternal and Child Health
MCHSBG	Maternal and Child Health Services Block Grant
MH/ID	Mental Health/Intellectual Disabilities
MHSBG	Mental Health Services Block Grant
NCHIP	National Criminal History Improvement Program
NEA	National Endowment for the Arts
NICS	National Instant Check System
PHHSBG	Preventive Health and Health Services Block Grant
SUPTRSBG	Substance Use Prevention, Treatment, and Recovery Services Block Grant
SCDBG	Small Communities Development Block Grant
SNAP	Supplemental Nutrition Assistance Program
SORNA	Sex Offender Registration and Notification
SSA	Social Security Act
SSBG	Social Services Block Grant
SSI	Supplemental Security Income
STOP	Services Training Officers Prosecutors
TANFBG	Temporary Assistance to Needy Families Block Grant
TEA 21	Transportation Equity Act for the 21 st Century
VA	Veterans Administration
VOCA	Victims of Crime Act
WIC	Women, Infants, and Children Program
WIOA	Workforce Innovation and Opportunity Act



Commonwealth of Pennsylvania

Governor's Executive Budget

OVERVIEW AND SUMMARIES

The Fiscal and Program Policy Direction section presents the fiscal and program policies that guide the development of the Governor's Executive Budget. The revenue and expenditure recommendations included in this budget provide a solid fiscal foundation for the Governor to successfully address his vision, goals, and program priorities for Pennsylvania. This section summarizes the Governor's recommended budget initiatives within the following budget theme presentations.

Theme topics vary from year to year based on the funding priorities established by the Governor and the recommended budget initiatives proposed in the budget. Themes may include program revision budget recommendations. If so, detailed program revision presentations, including discussion of the program revision and its associated program measures, funding recommendations, and costs by appropriation can be found in Section E: Department Presentations within the agency responsible for leading the program revision implementation.

Fiscal and Program Policy Direction and Budget Themes

Introduction

A Commonsense Budget That Delivers for Pennsylvanians

Since he took office two years ago, Governor Josh Shapiro has brought a G-S-D attitude to government, moving quickly and aggressively to get stuff done and deliver results for the people of Pennsylvania. In his first two years and throughout his travels across the Commonwealth, Governor Shapiro has focused on commonsense Pennsylvania principles: investing in good schools for our kids, building safer communities, creating economic opportunity for all, and protecting Pennsylvanians' fundamental rights and freedoms.

In his first two budgets, Governor Shapiro secured critical investments in commonsense initiatives that benefit all Pennsylvanians. These include historic investments in K-12 education to ensure students, teachers, and staff have the resources and safe, healthy learning spaces needed to succeed; creating a new State Board of Higher Education to coordinate efforts across all higher education sectors, with a focus on access and affordability and an eye towards workforce development and economic growth; expanding and increasing property tax relief for seniors; implementing targeted strategies to make Pennsylvania more competitive and help businesses thrive; and investing in law enforcement with the resources they need to make our communities safer. Each of these commonsense initiatives – and so many more – has helped move our Commonwealth forward as the Shapiro Administration works to ensure all Pennsylvanians have the freedom to chart their own course and the opportunity to succeed.

As a result of those investments – which were approved by Democratic and Republican leaders in the General Assembly – Pennsylvania seniors received the largest targeted tax cut in two decades, more entrepreneurs are starting new businesses and more major companies are moving their operations here, more kids are eating breakfast before school, more bridges are being repaired and more roads are being paved, and Pennsylvania is now one of the best states in the nation to raise a family. Pennsylvania is on the rise.

But Governor Shapiro knows that our collective work is far from over. Together, we must continue to invest in Pennsylvanians – to build on our progress, make the Commonwealth more competitive, and create more opportunity. The 2025-26 budget builds on the foundation established over the last two years, focusing on a continued strategy of making key investments to solve problems and move Pennsylvania forward.

At the same time, Governor Shapiro and his Administration are committed to a careful stewardship of public monies. To that end, this fiscal year, the Office of the Budget (OB) and the Governor's Policy Office (GPO) launched the Resource Evaluation and Mission Alignment Project (REMAP). REMAP is a data-driven initiative designed to evaluate programs for effectiveness and alignment with statutory mandates, strategic goals, and the department's mission. The project seeks to ensure state resources are directed to programs that deliver measurable results and advance the Commonwealth's objectives. OB and GPO partnered with three agencies to pilot the initiative in its first year – the Department of Community and Economic Development (DCED), the Department of Corrections (DOC), and the Pennsylvania Commission on Crime and Delinquency (PCCD). Through REMAP, agencies identified inefficiencies, program misalignments, and areas where cost savings could be realized. REMAP helps ensure taxpayer dollars are being used as effectively as possible and the resulting recommendations are incorporated in budgets for DCED, DOC, and PCCD in order to realign resources, improve efficiency, and enhance the Commonwealth's ability to achieve impactful long-term outcomes.

Thanks in part to the resulting cost savings and efficiencies, this budget proposes more commonsense investments in the people of Pennsylvania.

This budget continues the commonsense, bipartisan agreement in the 2024-25 budget to adequately fund all of Pennsylvania's public schools, putting resources directly into the classroom and ensuring safety and security for students and teachers. The 2025-26 budget proposes to grow investments for the school facilities program that was created under this Administration and has already provided funding for critical repairs in hundreds of schools. In addition, the budget continues to fund the mental health and physical safety programs that schools can use to provide safe learning environments while proposing real reforms to the way public schools pay for cyber charter schools.

In line with Governor Shapiro's vision, the 2025-26 budget also ensures more Pennsylvanians will have the freedom to chart their own course and the opportunity to succeed. Graduating high school students deserve the opportunity for future success in whatever path they choose. The budget reflects this priority by building a pipeline of workers and entrepreneurs, through internships, upskilling, reskilling; providing second chances to previously incarcerated individuals; and reforming the professional licensure system to remove barriers to entry. This focus allows Pennsylvanians to take control of their future, with options for a variety of careers. The budget makes the Commonwealth more competitive for workers and expands labor market participation by increasing the minimum wage in Pennsylvania, providing critical funding to public transportation agencies, and investing in teachers, health care professionals, and those who provide care for children.

This budget also continues the work of making Pennsylvania more competitive and attractive to businesses, which in turn will create jobs and attract more people to our Commonwealth. The 2024-25 budget provided significant permitting reform and doubled down on the government's commitment to moving at the speed of business. This budget continues to focus on Pennsylvania's first Economic Development Strategy in two decades, providing the opportunity for businesses and entrepreneurs to innovate and get ahead. This budget directly invests in Pennsylvania's innovation economy and develops several key industries outlined in the Economic Development Strategy, including agriculture, life sciences, and entrepreneurship. The budget also supports veteran-owned businesses and makes key investments in the celebration of the birth of the United States 250 years ago, right here in the Keystone State.

To further make Pennsylvania's economy competitive, this budget proposes to accelerate the current Corporate Net Income Tax rate cuts by two years and level the playing field for all Pennsylvania corporations by closing tax loopholes. The 2025-26 budget streamlines, simplifies, and modernizes our tax structure, including eliminating three separate business taxes for financial institutions. For the first time in Pennsylvania's history, this budget pushes the amount of general property tax relief to homeowners to over **\$1 billion**.

While investing in education, workforce development, and economic growth, this budget also cuts costs for Pennsylvanians. The budget proposes offering support to help Pennsylvanians buy their first home, restore a current home, and for developers and communities to build new homes. Those proposals are in addition to Governor Shapiro's work to lower energy costs and ensure Pennsylvania remains a leader in reliable, affordable, and clean energy for years to come. To help with healthcare costs, the budget provides for a transparency portal for medical expenses so that individuals can finally see what it costs for services and have better visibility into choosing the most cost-effective care in Pennsylvania.

This budget prioritizes increased access to care, whether it is for assistive services for older Pennsylvanians so they can continue living in their own home, or quality improvement programs at our skilled nursing facilities. The budget provides necessary funding to Pennsylvania's hospital systems to ensure continued access to care, as well as investments in several key areas of behavioral and mental health care. Finally, the budget provides resources to ensure those re-entering the community from incarceration have continuous access to medical care and support services.

Additionally, the 2025-26 budget will improve public safety by continuing our investments in law enforcement and first responders, adding four more cadet classes for the Pennsylvania State Police and creating new resources to support firefighters. This budget further improves public safety by proposing the closure of two State Correctional Institutions and two community corrections facilities in order to better support Corrections Officers and expunging the records of thousands of individuals who have non-violent, marijuana-related documents. The 2025-26 budget proposes to more effectively and efficiently use current resources sent to counties for probation and reentry services by pooling them together to increase flexibility for counties while also increasing support for violence intervention and after-school programs that are proven to reduce crime.

The 2025-26 budget reflects Governor Shapiro's commitment to commonsense Pennsylvania priorities and getting stuff done for the people of this Commonwealth. The Shapiro Administration is more effective and efficient than ever before, and through strategic investments in education, workforce development, public safety, and economic growth, this plan lays the foundation for a stronger, more competitive, more successful Pennsylvania – one that commits to a shared vision of prosperity and prioritizes initiatives that benefit all Pennsylvanians. This is a budget that recognizes the opportunity our Commonwealth has in this moment to empower innovation, modernize our systems, and ensure Pennsylvania remains a beacon of freedom for generations to come.

Creating Opportunity for Our Children and Our Students to Succeed

Investing in Basic Education and Special Education

This budget builds on the bipartisan adequacy formula and tax equity supplements created by Act 55 of 2024 by directing an additional **\$526 million** to ensure students' success, in line with the Basic Education Funding Commission report. This funding provides greater academic and student support, and increased accountability, in schools that have been found to lack the necessary resources by driving more dollars to the schools that need them most.

Adequacy supplement funds can be specifically used to establish, maintain, or expand after-school tutoring assistance, full-day pre-kindergarten or kindergarten programs, social and health services, continuing professional development, evidence-based reading instruction, science and applied-knowledge skills, school libraries, and other programs that support students' academic performance targets. The tax equity supplement can be used by schools to supplement homestead exemptions, property tax and rent rebates, mitigate tax increases, and relieve debt.

This budget increases basic education funding by **\$75 million**, proposing more than \$8.2 billion in total to support public schools across Pennsylvania. The increase will be distributed through a student-weighted funding formula that directs money to school districts based on factors such as the number of students enrolled and the poverty level of those students. The formula also considers factors that reflect student and community differences such as population density, household income of families in the district, number of students attending charter schools, and the district's ability to raise money through local taxes. This flexible funding enables school districts to invest the resources they need to provide a high-quality education for Pennsylvania students.

School districts are legally required to provide special education programs, supports, and services for all eligible students, all while the cost to meet these needs continues to increase. This budget increases special education funding by **\$40 million**, proposing over \$1.5 billion in total funding to districts to ensure that school districts have the basic resources necessary to provide high-quality special education services to students with disabilities and special needs.

Cyber Charter Reform That Makes Sense

For the first time, the 2024-25 enacted budget made changes to the antiquated system of funding cyber charter schools in the Commonwealth. These changes moved away from an arbitrary ratio established in law decades ago to utilizing actual counts of special education students to calculate tuition rates. While those improvements will result in a more aligned tuition rate for special education students, cyber charter schools in Pennsylvania will continue to charge school districts an inconsistent amount – between \$7,659 and \$28,960 per student per year, and between \$18,628 and \$63,019 per special education student per year. School districts and Intermediate Units have tremendous experience delivering curriculum to students virtually, and the current cyber charter funding model, whereby tuition rates vary widely depending on what school district students come from, no longer makes sense. The 2025-26 budget recommends establishing a statewide base cyber tuition rate of \$8,000 per student per year and will better align tuition with the actual costs of providing an online education. This reform will save school districts an estimated **\$378 million** annually.

Ensuring Safe and Healthy School Facilities

To allow for continued, dedicated funding for the newly created Solar for Schools program, this budget would invest an additional **\$25 million** a year, for a total of \$125 million annually, in school facilities through the Public School Facilities Improvement Grant program administered by the Commonwealth Financing Authority in collaboration with the Department of Education (PDE). This budget builds on the \$275 million across more than 208 projects already invested under this Administration in school districts for school repairs and upgrades. A broad range of projects have already been approved including the repair, replacement, and improvement of roofing, HVAC, plumbing, building infrastructure, flood recovery, accessibility, energy efficiency, and safety. These projects have provided improvements at more than 60 elementary schools, 40 middle schools, and 65 high schools across the Commonwealth. This budget continues to recognize that students must have safe school facilities.

Furthermore, this budget continues to fully fund the universal free breakfast program, making sure all Pennsylvania students have access to healthy meals to start their day on the right foot. Since the start of this program, participation in free breakfast has continued to grow, and more meals than ever are being served in schools. Last school year, 91.4 million breakfast meals were served in schools – nearly 10 million more meals than were served the previous school year - more than 7 million of which were served to students most at-risk for hunger or from low-income families.

This budget also continues last year's landmark funding to provide menstrual hygiene products at no cost to students in schools. Through the first year of this program, schools are purchasing product dispensation devices and procuring hygiene products on an ongoing basis to ensure no student has to miss school because they're unable to afford necessary menstrual hygiene products.

Since the 2022-23 school year, the Commonwealth has invested almost \$300 million in supporting student mental health and well-being and improving the safety of our schools through grants from PDE and PCCD. This budget continues **\$111 million** in critical investments in student mental health and school safety.

Supporting Pennsylvania's Youngest Learners

Research overwhelmingly demonstrates the meaningful and substantial return on investment in early childhood education: children who start their educational careers in high-quality pre-K programs do better in school, have higher graduation rates, and earn more income throughout their lives. The difficulty for providers to recruit, retain, and support early childhood educators is a key obstacle to ensuring that every child in Pennsylvania has access to high-quality, affordable, and available pre-K programs. Wages for pre-K educators are too low to sustain employment levels in a field so critical to the current and future workforce. This budget proposes an additional **\$15 million** for the Pre-K Counts program to help providers raise wages and stabilize the early educator workforce.

Every child in Pennsylvania deserves the support and resources needed to succeed, from infancy through early adulthood. The Early Intervention (EI) program provides supports and services to eligible children from birth to age three with developmental delays or other needs in order to be ready for kindergarten. EI provides children with developmental and social-emotional services, including speech, language, and physical therapies as well as social work services. Families also receive the coaching and assistance they need to continue to care for and support their children. The 2025-26 budget calls for an additional investment of **\$10 million** to increase EI provider rates to ensure that children in Pennsylvania, regardless of family income, receive the high-quality support and resources they need to be healthy, succeed in school, and improve their overall well-being.

Recruiting and Retaining Top Talent in Education

Building on the Administration's work across agencies to speed up government and cut through red tape, PDE recently announced that aspiring educators can now receive an Intern Certificate for free, enabling them to enter the classroom and teach for up to three years while taking education classes on the path to earning their full teaching certification. The Intern Certificate opens up an alternative path into teaching careers for Pennsylvanians who have already earned a bachelor's degree in another field and want to use their knowledge and skills to educate future generations.

To further strengthen the educator pipeline, the 2025-26 budget increases funding for student teacher stipends by **\$20 million**, doubling the program and bringing the total to \$40 million annually. Administered through the Pennsylvania Higher Education Assistance Agency (PHEAA), this program helps to address the teacher shortage in Pennsylvania and fill staffing gaps for critical education positions. The program provides financial support to students enrolled in a PDE-approved teacher preparation program and who have completed student teaching requirements. By offering financial support, the program makes it more feasible for aspiring educators to complete their training and pursue careers in public service.

In addition to supporting recruitment, this budget proposal also supports retention in the educator workforce. An additional **\$2.5 million** in teacher professional development illustrates a commitment to ensuring that educators have the tools and training they need to tackle difficult topics impacting students and communities.

Empowering Student Success in Higher Education

Last year, the Administration and the General Assembly came together to make the first significant progress on higher education in more than 30 years. That included the creation of the newly established State Board of Higher Education, which has been charged with developing a strategic path forward to meet the needs of our students, workforce, and businesses. This budget supports that collaborative work with increased higher education investments to improve access, affordability, opportunity, and accountability across the Commonwealth.

This budget proposes **\$60 million** in funding for the Pennsylvania State University, Temple University, and University of Pittsburgh to be distributed based on the recommendations of the Performance-Based Funding Council, as established in the 2024-25 budget, which are anticipated by April 30, 2025. Additionally, under this proposal, the State System of Higher Education (PASSHE) and the encompassing universities would receive a **\$40.4 million** increase to keep tuition flat for the

eighth consecutive year, and funding for the Commonwealth's community colleges would increase by **\$13 million**. Additional investments in higher education include **\$1 million** for Lincoln University, **\$1.7 million** for the Pennsylvania College of Technology, **\$1.1 million** for Thaddeus Stevens College of Technology, and **\$2.9 million** for agriculture research and the county agricultural extension offices through Pennsylvania State University.

PHEAA operates the Pennsylvania State Grants program to reduce financial barriers and provide greater access to higher education for all Commonwealth residents and, within the limits of the resources available, help to provide freedom of choice between public and private institutions. Grants to students for financial aid is proposed to increase by **\$655,000** to maintain the maximum grant award amount. The proposed budget also recommends continued funding for the newly created Grow PA scholarships to assist students in pursuing affordable post-secondary education programs and filling critical in-demand occupations after graduation.

Ensuring All Pennsylvanians Have the Freedom to Chart their own Course

Investing in Pennsylvania's Families and Supporting the Childcare Workforce

The Commonwealth is committed to assisting parents, grandparents, caregivers, and families in accessing the supports they need to live and work in Pennsylvania, chart their own course, and succeed – including providing safe and supportive childcare. According to the Office of Child Development and Early Learning (OCDEL), nearly 2,200 childcare programs have closed since 2019, resulting in childcare employment levels falling by 40 percent. The majority of those providers cited teacher shortages and ongoing staff vacancies as main factors in their closing. Access to quality childcare remains an issue for many Pennsylvania families but staffing shortages and low wages continue to plague an already vulnerable system. The lack of access to affordable, quality childcare is also one of the primary reasons working-age parents are forced to leave the labor force – by addressing this issue, the Commonwealth can expand our workforce and grow our economy while making life better for young families. The budget proposal includes an investment of **\$55 million** to support childcare workforce recruitment and retention grants, which would provide roughly \$1,000 more annually per employee to licensed childcare centers with collaborative agreements in the Child Care Works program.

Supporting Workforce Investments and Innovations

While the strains on Pennsylvania's health care workforce predate the pandemic, these challenges have come to a point of crisis in recent years. In response to increased needs for behavioral health services and an infrastructure ill-prepared to support the demand, Governor Shapiro issued an Executive Order in October 2023 establishing the Pennsylvania Behavioral Health Council. The council has spent over a year working through dozens of recommendations to improve, broaden, and strengthen the behavioral health system. A key focus of the recommendations is boosting workforce in the health care sector. Therefore, this budget includes **\$10 million** to expand the Primary Care Loan Repayment program at the Department of Health (DOH). The current program is limited geographically, providing loan repayment opportunities as an incentive to recruit and retain primary care practitioners willing to serve underserved Pennsylvania residents in federally designated Health Professional Shortage Areas (HPSAs). As part of the budget, these proposed funds will be used to broaden program eligibility and remove restrictions to expand the behavioral health care workforce everywhere in Pennsylvania. The current program already includes key behavioral health professionals – psychologists, psychiatrists, nurses, certified registered nurse practitioners, and physician assistants – all specifically trained to work in the behavioral health field, but this expansion will help Pennsylvania tackle the critical shortage of these professionals.

In rural Pennsylvania, maintaining access to quality health care is made worse by population shifts that favor more densely populated areas. Young people are choosing to live in more populated areas where hospitals, pharmacies, and doctor's offices are much more accessible. While rural Pennsylvanians age, it's critical they do so independently and in their homes, with health care services readily available. That's why the 2025-26 budget includes an additional **\$5 million** to incentivize health care providers to serve rural communities. Building on previous budget proposals to support the demand for reliable health care services in rural counties and throughout the state, this budget includes **\$5 million** to support workforce initiatives to educate, train, and recruit nursing professionals. By leveraging innovative approaches like public-private partnerships or education-based incentives, the Shapiro Administration is committed to exploring and supporting initiatives focused on educating and retaining more nurses for the Commonwealth's health care system.

Additionally, last year marked the twenty-fifth anniversary of the Workforce and Economic Development Network of Pennsylvania (WEDnetPA). Since 1999, more than 23,000 companies have received WEDnetPA workforce training funds, and 1.3 million workers were trained to better contribute to their companies and the overall economy of Pennsylvania. The goal of WEDnetPA is to strengthen the business environment of the Commonwealth by helping companies improve the

skills and productivity of Pennsylvania workers. Eligible in-state businesses and out-of-state companies relocating to Pennsylvania apply to WEDnetPA to access training funds through a network of community colleges, state system universities, and other partners. The 2025-26 budget creates a dedicated **\$12.5 million** Workforce and Economic Development Network appropriation, leveraging \$10 million from the existing program in Pennsylvania First and \$2.5 million in new state funds to train additional workers.

This budget also includes **\$2 million** for the creation of Career Connect, a statewide program to build internships at Pennsylvania companies. This will increase the availability of Pennsylvania internships and assist employers with talent recruitment and development efforts.

Tapping the potential of all workers is critical to empowering and strengthening a diverse workforce, including under-skilled adult learners. This budget proposes an additional **\$6 million** for Adult and Family Literacy programs across the Commonwealth that allow providers to receive additional federal Title II funding through the Workforce Innovation and Opportunities Act (WIOA). This program increases the number of skilled Pennsylvania workers by providing education to adults so they can successfully find and keep good jobs. Services include college and career readiness, adult basic education, and family, health, and digital literacy.

Additionally, this budget proposes **\$5 million** to the Office of Vocational Rehabilitation (OVR) to assist individuals with disabilities in finding employment, through personalized services, vocational guidance, goal setting, job placement, and counseling. This funding will allow OVR counselors to provide hands-on, individualized services to those seeking gainful employment throughout the Commonwealth. Finally, this budget provides an additional **\$1 million** to the Centers for Independent Living (CIL) to recruit and hire staff, provide services to individuals with more diverse or significant disabilities, and ensure that individuals can reside in their chosen homes and participate in their communities.

Raising the Minimum Wage

At \$7.25 per hour, Pennsylvania's minimum wage is lower than all neighboring states, most economic competitor states, and has remained stagnant for more than 15 years. At a time when Pennsylvania's workforce is aging, young Pennsylvanians are increasingly considering other places to build their economic futures. Pennsylvania must be a place that families, workers, and students see as a place to work, grow, and thrive. The budget calls to raise the minimum wage to **\$15 per hour**, which will generate economic activity, increase the purchasing power of Pennsylvania residents, and add roughly **\$100 million** annually in increased revenue to the Commonwealth once fully implemented.

Making Pennsylvania a Leader in Economic Development, Job Creation, and Innovation

Implementing an Aggressive Economic Development Strategy

Over the last two years, the Shapiro Administration has successfully competed for business, made strategic investments in key sectors of the Commonwealth's economy, and implemented transformative changes to the permitting, licensing, and certification processes to ensure Pennsylvania moves at the speed of business. As a result, the Shapiro Administration has attracted over \$3 billion in private sector investments to Pennsylvania and created nearly 5,000 new jobs.

In 2024, Pennsylvania launched the first comprehensive economic development strategic plan of its kind in 20 years to guide the Commonwealth's economic growth. The 10 year strategy is designed to capitalize on the Commonwealth's strengths and reignite the economy. It sets forth five ambitious goals:

- Invest in economic growth to compete and prioritize economic development investments that capitalize on Pennsylvania's strengths and result in real opportunities for businesses, communities, and residents.
- Continue to make government work at the speed of business and ensure all companies find an attractive business environment where they can innovate, thrive, and get responses from government on a reasonable timeline.
- Open doors of opportunity for all Pennsylvanians and increase pathways to the workforce that enable every Pennsylvanian to secure a family-sustaining job and have a meaningful career.
- Prioritize innovation to incentivize innovators to become successful entrepreneurs.
- Build vibrant and resilient regions, where every community flourishes, focusing on each region's diverse strengths.

The 2024-25 enacted budget made significant investments aligned with the overall 10 year economic strategy. Key investments included a \$500 million investment to significantly expand the PA SITES program to develop shovel-ready sites and bring more commercial and industrial sites to Pennsylvania, the creation of a new program tailored to make critical

upgrades and investments in Main Street communities, and a rebranding of Pennsylvania's tourism and marketing campaign. To continue to capitalize on our strengths and reignite our economy the Commonwealth must continue to be on the offensive. This budget goes further to implement the Economic Development Strategy, positioning Pennsylvania as a national leader in innovation, job creation, and economic development.

Creating a Commonwealth That Is Open for Business: Business Attraction and Expansion through BusinessPA

DCED was one of three agencies to participate in a new pilot project coordinated by the Office of the Budget and the Governor's Policy Office, known as the Resource Evaluation and Mission Alignment Project, or REMAP.

Specifically, for DCED, the REMAP process revealed that some programs are not flexible enough to meet the needs of all businesses that want to grow and thrive in Pennsylvania, with many being too targeted to one specific niche industry or too small to make a real impact in the development of those industries. As such, this budget proposes to streamline DCED's programs by eliminating redundant or ineffective initiatives while investing in programs that have broader impact and reach a wide variety of industries. Specifically, this budget proposes to eliminate three tax credit programs that are duplicative of other programs and replaces them with one tax credit program aimed specifically at creating jobs within the Commonwealth. The 2025-26 budget repeals the Waterfront Development Tax Credit, the Video Game Development Tax Credit, and the Manufacturing Tax Credit and creates the **AdvancePA** tax credit, a new **\$10 million** tax credit to provide more flexibility for securing important deals and incentivizing high-paying job creation within the Commonwealth.

Additionally, the REMAP process identified several duplicative programs that could be combined in the future and found that some existing programs may be more appropriate within other Commonwealth agencies.

To that end, the 2025-26 budget includes a major reorganization within DCED, consolidating agency resources to form the BusinessPA Team. **BusinessPA** focuses and strategically promotes business success, expansion, and attraction in Pennsylvania. Reallocating 45 current positions and nearly \$9 million in current funding from several existing appropriations into a single BusinessPA appropriation will provide a more effective use of existing resources and sharpen the department's focus on those programs and services that best serve the Commonwealth's business community.

By promoting Pennsylvania as an ideal place to do business, the BusinessPA team will boost the overall perception of Pennsylvania, capitalizing on recent successes to maximize state investments by ensuring businesses are aware of the advantages of doing business in Pennsylvania. In 2024, Site Selection Magazine ranked Pennsylvania's business climate ahead of New York, making the Commonwealth the top state in the Northeast region for economic competitiveness. An effective marketing program is also critical for promoting the Commonwealth and attracting businesses, employers, and economic growth. This budget includes an increase of **\$3 million** to the Marketing to Attract Business program to enhance site selection, business attraction marketing, and business retention. More specifically, this program provides funding for projects that demonstrate the importance of marketing the Commonwealth as the best choice for investment and promoting the attributes and assets of individual regions.

Successful business attraction requires not only the availability of funds to incentivize worthwhile projects but also the ability to close deals. To help match and surpass the project completion rates of our neighbors, this budget includes an increased allocation of **\$5 million** in programmatic funding for the proven Pennsylvania First program. This investment will enhance Pennsylvania's competitiveness and fund additional projects by inviting more companies to expand or relocate to the Commonwealth and stimulating economic growth.

Strengthening Pennsylvania's Energy Leadership and Ensuring Reliable, Affordable Power for the Long-Term

Pennsylvania has a long legacy as a national energy leader – for hundreds of years, the Commonwealth has been one of the nation's top energy producers, embracing innovation to create jobs, lower costs, and drive progress. However, Pennsylvania is falling behind other states in the race to diversify our energy sources and create clean, reliable, and affordable energy. As Pennsylvania fails to take action, other states are putting in place plans that protect and create energy jobs, spur innovation and attract investment, and protect public health.

That's why Governor Shapiro has brought together labor leaders, environmental advocates, consumer advocates, and industry to develop an energy policy that will spur the development of generation, incentivize innovation, and help Pennsylvania maintain its position as an energy leader. A key tool in that effort is the Pennsylvania Economic Development for a Growing Economy (PA EDGE) initiative – a collection of tax credit programs designed to attract new investments from businesses in critical manufacturing sectors, including semiconductors, biomedical, milk processing, and petrochemicals and fertilizers produced from natural gas. Since it was first passed into law in 2022, the EDGE credit has not been used by

a single business – leaving billions of dollars on the table. The 2025-26 budget proposes several tax credit modifications to ensure businesses can actually take advantage of the credit to create jobs, innovate, and grow our economy, including:

- **Converting the Local Resource Manufacturing Tax Credit Program to a Reliable Energy Investment Tax Credit** – Utilize up to \$100 million per year tax credit per facility for 3 years, focusing especially on bringing new, reliable energy sources onto the grid.
- **Semiconductor Manufacturing, Biomedical Manufacturing and Research Tax Credit Program** – Reduce investment requirement from \$200 million to \$150 million and lower the permanent jobs requirement from 800 to 100.
- **Pennsylvania Milk Processing Tax Credit Program** – Provide credits to projects that invest \$50 million or create 100 jobs in the production of Class I, II, III, or IV dairy products using Pennsylvania milk, with an extra incentive to those projects using organic milk.
- **Regional Clean Hydrogen Tax Credit Program** - Allow up to 7 regionally dispersed qualified taxpayers to claim up to \$7 million per year and lower thresholds to qualify.
- **Sustainable Aviation Fuel** – Utilize up to \$15 million per year for a taxpayer who makes a \$250 million capital investment and create 400 jobs at a facility to produce sustainable aviation fuel (SAF).

These updates to PA EDGE supplement the rest of the Governor’s energy plan, including efforts to create thousands of energy jobs, lower utility bills for Pennsylvania households, and take real action to address climate change pollution.

Fostering the PA Innovation Economy

Some of the fiercest competition between states to attract new businesses and jobs takes place within the life sciences sectors. Two regions have dominated the nation’s life sciences industry – Boston and San Francisco. However, Pennsylvania, specifically in the Southeastern region, has the capacity to become the next big life sciences hub. To further incentivize development in this vital industry, the 2025-26 budget includes a total of **\$50 million** for the new PA Innovation program. This includes a one-time \$30 million initiative to spur life sciences job growth and innovation, through coordination among research universities to assist businesses in bringing cutting edge technology to market and fulfilling critical testing needs. The remaining \$20 million will provide annual funding to support large-scale innovation, match federal awards to mitigate risks for start-ups, and leverage Pennsylvania’s best-in-class research and development assets. This proposed funding will be used to match additional private venture capital investments, positioning Pennsylvania as a national center for innovation while proactively making investments in entrepreneurs who have historically lacked access to venture capital funding.

While this budget makes significant investments to attract businesses from outside Pennsylvania, it also doubles down on the state’s commitment to build home-grown talent and entrepreneurs. The 2025-26 budget allocates **\$3.5 million** to create and launch the Pennsylvania Regional Economic Competitiveness Challenge to provide different geographic regions with the resources they need to plan and implement localized economic development strategies. By backing well-planned regional strategies, this budget ensures that state funding is used wisely by combining local vision and regional expertise with state resources to provide a bottom-up approach to statewide economic development. Taking this approach meets the individual needs of each of the state’s diverse regions.

But innovation is not just for life sciences or start-up companies – there’s real innovation happening all across our Commonwealth, especially on our farms. The Commonwealth has over 53,000 farms, including the second largest number of dairy farms nationally, producing more than 10 billion pounds of milk each year. Pennsylvania is also a leader in growing hardwoods, fruits, tree nuts, berries, floriculture, and more. The Commonwealth is committed to building and supporting the future success of our farmers who fuel the agriculture industry – that’s why the 2024-25 budget created a new grant program, specifically designed to help Pennsylvania farmers advance their productions and efficiencies by embracing the latest technologies and farming techniques.

The 2025-26 budget builds on the work this new program began by investing an additional **\$13 million** in agriculture innovation, important funding that will help support and attract new agricultural businesses – including energy and conservation endeavors – and build the future of American agriculture right here in Pennsylvania. This funding will provide grants, loans, and technical and logistical assistance for innovative farming practices in Pennsylvania to empower our farmers to adopt cutting-edge agricultural practices that will help position our ag industry as a model for the nation.

Growing Pennsylvania's Ag Industry by Addressing the Challenges Our Farmers Face

The innovations developing on our farms aren't just helping our farmers increase their output and succeed – they are addressing the unique challenges farmers face day-to-day, especially when it comes to finding sustainable ways to farm in localities where there is no dedicated place to dispose of organic food waste. Some farmers in Pennsylvania are taking steps to power their farming operations through adaptive reuse and byproducts of the very food products that agriculture provides to the food industry. Pennsylvania could be a leader in creating energy from food waste, and this budget proposes **\$2 million** to explore a pilot program for a county-based digester facility and set the groundwork for county-operated digesters throughout the Commonwealth, assisting farmers and generating electricity.

Animal testing remains important, especially with the recent outbreaks of the Highly Pathogenic Avian Influenza (HPAI). The 2024-25 budget provided resources to start a fourth animal testing laboratory in the western part of the state. This budget proposes **\$2 million** in funding to keep this new laboratory operational, providing critical testing services for farmers to ensure their livestock remain healthy and viable for continued farming operations. The last three budgets have reserved \$75 million for farmers who experience losses due to HPAI. Due to proactive management and quick response, \$61.5 of that funding remains for use in 2025-26. With these dollars, we are prepared to respond to future outbreaks. While HPAI cases continue to be monitored, we can invest funds into our agricultural industry to diversify and spur growth. This budget makes those investments and calls on the General Assembly to provide flexibility in the event future resources are needed to assist farmers with losses due to HPAI.

This budget also supports farmers in the vital and noble role they play in feeding others and invests in efforts to connect that work to community initiatives working to combat hunger in Pennsylvania. The Pennsylvania Agricultural Surplus System program provides an efficient mechanism for Pennsylvania's agricultural industry to donate safe, wholesome food products while being reimbursed for the costs involved in harvesting, processing, packaging, and transporting these foods. An additional **\$4 million** investment in this program will help to utilize these food products that would likely otherwise go to waste.

Pennsylvania also provides food assistance for families under the State Food Purchase Program, which is the largest state program of its kind. The program provides cash grants to counties for the purchase and distribution of food to low-income individuals. It is intended to supplement the efforts of food pantries, soup kitchens, food banks, feeding programs, shelters for the homeless, and other similar organizations to reduce hunger. The program reflects the Commonwealth's determination to address problems related to nutrition and hunger. The 2025-26 budget increases funding for the State Food Purchase Program by **\$4 million**.

Legalizing Adult Use Cannabis

This budget recognizes that the time has come for Pennsylvania to legalize adult use cannabis. This policy provides a real opportunity for Pennsylvania farmers to cultivate a new, legal industry and establish a thriving market for the state. Every one of Pennsylvania's neighbors, except West Virginia, has legalized adult use cannabis. Pennsylvania is currently at a competitive disadvantage, losing out on critical tax revenue and new businesses to neighboring states. Executives from cannabis companies have reported that up to 60 percent of their customers at stores along our Commonwealth's border are Pennsylvanians. We must stop losing out on that revenue and business. Additionally, police and courts are unnecessarily overburdened with cannabis-related arrests and adjudications. The prohibition of cannabis has also fostered an illicit market that fuels violence perpetrated by drug traffickers and gangs seeking to control the illicit and harmful forms of synthetic marijuana in our communities.

The 2025-26 budget proposes the legalization of adult use cannabis effective July 1, 2025, with regulated sales within Pennsylvania beginning January 1, 2026. With the funds generated by the legalization of adult use cannabis, Pennsylvania can right some of the wrongs done to individuals impacted by archaic laws. In addition to the immediate expungement of the records of those incarcerated for only a possession-related offense attributed to cannabis, the budget proposes to invest **\$10 million** in restorative justice initiatives from adult use cannabis proceeds. The proposal also includes **\$25 million** to assist new small and small diverse businesses attempting to enter the new marketplace.

Supporting Small and Small Diverse Businesses

In September 2023, Governor Shapiro signed an Executive Order to make the Commonwealth procurement process more accessible, and take actionable steps to help small businesses and small diverse businesses grow, succeed, and create good-paying jobs. Since then, the Commonwealth has increased prime contracting opportunities for small businesses, reduced the time it takes to certify a small business with DGS, and implemented a prompt pay policy to ensure non-construction prime contractors pay subcontractors within 10 days of receiving payment from the Commonwealth. Building

on that work, this budget invests **\$369,000** in the Bureau of Diversity, Inclusion, and Small Business Opportunities (BDISBO) at DGS to continue to increase the overall small business vendor pool for participation in the Commonwealth contracting opportunities, with a specific emphasis on diverse and veteran businesses.

Our veterans defended our country and upheld our freedoms, and they deserve real opportunity to thrive here in Pennsylvania. Since 2017, veterans and reservists starting a small business in the Commonwealth have been exempt from the payment of business fees, including any fees required to be paid to the Commonwealth or a political subdivision for starting or opening a business. In addition to the investment in BDISBO, this budget includes a new **\$1 million** appropriation for Veterans Small Business Assistance, to continue to support Pennsylvania's nearly 800,000 veterans – the fifth largest veteran population in the nation.

Celebrating America's 250th Birthday

On July 4, 2026, America will celebrate the 250th anniversary of the signing of the Declaration of Independence in Philadelphia, the birthplace of the nation. Just as Pennsylvania played a critical role in 1776, the Commonwealth is primed to once again be in the spotlight in 2026 with major events throughout the Commonwealth. The Semiquincentennial Commemoration will include elaborate, exciting celebrations the week of Independence Day, world-class sporting events throughout the year, and major milestone anniversaries in Pennsylvania's cities, towns, museums, and monuments.

The City of Philadelphia will host the NCAA's March Madness men's basketball tournament, the FIFA World Cup, the MLB All-Star Game, and other high-profile events in 2026. The City of Pittsburgh, home to the six-time Super Bowl champion Steelers, will be the host city for the 2026 NFL Draft. These events will be huge tourism and economic development opportunities for the Commonwealth, as millions of people will visit Pennsylvania.

With the eyes of the world focused on the Commonwealth in 2026 and in order to take advantage of this unique opportunity, this budget continues **\$2.5 million** for America250PA and provides **\$15 million** in new funding for Regional Event Security. In addition, a **\$10 million** increase to promote the celebration and **\$36.5 million** to plan and execute these internationally recognized events in the Tourism Promotion Fund are proposed as a part of this budget.

Supporting All Modes of Transportation

Transportation is a vital component of economic development. In addition to shovel-ready sites, businesses make decisions based on the availability of workers, including the reliability of those workers to get from their residence to their place of employment. It is vital that the Commonwealth invests adequate resources into the operations of mass transit to ensure that Pennsylvania's workers have reliable methods of transportation to continue to contribute to the economy. Currently, 7.68 percent of all Sales and Use Tax receipts are deposited into the Public Transportation Trust Fund. This budget builds on that investment by proposing to increase that transfer by an additional 1.75 percent. This increase in available funding will inject an additional **\$292.5 million** into mass transit across the Commonwealth in 2025-26, growing to more than **\$330 million** in 2029-30.

The last two enacted budgets reduced reliance on the Motor License Fund to supplement the Pennsylvania State Police. This shift provides the Pennsylvania Department of Transportation (PennDOT) additional resources to match federal Infrastructure Investment and Job Act funds, allowing for more road and bridge construction and maintenance projects. As a result, Pennsylvania has repaired more poor-conditioned bridges than any other state in the nation and continues to set the pace for infrastructure improvements, keeping communities connected and the economy growing. This budget continues to step down the State Police's reliance on the Motor License Fund by **\$50 million a year**, until reliance is completely removed in 2029-30. As a result, over the next five years, PennDOT will have an additional **\$750 million** for road and bridge projects.

Speeding Up Tax Cuts for Pennsylvania Businesses and Delivering Commonsense Tax Reform

Pennsylvania used to have the second highest business tax in the nation – making it too difficult for companies to grow and succeed, and more challenging for us to sell the Commonwealth. Now, we are sending the message that Pennsylvania is open for business and working to make the Commonwealth a leader in innovation, job creation, and economic development.

This budget will modernize and simplify the Pennsylvania tax system while continuing to create opportunities for businesses to grow and thrive in Pennsylvania. Under current law, Pennsylvania's Corporate Net Income Tax (CNIT) rate is scheduled

to decrease by 0.5 percent every year until it reaches 4.99 percent in tax year 2031. Under this budget proposal, the CNIT cuts will be expedited by two years, **reducing the current tax rate each year by 0.75 percent**, resulting in a 4.99 percent tax rate in tax year 2029.

While reducing taxes for Pennsylvania businesses, this budget proposes eliminating an antiquated loophole in our tax system that allows some large corporations to skirt paying their taxes in Pennsylvania – often known as the “Delaware Loophole.” Pennsylvania is one of 45 states with a corporate net income tax and uses the federal income of a corporation as the tax base. However, Pennsylvania is one of only 17 states that still allow the calculation of income for each separate entity, even if the entity is part of a corporate group, before applying the current tax rate. As a result, large businesses that have subsidiaries and related companies in other states can have an advantage by shifting their Pennsylvania-based income or intangible assets to out-of-state subsidiaries, often to the neighboring state of Delaware, greatly reducing the Pennsylvania income and tax owed by their companies operating in Pennsylvania. Closing the Delaware Loophole will put all Pennsylvania corporations, large and small, on the same playing field by eliminating intercompany transactions and other tax planning techniques.

In Pennsylvania, 82 percent of businesses are registered as pass-through businesses – meaning they pay personal income tax rather than corporate tax – and are not subject to CNIT. Additionally, 40 percent of all corporations are unaffected by closing the Delaware loophole and, therefore, would see only the benefit of accelerating the CNIT cuts. In fact, when considering every single company registered in Pennsylvania, inclusive of the pass-through entities, only 11 percent of Pennsylvania businesses would be affected by closing the loophole – 89 percent would experience no change.

Taken together, this modernization and simplification of Pennsylvania’s tax structure will yield huge cost savings for businesses. Under the Governor’s plan, by 2029-30, Pennsylvania businesses would realize **\$10.5 billion** in savings as a result of these tax cuts.

In order to further modernize and simplify Pennsylvania’s tax structure, this budget also proposes eliminating three antiquated taxes on financial institutions – the Bank and Trust Company Shares Tax, the Mutual Thrift Institutions Tax, or the Private Bank Tax. Currently, the Mutual Thrift Institutions Tax rate is 11.5 percent. The Bank and Trust Company Shares Tax is imposed at a rate of .95 percent on the value of shares (property) as of January 1 of each year. The Private Bank Tax is a 1 percent gross receipts tax. It is time to make commonsense updates to our tax system – that’s why this budget proposes to **repeal all three of these taxes** and move the approximately 400 impacted taxpayers under the existing CNIT umbrella.

Repealing these antiquated taxes would streamline the Commonwealth’s tax code and eliminate a tax that has been in place since the Civil War (the Private Bank Tax was enacted in 1861). This proposal would also provide tax parity by lowering the rate paid by Mutual Thrift institutions, ensuring fairness across the financial services spectrum while allowing these institutions to remain competitive. Many of these institutions are locally owned and operated, serving communities with access to affordable mortgages, small business loans, and relations-savings banking. By moving these companies under the CNIT, these institutions would see a more competitive tax rate, continuing to decrease over time and tax parity with non-banking entities. Moving banks to a similar schedule as other companies will effectively give this industry a tax rate cut that could result in larger capital pools available for lending, further driving Pennsylvania’s economy.

This budget seeks to provide an influx of revenue to both the Lottery Fund and the General Fund, through the legalization and regulation of games of skill. Skill games are prevalent across Pennsylvania, with estimates upward of 70,000 skill game terminals located throughout the Commonwealth, including 12,000 terminals in lottery retailers. The Pennsylvania Lottery estimated it lost \$200 million in profit over a five year period for the Lottery Fund that supports older Pennsylvanians. In this proposed budget, skill games would be treated like other video gaming terminals. The Pennsylvania Gaming Control Board would regulate both Video Gaming Terminals (already legal and operating in the state) as well as skill games, allowing 30,000 total combined Video Gaming Terminals and skill game machines in establishments in 2025-26, increasing incrementally to 40,000 machines by 2029-30. With a maximum number of 5 machines per establishment, this proposal would see gross terminal revenues taxed at an effective rate of 52 percent - 47 percent to the General Fund, net of funding for compulsive gambling support and local share transfers, and 5 percent to the Lottery Fund.

The Pennsylvania Gaming Control Board stands ready to implement this project, as they already have existing infrastructure in place and the experience in overseeing other legal gaming methods. Pennsylvania has one of the most robust gambling industries in the nation, and board oversight will ensure fairness in the operation and help to protect Pennsylvania consumers, while injecting much needed funding into the Lottery Fund for older adult services, and revenues into the General Fund to fund critical initiatives for the people of Pennsylvania.

Finally, this budget proposes to free up additional funding for older adult services in the Lottery Fund by fully funding the recently expanded Property Tax/Rent Rebate program with State Gaming Fund proceeds.

Lowering Electricity Costs and Building a More Reliable, Affordable Energy Sector

In March 2024, Governor Shapiro unveiled the Administration's Energy Plan, kicking off a new era of energy leadership in Pennsylvania to protect and create nearly 15,000 energy jobs, lower utility bills for households, and take real action to address carbon pollution. As introduced by the General Assembly, these initiatives could save Pennsylvania ratepayers more than \$250 million over the first five years, while generating \$5.1 billion in investment in clean, reliable energy sources. As a part of this plan, the Pennsylvania Climate Emissions Reduction Act (PACER) would establish a Pennsylvania-specific cap-and-invest program that allows Pennsylvania to determine its own cap on carbon and invest directly in lowering consumers' electricity bills. Under PACER, 70 percent of the revenue generated would be directed back to Pennsylvania residents as a rebate on their electric bill.

In addition to PACER, Governor Shapiro also proposed the Pennsylvania Reliable Energy Sustainability Standard (PRESS), which would build a more diverse, reliable, and affordable energy sector. Over the last two decades, Pennsylvania's energy standards have become outdated, impacting Pennsylvania's ability to remain competitive with other states that have more modern standards to attract new energy investment.

This year, Governor Shapiro expanded on the bold progress offered by PACER and PRESS by proposing the Pennsylvania Reliable Energy Siting and Electric Transition Board (RESET Board). RESET is a much-needed tool to streamline siting and permitting decisions and ensure that the next generation of all-of-the-above energy projects are built here in Pennsylvania.

In addition to these initiatives and reimagining the PA EDGE tax credit programs, Pennsylvania must reform Act 129 by updating the investment cap for energy efficiency to fall more in line with 2025 standards rather than those present in 2006. With all of these steps, Pennsylvania can once again become a leader in the energy space, creating reliable energy, low-cost electricity, and thousands of good-paying jobs for Pennsylvanians.

Creating a Safe and Healthy Environment for All Pennsylvanians

Pennsylvania is home to more than 350,000 orphaned and abandoned wells, contributing nearly 8 percent of the state's total methane emissions. The Department of Environmental Protection (DEP) has identified over 27,000 high-risk wells. With an increased federal funding under the Infrastructure Investment and Jobs Act (IIJA), Pennsylvania has plugged more orphaned and abandoned wells in the first two years of the Administration than in the previous nine years and is expected to cap its 300th well in coming weeks. The Commonwealth has secured over \$101 million in federal funding for well plugging, with a potential of an additional \$200 million over the next few years. This budget provides an additional state investment of **\$13 million** to continue these critical well plugging activities.

The budget proposal also provides **\$615,000** to DEP to prioritize clean water by providing guidance, direction, and advisement on agricultural-related runoff to meet the standards in the Chesapeake Bay Watershed Agreement. This funding will allow DEP to serve the public more effectively and bolster capacity to help farmers and conservation districts navigate federal and state funding programs.

Additionally, Pennsylvania's outdoor recreation industry saw significant growth over the last year. Building on previous strategic investments to elevate outdoor recreation, the 2025-26 budget includes **\$5 million** for infrastructure and trail improvements and connectors. With this funding, the Department of Conservation and Natural Resources (DCNR) can expand Pennsylvania's state park system, by expanding Lehigh Gorge State Park by 300 acres to reopen the popular and historic Glen Onoko Falls trail, which has been closed since 2019, as well as adding Pennsylvania's first subterranean State Park with the inclusion of Laurel Caverns in Fayette County to the park system. The newly created Office of Outdoor Recreation at DCNR recognizes that outdoor recreation is an important part of Pennsylvania's economy and communities and prioritizes growing the industry and increasing access for all Pennsylvanians.

Cutting Costs for Pennsylvanians

Since day one, Governor Shapiro has worked to cut taxes and reduce costs for Pennsylvanians. In his first two years, the Governor signed into law the largest targeted tax cut for seniors in nearly two decades to help seniors stay in their homes and a historic expansion of the Child and Dependent Care Enhancement Tax Credit in order to make childcare more affordable. This budget builds on those important steps by working to make housing and health care more affordable for Pennsylvanians.

Addressing Critical Housing Needs

In September 2024, Governor Shapiro signed an Executive Order creating Pennsylvania's first comprehensive Housing Action Plan to address the state's housing shortage, address homelessness, and increase the availability of affordable housing options. This action plan aims to ensure residents have access to safe, affordable housing and attract more people to live and work in the Commonwealth. The Housing Action Plan will guide efforts to expand affordable housing and provide support to the unhoused by implementing a coordinated, multi-agency approach involving state, local, and federal partners, as well as private organizations. As part of the effort, the Administration led dozens of meetings and roundtable discussions to understand the full breadth of issues that need to be addressed in the plan, expected to be released in the fall of 2025.

These conversations have highlighted that Pennsylvania's housing stock is old, zoning ordinances vary drastically between municipalities, and local governments lack the technical assistance needed to work through code enforcement challenges. While there is much more work to be done and a comprehensive report is still being developed, some preliminary investments are necessary to begin acting on the action plan. To that end, the 2025-26 budget calls for critical investments in areas that will begin to address these challenges.

This budget provides **\$50 million** for DCED to restore the Commonwealth's aging housing stock. Without these investments and local zoning and code enforcement reforms, Pennsylvania faces an epidemic of blighted buildings and declining property values, which impacts the safety and stability of our communities. This investment will also help older Pennsylvanians update and stay in their homes – which is key to aging with dignity.

Because of the age of Pennsylvania's infrastructure, housing stock and the rising cost of single-family homes across the country, too many Pennsylvanians have to wait to experience the pride of homeownership. Therefore, this budget proposes a new **\$10 million** program to help first-time homebuyers with closing costs on their first home to attract and retain young workers and families to the Commonwealth.

The 2024-25 enacted budget nearly doubled the Pennsylvania Housing Affordability and Rehabilitation Enhancement (PHARE) program over the next few years, gradually increasing funding for the effective program from \$60 million to \$100 million. This budget builds on these successes by proposing to further increase total funding to **\$110 million** by 2028-29.

Zoning ordinances, permitting processes, local building construction and property maintenance codes vary across Pennsylvania's 2,560 municipalities. Past efforts focused on model zoning ordinances or best practices for municipalities. However, affordable and safe housing requires municipalities to have a dedicated resource for technical assistance.

The current State Planning Board is an advisory board comprised of 25 members, including citizens, legislators, and state department heads. The Board's duties include studying demographic, economic, and development trends, and preparing strategic plans to promote the welfare of the Commonwealth. It was instrumental in creating the Pennsylvania Turnpike, planning the State Capitol grounds, establishing planning agencies in Pennsylvania's counties, and enacting the Municipalities Planning Code in 1968. However, the State Planning Board lacks the resources, including a full-time executive director, to be able to provide specific housing and zoning guidance. The 2025-26 budget proposes **\$1 million** in dedicated funding to the State Planning Board to help municipalities through housing-specific planning. The State Planning Board should encourage municipalities to institute growth-oriented housing policies through an opt-in Housing Ready Community designation, developed in concert with DCED. This designation would be awarded to municipalities that have taken action to make their communities accommodating to new housing development.

Finally, eviction records are a major barrier to housing security for vulnerable and at-risk Pennsylvanians. Records stemming from filings, even if the tenant is not evicted, can follow a person for years. No one should carry a permanent stain on their record just because of a filing – in this country you are innocent until proven guilty. Pennsylvania was the first state to

automatically seal criminal records as part of the Clean Slate Law. The same automatic sealing can and should be done for eviction records of individuals who have not faced a conviction, to allow better access to safe and affordable housing or better job opportunities.

Increasing Access and Improving Transparency in Health Care

Health insurance costs increased 3.9 percent, on average, in 2024 for Pennsylvanians. Coupled with the recent end of the Medicaid continuous coverage requirements during the pandemic, these increased costs create a challenging situation for many Pennsylvania families. Rising premiums, inflation, and loss of Medical Assistance coverage require some low- and middle-income Pennsylvanians to forgo health insurance in order to pay for other necessities.

The 2024-25 budget created a state subsidy program for low- and middle-income Pennsylvanians who are on the cusp of being able to afford health insurance. Without this program, as many as 100,000 individuals could be at risk of losing their current insurance, and, by making this investment, nearly 200,000 individuals could see decreased insurance premiums. Building on this, the 2025-26 budget includes **\$4 million** for the Pennsylvania Health Care Cost Containment Council (PHC4) to develop an All-Payer Claims Database (APCD). This database will collect medical, pharmacy, and dental claims, and eligibility and provider information from private and public payers, including Medicaid, Medicare, and private insurance. The APCD is a critical step toward transforming Pennsylvania's health care system. Today, health care costs and quality are often unclear, making it difficult for individuals to understand what they are paying for and how their care compares. The APCD will bring transparency by providing a comprehensive view of health care spending and usage, helping identify opportunities to lower costs and improve care. Nearly half of all states already use or are creating similar tools, showing how effective they can be in empowering consumers, health care advocates, and policymakers with the information needed to make smarter decisions. By leveraging PHC4's long history of expertise in data analysis, Pennsylvania can ensure this tool benefits residents, making health care more transparent, affordable, and equitable.

Delivering Property Tax Relief

Governor Shapiro has listened to Pennsylvanians across the Commonwealth as they told him how they're struggling with high costs. That's why he's worked to cut costs and cut taxes more than four times over his first two years – through an expansion of the Property Tax/Rent Rebate program, an expansion of the Child and Dependent Care Enhancement Tax Credit, allowing taxpayers to deduct up to \$2,500 of student loan interest from their state taxes, and the creation of the Employer Child Care Contribution Tax Credit to encourage businesses to contribute to their employees' childcare expenses.

Building on that work to cut costs and cut taxes for Pennsylvanians, the proposed budget would help homeowners save money on their property taxes by increasing funding for property tax relief through the Homestead/Farmstead Exclusion authorized by the Taxpayer Relief Act, reaching above **\$1 billion** for the first time in Commonwealth history. For many years, the amount of general property tax relief certified in Pennsylvania was \$595 million. As Pennsylvania moves away from the reliance on property taxes to locally fund schools through greater state investments, this funding would provide residential taxpayers with **an average \$160 more in property tax savings** than when Governor Shapiro took office in 2023. While the amount of relief varies based on the school district, the average amount of total relief per household will be **roughly \$386**, up from \$225 two years ago, a 71 percent increase.

Helping More Pennsylvanians Access Quality, Affordable Health Care

Investing in Health Care Service Delivery

Throughout the COVID-19 pandemic, state Medicaid programs operated under federal requirements for continuous eligibility. This means that no one was removed from the Medicaid rolls for changes in their financial or clinical eligibility. As a result, Pennsylvania, like all other states, was serving a significantly higher number of people. As required by the Centers for Medicare and Medicaid Services, the Pennsylvania Department of Human Services (DHS) undertook an effort to 'unwind' the continuous eligibility provisions in 2023 and 2024, and the effects are still being felt into 2025. Rightsizing the Medical Assistance program meant spending a year reassessing all Medical Assistance beneficiaries for their financial and clinical eligibility – a process that led to disenrollments and transitions to other insurance options through Pennie for those who could afford to pay out-of-pocket.

A once-in-a-generation pandemic made it nearly impossible to estimate Medical Assistance enrollment, especially amid unwinding continuous eligibility, record inflation, unemployment, and other economic factors. Likewise, it is also challenging to anticipate the extent to which people went untreated during the pandemic and as a result now have more acute,

significant, and complex medical needs. The delays in health care access have had a significant impact on this population – a lack of access to general and specialty care; delayed procedures; avoidable hospital stays and emergency department visits; development of comorbidities; and a lack of preventative medicine as a whole. All of these factors have resulted in a much sicker and more acute Medical Assistance population.

Without knowledge of these factors to adequately forecast the costs of the Medical Assistance population, the actuarially sound rates for the 2024-25 fiscal year were, in some cases, insufficient to cover the realized costs of providing care. As a result, the 2025-26 proposed budget includes significant investments for all three of its Medicaid managed care programs – Physical HealthChoices, Behavioral HealthChoices, and Community HealthChoices. These investments recognize the acuity of the participants being served, the increased costs for supplies and inflation, workforce concerns, network adequacy requirements, a reduced federal funding share, and rising pharmaceutical expenses. To fully fund the necessary costs of the Medical Assistance program, this budget proposes an investment of more than **\$2.5 billion**.

The 2025-26 budget also reduces reliance on high-cost prescriptions that are ballooning the health care system. GLP-1s or Glucagon-like peptide-1 have become blockbuster medications for diabetes and obesity. This drug class is responsible for nearly \$1 billion of Pennsylvania's Medical Assistance budget going into 2025-26. That is why this budget seeks to contain spending by limiting the Medical Assistance coverage of GLP-1s for weight loss except when certain conditions are met.

The budget proposal also includes **\$21 million** to increase direct care worker wages in the participant-directed model of care under Community HealthChoices. Direct care workers provide services to adults with physical disabilities and seniors through either the agency or participant-directed delivery models. This workforce is the backbone of the home and community-based services system, keeping people at home and in the least restrictive setting possible as they age and need additional long-term services and supports to maintain their health and independence. The investment includes a wage increase, paid time off, and increases access to affordable insurance for approximately 8,500 workers.

Creating Healthier Communities

Current state law requires that the Medical Assistance program suspend coverage for individuals entering the criminal justice system and receive health coverage through the Department of Corrections. After two years of incarceration, the individual is completely disenrolled from Medical Assistance, making reentering the community much more challenging without health care coverage. Once individuals are back in the community, Medical Assistance requires that they be reassessed for their eligibility, even though their eligibility is unlikely to have changed while they were incarcerated. This causes an unnecessary barrier to reentry into the community. This budget includes **\$4.8 million** to provide seamless Medical Assistance coverage for those reentering the community and funds infrastructure changes necessary to make Medical Assistance accessible to them ninety days prior to leaving incarceration. Health care coverage before the last day of their incarceration means that individuals will be more successful in the transition back to society with access to health care and prescriptions, including behavioral health services and substance use disorder treatment without any lapses in coverage. For a population that is so often forgotten or set up for failure when reintroduced to the community, this is a critical opportunity to build an infrastructure for support and long-term success. By making a small investment, we can reduce recidivism and help returning citizens succeed in their new lives.

In a post-pandemic world, Pennsylvanians are more aware of the real-world impacts of viruses and communicable diseases than ever before. Since 2019, DOH has focused on preventing and eradicating new threats to the health and safety of Pennsylvanians, including the proliferation of Viral Hepatitis. What began with a planning committee and statewide listening sessions, culminated into the PA Viral Hepatitis Elimination Plan published in 2023. This comprehensive public health initiative includes long-term strategies for prevention, education, testing, care navigation, treatment, data, and surveillance to manage the spread of this highly infectious disease. This budget includes **\$994,000** to address Viral Hepatitis in the Commonwealth. Together with dozens of health care leaders, DOH will continue working to eliminate this disease and ensure access to proper care and treatment for those facing hepatitis diagnoses.

Finally, the budget proposes a **\$5 million** investment for grants to qualifying institutions researching neurodegenerative diseases. Pennsylvania is home to some of the top research institutions in the world, which are largely dependent on limited federal grant dollars. This funding would make Pennsylvania a national leader in research and breakthroughs to hopefully find a cure for these devastating diseases.

Dedicating Resources to Address Behavioral Health Needs

Pennsylvania's counties provide a variety of community-based behavioral health services critical to the well-being of Pennsylvania's residents. However, state support for these community-driven solutions has not kept up with the increasing

demand for mental and behavioral health services. Recognizing the increased demand and utilization of these services in recent years, this budget proposes to increase base funding to counties to provide critical behavioral health services and address deepening workforce shortages. Building on the investments made in the 2023-24 and 2024-25 budgets, this budget proposes increased funding for these community-based services by an additional **\$20 million**. This marks year three of the Shapiro Administration's three year commitment to investing \$60 million more into the county behavioral health system.

The 2025-26 budget also includes **\$1.6 million** for Community Hospital Integration Projects Program (CHIPP) discharges to reduce state hospital stays. This integration program discharges individuals with complex service needs who are currently in state hospitals – but no longer need inpatient psychiatric treatment – into community programs. CHIPP funding is used to develop the person-specific community resources and services infrastructure that is needed for an individual to be transitioned out of the institutional setting and into the community. CHIPP helps to reallocate funds to the community for the development of new alternatives to treatment services and supports. The community services developed with CHIPP funds are not only available to persons discharged from the state hospitals but also to other individuals with mental illness who would otherwise require hospitalization. This funding will support 20 individuals currently residing in state hospitals with community-based supports.

This budget provides **\$5.75 million** to serve people who do not require the level of forensic treatment provided at a state hospital or who are being discharged from these institutions. By supporting these initiatives, the Commonwealth can reduce or prevent delays in admissions to state facilities for people requiring competency determinations or restorations, keeping Pennsylvania in compliance with the DHS's interim settlement agreements. In addition to preventing delays in admission to state facilities, supporting programs like these keep vulnerable individuals out of incarceration by providing the community-based care that they need.

With the federal designation of 988 as the 3-digit dialing code to the mental health crisis and suicide prevention hotline, Pennsylvania needs to dedicate additional resources in order to fully meet the needs of its residents. Funding for 988 is crucial to establishing and sustaining a dedicated crisis response system for these emergencies and will enable Pennsylvania to enhance its crisis intervention services, expand mental health resources, and ensure competent and resilient 24/7 staffing is maintained. To that end, the proposed budget includes **\$10 million** for 988 crisis hotline operations and capacity building.

Walk-in crisis centers play a pivotal role in providing immediate, accessible, and specialized care for individuals experiencing a mental health crisis as a critical component of the behavioral health care infrastructure. Pennsylvanians in crisis must have a timely and accessible option for seeking support outside of regular business hours. Moreover, establishing partnerships with local community organizations, law enforcement, hospitals, and mental health services providers enhances the effectiveness of walk-in crisis centers. This budget includes **\$5 million** for maintaining mental health crisis stabilization centers, with a focus on geographic areas of the Commonwealth that have limited access to these on-the-spot resources.

Postpartum depression is a silent struggle faced by too many mothers, often in the shadows. It impacts not only their well-being but also the health and stability of their families. Recognizing this, the Shapiro Administration has prioritized maternal health from the start. The Administration secured the first ever investment to expand maternal health programming and implement prevention strategies to reduce maternal mortality and morbidity. Building on that foundation, the 2024-25 budget further advanced maternal health initiatives. But there's more to do, especially when it comes to postpartum depression (PPD). This is why the Department of Health will be tasked with expanding screening efforts, ensuring timely and equitable interventions, and working to break the stigma surrounding PPD. Every mother should feel supported and empowered, not isolated or overwhelmed and with these continued investments, Pennsylvania can be a place where no mother has to face postpartum depression alone, and every family can thrive.

Supporting Pennsylvania's Older Adults

In May 2023, Governor Shapiro issued an Executive Order charging the Department of Aging (PDA) to develop a strategy to assist Pennsylvania in preparing for a future aging population. The department developed a 10 year roadmap to meet the needs of the Commonwealth's older adults and improve services for this rapidly growing population. Implementation of the Aging Our Way, PA plan requires funding to support its infrastructure. To date, the department has created the Caregiver Toolkit, a statewide informational tool and a caregiver screening tool. With more older adults living at home, the goal is to help empower family and informal supports to care for their loved ones and allow them to age with dignity, where they want to live out their lives.

This budget includes a **\$3 million** investment in the Aging Our Way, PA strategy to focus on modernizing the PA Link through a series of targeted initiatives. The PA Link serves as Pennsylvania's Aging and Disability Resource Center (ADRC) network, designed to streamline access to long-term services and supports. This network empowers older adults, individuals with disabilities, and caregivers in providing coordinated access to resources, unbiased guidance, and assistance in navigating both public and private programs. The PA Link facilitates collaboration among the Area Agencies on Aging (AAAs), CILs, and other community-based organizations to ensure seamless service delivery across 15 Service Areas statewide. Funding for this initiative focuses on strengthening service delivery and coordination across the ADRCs; implementing the *No Wrong Door System* by addressing gaps in access and navigation; and supporting the development and adoption of the Aging Our Way PA advisory committee's recommendations for modernizing the network.

The DOH Long-Term Care Transformation Office provides guidance, support, and technical assistance across Pennsylvania to curb the proliferation of nursing facility closures, support the workforce, and ensure the health and safety of residents. This budget proposes **\$7.5 million** to fund the Office's operations and provide support to these acute care facilities and ensure the continuation of transformational support to these providers.

The proposed budget also provides a **\$20 million** increase to the PENNCARE program to assist AAAs in providing key services to seniors. The growth rate of Pennsylvania's older adult population age 65 and older is more than 20 times higher than the growth rate of the state's general population. Pennsylvania has the fifth largest older adult population in the nation. The 52 AAAs, which serve all 67 counties, face challenges with contracting service providers, recruiting and retaining staff, and paying vendors and contractors to provide adequate, timely, and quality services to help keep older Pennsylvanians independent and aging in their homes and communities.

For the first time in decades, PDA is focusing on increasing AAA accountability and oversight. This budget includes a **\$2 million** investment in the department to support efforts to ensure that every AAA is surveyed on a biannual basis. These efforts will not only help PDA know and prepare for service gaps or areas where more support may be needed in each community but will also provide much needed hands-on support to the AAAs.

To assist in these initiatives, the budget proposes to direct a portion of the proceeds from a tax on games of skill into the Lottery Fund. To also assist in ensuring that older adults have the services that they need, this budget calls on the full repeal of the Lottery profit mandate established in Act 91 of 1971, which currently requires that Pennsylvania lottery games provide at least a 20 percent profit. Pennsylvania is one of only seven states that still have a profit percentage requirement, and the top seven performing state lotteries in terms of net income are all states that do not have any profit margin requirements. Eliminating the minimum profit margin requirement would allow the Lottery more flexibility to offer higher-priced games that Lottery players want.

Supporting Hospitals

Like the rest of the health care system, hospitals are facing significant structural challenges right now, from low reimbursement rates to the rising cost of labor and care delivery. Those challenges are particularly acute in rural communities, which often include higher proportions of low-income patients. Hospitals across the Commonwealth are being stretched thin, with rural hospitals facing the most immediate and dire conditions. This budget continues to invest in hospitals with another **\$10 million**, which will draw down additional federal matching funds to help offset increasing costs. These funds will be used by DHS to assist the Commonwealth in responding to urgent consumer health care needs and staffing requirements. Building on Governor Shapiro's work to convene a Rural Healthcare Working Group, the 2025-26 budget also includes an additional **\$10 million** to specifically provide support to rural hospitals that are continuously subjected to changing health care markets in which the need to adapt and provide new or previously dissolved service lines has become a necessity.

This proposal includes **\$20 million** to provide patient safety and support to hospital partners in a new dedicated appropriation. Barriers to care are not just 'access to care,' but affordability, transportation, and reliable providers. The Commonwealth can improve its monitoring of health care markets and assist in crisis situations when appropriate. Likewise, DOH is finalizing proposed hospital regulations that will assist in transforming the way care is provided in these inpatient settings. Flexibilities and innovation should not be stunted by government regulation but provided to facilitate partnerships between hospitals and the Commonwealth.

Investing in the Safety of Communities and the Public

Reducing Crime and Gun Violence

Governor Shapiro believes Pennsylvanians deserve to be safe and feel safe in their communities – that means living in a community free from violence and having a criminal justice system that enforces the laws in a fair and consistent manner. Over the past two years, the Pennsylvania Commission on Crime and Delinquency (PCCD) has provided more than \$600 million in funding for over 3,500 grants across Pennsylvania to address and prevent violence in our communities. The proposed 2025-26 budget continues to make investments in the community organizations doing critical violence prevention work, including a **\$10 million** increase for the successful Violence Intervention and Prevention program through PCCD. This program supports a wide range of models focused on reducing community violence and relies on community groups that are most in tune with specific local needs.

PCCD's Building Opportunity through Out of School Time (BOOST) Grant program, created in the bipartisan 2024-25 budget, provides funding for after-school programs to help keep kids safe and provide enrichment opportunities to address the root causes of violence and make our communities safer. This budget proposes to nearly double the funding available for the program by investing an additional **\$10 million**.

Streamlining County Probation Services

Currently, some of PCCD's grant programs are duplicative or restrictive, making it difficult for grantees to use the funds – especially for counties supporting supervision, re-entry, and treatment. This budget proposes commonsense steps to streamline multiple county-based funding streams for parole, adult probation, re-entry, and jail-based medication treatment into one appropriation to streamline resources, reduce administrative costs, and improve service delivery. This unified approach will ensure counties are not missing out on funding for critical programs, leading to better outcomes for people on probation and re-entry and making our communities safer.

Supporting Victims of Violent Crime

PCCD's Victim's Compensation Assistance Program (VCAP), Rights and Services Act, and Victims of Juvenile Offenders programs provide financial assistance to crime victims for expenses like relocation, medical bills, counseling, funeral costs, and lost wages. However, these programs are unable to meet the growing demand. The 2024-25 budget provided a one-time solution by transferring nonrecurring existing resources to stabilize the programming. Without a stable, long-term state funding source, PCCD's ability to serve victims effectively is at risk. As a temporary fix until a long-term solution can be addressed with the General Assembly, this budget proposes to provide flexibility to the funds currently transferred to PCCD from the Medical Marijuana Program Fund, which would allow PCCD to utilize current uncommitted funds to support VCAP-related expenses in the budget year. Additionally, this budget proposes a **\$2.2 million** increase in funding for advocates for services for children who have been abused, neglected, or abandoned.

Ensuring the State Police are Equipped to Protect Every Neighborhood

The Pennsylvania State Police (PSP) patrol thousands of miles of the Commonwealth's roadways and hundreds of townships and boroughs. For many, especially in rural communities, PSP routinely aids municipal law enforcement agencies that are understaffed or need additional support. Under Governor Shapiro's leadership, the Administration has bolstered public safety by securing funding for over 800 new state troopers and nearly 700 municipal law enforcement officers, as well as eliminating college credit requirements for state troopers.

This budget continues to support PSP's mission to protect the safety of Pennsylvania communities by investing **\$14.5 million** for four additional cadet classes and calls for the complete elimination of the current statutory cap which limits the number of troopers on the streets. Removing the statutory cap will allow for increased patrol visibility, faster response times, and the ability to maintain a proactive posture in Pennsylvania's communities. Beginning in 2025-26, this funding will allow for the training of **432 new State Troopers** to provide critical policing services to Pennsylvania's residents. This budget also continues investing in a regular replacement cycle of police vehicles for the State Police. Under this Administration, PSP has updated the current fleet of vehicles, with a 40 percent reduction in the number of vehicles that are over 100,000 miles and nearing the end of their useful life.

It is also vital to create opportunities for those interested in a career in law enforcement and public service. To help young people who would like to explore careers in law enforcement and public safety, this budget proposes to invest a dedicated **\$300,000** for the existing Camp Cadet and Law and Leadership programs operated through PSP.

Supporting First Responders and Municipalities Responding to Emergencies

Pennsylvania's municipalities and first responders on the ground play a vital role in responding to emergencies all across the Commonwealth. Many times, emergency management coordinators and first responders are the first people on the scene – and they need state support to do their jobs, have fast and responsive services, and keep Pennsylvanians safe.

As fires continue to be a major concern across the country, Pennsylvania's professional and volunteer firefighters and first responders bravely put themselves in harm's way to protect their neighbors and serve an essential role in ensuring the safety of their communities. The fire service faces recruitment and retention concerns and requires ongoing equipment updates and replacement. This budget proposes **\$30 million** for competitive grants to fire companies for a variety of vital uses, including recruitment, retention, capital, and general operating needs.

The Commonwealth has also seen historic flooding over the last two years – with many counties facing emergency situations at the same time. Pennsylvania's municipalities need tools to not just respond to emergencies, but to prevent them from happening in the first place. Disaster response is always more costly than the prevention – including the toll these emergencies take on impacted Pennsylvanians who may lose loved ones, and their homes, businesses, and livelihoods to events like fires and floods. That's why this budget proposes taking legislative action to allow for existing funds at the Pennsylvania Emergency Management Agency (PEMA) to be used for mitigation projects, in addition to emergency response.

Supporting Municipalities in Financial Distress

Under Act 47 of 1987, the Municipalities Financial Recovery Act, DCED has a responsibility to assist municipalities that are experiencing severe financial difficulties in order to ensure Pennsylvanians' health, safety and welfare. Local governments operate everything from local police departments and fire departments to trash and recycling services – and Pennsylvanians rely on these services every day. Since its inception, a total of 29 Pennsylvania municipalities have entered and successfully exited the Act 47 program, which provides loan and grant funds to financially distressed local governments as well as technical assistance to create financial recovery plans. At this time, three municipalities have distress determinations and are part of the Act 47 program, including City of Chester, the City of Harrisburg, and the Borough of Newville. While many municipalities have had their Act 47 status rescinded due to better financial footing, there is a concern that municipalities will begin to feel the impacts from fewer emergency relief dollars available from federal pandemic funding. In anticipation of this, the budget includes an increase of **\$10 million** in the Transfer to Municipalities Financial Recovery Revolving Fund to provide additional resources for communities that require Act 47 support.

Improving the Criminal Justice Delivery System

As a result of recent initiatives to improve outcomes at DOC, the number of inmates at State Correctional Institutions has decreased by 9,000 over the last 8 years and the recidivism rate has fallen by 7 percent over the same time period. The Department of Corrections' (DOC) facilities have consistently operated under capacity, with utilization rates ranging from 84 to 92 percent. These facilities have significant fixed costs, including staffing, utilities, and maintenance.

Following a careful review of its current resources and long-term outcomes, the REMAP process has recommended closing two state correctional institutions, which will result in an estimated annual cost savings of over **\$100 million** for the Commonwealth when fully implemented. This budget anticipates those future closures. Following the process required by the Public Safety Facilities Act, these closures will not result in a reduction of services but will strategically redistribute resources to meet operational and rehabilitation goals more effectively.

The Bureau of Community Corrections has operated its state-run centers below capacity, despite having the ability to safely operate at full capacity. Closing two state-run centers and using other available bed space would optimize use, reduce operational costs, and save approximately **an additional \$10 million** annually. Similarly, these closures aim not to reduce services, but to strategically redistribute resources to improve overall efficiency and effectiveness.

Finally, the REMAP process included a recommendation to implement a charging policy for county inmates housed at State Correctional Institutions. Currently, DOC accepts county inmates (5B inmates) without enforcing daily housing cost charges, shifting the financial burden from counties to the state. Fully implementing a charging policy will ensure equitable cost-sharing, allowing counties to either retrieve their inmates or agree to cover housing costs. Enforcing this policy is expected to save nearly **\$1 million** annually.

Making Government Work for Pennsylvanians

Enhancing the Digital Experience and Protecting Information

The Commonwealth Office of Digital Experience (CODE PA) was created by Executive Order in April 2023 to improve and streamline the way Pennsylvanians interact with Commonwealth services online. By creating an internal team to build digital products and services in-house, the Commonwealth has been able to save taxpayers money by reducing reliance on expensive contracts with external consultants and vendors. CODE PA resources are on average 60 percent less expensive than agency partners who complete similar work. In the 2024-25 enacted budget, CODE PA was provided with \$21 million to jump start an Information Technology transformation. This budget builds on those investments with an additional **\$6.9 million** to continue scaling up CODE PA's success making the digital services Pennsylvanians rely on more user-friendly and accessible.

In today's threat landscape, the increasing frequency and sophistication of cyberattacks pose significant risks to the Commonwealth. Investing in advanced cybersecurity infrastructure is essential to safeguard critical systems, sensitive data, and business continuity. Advancing to a modern infrastructure will enable a seamless experience. This budget proposes **\$10 million** for enhanced enterprise-wide cybersecurity updates.

Ensuring the Commonwealth's Office Spaces Are Used Efficiently and Effectively Proper Space Management in a Hybrid Work Environment

To attract and retain a talented workforce, the Commonwealth is adapting its office spaces to better align with modern work trends and employee preferences. National research indicates that long commutes and the desire for flexible work arrangements are key factors in employees' workplace choices. Recognizing this, the Commonwealth has adopted policies that support telework and hybrid work environments.

Through its work on the Space Optimization and Utilization Plan, DGS will balance the diverse needs of the Commonwealth while effectively reducing its overall footprint by consolidating and exiting leased space, promoting shared spaces among agencies, utilizing resources efficiently, and fostering collaborative and adaptable workspaces. The goal of the plan is to maximize the use of long-term office spaces, promote collaboration, and make it easy for staff to work from any Commonwealth location by creating attractive places to work that encourage employee engagement while reducing lease costs. Over the next 10 years, these initiatives are anticipated to result in net savings of **\$45 million** by improving Commonwealth-owned space and reducing the leased space footprint.

Continuing to Improve Permitting, Licensing, and Certification Processes

Governor Shapiro has taken significant steps to improve the delivery of government services, streamline the Commonwealth's permitting, licensing, and certification processes, and attract businesses to Pennsylvania. This includes the creation of the Office of Transformation and Opportunity (OTO), coordination of a catalogue of the more than 2,400 permits, licenses, and certifications issued by the Commonwealth, and launch of the PAYback initiative to reduce processing times and boost Pennsylvania's competitiveness. The 2024-25 budget provided for the Streamlining Permits for Economic Expansion and Development (SPEED) program through the Department of Environmental Protection, aimed at reducing the time it takes to review and act on permits. In November 2024, Governor Shapiro created the Pennsylvania Permit Fast Track program to further streamline the Commonwealth's permitting process for key economic development and infrastructure projects, by increasing transparency and accelerating timelines to ensure state government delivers results quickly and efficiently. Both the PAYback and Fast Track initiatives were supported and developed by CODE PA.

In addition to the progress in the permitting space, this budget also proposes to reform and modernize the professional licensure process in the Commonwealth. To that end, this budget advances several initiatives to ensure that the Department of State (DOS) facilitates workforce development rather than creating unnecessary barriers to employment. Specifically, this budget calls for removing antiquated red tape by reducing the number of unnecessary licenses through a sunset process, downgrading certain underutilized licenses to certifications, and issuing automatic provisional licenses for the easiest licensure experience in the nation to draw more workers to Pennsylvania, specifically targeted at licenses where there is a substantial need for more professionals.

Economic Outlook

The Pennsylvania [Department of Revenue](#) and the [Office of the Budget](#) use economic forecast data from [S&P Global Market Intelligence](#) (S&P), Moody's Analytics, and other economic sources to inform official tax revenue estimates and forecasts.

U.S. Recent Trends and Current Conditions

From 2018 to 2024, real GDP growth in the U.S. fluctuated, highlighting both the economy's resilience and its challenges. Real GDP growth reached 3.0 percent in 2018 and 2.6 percent in 2019 but experienced a sharp contraction of -2.2 percent in 2020 due to the COVID-19 pandemic. The economy rebounded in 2021, growing by 6.1 percent thanks to recovery efforts and fiscal stimulus. By 2025, real GDP is expected to grow at 2.0 percent, signaling a moderate but sustained expansion.

The federal funds rate also experienced major shifts during this period. Between 2017 and 2019, the Federal Reserve steadily raised the rate from 0.65 percent to 2.40 percent as the economy strengthened. In 2020, it slashed rates to near-zero levels (0.05 percent) to counter the pandemic's economic impact, keeping the rates there through 2021. Starting in 2022, the Federal Reserve launched an aggressive rate-hike campaign to fight inflation, pushing the rate to 4.10 percent by the end of the year and peaking at 5.33 percent in mid-2023. Rates remained elevated throughout most of 2024 but started easing toward the end of the year.

The Forecast

Real GDP growth is expected to decelerate over the next three years, reflecting slower economic momentum. In 2025, growth is forecasted to drop to 2.0 percent, with a slight rebound to 2.1 percent in 2026, before tapering further to 1.8 percent in 2027, and edging back up to 1.9 in 2028. This gradual forecasted slowdown is driven by rising unemployment, subdued corporate profit growth, and easing consumption rates.

The federal funds rate is expected to decline steadily over the same period. Analysts predict rates will decrease through 2025 before stabilizing in 2026 as inflationary pressures ease and monetary policy seeks to stimulate economic activity.

Charts 1 and 2 illustrate U.S. macroeconomic projections based on S&P's November 2024 baseline scenario. Table 1 highlights the annual growth rates of key economic indicators, while Table 2 provides a narrative summary of various indicators.

Chart 1
REAL GROSS DOMESTIC PRODUCT
Annual Growth

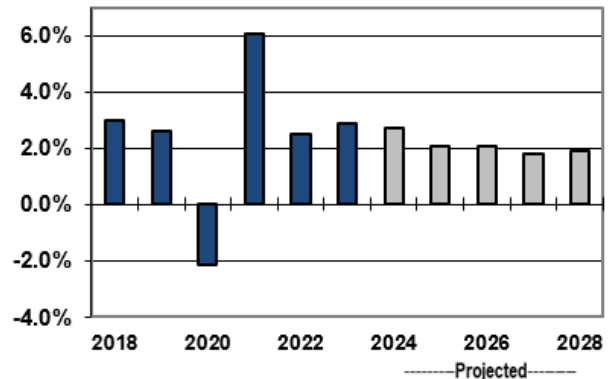


Chart 2
FEDERAL FUNDS RATE

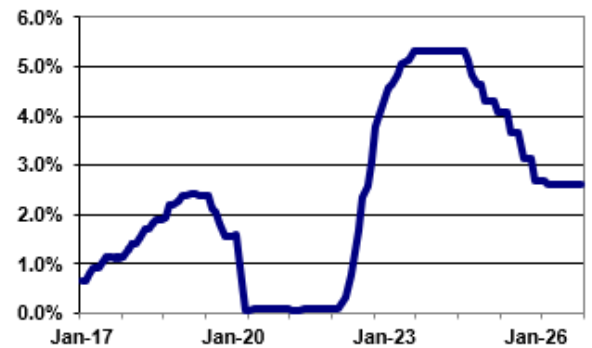


Table 1
Forecast Change in
Key U.S. Economic Indicators
Annual Percentage Growth

Indicator	2024p	2025p	2026p	2027p
Real GDP	2.7	2.0	2.1	1.8
Total Consumption	2.7	2.6	2.3	2.3
Corporate Profits (After Tax)	7.0	0.1	0.1	1.0
Unemployment Rate (Rate)	4.0	4.4	4.5	4.6
CPI	2.9	2.1	2.4	2.4
Federal Funds (Rate)	5.15	3.79	2.64	2.63

p = projected

Table 2
U.S. Macro Forecast Projections
November 2024

Baseline Forecast	
GDP Growth	Real GDP rose 2.9% in 2023. Growth continues at 2.7% in 2024 and 2.0% in 2025.
Consumer Spending	Consumption dropped from 3.0% in 2022 to 2.5% in 2023. Growth continues at 2.7% in 2024 and 2.6% in 2025.
Business Fixed Investment	Rose 6.0% in 2023 and rises 3.7% in 2024 and 2.1% in 2025.
Housing	Housing starts fell from 1.55 million in 2022 to 1.42 million in 2023 then will decline to 1.35 million in 2024 and 1.34 million in 2025.
Exports	Rose 2.8% in 2023; rise 3.5% in 2024 and 4.0% in 2025.
Fiscal Policy	Under the Fiscal Responsibility Act of 2023 (FRA23) the debt ceiling is suspended with the assumption that it will be raised.
Monetary Policy	Expect that the upper end of the federal funds rate target peaked at 5.33% and declines gradually to 2.75% in the second quarter of 2026.
Credit Conditions	Tightened in 2023; conditions ease amidst declining interest rates.
Consumer Confidence	Gently escalated through 2023.
Oil Prices (Dollars/barrel)	Average price of Brent crude oil fell from \$101/barrel in 2022 to \$83 in 2023. It slips to \$81 in 2024 before falling to \$71 in 2025.
Stock Markets	Moody's finds that the year-end value of the S&P 500 rose 4.5% in 2023 over the previous year, with growth of 25.7% in 2024 with a projected fall to 4.6% in 2025.
Inflation (CPI)	The Consumer Price Index (CPI) for all items increased to 4.1% in 2023 and is expected to moderate to 2.9% in 2024 and 2.1% in 2025.
Foreign Growth	Eurozone GDP will increase from 0.5% in 2023 to 0.7% in 2024, while China's growth will fall from 5.2% in 2023 to 4.9% in 2024.
U.S. Dollar	The broad real dollar gently falls.

2024 S&P Global & Moody's Analytics.

Pennsylvania Economic Outlook

Pennsylvania's economy reflects a mix of opportunities and challenges shaped by its diverse industries, strategic location, shifting demographics, and evolving governmental policies. The real gross state product (GSP) is expected to grow at an average annual rate of 1.5 percent through 2029. Personal income is expected to rise by 4.4 percent annually over the same period.

Employment Trends and Sector Highlights

Pennsylvania's payrolls grew steadily in early 2024, with June seeing a 1.6 percent year-over-year increase, outpacing the national average. The health care and social services sector drove much of this growth, supported by gains in ambulatory care, social services, and nursing facilities. Leisure and hospitality also posted strong job increases, while public-sector payrolls remain below pre-pandemic levels. Construction employment held steady despite high costs and interest rates. Federal investments in infrastructure and industrial projects provided crucial support for the sector. The professional and technical services industry, led by advancements in AI, automation, and biosciences, is a key growth sector, with Pittsburgh emerging as an innovation hub fueled by the state's numerous high-quality research universities.

Labor Force Dynamics

In the first half of 2024, Pennsylvania's labor force grew by nearly 100,000 jobs, a 1.5 percent increase compared to the previous year. This expansion supported job growth across various sectors, keeping unemployment steady in the mid-3 percent range. Unemployment is expected to rise in the out years. Long-term issues such as an aging workforce, slower population growth, retirements, and limited migration pose challenges. Rural counties continue to face population declines.

Housing and Construction

Home prices in Pennsylvania have risen in recent years due to limited inventory, but the pace of growth is slowing. In early 2024, the Federal Housing Finance Agency reported a 7.9 percent year-over-year increase in home prices, down from 8.1 percent in late 2023. Single-family home construction remains subdued, but multifamily developments and senior housing projects continue to grow.

Energy and Natural Resources

Pennsylvania remains the nation's second-largest natural gas producer, primarily from the Marcellus Shale. However, growth in this sector has slowed, driven by a modest decline in natural gas production from previous years, as well as plateauing pipeline capacity and challenges in expanding infrastructure. Coal production, while still significant, continues to decline as demand wanes and energy policies shift. Nuclear energy also plays a vital role in the state's energy mix.

Export and Trade Strength

In 2023, Pennsylvania's exports hit a record \$52.9 billion, led by chemicals, electronics, and machinery. Canada and Mexico remain the state's top trading partners. The strong export performance reflects Pennsylvania's robust manufacturing and high-tech industries, which continue to attract global demand.

Strategic Location and Logistics

Pennsylvania's central location and access to major ports drive its transportation and warehousing sectors. The state's proximity to major population centers, along with strong infrastructure and connectivity, supports a booming logistics industry. E-commerce growth has further boosted demand for warehousing and delivery services, especially in areas like Allentown.

Table 3 shows various historical and projected key economic indicators for Pennsylvania's economy.

Table 3
Key Economic Indicators for Pennsylvania

Key Economic Indicators	2022	2023	2024	2025	2026	2027
Real Gross State Product (in millions, 2017 dollars)	\$ 779,361	799,229	818,840	836,833	852,709	867,821
Real Gross State Product (percentage change)	% 1.8	2.5	2.5	2.2	1.9	1.8
Total Employment (in thousands)	5,984	6,087	6,177	6,221	6,217	6,209
Total Employment (percentage change)	% 3.9	1.7	1.5	0.7	(0.1)	(0.1)
Manufacturing Employment (in thousands)	564	566	567	565	552	545
Nonmanufacturing Employment (in thousands)	5,420	5,520	5,611	5,656	5,665	5,664
Population (in thousands)	12,970	12,963	12,978	13,007	13,031	13,039
Population (percentage change)	% (0.3)	(0.1)	0.1	0.2	0.2	0.1
Unemployment Rate (percentage)	% 4.1	3.4	3.4	4.1	4.4	4.6
Personal Income (percentage change)	% 2.2	5.3	4.7	5.1	4.9	4.7

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Overview: State Fiscal Recovery Funds

ARPA Coronavirus State and Local Fiscal Recovery Funds

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, enacted as a part of the federal American Rescue Plan Act (ARPA) of 2021, delivered \$7.291 billion to Pennsylvania. The SLFRF program helped ensure Pennsylvania had the resources needed to respond to the pandemic. These critical recovery funds supported families, health care providers, and businesses struggling with the pandemic’s economic impacts, maintained vital public services, and built a strong and equitable recovery.

The Pennsylvania General Assembly appropriated funds through [Act 1A of 2021](#), [Act 1A of 2022](#), [Act 2 of 2022](#), [Act 10 of 2022](#), [Act 33 of 2023](#), and [Act 54 of 2024](#). The funds were obligated for 50 specific projects, one of which covers revenue replacement provisions and the remaining 49 fall under various expenditure categories. A full list of Pennsylvania’s fiscal recovery reports can be found on the Office of the Budget [webpage](#).

Federal law required that all SLFRF dollars must be obligated by December 31, 2024, and expended by December 31, 2026. In order to meet these deadlines, Governor Shapiro signed Act 54 of 2024, which required the Administration to identify unobligated SLFRF funds as of December 20, 2024, and reallocate them to the Department of Corrections by December 30, 2024. A total of \$86.8 million was transferred to the Department of Corrections for staffing costs associated with COVID detection and prevention.

As of December 31, 2024, the Commonwealth obligated all \$7.291 billion awarded through the SLFRF program, and expended \$6.514 billion. The remaining funds are expected to be expended for specific uses by the federal deadline of December 31, 2026.

	(Dollar Amounts in Thousands)				
	2021-22	2022-23	2023-24	2024-25	Total
	Actual	Actual	Actual	Available	
Executive Offices					
COVID-SFR Transfer to General Fund	\$ 3,841,000	\$ -	\$ -	\$ -	\$ 3,841,000
COVID-SFR Transfer to Emergency Medical Services Operating Fund	5,000	-	-	-	5,000
COVID-SFR Pandemic Response	54,999	1,097	-	-	56,096
DEPARTMENT TOTAL	\$ 3,900,999	\$ 1,097	\$ -	\$ -	\$ 3,902,096
Commission on Crime and Delinquency					
COVID-SFR Pandemic Response	\$ 19,498	\$ -	\$ -	\$ -	\$ 19,498
COVID-SFR Local Law Enforcement Support	131,206	-	-	-	131,206
COVID-SFR Gun Violence Investigation & Prosecution	49,677	-	-	-	49,677
COVID-SFR Violence Intervention and Prevention	74,782	-	-	-	74,782
COVID-SFR School Mental Health Grants	-	-	86,353	-	86,353
DEPARTMENT TOTAL	\$ 275,163	\$ -	\$ 86,353	\$ -	\$ 361,516
Agriculture					
COVID-SFR SCC Agriculture Conservation Assistance Program	\$ -	\$ 151,143	\$ 968	\$ 669	\$ 152,780
COVID-SFR NM Planning, Grants & Technical Assistance....	-	15,945	179	489	16,613
DEPARTMENT TOTAL	\$ -	\$ 167,088	\$ 1,147	\$ 1,158	\$ 169,393
Community and Economic Development					
COVID-SFR Construction Cost Relief (PHFA)	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
COVID-SFR Development Cost Relief (PHFA)	-	150,000	-	-	150,000
COVID-SFR Affordable Housing Construction (PHFA)	-	100,000	-	-	100,000
COVID-SFR Pandemic Response	181,203	1,050	-	-	182,253
COVID-SFR Transfer to CFA/Water & Sewer Projects	319,755	-	-	-	319,755
COVID-SFR Whole Home Repairs Program	-	121,000	1,718	2,282	125,000
COVID-SFR Historically Disadvantaged Business Assistance.....	-	20,000	-	-	20,000
COVID-SFR Transfer to CFA/Cultural & Museum Preservation Grants	-	15,000	-	-	15,000
COVID-SFR Low-Income Home Energy Assistance Program	-	3,750	-	-	3,750
DEPARTMENT TOTAL	\$ 550,958	\$ 410,800	\$ 1,718	\$ 2,282	\$ 965,758

Overview: State Fiscal Recovery Funds

ARPA Coronavirus State and Local Fiscal Recovery Funds, continued

(Dollar Amounts in Thousands)

	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Available	Total
Conservation and Natural Resources					
COVID-SFR State Parks and Outdoor Recreation Program..	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
COVID-SFR Keystone Tree Account	-	8,800	-	-	8,800
DEPARTMENT TOTAL	\$ 100,000	\$ 8,800	\$ -	\$ -	\$ 108,800
Corrections					
COVID-SFR State Correctional Institutions.....	\$ -	\$ -	\$ -	\$ 86,795	\$ 86,795
Education					
COVID-SFR-State System of Higher Education	\$ 50,000	\$ 125,000	\$ -	\$ -	\$ 175,000
COVID-SFR Pandemic Response	30,384	29,853	-	-	60,237
COVID-SFR School Based Mental Health Training & Pathways to Certification.....	-	-	4,681	-	4,681
DEPARTMENT TOTAL	\$ 80,384	\$ 154,853	\$ 4,681	\$ -	\$ 239,918
Higher Education Assistance Agency					
COVID-SFR Pandemic Response	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
COVID-SFR PA Student Loan Relief for Nurses.....	15,000	35,000	-	-	50,000
COVID-SFR School Based Mental Health Internship Grant Program.....	-	-	5,000	-	5,000
DEPARTMENT TOTAL	\$ 20,000	\$ 35,000	\$ 5,000	\$ -	\$ 60,000
Emergency Management Agency					
COVID-SFR EMS Recovery Grant Program.....	\$ 23,450	\$ -	\$ -	\$ -	\$ 23,450
Environmental Protection					
COVID-SFR Storm Water Management Grants.....	-	2,931	-	-	2,931
COVID-SFR Acid Mine Drainage Abatement & Treatment....	-	4,400	-	-	4,400
COVID-SFR NM Ed Research & Technical Assistance	-	3,280	-	-	3,280
DEPARTMENT TOTAL	\$ -	\$ 10,611	\$ -	\$ -	\$ 10,611
Health					
COVID-SFR Pandemic Response	\$ 13,106	\$ -	\$ -	\$ -	\$ 13,106
COVID-SFR Biotechnology Research.....	-	3,500	-	-	3,500
DEPARTMENT TOTAL	\$ 13,106	\$ 3,500	\$ -	\$ -	\$ 16,606
Human Services					
COVID-SFR Pandemic Response	\$ 60,452	\$ -	\$ -	\$ -	\$ 60,452
COVID-SFR Hospital Workforce Assistance.....	99,281	-	-	-	99,281
COVID-SFR Health Care Workforce Assistance.....	104,902	-	-	-	104,902
COVID-SFR Long-Term Living Programs	4,392	186,698	-	332,006	523,096
COVID-SFR Child Care Stabilization	87,204	-	-	-	87,204
COVID-SFR Low-Income Home Energy Assistance.....	-	21,250	-	-	21,250
DEPARTMENT TOTAL	\$ 356,231	\$ 207,948	\$ -	\$ 332,006	\$ 896,185
Infrastructure Investment					
COVID-SFR Clean Water Procurement Program	\$ -	\$ 22,000	\$ -	\$ -	\$ 22,000
Labor and Industry					
COVID-SFR Pandemic Response	\$ 1,200	\$ -	\$ -	\$ -	\$ 1,200
Revenue					
COVID-SFR Property Tax Rent Rebate.....	\$ -	\$ 140,000	\$ -	\$ -	\$ 140,000
Transportation					
COVID-SFR Highway and Safety Capital Projects	\$ 279,000	\$ -	\$ -	\$ -	\$ 279,000
Legislature					
COVID-SFR Pandemic Response	\$ -	\$ 8,000	\$ -	\$ -	\$ 8,000
TOTAL ARPA CORONAVIRUS STATE FISCAL RECOVERY FUNDS	\$ 5,600,491	\$ 1,169,697	\$ 98,899	\$ 422,241	\$ 7,291,328

Overview: Infrastructure Investment and Jobs Act

Infrastructure Investment and Jobs Act (IIJA)

The federal Infrastructure Investment and Jobs Act (IIJA) is providing a once-in-a-generation investment of federal funds into critical infrastructure projects across the nation.

The Commonwealth of Pennsylvania is receiving billions of federal dollars over the next several years to invest in roads, bridges, water and sewer systems, and other traditional infrastructure. Funding is also allocated to critical investments in cybersecurity, energy efficiency, water quality, clean air, and broadband access. The Commonwealth will also compete for additional federal discretionary grant funding that has been made available via the IIJA.

Below is a list of program funding authorizations by Commonwealth agency for 2023-24 through 2025-26. Dollars represent federal funds only and do not include any required state matching funds. For more information on agency efforts, please visit the [DCED](#), [DEP](#), or [DOT](#) IIJA websites.

This table illustrates the spending authorizations for the federal Infrastructure Investment and Jobs Act:

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Budget
Executive Offices			
(F)IIJA-State Digital Equity	\$ -	\$ -	\$ 5,000
(F)IIJA-State Cybersecurity (EA)	3,650	2,172 ^a	916
DEPARTMENT TOTAL	\$ 3,650	\$ 2,172	\$ 5,916
Community and Economic Development			
(F)IIJA-DOE-Weatherization Administration	\$ 5,500	\$ 5,500	\$ 12,000
(F)IIJA-DOE-Weatherization Program	80,000	80,000	150,000
(F)IIJA-Broadband Equity, Access, and Deployment	330,000	1,000,000	1,160,000
(F)IIJA-State Digital Equity Capacity	14,438	40,000	50,000
(F)IIJA-EPA Brownfields Revolving Loan Fund	-	10,000	10,000
DEPARTMENT TOTAL	\$ 429,938	\$ 1,135,500	\$ 1,382,000
Conservation and Natural Resources			
(F)IIJA-Community Wildfire Defense Grant Program	\$ 400	\$ 900	\$ 900
(F)IIJA-Forest Fire Protection and Control	-	800	800
(F)IIJA-Forest Management and Processing	-	34,000	34,000
(F)IIJA-Aid to Volunteer Fire Companies	-	1,800	1,800
(F)IIJA-Forest Insect and Disease Control	-	1,100	1,410
(F)IIJA-Spring Garden Dam Removal (EA)	750	750	750
(F)IIJA-Aid to Volunteer Fire Companies (EA)	1,400	-	-
(F)IIJA-Forest Fire Protection and Control (EA)	800	-	-
(F)IIJA-Forest Management and Processing (EA)	34,000	-	-
(F)IIJA-Forest Insect and Disease Control (EA)	1,100	-	-
DEPARTMENT TOTAL	\$ 38,450	\$ 39,350	\$ 39,660
Emergency Management Agency			
(F)IIJA-State and Local Cybersecurity	\$ 15,905	\$ 25,000	\$ 21,000
Environmental Protection			
(F)IIJA-DOE-Energy Programs	\$ 22,300	\$ 22,300	\$ 22,300
(F)IIJA-Orphan Well Plugging	105,000	105,000	175,000
(F)IIJA-Energy Efficiency and Conservation	4,000	4,000	4,000
(F)IIJA-Assistance for Small and Disadvantaged Communities	103,189	103,189	103,189
(F)IIJA-Electric Grid Resilience	16,250	269,250	269,250
(F)IIJA-Chesapeake Bay	6,933	6,933	15,933
(F)IIJA-Brownfields	4,000	4,000	6,000
(F)IIJA-Water Quality Management Planning Grants	1,000	1,000	2,000
(F)IIJA-USDA Good Neighbor Authority	2,000	5,700	18,500

Overview: Infrastructure Investment and Jobs Act

Infrastructure Investment and Jobs Act, continued

(Dollar Amounts in Thousands)

	2022-23	2023-24	2024-25
	Actual	Available	Budget
(F)IIJA-National Dam Safety Program.....	100	100	550
(F)IIJA-NFWF America the Beautiful Challenge.....	7,500	7,500	-
(F)IIJA-Coastal Zone Management.....	8,454	8,454	8,454
(F)IIJA-Methane Emissions Reduction Grants.....	20,000	20,000	20,000
(F)IIJA-Energy Efficiency Revolving Loan Fund.....	3,700	3,700	3,700
(F)IIJA-Resilient and Efficient Codes Implementation.....	3,000	3,000	3,000
(F)IIJA-Energy Auditor Training Grant.....	2,000	2,000	2,000
(F)IIJA-Solid Waste Infrastructure for Recycling.....	1,101	1,101	1,101
(F)IIJA-Environmental Justice Programs.....	10,000	10,000	10,000
(F)IIJA-DOE-Clean Energy Demonstration Projects.....	150,000	150,000	150,000
(F)IIJA-Advanced Energy Manufacturing.....	50,000	50,000	50,000
(F)IIJA-Hydroelectricity Development Programs.....	25,000	25,000	25,000
(F)IIJA-2 Percent Drinking Water Set Asides Offset (EA).....	6,452	6,452	6,452
(F)IIJA-10 Percent Drinking Water Set Asides Offset (EA).....	7,360	7,360	7,360
(F)IIJA-15 Percent Drinking Water Set Asides Offset (EA).....	1,857	1,857	1,857
(F)IIJA-DW Set-Aside Emerging Contam. Small or Disadvantage (EA).....	400	400	2,800
(F)IIJA-Abandoned Mine Reclamation (EA).....	469,904	469,904	714,986
(F)IIJA-STREAM Act Set-Aside (EA).....	-	6,500	7,150
DEPARTMENT TOTAL.....	\$ 1,031,500	\$ 1,294,700	\$ 1,630,582
Fish and Boat Commission			
(F)IIJA-Delaware River Basin Conservation Act (EA).....	\$ 750	\$ 750	\$ 750
Human Services			
(F)IIJA-State Digital Equity.....	\$ -	\$ -	\$ 1,000
Infrastructure Investment Authority			
(F)IIJA-Drinking Water Projects Revolving Loan Fund.....	\$ 386,304	\$ 500,000	\$ 500,000
(F)IIJA-Loan Program Administration.....	15,485	15,485	15,485
(F)IIJA-Technical Assistance to Small Systems.....	6,452	6,452	6,452
(F)IIJA-Assistance to State Programs.....	7,360	7,360	7,360
(F)IIJA-Local Assistance and Source Water Pollution.....	1,857	1,857	1,857
(F)IIJA-Emerging Contaminants in Small or Disadvantaged Comm.....	-	37,543	75,084
(F)IIJA-Emerging Contaminants in Small or Disadvantaged Comm (EA).....	41,039	-	-
(F)IIJA-Sewage Projects Revolving Loan Fund.....	165,942	269,000	325,000
DEPARTMENT TOTAL.....	\$ 624,439	\$ 837,697	\$ 931,238
Labor and Industry			
(F)IIJA-State Digital Equity.....	\$ -	\$ -	\$ 650
State Police			
(F)IIJA-Motor Carrier Safety-General Fund.....	\$ -	\$ 8,500	\$ 8,500
(F)IIJA-Cybersecurity (EA).....	1,056	560	560
(F)IIJA-Motor Carrier Safety-Motor License Fund.....	8,500	-	-
DEPARTMENT TOTAL.....	\$ 9,556	\$ 9,060	\$ 9,060
Transportation			
IIJA-Highway and Safety Capital Projects.....	\$ 792,384	\$ 827,617	\$ 858,754
TOTAL INFRASTRUCTURE INVESTMENT AND JOBS ACT AUTHORIZATIONS.....	\$ 2,946,572	\$ 4,171,846	\$ 4,880,610

^a Includes recommended supplemental executive authorization of \$132,000.

Overview: Commonwealth Workforce Transformation Program

Commonwealth Workforce Transformation Program (CWTP)

Governor Shapiro established the Commonwealth Workforce Transformation Program (CWTP) by executive order on July 31, 2023, to capitalize on the generational opportunity to revitalize the Commonwealth's infrastructure provided by the federal Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA) and position Pennsylvania's workforce for the future.

Under this executive order, the CWTP will invest up to \$400 million of federal IIJA and IRA funds to grow the Pennsylvania workforce needed to build the projects, as encouraged by the federal laws. These workforce investments will accelerate critical investments in roads, bridges, energy, water, sewer, and transformative economic development projects in Pennsylvania.

This table illustrates estimated CWTP program allocations by IIJA and IRA programs at Commonwealth agencies:

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Budget
Community and Economic Development			
(F)IIJA-CWTP-Weatherization Assistance Program (EA).....	\$ -	\$ 800	\$ 800
Environmental Protection			
(F)IIJA-CWTP-Orphan Well Plugging (EA).....	\$ -	\$ 1,000	\$ 2,000
(F)IIJA-CWTP-Abandoned Mine Reclamation (EA).....	-	3,000	500
(F)IRA-CWTP-Energy Performance-Homes Program (EA).....	-	800	800
(F)IRA-CWTP-Energy Performance-Electric Appliance (EA).....	-	800	588
(F)IRA-CWTP-Solar For All (EA).....	-	-	1,000
(F)IRA-CWTP-EPA-Planning Grants and Other Capacity Building Funding (EA).....	-	-	10,000
(F)IRA-CWTP-DOE-Planning Grants and Other Capacity Building Funding (EA).....	-	-	2,000
DEPARTMENT TOTAL	\$ -	\$ 5,600	\$ 16,888
Transportation			
(F)IIJA-CWTP-Highway Research, Planning, and Construction (EA).....	\$ -	\$ 10,000	\$ 25,000
Labor and Industry			
(F)IIJA-CWTP-Administration (EA).....	\$ 366	\$ 991	\$ 678
(F)IRA-CWTP-Administration (EA).....	34	92	322
DEPARTMENT TOTAL	\$ 400	\$ 1,083	\$ 1,000

Table does not show allocations from competitive programs and formula grants not yet awarded, or non-subgranted activity.

Public Information and Communications

The Commonwealth spends funds on activities to provide government information to the news media and the general public and for other essential communications efforts. Funds are budgeted in 28 agencies to provide public notification and information to the Commonwealth's public, news media, businesses, legislators, and Pennsylvanians regarding the bidding of contracts, issuance of rules and regulations, announcement of public hearings, and the availability of services and financial aid. The amounts that are detailed below exclude those items that are strictly educational and materials that are offered for public sale.

	(Dollar Amounts in Thousands)	
	2024-25 Estimate	2025-26 Estimate
Governor's Office	\$ 2,841	\$ 2,995
Lieutenant Governor	190	202
Executive Offices	352	365
Aging	415	462
Agriculture	634	771 ^a
Banking and Securities	329	340
Community and Economic Development	14,132	14,447
Conservation and Natural Resources	920	965
Corrections	394	407
Drug and Alcohol Programs	7,844	5,394 ^b
Education	1,393	1,605
Emergency Management Agency	778	809
Environmental Protection	4,625	4,855
Fish and Boat Commission	1,026	1,028
Game Commission	898	898
General Services	157	163
Health	1,314	1,519
Historical and Museum Commission	347	198 ^c
Human Services	1,126	1,173
Insurance	497	582
Labor and Industry	955	1,005
Liquor Control Board	15,919	13,427 ^d
Military and Veterans Affairs	840	876
Public Utility Commission	446	477
Revenue	3,573	3,657
State	3,340	2,778 ^e
State Police	786	787
Transportation	7,770	7,770
TOTAL	\$ 73,841	\$ 69,955

^a The increase is due to changes in communications personnel funding.

^b The decrease is due to a change in funds available from the State Opioid Response grant.

^c The decrease is due to prioritization of operational and site maintenance. The 2025-26 amount is a return to historical levels.

^d The decrease is due to a reduction in the Fine Wine and Good Spirits advertising budget as a cost containment measure.

^e The decrease is due to changes in Federal Election Reform funding received based on the presidential general election cycle.



Commonwealth of Pennsylvania

Governor's Executive Budget

PROGRAM BUDGET SUMMARY

This section summarizes the budget by major revenue source and major program area of expenditure. This summary includes programs funded from the General Fund, the two budgeted special revenue funds, federal funds, and other revenues including augmentations, restricted receipts and revenues, and other special revenue funds.

Detailed supporting information is provided for each major program area of expenditure by component categories and subcategories (subdivisions of activities) which contribute to the Commonwealth's total effort in that program. Detailed information on individual revenue sources may be found in the appropriate fund presentation in the Summary by Fund section of this document.

Guide to the “Summary of Revenues and Expenditures for the Operating Program” Statement

The Summary of Revenues and Expenditures for the Operating Program comprehensive statement shown on page B3 is an “all funds” seven year summary of revenues and expenditures for the Commonwealth’s operating program. This guide is intended to assist readers with interpreting and understanding the revenue and expenditure items presented on the comprehensive statement.

Beginning and Ending Balances

Beginning and ending balances are included only for state General Fund and state Special Funds as Federal Funds and Other Funds revenues and expenditures are considered to be self-balancing. The General Fund and Special Funds beginning and ending balances are based on their respective financial statements found in Section C.

Revenues

All General Fund, Special Funds, Federal Funds, and Other Funds revenues contributing to the Commonwealth’s operating program are shown on the statement.

- **General Fund:** The General Fund is the Commonwealth's largest operating fund. It receives all tax revenue, nontax revenue, and federal grants and entitlements not specified by law to be deposited elsewhere. Tax revenue comprises the majority of annual General Fund revenue, in a typical year. The largest sources of nontax revenue are normally profit transfers from the Pennsylvania Liquor Control Board, the escheats or “unclaimed property” program, and licenses and fees charged by state agencies. Additional information on General Fund revenue sources can be found in Section C1.
- **Special Funds:** Motor License and Lottery Funds contribute revenue to the Commonwealth operating program. Additional information on Special Fund revenue sources can be found in Sections C2 and C3.
- **Federal Funds:** All monies received from the federal government are deposited into the State Treasury and must be appropriated. The Department of Human Services receives the most federal funds. Additional information on federal funds budgeted by agency can be found in Section C for federal funds related to General Fund budgets and in Section E: Department Presentations in each agency’s Summary by Fund and Appropriation statement.
- **Other Funds:** There are more than 150 Other Funds contributing revenue to the Commonwealth’s operating program. See Section H: Other Special Funds for information and financial data on these funds. Additional information on Other Funds can be found in Section E: Department Presentations on each agency’s Summary by Fund and Appropriation statement.

Program Expenditures

Program expenditures are categorized by the eight Commonwealth Programs beginning with Direction and Supportive Services and ending with Debt Service. These programs include expenditures from all General Fund, Special Funds, Federal Funds, and Other Funds contributing to total operating program expenditures as shown on pages B6 and B7. More detailed expenditure breakdowns, by program category and subcategory, are shown on pages B8 through B17.

Total operating program expenditures are adjusted to include expenditure reductions from General Fund or Special Fund lapses of unspent prior-year funds. Other adjustments, such as fund transfers to or from the operating program are reflected respectively as an increase or decrease to the ending balances.

Program Budget Summary

Summary of Revenues and Expenditures for the Operating Program

The following table is a seven year summary of the revenues and expenditures by Commonwealth Program for the operating budget. Balances are included only for State funds, General Fund, and Special Funds - as Federal Funds and Other Funds revenues and expenditures are considered self-balancing.

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
BEGINNING BALANCES							
General Fund	\$ 8,084,871	\$ 6,632,089	\$ 2,893,876	\$ -	\$ -	\$ -	\$ -
Adjustment to Beginning Balance	75,000	74,000	-	-	-	-	-
Adjusted Beginning Balance	<u>\$ 8,159,871</u>	<u>\$ 6,706,089</u>	<u>\$ 2,893,876</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Motor License Fund	\$ 255,433	\$ 312,996	\$ 271,718	\$ 67,742	\$ 21,881	\$ 27,044	\$ 19,092
Adjustment to MLF Beginning Balance	-	-	-	-	-	-	-
Lottery Fund	162,648	318,101	89,232	10,058	19,497	26,377	39,067
Adjustment to LF Beginning Balance	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Special Funds	<u>\$ 493,081</u>	<u>\$ 706,097</u>	<u>\$ 435,950</u>	<u>\$ 152,800</u>	<u>\$ 116,378</u>	<u>\$ 128,421</u>	<u>\$ 133,159</u>
REVENUES							
General Fund:							
Corporate Net Income Tax	\$ 5,651,453	\$ 5,460,500	\$ 5,635,500	\$ 6,471,300	\$ 5,985,500	\$ 5,235,400	\$ 4,529,200
Personal Income Tax	17,856,822	18,677,200	19,635,100	20,596,300	21,464,600	22,514,100	23,555,900
Sales and Use Tax	14,255,907	14,570,300	14,871,000	15,501,600	16,048,100	16,623,100	17,194,500
All Other Revenues/Taxes	7,709,308	7,342,300	8,240,900	8,642,800	8,806,500	9,150,600	9,424,700
Less Refunds	(1,986,600)	(1,986,600)	(1,758,000)	(1,758,000)	(1,758,000)	(1,758,000)	(1,758,000)
Total General Fund	<u>\$ 43,486,889</u>	<u>\$ 44,063,700</u>	<u>\$ 46,624,500</u>	<u>\$ 49,454,000</u>	<u>\$ 50,546,700</u>	<u>\$ 51,765,200</u>	<u>\$ 52,946,300</u>
Motor License Fund	3,169,948	3,115,500	3,084,100	3,094,900	3,127,000	3,145,000	3,173,200
Lottery Fund	2,070,381	1,908,366	2,059,318	2,158,680	2,169,881	2,184,591	2,189,030
Federal Funds	46,024,548	50,629,123	53,102,656	53,488,876	53,781,172	54,144,844	54,520,481
Other Funds	21,486,331	23,038,515	23,722,782	23,355,229	23,102,189	22,827,449	22,745,380
Total Revenues	<u>\$ 116,238,097</u>	<u>\$ 122,755,204</u>	<u>\$ 128,593,356</u>	<u>\$ 131,551,685</u>	<u>\$ 132,726,942</u>	<u>\$ 134,067,084</u>	<u>\$ 135,574,391</u>
PROGRAM EXPENDITURES							
Direction and Supportive Services	\$ 2,930,721	\$ 3,029,118	\$ 3,074,044	\$ 3,084,542	\$ 3,071,815	\$ 3,072,050	\$ 3,062,273
Protection of Persons and Property	14,152,715	16,961,381	16,975,458	16,862,501	16,703,420	16,531,701	16,476,429
Education	23,443,262	25,026,362	26,031,096	26,192,952	26,344,618	26,476,199	26,608,091
Health and Human Services	59,767,720	62,829,204	67,564,556	68,547,774	69,540,007	70,520,106	71,557,823
Economic Development	4,341,614	5,660,058	6,084,209	5,625,639	5,213,305	4,893,980	4,595,888
Transportation	10,393,963	11,088,678	11,220,938	11,121,619	11,108,616	11,130,856	11,164,560
Recreation and Cultural Enrichment	1,317,079	1,193,404	1,225,288	1,228,358	1,235,142	1,245,649	1,253,327
Debt Service	1,336,426	1,232,219	1,550,848	1,629,080	1,697,967	1,775,137	1,877,008
Total Program Expenditures	<u>\$ 117,683,500</u>	<u>\$ 127,020,424</u>	<u>\$ 133,726,437</u>	<u>\$ 134,292,465</u>	<u>\$ 134,914,890</u>	<u>\$ 135,645,678</u>	<u>\$ 136,595,399</u>
Less General Fund Lapses	(587,026)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)
Less Motor License Fund Lapses	(121,159)	(96,883)	-	-	-	-	-
Less Lottery Fund Lapses	(159,350)	(47,519)	-	-	-	-	-
Total Operating Expenditures	<u>\$ 116,815,965</u>	<u>\$ 126,526,022</u>	<u>\$ 133,376,437</u>	<u>\$ 133,942,465</u>	<u>\$ 134,564,890</u>	<u>\$ 135,295,678</u>	<u>\$ 136,245,399</u>
Lottery Fund Reserves	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
Transfer-Budget Stabilization Reserve Fund	(736,899)	(321,542)	1,606,055	2,354,358	1,849,990	1,233,333	676,030
ENDING BALANCES							
General Fund	<u>\$ 6,632,089</u>	<u>\$ 2,893,876</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Motor License Fund	<u>\$ 312,996</u>	<u>\$ 271,718</u>	<u>\$ 67,742</u>	<u>\$ 21,881</u>	<u>\$ 27,044</u>	<u>\$ 19,092</u>	<u>\$ 17,449</u>
Lottery Fund	<u>\$ 318,101</u>	<u>\$ 89,232</u>	<u>\$ 10,058</u>	<u>\$ 19,497</u>	<u>\$ 26,377</u>	<u>\$ 39,067</u>	<u>\$ 45,731</u>

Program Budget Summary

General and Special Funds

This table shows a summary of Commonwealth Programs for 2023-24 actual year, 2024-25 available year, 2025-26 budget year, and future year estimates for the General Fund and selected Special Funds.

Seven Year Commonwealth Program Summary

(Dollar amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
Commonwealth Program							
Direction and Supportive							
Services	\$ 2,012,269	\$ 2,016,498	\$ 2,018,386	\$ 2,014,356	\$ 2,001,531	\$ 2,001,663	\$ 1,991,778
Protection of Persons and							
Property	5,822,646	6,274,122	6,590,025	6,653,239	6,666,296	6,675,238	6,677,142
Education	17,961,464	19,365,862	20,292,061	20,464,705	20,614,096	20,743,716	20,874,373
Health and Human							
Services	19,591,465	20,930,963	22,886,209	23,273,721	23,610,702	23,946,395	24,298,148
Economic Development.....	525,484	586,511	526,330	472,715	470,578	470,849	471,229
Transportation.....	2,733,153	2,727,994	2,795,615	2,690,052	2,721,153	2,802,651	2,874,820
Recreation and Cultural							
Enrichment.....	272,710	300,023	323,262	335,011	334,011	335,011	336,011
Debt Service	<u>1,253,430</u>	<u>1,150,813</u>	<u>1,469,111</u>	<u>1,544,561</u>	<u>1,613,162</u>	<u>1,697,862</u>	<u>1,806,037</u>
GENERAL FUND AND SPECIAL FUNDS TOTAL..	<u>\$ 50,172,621</u>	<u>\$ 53,352,786</u>	<u>\$ 56,900,999</u>	<u>\$ 57,448,360</u>	<u>\$ 58,031,529</u>	<u>\$ 58,673,385</u>	<u>\$ 59,329,538</u>

Distribution of the Commonwealth Dollar

GENERAL FUND AND SPECIAL FUNDS

2025-26

(Dollar Amounts in Thousands)



Health and Human Services \$22,886,209 40.2%

Education \$20,292,061 35.7%

Protection of Persons and Property \$6,590,025 11.6%

Transportation \$2,795,615 4.9%

Direction and Supportive Services \$2,018,386 3.5%

Debt Service \$1,469,111 2.6%

Economic Development \$526,330 0.9%

Recreation and Cultural Enrichment \$323,262 0.6%

TOTAL \$56,900,999

This presentation shows the amount and portion of the total General Fund and selected Special Funds allocated to major program areas.

Program Budget Summary

Seven Year Summary of Commonwealth Programs

The following is a summary for the eight Commonwealth Programs of 2023-24 actual year, 2024-25 available year, 2025-26 budget year, and future year estimates for all the operating funds and capital bond authorizations as presented in the 2025-26 Governor's Executive Budget. A breakdown of each Commonwealth Program by Category and Subcategory is shown on subsequent pages.

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Direction and Supportive Services							
General Fund	\$ 1,050,421	\$ 1,101,833	\$ 1,114,374	\$ 1,111,092	\$ 1,100,713	\$ 1,101,854	\$ 1,097,211
Motor License Fund	98,328	92,903	95,281	95,947	95,947	95,947	95,947
Lottery Fund	863,520	821,762	808,731	807,317	804,871	803,862	798,620
Federal Funds	35,614	22,734	23,166	17,250	17,250	17,250	17,250
Other Funds	882,838	989,886	1,032,492	1,052,936	1,053,034	1,053,137	1,053,245
Total Operating	\$ 2,930,721	\$ 3,029,118	\$ 3,074,044	\$ 3,084,542	\$ 3,071,815	\$ 3,072,050	\$ 3,062,273
Protection of Persons and Property							
General Fund	\$ 5,146,466	\$ 5,726,624	\$ 6,079,409	\$ 6,185,481	\$ 6,248,538	\$ 6,307,480	\$ 6,359,384
Motor License Fund	676,180	547,498	510,616	467,758	417,758	367,758	317,758
Lottery Fund	-	-	-	-	-	-	-
Federal Funds	2,851,347	4,870,156	4,484,116	4,392,377	4,381,367	4,357,306	4,358,306
Other Funds	5,478,722	5,817,103	5,901,317	5,816,885	5,655,757	5,499,157	5,440,981
Total Operating	\$ 14,152,715	\$ 16,961,381	\$ 16,975,458	\$ 16,862,501	\$ 16,703,420	\$ 16,531,701	\$ 16,476,429
Education							
General Fund	\$ 17,961,464	\$ 19,365,862	\$ 20,292,061	\$ 20,464,705	\$ 20,614,096	\$ 20,743,716	\$ 20,874,373
Motor License Fund	-	-	-	-	-	-	-
Lottery Fund	-	-	-	-	-	-	-
Federal Funds	4,635,142	4,619,461	4,622,988	4,608,988	4,608,988	4,608,988	4,608,228
Other Funds	846,656	1,041,039	1,116,047	1,119,259	1,121,534	1,123,495	1,125,490
Total Operating	\$ 23,443,262	\$ 25,026,362	\$ 26,031,096	\$ 26,192,952	\$ 26,344,618	\$ 26,476,199	\$ 26,608,091
Health and Human Services							
General Fund	\$ 18,551,613	\$ 19,728,878	\$ 21,727,355	\$ 22,102,704	\$ 22,423,478	\$ 22,749,264	\$ 23,085,310
Motor License Fund	-	-	-	-	-	-	-
Lottery Fund	1,039,852	1,202,085	1,158,854	1,171,017	1,187,224	1,197,131	1,212,838
Federal Funds	34,697,891	35,897,603	38,416,514	39,127,927	39,772,947	40,409,777	41,086,174
Other Funds	5,478,364	6,000,638	6,261,833	6,146,126	6,156,358	6,163,934	6,173,501
Total Operating	\$ 59,767,720	\$ 62,829,204	\$ 67,564,556	\$ 68,547,774	\$ 69,540,007	\$ 70,520,106	\$ 71,557,823
Economic Development							
General Fund	\$ 525,484	\$ 586,511	\$ 526,330	\$ 472,715	\$ 470,578	\$ 470,849	\$ 471,229
Motor License Fund	-	-	-	-	-	-	-
Lottery Fund	-	-	-	-	-	-	-
Federal Funds	1,019,645	1,830,854	2,083,819	1,844,547	1,503,169	1,253,169	1,003,169
Other Funds	2,796,485	3,242,693	3,474,060	3,308,377	3,239,558	3,169,962	3,121,490
Total Operating	\$ 4,341,614	\$ 5,660,058	\$ 6,084,209	\$ 5,625,639	\$ 5,213,305	\$ 4,893,980	\$ 4,595,888

Program Budget Summary

Seven Year Summary of Commonwealth Programs, continued

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Transportation							
General Fund	\$ 162,600	\$ 1,600	\$ 1,600	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Motor License Fund	2,399,646	2,555,487	2,623,108	2,517,145	2,548,246	2,629,744	2,701,913
Lottery Fund	170,907	170,907	170,907	170,907	170,907	170,907	170,907
Federal Funds	2,559,696	3,204,139	3,298,793	3,324,527	3,324,191	3,325,094	3,274,094
Other Funds	5,101,114	5,156,545	5,126,530	5,107,040	5,063,272	5,003,111	5,015,646
Total Operating	\$ 10,393,963	\$ 11,088,678	\$ 11,220,938	\$ 11,121,619	\$ 11,108,616	\$ 11,130,856	\$ 11,164,560
Recreation and Cultural Enrichment							
General Fund	\$ 265,710	\$ 293,023	\$ 316,262	\$ 328,011	\$ 327,011	\$ 328,011	\$ 329,011
Motor License Fund	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Lottery Fund	-	-	-	-	-	-	-
Federal Funds	225,213	184,176	173,260	173,260	173,260	173,260	173,260
Other Funds	819,156	709,205	728,766	720,087	727,871	737,378	744,056
Total Operating	\$ 1,317,079	\$ 1,193,404	\$ 1,225,288	\$ 1,228,358	\$ 1,235,142	\$ 1,245,649	\$ 1,253,327
Debt Service							
General Fund	\$ 1,201,040	\$ 1,100,040	\$ 1,417,040	\$ 1,491,650	\$ 1,560,276	\$ 1,645,359	\$ 1,753,812
Motor License Fund	52,390	50,773	52,071	52,911	52,886	52,503	52,225
Lottery Fund	-	-	-	-	-	-	-
Federal Funds	-	-	-	-	-	-	-
Other Funds	82,996	81,406	81,737	84,519	84,805	77,275	70,971
Total Operating	\$ 1,336,426	\$ 1,232,219	\$ 1,550,848	\$ 1,629,080	\$ 1,697,967	\$ 1,775,137	\$ 1,877,008
Capital Bond Authorizations ..	\$ 1,073,501	\$ 1,663,836	\$ 1,705,000	\$ 1,845,000	\$ 1,695,000	\$ 1,670,000	\$ 1,670,000
Program Total	\$ 2,409,927	\$ 2,896,055	\$ 3,255,848	\$ 3,474,080	\$ 3,392,967	\$ 3,445,137	\$ 3,547,008
COMMONWEALTH TOTALS							
General Fund	\$ 44,864,798	\$ 47,904,371	\$ 51,474,431	\$ 52,158,358	\$ 52,746,690	\$ 53,348,533	\$ 53,972,330
Motor License Fund	3,233,544	3,253,661	3,288,076	3,140,761	3,121,837	3,152,952	3,174,843
Lottery Fund	2,074,279	2,194,754	2,138,492	2,149,241	2,163,002	2,171,900	2,182,365
Federal Funds	46,024,548	50,629,123	53,102,656	53,488,876	53,781,172	54,144,844	54,520,481
Other Funds	21,486,331	23,038,515	23,722,782	23,355,229	23,102,189	22,827,449	22,745,380
Total Operating	\$ 117,683,500	\$ 127,020,424	\$ 133,726,437	\$ 134,292,465	\$ 134,914,890	\$ 135,645,678	\$ 136,595,399
Capital Bond Authorizations ..	\$ 1,073,501	\$ 1,663,836	\$ 1,705,000	\$ 1,845,000	\$ 1,695,000	\$ 1,670,000	\$ 1,670,000
Program Total	\$ 118,757,001	\$ 128,684,260	\$ 135,431,437	\$ 136,137,465	\$ 136,609,890	\$ 137,315,678	\$ 138,265,399

Program Budget Summary

Direction and Supportive Services

The goal of this Commonwealth program is to provide an efficient and effective administrative support system through which the goals and objectives of Commonwealth programs can be attained. This Commonwealth program supports goals to streamline state government and achieve efficiencies.

Centralized functions affecting all agencies comprise this program. Administrative costs specifically related to particular programs usually appear in a program subcategory to which they relate.

The agencies in this program include the Governor's Office, Executive Offices, Lieutenant Governor, Auditor General, Treasury, Departments of General Services and Revenue, Ethics Commission, Health Care Cost Containment Council, Government Support Agencies, and Legislature.

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Administrative and							
Support Services	\$ 237,881	\$ 247,173	\$ 225,337	\$ 215,748	\$ 204,280	\$ 204,280	\$ 204,379
Executive Direction	154,695	159,531	131,351	124,270	112,802	112,802	112,901
Ethics Commission	3,356	3,730	3,804	3,903	3,903	3,903	3,903
Legal Services	7,531	8,684	9,742	9,995	9,995	9,995	9,995
Health Care Reporting	3,167	3,167	8,379	5,519	5,519	5,519	5,519
Government Support							
Agencies	69,132	72,061	72,061	72,061	72,061	72,061	72,061
Fiscal Management.....	\$ 1,249,351	\$ 1,198,557	\$ 1,199,677	\$ 1,205,310	\$ 1,203,887	\$ 1,204,101	\$ 1,199,036
Revenue Collection and							
Administration	1,117,796	1,065,168	1,061,832	1,064,971	1,063,548	1,063,762	1,058,697
Disbursement.....	85,781	87,545	89,803	91,048	91,048	91,048	91,048
Auditing.....	45,774	45,844	48,042	49,291	49,291	49,291	49,291
Physical Facilities and							
Commodities							
Management.....	\$ 150,758	\$ 165,358	\$ 187,962	\$ 187,888	\$ 187,954	\$ 187,872	\$ 182,953
Facility, Property, and							
Commodity Management.	150,758	165,358	187,962	187,888	187,954	187,872	182,953
Legislative Processes ...	\$ 374,279	\$ 405,410	\$ 405,410	\$ 405,410	\$ 405,410	\$ 405,410	\$ 405,410
Legislature	374,279	405,410	405,410	405,410	405,410	405,410	405,410
PROGRAM TOTAL	\$ 2,012,269	\$ 2,016,498	\$ 2,018,386	\$ 2,014,356	\$ 2,001,531	\$ 2,001,663	\$ 1,991,778

Protection of Persons and Property

The goal of this Commonwealth program is to provide an environment and a social system in which the lives and property of individuals and organizations are protected from natural and human-made disasters and from illegal and unfair actions. This Commonwealth program supports the administration's goal to protect the public health and safety of Pennsylvania's residents.

This program addresses the substantive areas of consumer and environmental protection, certain regulatory activities, the criminal justice system, and mitigation of the effects of disasters. Within these broad areas, the Departments of Banking and Securities, Corrections, State, and Insurance along with State Police, Attorney General, Commission on Crime and Delinquency, Public Utility Commission, Liquor Control Board, Emergency Management Agency, Judiciary, and Milk Board, deal almost entirely with protection of persons and property. Several agencies such as Executive Offices and Departments of Environmental Protection, Agriculture, Labor and Industry, Military and Veterans Affairs, and Transportation are more diversified, and some of their activities are included in this program as well as in other Commonwealth programs.

Contribution by Category and Subcategory

General Fund and Special Funds							
(Dollar Amounts in Thousands)							
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
General Administration							
and Support.....	\$ 139,577	\$ 192,644	\$ 207,258	\$ 224,909	\$ 224,909	\$ 224,909	\$ 214,909
Criminal and Juvenile							
Justice Planning.....	116,492	159,492	171,266	187,928	187,928	187,928	177,928
Environmental Support							
Services	23,085	33,152	35,992	36,981	36,981	36,981	36,981
Public Protection and							
Law Enforcement.....	\$ 1,764,351	\$ 1,839,312	\$ 1,962,859	\$ 2,026,877	\$ 2,031,477	\$ 2,031,477	\$ 2,031,477
State Police.....	1,357,037	1,430,573	1,528,076	1,573,005	1,577,605	1,577,605	1,577,605
Attorney General.....	138,816	143,947	156,569	168,516	168,516	168,516	168,516
Highway Safety							
Administration and							
Licensing.....	268,498	264,792	278,214	285,356	285,356	285,356	285,356
Control and Reduction							
of Crime	\$ 2,967,670	\$ 3,153,584	\$ 3,296,728	\$ 3,259,409	\$ 3,259,409	\$ 3,256,774	\$ 3,256,774
Incarcerated Individuals...	2,762,042	2,941,281	3,074,305	3,031,203	3,031,203	3,028,568	3,028,568
Reentry into Communities	205,628	212,303	222,423	228,206	228,206	228,206	228,206
Juvenile Crime							
Prevention	\$ 22,097	\$ 22,302	\$ 23,007	\$ 23,113	\$ 23,113	\$ 23,113	\$ 23,113
Reintegration of Juvenile							
Delinquents	22,097	22,302	23,007	23,113	23,113	23,113	23,113
Adjudication of							
Defendants	\$ 408,431	\$ 435,618	\$ 465,942	\$ 478,643	\$ 485,607	\$ 495,989	\$ 506,611
State Judicial System	408,431	435,618	465,942	478,643	485,607	495,989	506,611

Program Budget Summary

Protection of Persons and Property, continued

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Public Order and							
Community Safety	\$ 59,163	\$ 81,059	\$ 71,010	\$ 67,889	\$ 69,389	\$ 70,589	\$ 71,889
Emergency Management.....	22,971	41,036	27,162	22,982	24,482	25,682	26,982
State Military Readiness..	36,192	40,023	43,848	44,907	44,907	44,907	44,907
Protection from Natural							
Hazards and Disasters ..	\$ 182,732	\$ 202,033	\$ 226,675	\$ 232,577	\$ 232,577	\$ 232,577	\$ 232,577
Environmental Protection and Management.....	182,732	202,033	226,675	232,577	232,577	232,577	232,577
Consumer Protection	\$ 246,153	\$ 310,028	\$ 296,016	\$ 298,201	\$ 298,194	\$ 298,189	\$ 298,171
Consumer Protection	33,533	44,121	44,178	44,660	44,653	44,648	44,630
Protection and Development of Agricultural Industries	212,620	265,907	251,838	253,541	253,541	253,541	253,541
Community and Occupational Safety and Stability	\$ 22,051	\$ 26,269	\$ 28,438	\$ 29,215	\$ 29,215	\$ 29,215	\$ 29,215
Community and Occupational Safety and Stability	18,611	21,295	23,047	23,646	23,646	23,646	23,646
Fire Prevention and Safety.....	3,440	4,974	5,391	5,569	5,569	5,569	5,569
Prevention and Elimination of Discriminatory Practices	\$ 10,421	\$ 11,273	\$ 12,092	\$ 12,406	\$ 12,406	\$ 12,406	\$ 12,406
Prevention and Elimination of Discriminatory Practices	10,421	11,273	12,092	12,406	12,406	12,406	12,406
PROGRAM TOTAL	\$ 5,822,646	\$ 6,274,122	\$ 6,590,025	\$ 6,653,239	\$ 6,666,296	\$ 6,675,238	\$ 6,677,142

Program Budget Summary

Education

The goal of this Commonwealth program is to provide a system of learning experiences and opportunities that will permit each individual to achieve their full potential intellectual development through high-quality basic education and special education programs, and through high-quality career and technical education and higher education. This Commonwealth program supports goals to promote an agenda for excellence, a world-class education that enables all Pennsylvania children to achieve their full potential, and to expand educational opportunities and alternative pathways to teaching and leadership.

This Commonwealth program is financed primarily through the Department of Education. Other agencies providing support are the Higher Education Assistance Agency and Departments of Health, Human Services, Revenue, and Labor and Industry.

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Education Support							
Services	\$ 43,440	\$ 46,970	\$ 50,746	\$ 52,065	\$ 52,065	\$ 52,065	\$ 52,065
Education Support							
Services	43,440	46,970	50,746	52,065	52,065	52,065	52,065
Basic Education	\$ 15,861,733	\$ 17,143,718	\$ 17,928,294	\$ 18,099,619	\$ 18,249,010	\$ 18,378,630	\$ 18,509,287
PreK-12 Education	15,842,608	17,124,691	17,908,307	18,079,132	18,228,011	18,357,106	18,487,225
Public Utility Realty							
Payments	19,125	19,027	19,987	20,487	20,999	21,524	22,062
Higher Education	\$ 2,056,291	\$ 2,175,174	\$ 2,313,021	\$ 2,313,021	\$ 2,313,021	\$ 2,313,021	\$ 2,313,021
Higher Education	1,625,935	1,601,737	1,718,929	1,718,929	1,718,929	1,718,929	1,718,929
Financial Assistance to							
Students	398,835	539,416	560,071	560,071	560,071	560,071	560,071
Financial Assistance to							
Institutions	31,521	34,021	34,021	34,021	34,021	34,021	34,021
PROGRAM TOTAL	\$ 17,961,464	\$ 19,365,862	\$ 20,292,061	\$ 20,464,705	\$ 20,614,096	\$ 20,743,716	\$ 20,874,373

Health and Human Services

The goals of this Commonwealth program are to ensure access to quality medical care for all residents, support people seeking self-sufficiency, provide military readiness and assistance to veterans, and maximize opportunities for individuals and families to participate in society.

This program addresses the following substantive areas: research; prevention and treatment of physical, behavioral health and intellectual disabilities; maternal and child health care; financial assistance for older Pennsylvanians; medically complex individuals and families in transition; and other programs to address the various issues individuals encounter in a complex society.

These activities are primarily the responsibility of the Departments of Health and Human Services with contributions by Departments of Agriculture, Labor and Industry, Military and Veterans Affairs, and Revenue.

Contribution by Category and Subcategory

General Fund and Special Funds							
(Dollar Amounts in Thousands)							
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Human Services							
Support	\$ 231,995	\$ 249,993	\$ 265,795	\$ 272,578	\$ 272,578	\$ 272,578	\$ 272,578
Human Services Support	231,995	249,993	265,795	272,578	272,578	272,578	272,578
Social Development of							
Individuals	\$ 2,328,009	\$ 2,414,224	\$ 2,459,227	\$ 2,465,847	\$ 2,465,847	\$ 2,465,847	\$ 2,465,847
Human Services	1,698,684	1,759,039	1,730,231	1,734,153	1,734,153	1,734,153	1,734,153
Child Development	629,325	655,185	728,996	731,694	731,694	731,694	731,694
Support of Older							
Pennsylvanians	\$ 686,886	\$ 824,119	\$ 829,854	\$ 832,017	\$ 833,224	\$ 833,131	\$ 838,838
Community Services for Older Pennsylvanians	324,286	329,719	356,154	357,317	358,024	358,731	359,438
Homeowners and Renters Assistance	207,600	324,400	323,700	324,700	325,200	324,400	324,400
Pharmaceutical Assistance	155,000	170,000	150,000	150,000	150,000	150,000	155,000
Income Maintenance	\$ 579,248	\$ 625,995	\$ 656,038	\$ 669,468	\$ 671,090	\$ 673,236	\$ 673,887
Income Maintenance	553,956	599,887	627,941	638,170	638,170	638,170	638,170
Workers Compensation and Unemployment Assistance	301	286	272	272	272	272	272
Military Compensation and Assistance	24,991	25,822	27,825	31,026	32,648	34,794	35,445
Physical Health							
Treatment	\$ 12,062,740	\$ 12,748,641	\$ 14,385,984	\$ 14,678,677	\$ 14,950,726	\$ 15,221,036	\$ 15,501,853

Program Budget Summary

Health and Human Services, continued

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Medical Assistance and							
Health Care Delivery.....	5,604,906	5,680,460	6,403,222	6,539,506	6,666,184	6,788,515	6,918,595
Long-Term Living.....	5,990,957	6,577,019	7,455,525	7,603,530	7,748,901	7,896,880	8,047,617
Health Treatment							
Services	14,655	14,655	14,655	14,655	14,655	14,655	14,655
Health Support Services ..	68,752	71,588	85,164	88,269	88,269	88,269	88,269
Health Research	12,712	13,312	7,112	7,112	7,112	7,112	7,112
Emergency Food							
Assistance	28,767	29,267	37,267	37,267	37,267	37,267	37,267
Prevention and Treatment							
of Drug and Alcohol							
Abuse.....	48,138	48,233	48,356	48,450	48,450	48,450	48,450
Preventive Health	142,684	152,512	169,659	170,573	170,573	170,573	170,573
Veterans Homes	151,169	161,595	165,024	169,315	169,315	169,315	169,315
Mental Health and							
Substance Use							
Services	\$ 943,216	\$ 1,014,184	\$ 1,046,402	\$ 1,053,997	\$ 1,053,997	\$ 1,053,997	\$ 1,053,997
Mental Health and							
Substance Use Services..	943,216	1,014,184	1,046,402	1,053,997	1,053,997	1,053,997	1,053,997
Intellectual Disabilities ..	\$ 2,759,371	\$ 3,053,807	\$ 3,242,909	\$ 3,301,137	\$ 3,363,240	\$ 3,426,570	\$ 3,491,148
Intellectual Disabilities	2,759,371	3,053,807	3,242,909	3,301,137	3,363,240	3,426,570	3,491,148
PROGRAM TOTAL	\$ 19,591,465	\$ 20,930,963	\$ 22,886,209	\$ 23,273,721	\$ 23,610,702	\$ 23,946,395	\$ 24,298,148

Program Budget Summary

Economic Development

The goal of this Commonwealth program is to invest public resources to create jobs for Pennsylvanians. To do so, this program offers a variety of grants, loans, and loan guarantees designed to stimulate economic investment, growth, and expanded employment. This Commonwealth program supports goals to create and maintain a business climate in which good, family-sustaining jobs can grow and communities can prosper.

This program works in tandem with numerous state authorities and agencies to aggregate and strategically invest resources to expand and retain Pennsylvania-based firms and attract new companies to the Commonwealth that will offer Pennsylvania's communities stability, vitality, and job opportunities. This program leverages workforce and community development resources that together with business investment enable Pennsylvania to compete on behalf of and for its business partners.

The total efforts of the Department of Community and Economic Development and Infrastructure Investment Authority (PENNVEST) are devoted to this program. The Executive Offices, Auditor General, Housing Finance Agency, and Departments of Education, Labor and Industry, and Revenue also contribute to this program.

Contribution by Category and Subcategory

General Fund and Special Funds							
(Dollar Amounts in Thousands)							
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Economic Development							
and Job Creation	\$ 90,439	\$ 122,513	\$ 145,073	\$ 144,929	\$ 144,921	\$ 144,912	\$ 144,902
Job Creation, Business							
Growth, and Attraction	90,439	122,513	145,073	144,929	144,921	144,912	144,902
Global Economic							
Development	\$ 7,173	\$ 7,173	\$ 4,525	\$ 4,643	\$ 4,643	\$ 4,643	\$ 4,643
Pennsylvania Worldwide..	7,173	7,173	4,525	4,643	4,643	4,643	4,643
Innovative Economic							
Development	\$ 43,980	\$ 46,330	\$ 94,855	\$ 64,855	\$ 64,855	\$ 64,855	\$ 64,855
Pennsylvania Innovation							
Economy	43,980	46,330	94,855	64,855	64,855	64,855	64,855
Workforce Investment...	\$ 70,636	\$ 73,412	\$ 81,912	\$ 81,912	\$ 81,912	\$ 81,912	\$ 81,912
Workforce Development ..	17,813	19,813	22,313	22,313	22,313	22,313	22,313
Vocational Rehabilitation .	52,823	53,599	59,599	59,599	59,599	59,599	59,599
Commonwealth							
Economic Assets	\$ 39,429	\$ 61,868	\$ 27,135	\$ 27,749	\$ 25,249	\$ 25,249	\$ 25,249
Pennsylvania Assets.....	39,429	61,868	27,135	27,749	25,249	25,249	25,249
Community							
Development	\$ 273,827	\$ 275,215	\$ 172,830	\$ 148,627	\$ 148,998	\$ 149,278	\$ 149,668
Pennsylvania							
Communities	259,982	261,441	158,360	133,796	133,796	133,696	133,696
Public Utility Realty							
Payments	13,845	13,774	14,470	14,831	15,202	15,582	15,972
PROGRAM TOTAL	\$ 525,484	\$ 586,511	\$ 526,330	\$ 472,715	\$ 470,578	\$ 470,849	\$ 471,229

Program Budget Summary

Transportation

The goal of this Commonwealth program is to provide a system for the expeditious, convenient, efficient, and safe movement of individuals and goods within the Commonwealth that is interfaced with a national and international system of transportation. This Commonwealth program supports goals to create and maintain a business climate in which rewarding, family-sustaining jobs can grow and communities can prosper.

Transportation systems are developed to serve the needs of residents, commerce, and industry and are financed through the Department of Transportation.

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Transportation							
Systems and Services...	\$ 2,733,153	\$ 2,727,994	\$ 2,795,615	\$ 2,690,052	\$ 2,721,153	\$ 2,802,651	\$ 2,874,820
Transportation Support							
Services	245,899	87,976	97,584	100,056	100,056	100,056	100,056
Highways and Bridges	1,988,552	2,143,600	2,208,638	2,103,764	2,138,764	2,223,764	2,298,764
Local Highway and							
Bridge Assistance	326,195	323,911	316,886	313,325	309,426	305,924	303,093
Multimodal							
Transportation.....	172,507	172,507	172,507	172,907	172,907	172,907	172,907
PROGRAM TOTAL	\$ 2,733,153	\$ 2,727,994	\$ 2,795,615	\$ 2,690,052	\$ 2,721,153	\$ 2,802,651	\$ 2,874,820

Recreation and Cultural Enrichment

The goal of this Commonwealth program is to improve the quality of life in Pennsylvania's urban, suburban, and rural communities. This program focuses resources on our recreational and cultural amenities ensuring that Pennsylvanians can fully enjoy the natural beauty of the Commonwealth. This program also ensures that residents and visitors can explore the diversity of cultural traditions, the creativity of our artistic community, and the bountiful history of our state and its prominence in forming the heritage of our nation.

In working toward these broad Commonwealth program goals, the Department of Conservation and Natural Resources undertakes a wide variety of activities in the development and provision of outdoor recreational opportunities. The Department of Education conducts a program to develop a system of local, county, and regional public libraries, including the operation of the State Library at Harrisburg, and provides recreational opportunities through local school districts. The Historical and Museum Commission provides state and local museum assistance.

In addition, the Fish and Boat Commission, Game Commission, and Council on the Arts contribute to this Commonwealth program.

Contribution by Category and Subcategory

General Fund and Special Funds							
(Dollar Amounts in Thousands)							
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Recreation	\$ 159,118	\$ 182,368	\$ 205,531	\$ 216,374	\$ 215,374	\$ 216,374	\$ 217,374
Parks and Forests							
Management	159,118	182,368	205,531	216,374	215,374	216,374	217,374
Cultural Enrichment	\$ 113,592	\$ 117,655	\$ 117,731	\$ 118,637	\$ 118,637	\$ 118,637	\$ 118,637
State History							
State History	22,417	24,240	25,500	26,289	26,289	26,289	26,289
Museum and Community Assistance							
Museum and Community Assistance	2,000	4,000	2,000	2,000	2,000	2,000	2,000
Development of Artists and Audiences							
Development of Artists and Audiences	10,583	10,643	10,878	10,911	10,911	10,911	10,911
State Library Services							
State Library Services	78,592	78,772	79,353	79,437	79,437	79,437	79,437
PROGRAM TOTAL	\$ 272,710	\$ 300,023	\$ 323,262	\$ 335,011	\$ 334,011	\$ 335,011	\$ 336,011

Debt Service

The goal of this Commonwealth program is to provide sufficient financial resources necessary to meet the timely payment of Commonwealth debt obligations. Debt financing is used by the Commonwealth to finance its capital programs and voter-approved bond referenda and to fund certain disaster relief programs. Most long-term financing of the Commonwealth is provided by the issuance of general obligation debt. Debt financing is utilized by all other Commonwealth programs to support the goals of each of the Commonwealth's program categories.

The Treasury Department participates in this program.

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Debt Service	\$ 1,253,430	\$ 1,150,813	\$ 1,469,111	\$ 1,544,561	\$ 1,613,162	\$ 1,697,862	\$ 1,806,037
Debt Service	1,253,430	1,150,813	1,469,111	1,544,561	1,613,162	1,697,862	1,806,037
PROGRAM TOTAL	\$ 1,253,430	\$ 1,150,813	\$ 1,469,111	\$ 1,544,561	\$ 1,613,162	\$ 1,697,862	\$ 1,806,037



Commonwealth of Pennsylvania

Governor's Executive Budget

SUMMARY BY FUND

Summary of Major Operating Funds

The total 2025-26 operating budget for the Commonwealth is \$133.7 billion. It includes \$51.5 billion in the General Fund, \$3.3 billion in the Motor License Fund, \$2.1 billion in the Lottery Fund, \$53.1 billion in federal funds, and \$23.7 billion in augmenting fees and other special fund revenues.

(Dollar Amounts in Thousands)

Major Operating Fund Expenditures	Actual	Available	Budget	2025-26 Change from 2024-25	
	2023-24	2024-25	2025-26	Dollars	Percent
General Fund	\$ 44,864,798	\$ 47,904,371	\$ 51,474,431	\$ 3,570,060	7.45%
Motor License Fund	\$ 3,233,544	\$ 3,253,661	\$ 3,288,076	\$ 34,415	1.06%
Lottery Fund	\$ 2,074,279	\$ 2,194,754	\$ 2,138,492	\$ (56,262)	(2.56)%

The majority of the Commonwealth's operating expenses are paid from the General Fund, Motor License Fund, and Lottery Fund. The following section provides an overview of major revenues and expenditures for the three major operating funds. Additional details regarding these funds may be found in Section E: Department Presentations.



GENERAL FUND

The General Fund is the major operating fund of the Commonwealth. It receives all tax receipts and other types of revenue not specified by law to be placed in special funds. Except for certain restricted receipts, the income of the General Fund is appropriated in specific amounts for the ordinary programs of government.

Pennsylvania's major sources of General Fund revenues are corporation taxes, consumption taxes, income taxes, and nontax revenues.

General Fund

Revenue

The General Fund is the Commonwealth's largest operating fund. All tax revenue, nontax revenue, and federal grants and entitlements not specified by law to be deposited elsewhere are deposited into the General Fund. The General Assembly makes appropriations from these General Fund revenues as presented and proposed in this budget, with any modifications it chooses to make.

Tax revenues are the primary source of funding of the General Fund. Personal income tax, sales and use tax, and corporate net income tax provide the majority of projected General Fund tax revenue. Nontax revenues are typically from profit transfers from the Liquor Control Board, licenses and fees, and the escheats or unclaimed property program. One-time transfers from special funds can also be major contributors to nontax revenues.

The two largest General Fund revenue sources are personal income tax and sales and use tax. Estimates for personal income tax are developed from a series of regression equations that use forecasts of wages, salaries, interest, dividends, rents, proprietors' income, and capital gains income. Estimates for sales and use tax are developed from a series of regression equations that use forecasts of national consumer expenditures on durable goods, non-durable goods, food services and accommodation, new and used motor vehicles, and business nonresidential investment.

The largest General Fund tax on businesses is corporate net income tax. Annual receipts from corporate net income tax can vary significantly from year-to-year. This variability is due to fluctuations in corporate profitability, including losses, federal tax law changes, the availability and use of tax credits and net operating loss deductions, and the timing of estimated and final state tax payments based on when a corporation's tax year begins. Estimates for the corporate net income tax are developed from a regression equation that uses forecasts of national before-tax corporate profits.

Expenditures

The General Fund is the primary funding source for most state agencies and institutions. The majority of every dollar is returned to individuals, local governments, institutions, school districts, among others, in the form of grants and subsidies. The remainder pays operating expenses and debt service.

Major program expenditures occur in the areas of education, health and human services, and protection of persons and property.

PreK-12 Education: The financial responsibility for public education is shared by the Commonwealth and 500 local school districts. Funds provided by the Commonwealth supplement funds raised locally. State aid to local school districts is provided through various school subsidy payments for basic instruction, career and technical education, debt service, pupil transportation, school employees' retirement, and various special education programs. The largest such subsidy is Basic Education Funding, which provides Commonwealth aid to local school districts. The General Fund also supports PreK education through Pre-K Counts and Head Start Supplemental Assistance.

Higher Education: Higher education is provided through degree-granting institutions, which include the 10 universities of the State System of Higher Education, four state-related universities, community colleges and various other independent institutions. The Pennsylvania Higher Education Assistance Agency also provides support in the form of student financial aid grants and programs to support different institutions.

Health and Human Services: The Commonwealth provides supports and services for its residents who need them. It also provides care, treatment, and rehabilitation to persons with physical, behavioral, and mental health conditions, in addition to assistance for those with intellectual and physical disabilities. Many of these services are provided through its Medical Assistance programs, which include physical and behavioral health care, and long-term services and supports in both facility- and community-based settings. Medical inflation, an aging population, pharmaceutical prices, federal financial participation in these programs, and enrollment fluctuations contribute to the overall increase in state Medical Assistance expenditures. Increases are mitigated through cost containment, operational efficiencies, and value-based contracting arrangements. Support is also provided for income maintenance, including child care services and temporary cash assistance for families in transition to self-sufficiency. Funding continues to be provided for a continuum of services for beneficiaries in the least restrictive environment possible, be it at home, in the community, or in licensed facilities.

The General Fund is the primary funding source for **Department of Corrections** programs including costs associated with operating the state correctional institutions.

General Fund

This table shows a summary by Commonwealth Program of 2023-24 actual year, 2024-25 available year, 2025-26 budget year, and future year estimates.

Seven Year Commonwealth Program Summary

(Dollar amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Commonwealth Program							
Direction and Supportive							
Services	\$ 1,050,421	\$ 1,101,833	\$ 1,114,374	\$ 1,111,092	\$ 1,100,713	\$ 1,101,854	\$ 1,097,211
Protection of Persons							
and Property	5,146,466	5,726,624	6,079,409	6,185,481	6,248,538	6,307,480	6,359,384
Education	17,961,464	19,365,862	20,292,061	20,464,705	20,614,096	20,743,716	20,874,373
Health and Human							
Services	18,551,613	19,728,878	21,727,355	22,102,704	22,423,478	22,749,264	23,085,310
Economic Development...	525,484	586,511	526,330	472,715	470,578	470,849	471,229
Transportation.....	162,600	1,600	1,600	2,000	2,000	2,000	2,000
Recreation and Cultural							
Enrichment.....	265,710	293,023	316,262	328,011	327,011	328,011	329,011
Debt Service	1,201,040	1,100,040	1,417,040	1,491,650	1,560,276	1,645,359	1,753,812
GENERAL FUND TOTAL	\$ 44,864,798	\$ 47,904,371	\$ 51,474,431	\$ 52,158,358	\$ 52,746,690	\$ 53,348,533	\$ 53,972,330

General Fund

2025-26



Income

(Dollar Amounts in Thousands)

TOTAL INCOME	\$48,382,500
Refunds	(1,758,000)
Beginning Balance	2,893,876
Lapses	350,000
TOTAL	\$49,868,376

Personal Income	\$19,635,100	40.6%
Consumption	\$16,042,000	33.2%
Corporation Taxes	\$7,962,000	16.5%
Other Taxes	\$2,643,600	5.4%
Nontax Revenue	\$2,099,800	4.3%

Outgo

(Dollar Amounts in Thousands)

TOTAL OUTGO	\$51,474,431
Budget Stabilization	(1,606,055)
TOTAL	\$49,868,376



Health and Human Services	\$21,727,355	42.2%
Education	\$20,292,061	39.4%
Protection of Persons and Property	\$6,079,409	11.8%
Debt Service	\$1,417,040	2.8%
Direction and Supportive Services	\$1,114,374	2.2%
Economic Development	\$526,330	1.0%
Other Programs	\$317,862	0.6%

This presentation shows the amount and proportion for the major revenue sources and major program areas for the total General Fund.

Use of the General Fund Dollar

2025-26

Grants and Subsidies 78.4¢



General Government 10.1¢

Institutional 8.7¢

Debt Service 2.8¢

The majority of each General Fund dollar is returned to individuals, local governments, institutions, school districts, among others, in the form of grants and subsidies.

Seven Year Financial Statement

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
Beginning Balance	\$ 8,084,871	\$ 6,632,089	\$ 2,893,876	\$ -	\$ -	\$ -	\$ -
Adjustment to Beginning Balance	75,000	74,000	-	-	-	-	-
Adjusted Beginning Balance	\$ 8,159,871	\$ 6,706,089	\$ 2,893,876	\$ -	\$ -	\$ -	\$ -
Revenue:							
Corporation Taxes	\$ 8,032,086	\$ 7,703,600	\$ 7,962,000	\$ 8,604,000	\$ 8,100,000	\$ 7,414,900	\$ 6,774,300
Consumption Taxes	15,540,485	15,762,900	16,042,000	16,683,100	17,260,600	17,854,700	18,391,600
Other Taxes	20,292,198	21,229,100	22,278,700	23,374,600	24,352,600	25,505,500	26,638,500
Nontax Revenue	1,608,720	1,354,700	2,099,800	2,550,300	2,591,500	2,748,100	2,899,900
Total Revenue Receipts	\$ 45,473,489	\$ 46,050,300	\$ 48,382,500	\$ 51,212,000	\$ 52,304,700	\$ 53,523,200	\$ 54,704,300
COVID-19 Enhanced FMAP	525,966	-	-	-	-	-	-
Refunds	(1,986,600)	(1,986,600)	(1,758,000)	(1,758,000)	(1,758,000)	(1,758,000)	(1,758,000)
Total Revenue	\$ 44,012,855	\$ 44,063,700	\$ 46,624,500	\$ 49,454,000	\$ 50,546,700	\$ 51,765,200	\$ 52,946,300
Prior Year Lapses	587,026	350,000	350,000	350,000	350,000	350,000	350,000
Funds Available	\$ 52,759,752	\$ 51,119,789	\$ 49,868,376	\$ 49,804,000	\$ 50,896,700	\$ 52,115,200	\$ 53,296,300
Expenditures:							
Appropriations	\$ 44,763,115	\$ 47,590,774	\$ 51,451,482	\$ 52,140,231	\$ 52,727,988	\$ 53,329,261	\$ 53,952,882
Executive Authorizations	101,683	83,200	22,949	18,127	18,702	19,272	19,448
Proposed Supplementals	-	230,397	-	-	-	-	-
COVID-19 Enhanced FMAP	525,966	-	-	-	-	-	-
Total Expenditures	\$ 45,390,764	\$ 47,904,371	\$ 51,474,431	\$ 52,158,358	\$ 52,746,690	\$ 53,348,533	\$ 53,972,330
Preliminary Balance	\$ 7,368,988	\$ 3,215,418	\$ (1,606,055)	\$ (2,354,358)	\$ (1,849,990)	\$ (1,233,333)	\$ (676,030)
Transfer-Budget Stabilization							
Reserve Fund	(736,899)	(321,542)	1,606,055	2,354,358	1,849,990	1,233,333	676,030
Ending Balance	\$ 6,632,089	\$ 2,893,876	\$ -	\$ -	\$ -	\$ -	\$ -

Notes on Financial Statement

(Dollar Amounts in Thousands)

PROPOSED TAX AND REVENUE MODIFICATIONS

	2025-26 Estimated
Tax Revenue:	
Adult Use Cannabis Tax	\$ 536,500
A tax of 20 percent on the wholesale price of products sold through the regulated framework of the production and sales system, once legalized. Estimates assume sales commence January 1, 2026, with initial revenues realized in 2025-26. All taxes are deposited in the General Fund. Licenses and fees are deposited in a restricted account in the General Fund to first fund the following appropriations: \$10 million to the Commission on Crime and Delinquency for restorative justice; \$15 million to the Department of Agriculture for operations; \$25 million to the Department of Agriculture for a revolving loan fund; \$2.25 million to State Police for enforcement and expungement; and \$1.5 million to the Department of Revenue for administration. The remaining license and fee revenue is deposited in the General Fund. The 2025-26 budget includes \$15.6 million from the adult use cannabis tax; \$11.4 million from the sales and use tax on retail sales of cannabis; and \$509.5 million from license fees.	
Video Gaming Terminal Tax	\$ 368,900
An expanded Video Gaming Terminal (VGT) tax to include gaming machines that involve an element of skill, which would also be regulated by the Pennsylvania Gaming Control Board. Like existing VGTs, skill games would be taxed at 52 percent of Gross Terminal Revenue (GTR) with revenue deposited into the Video Gaming Fund and transferred as described below. License, application, and renewal fees are deposited into the General Fund. This budget proposes regulating currently unlicensed skill games under the existing VGT tax structure starting July 1, 2025. While the overall VGT tax rate remains 52 percent, this budget proposes a modification of the individual components of the assessments and distribution of the revenues. The tax on all machines consists of two assessments, an assessment of 5 percent of GTR will be transferred to the Lottery Fund, and an assessment of 47 percent of GTR will be transferred to the General Fund after paying a fixed annual payment for local share assessment and a transfer to the Compulsive and Problem Gambling Treatment Fund. Estimates assume a partial year of revenue in 2025-26. The 2025-26 General Fund budget includes \$334.6 million from the transfer of VGT tax on skill games and \$34.3 million from skill games license fees. Revenues from this proposal are shown in Nontax Revenue. The transfer of VGT tax, like other transfers, appears in the Miscellaneous category, while license fees are shown as part of Licenses and Fees.	
Corporate Net Income Tax	\$ 264,000
An acceleration of rate reductions from 0.5 to 0.75 percent per year, starting January 1, 2026. In addition, the tax system will be modernized by adopting uniform filing requirements while adding financial institutions to the tax base beginning January 1, 2026. Proposed accelerated rate cuts are: 2026 to 7.24%; 2027 to 6.49%; 2028 to 5.74%; and 2029 to 4.99%.	
Financial Institutions Tax	\$ 97,100
An elimination of the bank and trust company shares tax, mutual thrift institution tax, and private bank tax and subjecting these companies to corporate net income tax as proposed beginning January 1, 2026.	
Minimum Wage	\$ 51,500
An increase in the minimum wage from \$7.25 to \$15.00 per hour for non-tipped workers and \$9.00 per hour for tipped workers is proposed. Estimates assume an effective date of January 1, 2026. Personal income tax effect: \$20.9 million; sales and use tax effect: \$30.6 million.	
Transfer to Public Transportation Trust Fund	\$ (292,500)
A new transfer to aid in the operations of the Public Transportation Trust Fund equal to 1.75 percent of total sales and use tax revenues collected, beginning July 1, 2025.	
Transfer to Tobacco Settlement Fund	\$ (115,300)
A transfer of funds from the cigarette tax to the Tobacco Settlement Fund to replace monies deducted from the Master Settlement Agreement for deposit in the Tobacco Revenue Bond Debt Service Account is proposed.	
Transfer to Environmental Stewardship Fund	\$ (10,000)
A transfer of funds from the personal income tax to the Environmental Stewardship Fund for Growing Greener debt service payments is proposed.	
Net Impact of Changes to Tax Credit Programs (net fiscal impact expected in 2025-26)	\$ 2,900
TOTAL PROPOSED TAX AND REVENUE MODIFICATIONS	\$ 903,100

*Notes on Financial Statements, continued***PROPOSED TAX AND REVENUE MODIFICATIONS*****Tax Credits:***

This budget proposes a repurposing and reform of the following tax credit programs, effective 2025-26:

Reliable Energy Investment Tax Credit

A new tax credit created to incentivize investment in reliable energy with a cap of \$100 million.

Regional Clean Hydrogen Hubs Tax Credit

Proposed program change to decrease the program cap from \$50 million to \$49 million beginning in 2025-26, and permit up to seven programs to receive up to \$7 million each.

AdvancePA

A new flexible tax credit created to encourage employment related to economic development programs. Credits will be based on taxable wages paid. Annual cap of \$10 million.

Elimination of the following tax credits beginning in 2025-26:

Manufacturing Tax Credit

Local Resource Manufacturing Tax Credit

Video Game Development Tax Credit

Waterfront Development Tax Credit

Transfers:

This budget proposes a change to the Transfer to Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund

An increase in the program cap from \$100 million to \$110 million beginning in 2028-29.

Notes on Financial Statement
 (Dollar Amounts in Thousands)
PROPOSED SUPPLEMENTAL APPROPRIATIONS

	2024-25 Available
STATE SUPPLEMENTAL APPROPRIATIONS	
Treasury	
General Obligation Debt Service	\$ (37,000)
Education	
Early Intervention	\$ 16,297
Emergency Management Agency	
General Government Operations	\$ (1,156)
State Fire Commissioner	1,156
Emergency Management Agency Total	<u>\$ -</u>
Human Services	
Medical Assistance-Capitation	\$ 22,093
Medical Assistance-Fee-for-Service	37,662
Payment to Federal Government-Medicare Drug Program	(77,518)
Medical Assistance-Workers with Disabilities	3,311
Medical Assistance-Critical Access Hospitals	(7,943)
Children's Health Insurance Program	(8,227)
Medical Assistance-Long-Term Living	23,077
Medical Assistance-Community HealthChoices	271,337
Long-Term Care Managed Care	(3,392)
Early Intervention	(9,425)
Human Services Total	<u>\$ 250,975</u>
Military and Veterans Affairs	
Education of Veterans Children	\$ 125
TOTAL STATE SUPPLEMENTAL APPROPRIATIONS	<u>\$ 230,397</u>

Notes on Financial Statement
(Dollar Amounts in Thousands)
PROPOSED SUPPLEMENTAL APPROPRIATIONS

2024-25
Available

FEDERAL SUPPLEMENTAL APPROPRIATIONS

Drug and Alcohol Programs

SUPTRSBG-Administration and Operation..... \$ 1,000

Human Services

Summer EBT..... \$ 151,800

Medical Assistance-Capitation (1,000,000)

Medical Assistance-Fee-for-Service..... 14,155

Medical Assistance-Workers with Disabilities 5,284

Medical Assistance-Transportation 11,314

Medical Assistance-Long-Term Living 27,168

Medical Assistance-Community HealthChoices..... 267,342

CCDFBG-Child Care Services (49,277)

Human Services Total..... \$ (572,214)

Military and Veterans Affairs

Suicide Mortality Review \$ 600

TOTAL FEDERAL SUPPLEMENTAL APPROPRIATIONS..... \$ (570,614)

TOTAL SUPPLEMENTAL APPROPRIATIONS..... \$ (340,217)

Adjustments to Revenue Estimate

On July 11, 2024, the Official Estimate for fiscal year 2024-25 was certified to be \$46,087,400,000 in accordance with existing statutes, including Acts 54, 55, and 56 of 2024. The adjustments detailed below take into account actual revenue collections through the first six months of the fiscal year and projected collections for the remainder of the fiscal year based on current expectations for the economy and revenue trends as well as tax proposals for the budget.

	(Dollar Amounts in Thousands)		
	2024-25 Official Estimate	Adjustments	2024-25 Revised Estimate
TAX REVENUE			
Corporation Taxes			
Corporate Net Income Tax	\$ 5,354,900	\$ 105,600	\$ 5,460,500
Selective Business:			
Gross Receipts Tax	1,321,200	2,100	1,323,300
Public Utility Realty Tax	44,500	1,800	46,300
Insurance Premiums Tax	539,200	1,100	540,300
Financial Institutions Taxes	330,500	2,700	333,200
Total — Corporation Taxes	\$ 7,590,300	\$ 113,300	\$ 7,703,600
Consumption Taxes			
Sales and Use Tax	\$ 14,535,600	\$ 34,700	\$ 14,570,300
Cigarette Tax	610,900	(40,200)	570,700
Other Tobacco Products Tax	139,700	1,400	141,100
Malt Beverage Tax	19,900	300	20,200
Liquor Tax	464,700	(4,100)	460,600
Adult Use Cannabis	-	-	-
Total — Consumption Taxes	\$ 15,770,800	\$ (7,900)	\$ 15,762,900
Other Taxes			
Personal Income Tax	\$ 18,770,300	\$ (93,100)	\$ 18,677,200
Realty Transfer Tax	581,200	12,400	593,600
Inheritance Tax	1,706,800	(46,000)	1,660,800
Gaming Taxes	375,500	14,200	389,700
Minor and Repealed Taxes	(94,000)	1,800	(92,200)
Total — Other Taxes	\$ 21,339,800	\$ (110,700)	\$ 21,229,100
TOTAL TAX REVENUE	\$ 44,700,900	\$ (5,300)	\$ 44,695,600
NONTAX REVENUE			
State Stores Fund Transfer	\$ 185,100	\$ -	\$ 185,100
Licenses, Fees, and Miscellaneous:			
Licenses and Fees	160,200	(100)	160,100
Miscellaneous	975,400	(32,400)	943,000
Fines, Penalties, and Interest	65,800	700	66,500
TOTAL NONTAX REVENUE	\$ 1,386,500	\$ (31,800)	\$ 1,354,700
GENERAL FUND TOTAL	\$ 46,087,400	\$ (37,100)	\$ 46,050,300

General Fund Revenue Summary

Seven Year Summary of Revenues

The following tables include all General Fund revenues available for general appropriation. This table does not include special restricted receipts, receipts augmenting appropriations, or federal funds.

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated	Budget	Estimated	Estimated	Estimated	Estimated
TAX REVENUE							
Corporation Taxes							
Corporate Net Income Tax	\$ 5,651,453	\$ 5,460,500	\$ 5,635,500	\$ 6,471,300	\$ 5,985,500	\$ 5,235,400	\$ 4,529,200
Selective Business:							
Gross Receipts Tax	1,389,225	1,323,300	1,367,000	1,431,900	1,461,100	1,507,900	1,553,800
Public Utility Realty Tax	44,054	46,300	46,900	47,500	48,100	48,700	49,400
Insurance Premiums Tax	546,774	540,300	551,100	579,600	602,900	622,900	641,900
Financial Institutions Taxes	400,581	333,200	361,500	73,700	2,400	-	-
Total - Corporation Taxes	\$ 8,032,086	\$ 7,703,600	\$ 7,962,000	\$ 8,604,000	\$ 8,100,000	\$ 7,414,900	\$ 6,774,300
Consumption Taxes							
Sales and Use Tax	\$ 14,255,907	\$ 14,570,300	\$ 14,871,000	\$ 15,501,600	\$ 16,048,100	\$ 16,623,100	\$ 17,194,500
Cigarette Tax	668,010	570,700	520,100	469,000	417,200	364,900	311,800
Other Tobacco Products Tax	146,432	141,100	140,600	141,000	142,200	143,900	146,100
Malt Beverage Tax	21,381	20,200	19,800	19,200	19,000	18,800	18,600
Liquor Tax	448,755	460,600	474,900	489,300	503,800	518,500	533,400
Adult Use Cannabis Tax	-	-	15,600	63,000	130,300	185,500	187,200
Total - Consumption Taxes	\$ 15,540,485	\$ 15,762,900	\$ 16,042,000	\$ 16,683,100	\$ 17,260,600	\$ 17,854,700	\$ 18,391,600
Other Taxes							
Personal Income Tax	\$ 17,856,822	\$ 18,677,200	\$ 19,635,100	\$ 20,596,300	\$ 21,464,600	\$ 22,514,100	\$ 23,555,900
Realty Transfer Tax	530,750	593,600	710,300	811,900	876,800	939,900	1,001,800
Inheritance Tax	1,635,952	1,660,800	1,628,700	1,670,900	1,722,000	1,763,900	1,794,800
Gaming Taxes	360,492	389,700	402,700	416,100	428,800	442,600	456,800
Minor and Repealed Taxes	(91,819)	(92,200)	(98,100)	(120,600)	(139,600)	(155,000)	(170,800)
Total - Other Taxes	\$ 20,292,197	\$ 21,229,100	\$ 22,278,700	\$ 23,374,600	\$ 24,352,600	\$ 25,505,500	\$ 26,638,500
TOTAL TAX REVENUE	\$ 43,864,769	\$ 44,695,600	\$ 46,282,700	\$ 48,661,700	\$ 49,713,200	\$ 50,775,100	\$ 51,804,400
NONTAX REVENUE							
State Stores Fund Transfer	\$ 185,100	\$ 185,100	\$ 185,100	\$ 185,100	\$ 185,100	\$ 185,100	\$ 185,100
Licenses, Fees, and Miscellaneous:							
Licenses and Fees	169,986	160,100	713,300	177,000	183,200	189,400	189,400
Miscellaneous	1,168,552	924,600	778,700	619,300	506,600	503,800	497,000
Video Game Terminal Tax Transfer	17,833	18,400	354,100	1,500,300	1,648,000	1,801,200	1,959,800
Fines, Penalties, and Interest	67,250	66,500	68,600	68,600	68,600	68,600	68,600
TOTAL NONTAX REVENUE	\$ 1,608,720	\$ 1,354,700	\$ 2,099,800	\$ 2,550,300	\$ 2,591,500	\$ 2,748,100	\$ 2,899,900
GENERAL FUND TOTAL	\$ 45,473,489	\$ 46,050,300	\$ 48,382,500	\$ 51,212,000	\$ 52,304,700	\$ 53,523,200	\$ 54,704,300

General Fund Revenue Sources

This section briefly describes the tax and non-tax state revenue sources for the General Fund. For complete information, refer to the [Pennsylvania Tax Compendium](#) prepared by the Department of Revenue.

Corporate Net Income Tax

Tax Base: This tax is paid by all domestic and foreign corporations for the privilege of doing business, carrying on activities, or employing or owning capital or property in Pennsylvania. It is levied on federal taxable income with Pennsylvania modifications. If the business of the corporation is not transacted entirely within Pennsylvania, taxable income is usually determined by a single sales factor apportionment formula.

Tax Rate: The current tax rate of 7.99 percent has been in effect since January 1, 2025. In the tax year that began January 1, 2024, the rate was 8.49 percent, while the tax rate beginning January 1, 2023 was 8.99 percent. Prior to that, the tax rate had been 9.99 percent since 1995. The following rate reduction schedule applies going forward:

January 1, 2026	7.49 percent
January 1, 2027	6.99 percent
January 1, 2028	6.49 percent
January 1, 2029	5.99 percent
January 1, 2030	5.49 percent
January 1, 2031	4.99 percent

Reference: Purdon's Title 72 P.S. §7401 — §7412

Proposed Change: This budget proposes accelerating rate reductions from 0.5 to 0.75 percent per year, starting January 1, 2026 and reaching 4.99 percent by 2029. In addition, the tax system will be modernized by adopting uniform filing requirements while adding financial institutions to the tax base beginning January 1, 2026.

Gross Receipts Tax

Tax Base: The tax is levied on the gross receipts from business transacted within Pennsylvania by specified companies owned, operated, or leased by corporations, associations, or individuals. Gross receipts taxes are imposed upon private bankers; pipeline, conduit, steamboat, canal, slack water navigation, and transportation companies; telephone, telegraph, and mobile communications companies; electric light, water power, and hydroelectric companies; express companies; palace car and sleeping car companies; and freight oil transportation companies.

Tax Rate: The current tax rate on gross receipts from sales of electric energy within Pennsylvania is 59 mills and has been in effect since 2003. The current tax rate on other gross receipts is 50 mills and has been in effect since 1991.

Transfers: Alternative Fuels Incentive Grant Fund 0.25 mills

Reference: Purdon's Title 72 P.S. §8101 — §8102; 72 P.S. §2183— §2194

Public Utility Realty Tax

Tax Base: This tax is levied on the state taxable value of the property owned by utilities furnishing utility service and regulated by the Pennsylvania Public Utility Commission or similar regulatory body. The state taxable value is defined as the current market value of utility realty.

Tax Rate: The tax rate is set each year upon determination by the Department of Revenue of the required distribution of the realty tax equivalent to local tax authorities. Revenue from an additional 7.6 mills is deposited in the General Fund. For tax year 2004 and thereafter, the Department of Revenue calculates a gross receipts tax surcharge in the event that refunds for public utility realty tax appeals exceed \$5 million in the prior fiscal year. For tax year 2012 and forward, there has been no surcharge.

Reference: Purdon's Title 72 P.S. §8101-A — §8109-A

Insurance Premiums Tax

Tax Base:	This tax is paid by domestic and foreign insurance companies for the privilege of doing business in the Commonwealth. The tax is levied on premiums, premium deposits, or assessments received in the course of doing business in the Commonwealth.	
Tax Rate:	The rate is 2 percent of gross premiums plus a retaliatory tax where applicable. Marine insurance companies pay a 5 percent tax on underwriting profits attributable to Pennsylvania in lieu of the gross premiums tax. A tax of 3 percent is imposed on policies written with surplus lines agents or other nonadmitted insurers.	
Transfers:	Fire Insurance Tax Fund.....	The greater of \$85 million or 8.5 percent
	Municipal Pension Aid Fund	The greater of \$345 million or 38 percent
Reference:	Purdon's Title 72 P.S. §7901 — §7906	

Financial Institutions Tax

Tax Base:	The various classes of financial institutions are subject to three different taxes. The bank and trust company shares tax is levied on the value of total bank equity capital. Title Insurance companies pay a tax on their capital stock, while mutual thrift institutions are taxed on their net income.	
Tax Rate:	The bank and trust companies shares tax rate of 0.95 percent of the capital stock of banks has been in effect since January 1, 2017. The title insurance companies shares tax rate of 1.25 percent has been in effect since January 1, 1990. The mutual thrift institutions tax rate of 11.5 percent has been in effect since January 1, 1992.	
Reference:	Purdon's Title 72 P.S. §7701 — §7702. Bank and Trust Company Shares Tax. Purdon's Title 72 P.S. §8501 — §8505. Mutual Thrift Institution Tax. Purdon's Title 72 P.S. §7801 — §7806. Title Insurance Companies Shares Tax.	
Proposed Change:	Beginning January 1, 2026, this budget proposes eliminating the bank and trust company shares tax, mutual thrift institution tax, and private bank tax and subjecting these companies to corporate net income tax.	

Sales and Use Tax

Tax Base:	The tax is levied on the sale at retail, including rental, of tangible personal property and certain services, or upon the use within Pennsylvania of tangible personal property, or taxable services purchased at retail if the tax was not paid at time of purchase. A tax on occupancy of hotel rooms is imposed as part of the sales and use tax law.	
Tax Rate:	A bracket system based on 6 percent of purchase price for sales and use tax and 6 percent of rent for hotel occupancy tax. The current rate was enacted in 1968.	
Transfers:	Public Transportation Assistance Fund	0.947 percent of revenues
	Public Transportation Trust Fund	4.4 percent of revenues
		An additional transfer occurs which approximates 3.28 percent of revenues
	Commonwealth Financing Authority.....	Amount necessary for principal and interest obligations
	Transit Revitalization Investment District Fund	\$0.7 million annually
Reference:	Purdon's Title 72 P.S. §7201 et seq.	
Proposed Change:	This budget proposes a new transfer to aid in the operations of the Public Transportation Trust Fund equal to 1.75 percent of total sales and use tax revenues collected, beginning July 1, 2025.	

Cigarette Tax

Tax Base:	This tax is an excise tax on the sale or possession of cigarettes and little cigars weighing less than 4 pounds per 1,000 sticks in Pennsylvania.								
Tax Rate:	The current tax rate of 13 cents per cigarette has been in effect since August 2016.								
Transfers:	<table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">Children's Health Insurance Program</td> <td>Approximately \$30.7 million annually</td> </tr> <tr> <td>Agricultural Conservation Easement Purchase Fund..</td> <td>Approximately \$25.5 million annually</td> </tr> <tr> <td>Local Cigarette Tax Fund</td> <td>See below</td> </tr> <tr> <td>Tobacco Settlement Fund.....</td> <td>\$115.3 million annually (must be reauthorized annually) for tobacco revenue bond service</td> </tr> </table> <p>The Local Cigarette Tax Fund transfer will occur if prior year deposits into the Local Cigarette Tax Fund fall below \$58 million. The transfer is equal to the difference between \$58 million and the prior year deposits into the fund.</p>	Children's Health Insurance Program	Approximately \$30.7 million annually	Agricultural Conservation Easement Purchase Fund..	Approximately \$25.5 million annually	Local Cigarette Tax Fund	See below	Tobacco Settlement Fund.....	\$115.3 million annually (must be reauthorized annually) for tobacco revenue bond service
Children's Health Insurance Program	Approximately \$30.7 million annually								
Agricultural Conservation Easement Purchase Fund..	Approximately \$25.5 million annually								
Local Cigarette Tax Fund	See below								
Tobacco Settlement Fund.....	\$115.3 million annually (must be reauthorized annually) for tobacco revenue bond service								
Reference:	Purdon's Title 72 P.S. §8201 et seq.								

Other Tobacco Products Tax

Tax Base:	The tax is levied on smokeless tobacco, pipe tobacco, e-cigarettes, including any liquid or substance placed in or sold for use in e-cigarette, and any other tobacco products for chewing, ingesting, or smoking, except cigars.
Tax Rate:	The tax rate on the sale of e-cigarettes, including any liquid or substance placed in or sold for use in an e-cigarette, is 40 percent of the purchase price from the wholesaler. The rate of tax on roll-your-own, pipe tobacco, and smokeless tobacco is 55 cents (\$0.55) per ounce, with a minimum tax per package of 66 cents (\$0.66).
Reference:	Purdon's Title 72 P.S. §8201-A et seq.

Malt Beverage Tax

Tax Base:	The tax is assessed by volume on malt or brewed beverages sold to consumers in Pennsylvania. The tax is borne by the consumer, but manufacturers, distributors, and importers remit the tax to the Commonwealth.
Tax Rate:	The tax rate is two-thirds of a cent per half pint or fraction thereof, and in larger quantities at the rate of one cent per pint or fraction thereof. These rates have remained unchanged since 1947.
Reference:	Purdon's Title 72 P.S. §9001 et seq.

Liquor Tax

Tax Base:	This is a consumption tax on the sale of liquor by the Commonwealth. The distribution of liquor is a state enterprise under the auspices of the Pennsylvania Liquor Control Board (PLCB). All liquors sold by the PLCB are subject to this tax, which is calculated on the price paid by the consumer including mark-up, handling charge, and federal tax. The first sale of liquor also is subject to the sales and use tax at the time of purchase.
Tax Rate:	The current tax rate of 18 percent has been in effect since 1968.
Reference:	Purdon's Title 72 P.S. §794 — §796

Adult Use Cannabis Tax

- Tax Base:** This budget proposes an adult use cannabis tax that would be imposed on the retail price of products sold through the regulated framework of the production and sales system, once legalized. Estimates assume sales would commence January 1, 2026. All taxes are deposited in the General Fund.
- Tax Rate:** The proposed rate is 20 percent of the wholesale price of cannabis products sold through the regulated framework.
- Proposed Change:** This is a newly proposed tax.

Personal Income Tax

- Tax Base:** The personal income tax is levied against the taxable income of resident and nonresident individuals, estates and trusts, partnerships, S corporations, business trusts, and limited liability companies that are not taxed as corporations for federal purposes. This is a tax on eight classes of personal income taxable by the Commonwealth: compensation, net profits, interest, dividends, income from the disposition of property, rents and royalties, gambling and lottery winnings including cash prizes of the Pennsylvania Lottery, and income from estates and trusts. Various credits, exclusions, and deductions are available to reduce tax liability.
- Tax Rate:** The current tax rate of 3.07 percent has been in effect since 2004.
- Transfers:**
- | | |
|---|---|
| Environmental Stewardship Fund..... | \$9.9 million in 2024-25; reauthorized annually |
| Farm Show Complex Restricted Revenue Account | Approximately \$13.3 million annually |
| Election Integrity Restricted Account..... | \$45 million annually |
| Clean Streams Fund..... | \$50 million annually |
- Reference:** Purdon's Title 72 P.S. §7301 et seq.

Realty Transfer Tax

- Tax Base:** The tax is levied on the value of the real estate transferred by a deed, instrument, or other writing.
- Tax Rate:** The current tax rate is 1 percent of the value of the property transferred.
- Transfers:**
- | | |
|--|--|
| Keystone Recreation, Park and Conservation Fund ... | 15 percent of prior month's receipts |
| Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund | \$70 million in 2024-25 and increasing by \$10 million per fiscal year until reaching \$100 million in 2027-28 |
- Reference:** Purdon's Title 72 P.S. §8101-C — §8113-C
- Proposed Change:** This budget proposes to increase the transfer to the Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund to \$110 million per fiscal year beginning in 2028-29.

Inheritance Tax

- Tax Base:** This tax is levied on the value of assets transferred via will or other posthumous transfer of property.
- Tax Rate:** Rates are based on the relationship of the decedent and the beneficiary. Transfers of non-jointly held property to spouses are taxed at a rate of 0 percent. Transfers from decedents 21 years of age or younger to parents are taxed at a rate of 0 percent. Transfers to other lineal beneficiaries are taxed at 4.5 percent. Transfers to siblings are subject to a 12 percent tax rate. Transfers to all other beneficiaries are taxed at 15 percent.
- Reference:** Purdon's Title 72 P.S. §9101 et seq.

Table Games Tax

- Tax Base:** These taxes are levied on gross table game revenue of licensed gaming entities. Gross table game revenue is generally cash or cash equivalents played on a table game less player winnings.
- Tax Rate:** The current rate of 14 percent of gross table game revenue has been in place since August 1, 2016. In addition, there is a tax rate of 34 percent of gross table game revenue from table games played on fully automated electronic gaming tables.
- Reference:** Purdon's Title 4 Pa.C.S.A. § 13A62.

Interactive Gaming and Multi-use Gaming Device Taxes

- Tax Base:** The interactive gaming tax is levied on daily gross interactive gaming revenue from peer-to-peer games that simulate tables games. The multi-use gaming device tax is levied on daily gross interactive airport gaming revenue. The tax on games that simulate table games is deposited in the General Fund. The tax on games simulating slots is deposited in other funds. The multi-use gaming device tax is deposited in the General Fund.
- Tax Rate:** The rate for interactive gaming tax or the multi-use gaming device tax on games simulating table games is 14 percent of gross interactive gaming revenue. The interactive gaming tax or multi-use gaming device tax rate on games simulating slots is 52 percent of gross revenue.
- Reference:** Purdon's Title 4 Pa.C.S.A. § 13B20.4 and 13B52.

Fantasy Contest Tax

- Tax Base:** The fantasy contest tax is levied on fantasy contest adjusted revenue, which is the total amount of all entry fees minus prizes or awards for each contest, multiplied by the in-state percentage. The in-state percentage is, for each fantasy contest, the percentage of entry fees collected from all in-state participants divided by the total entry fees collected from all participants in the fantasy contest.
- Tax Rate:** The rate is 15 percent of monthly fantasy adjusted revenue.
- Reference:** Purdon's Title 4 Pa.C.S.A. § 331.

Sports Wagering Tax

Tax Base:	The sports wagering tax is levied on daily revenues received by holders of sports wagering certificates. The tax is applied to total daily cash received, less amounts paid towards prizes.
Tax Rate:	The rate is 34 percent of daily gross sports wagering revenue.
Transfers:	Sports, Marketing, and Tourism Account Greater of 5 percent of sports wagering tax or \$2.5 million annually. Not to exceed \$5 million.
Reference:	Purdon's Title 4 Pa.C.S.A. § 13C62.

Minor and Repealed Taxes

Minor and Repealed Taxes Include:

- Tax on legal documents, Act of April 6, 1830, P.L. 272 (Purdon's Title 72 P.S. §3171)
- Excess motor vehicle rental tax, Act of June 16, 1994, P.L. 279 (Purdon's Title 72 P.S. §8601-A)
- State personal property tax, Act of June 22, 1935, P.L. 414 as amended
- Electric cooperative corporation tax, Electric Cooperative Law of 1990, 15 Pa.C.S.A. §7301 et seq.
- Agricultural cooperative associations corporate tax, Act of May 23, 1945, P.L. 893
- Capital stock and foreign franchise taxes, Act of March 4, 1971, P.L.6, No.2 (Purdon's Title 72 P.S. §7601—§7606)
- Wine excise tax, Act of June 8, 2016, P.L. 273, No. 39 (Purdon's 47 P.S. § 4-488)
- Tavern games tax, Act of November 27, 2013, P.L. 1045, No. 90 (Purdon's Title 10 P.S. § 328.909a)
- Consumer fireworks tax, Act of July 11, 2022, P.L. 762 (Purdon's Title 3 Pa.C.S.A. §1112).
- Accelerated deposits, an administrative classification of corporate tax payments used in the department's prior tax system.

Also included in minor and repealed are transfers to the Neighborhood Improvement Zone Fund, as established by Act 50 of 2009, Act 26 of 2011, and Act 87 of 2012; the City Revitalization and Improvement Zone Fund, as established by Act 52 of 2013; and the Military Installation Remediation program, established by Act 101 of 2019.

State Store Funds Transfer

The profits of Pennsylvania liquor stores are transferred by the Pennsylvania Liquor Control Board (PLCB) to the General Fund. The State Stores Fund Transfer is an amount determined by PLCB to be available for transfer to the General Fund to be used for general appropriation purposes as provided by Act No. 412-½ of July 18, 1935, P.L. 1316 (Purdon's Title 47 P.S. §744-907b).

Licenses, Fees, and Miscellaneous Revenue

Licenses and fees include collections by Commonwealth agencies that are not specifically required by law to be placed in special funds to support a specific purpose. Although amounts obtained from an individual class of license very often are sufficient only to cover regulatory costs, any additional money is available for general purposes. Many licenses and fees are required by laws designed to protect the public from indiscriminate and unsafe practices.

Miscellaneous revenues include all other income to be used for general appropriation purposes in the General Fund, except monies which are given to the Commonwealth by individuals, or are provided by law to be deposited in the judicial computer system augmentation account in accordance with Act 79 of 1988 (Purdon's Title 42 Pa.C.S.A. §3733). Any fines, fees, or costs that are allocated to counties and municipalities are not affected by this act. Miscellaneous revenue also includes transfers from the Video Gaming Fund to the General Fund from the tax on video gaming terminals and skill games as proposed.

Video Gaming Terminal Tax

Tax Base: This budget proposes an expanded Video Gaming Terminal (VGT) tax to include gaming machines that involve an element of skill, which would also be regulated by the Pennsylvania Gaming Control Board. Like existing VGTs, skill games would be taxed at 52 percent of Gross Terminal Revenue (GTR) with revenue initially deposited into the Video Gaming Fund. License, application, and renewal fees are deposited into the General Fund. Estimates assume a partial year of revenue in 2025-26.

Tax Rate: The current and proposed rate for the VGT tax, including skill games, is 52 percent of gross terminal revenue.

Proposed Change: This budget proposes regulating currently unlicensed skill games under the existing VGT tax structure starting July 1, 2025. While the overall VGT tax rate remains 52 percent, this budget proposes a modification of the individual components of the assessments and distribution of the revenues. The tax on all machines consists of two assessments, an assessment of 5 percent of GTR will be transferred to the Lottery Fund, and an assessment of 47 percent of GTR will be transferred to the General Fund after paying a fixed annual payment for local share assessment and a transfer to the Compulsive and Problem Gambling Treatment Fund.

Adult Use Cannabis Fees

Fee Base: This budget proposes license, application, and renewal fees for current medical marijuana dispensaries choosing to expand to adult use cannabis, as well as establishing new licenses for farmers/growers, processors, dispensaries, and micro-businesses. This budget proposes license issuance in seven separate rounds beginning July 1, 2025 until full ramp-up in 2028-29. Revenue from applications, licenses, and fees will be deposited in a restricted account in the General Fund to first fund a number of appropriations. The remaining revenue is deposited in the General Fund.

Fee Rate: This budget proposes license fees of \$25 million for medical marijuana dispensaries with annual renewal fees of \$500,000; \$1,000 for farmers/growers licenses with \$1,000 annual renewal fees; and \$25,000 license fees for growers, processors, dispensaries, and micro-businesses with \$25,000 annual renewal fees.

Proposed Change: This is a newly proposed fee. Estimates assume license and application fees begin in 2025-26, with renewal fees beginning in 2026-27.

Fines, Penalties, and Interest

This revenue source includes fines and penalties not required by law to be placed into a special fund for a specific purpose. Most of these fines and penalties collected by the various departments are an integral part of enforcement of the laws providing for licenses and fees.

General Fund Revenue Detail

General Fund Revenue Detail

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	Actual	Estimated	Budget
TAX REVENUE			
Corporate Net Income Tax	\$ 5,651,453	\$ 5,460,500	\$ 5,635,500
Gross Receipts Tax			
Electric, Hydroelectric, and Water Power	\$ 1,184,393	\$ 1,146,600	\$ 1,218,000
Telephone and Telegraph	209,644	180,600	153,500
Transportation	1,116	1,600	1,600
Alternative Fuel Incentive Grant Fund Transfer	(5,929)	(5,500)	(6,100)
SUBTOTAL	\$ 1,389,225	\$ 1,323,300	\$ 1,367,000
Public Utility Realty Tax	\$ 44,054	\$ 46,300	\$ 46,900
Insurance Premiums Tax			
Gross Collections	\$ 1,017,628	\$ 1,010,100	\$ 1,029,900
Municipal Pension Aid Fund Transfer	(384,969)	(383,900)	(391,300)
Fire Insurance Tax Fund Transfer	(85,885)	(85,900)	(87,500)
SUBTOTAL	\$ 546,774	\$ 540,300	\$ 551,100
Financial Institutions Taxes			
Federal Mutual Thrift Institutions	\$ 5,408	\$ 5,800	\$ -
National Banks	254,282	225,500	264,300
State Banks	81,955	62,400	73,100
State Mutual Thrift Institutions	33,020	18,800	-
Trust Companies	25,916	20,700	24,100
SUBTOTAL	\$ 400,581	\$ 333,200	\$ 361,500
Sales and Use Tax			
Motor Vehicle	\$ 1,338,548	\$ 1,311,800	\$ 1,317,100
Non-Motor Vehicle	12,917,359	13,258,500	13,553,900
SUBTOTAL	\$ 14,255,907	\$ 14,570,300	\$ 14,871,000
Cigarette Tax	\$ 668,010	\$ 570,700	\$ 520,100
Other Tobacco Products Tax	\$ 146,432	\$ 141,100	\$ 140,600
Malt Beverage Tax	\$ 21,381	\$ 20,200	\$ 19,800
Liquor Tax	\$ 448,755	\$ 460,600	\$ 474,900
Adult Use Cannabis	\$ -	\$ -	\$ 15,600

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Estimated	2025-26 Budget
Personal Income Tax			
Non-Withholding	\$ 4,655,022	\$ 4,923,800	\$ 5,195,800
Withholding	13,201,800	13,753,400	14,439,300
SUBTOTAL	\$ 17,856,822	\$ 18,677,200	\$ 19,635,100
Realty Transfer Tax	\$ 530,750	\$ 593,600	\$ 710,300
Inheritance Tax			
Nonresident Inheritance and Estate Tax	\$ 17,069	\$ 15,200	\$ 14,900
Resident Inheritance and Estate Tax	1,618,883	1,645,600	1,613,800
SUBTOTAL	\$ 1,635,952	\$ 1,660,800	\$ 1,628,700
Gaming Taxes	\$ 360,492	\$ 389,700	\$ 402,700
Minor and Repealed Taxes			
Corporate Loans Tax	\$ 20	\$ 100	\$ 100
Excess Motor Vehicle Tax	15,425	15,700	16,000
Wine Excise Tax	3,154	3,200	3,300
Tax on Writs, Wills, and Deeds	893	1,100	1,100
NIZ State Tax Transfer	(73,651)	(78,400)	(82,000)
CRIZ State Tax Transfer	(16,989)	(15,200)	(17,000)
MIRP State Tax Transfer	(21,156)	(21,700)	(22,600)
Tavern Games	1,005	1,000	1,000
Miscellaneous Business Taxes	897	900	900
Fireworks Tax	(1,435)	200	200
Capital Stock and Franchise Taxes	(5)	-	-
Other	24	900	900
SUBTOTAL	\$ (91,819)	\$ (92,200)	\$ (98,100)
TOTAL TAX REVENUE	\$ 43,864,769	\$ 44,695,600	\$ 46,282,700
NONTAX REVENUE			
State Stores Fund Transfer	\$ 185,100	\$ 185,100	\$ 185,100
Licenses, Fees, and Miscellaneous			
Executive Offices			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 3,542	\$ 3,542	\$ 3,542
Interest Transferred to Employee Benefits	(29,298)	(29,298)	(29,298)
DEPARTMENT TOTAL	\$ (25,756)	\$ (25,756)	\$ (25,756)
Auditor General			
LICENSES AND FEES			
Filing Fees - Board of Arbitration of Claims	\$ 1	\$ 1	\$ 1
DEPARTMENT TOTAL	\$ 1	\$ 1	\$ 1

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Estimated	2025-26 Budget
Attorney General			
MISCELLANEOUS REVENUE			
Assessed Civil Penalties Payments	\$ 1,035	\$ 800	\$ 800
Miscellaneous.....	(948)	(985)	(985)
DEPARTMENT TOTAL	<u>\$ 87</u>	<u>\$ (185)</u>	<u>\$ (185)</u>
Treasury			
MISCELLANEOUS REVENUE			
Allocation Of Treasury Costs.....	\$ 5,566	\$ 4,755	\$ 4,956
Dividend Income Reinvested - Long Term.....	-	1	1
Interest On Average Collected Balance - WIC Program	-	5	5
Interest On Deposits.....	(3,297)	10	10
Interest On Securities.....	(365)	10	10
Miscellaneous.....	146	149	152
Redeposit of Checks	3	50	50
Treasury Investment Income.....	776,915	543,916	428,190
Unclaimed Property - Claim Payments	(230,000)	(246,000)	(250,920)
Unclaimed Property - Other Holder Deposits	539,875	565,000	570,650
Interest Transferred to Hodge Trust Fund.....	(7)	-	-
DEPARTMENT TOTAL	<u>\$ 1,088,836</u>	<u>\$ 867,896</u>	<u>\$ 753,104</u>
Agriculture			
LICENSES AND FEES			
Abattoir Licenses.....	\$ 2	\$ 4	\$ 2
Approved Inspectors Certificate and Registration Fees.....	3	3	3
Eating & Drinking Licenses	2,327	2,500	2,500
Egg Certification Fees	7	12	11
Garbage Feeders' Licenses	-	*	*
Ice Cream Licenses.....	32	35	35
Lab Directors' Exam Fees	5	2	2
Livestock Branding Fees	1	1	1
Poultry Technician Licenses.....	5	5	1
Pub Weighmasters (Under Act 155)	276	280	280
Registration Fee - Food Establishment.....	259	250	250
Rendering Plant Licenses	3	3	3
SUBTOTAL	<u>\$ 2,921</u>	<u>\$ 3,096</u>	<u>\$ 3,089</u>
MISCELLANEOUS REVENUE			
Miscellaneous.....	\$ (651)	\$ (245)	\$ (245)
DEPARTMENT TOTAL	<u>\$ 2,270</u>	<u>\$ 2,851</u>	<u>\$ 2,844</u>

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Estimated	2025-26 Budget
Banking and Securities			
LICENSES AND FEES			
Licenses and Fees	\$ 33,032	\$ 34,331	\$ 34,331
DEPARTMENT TOTAL	<u>\$ 33,032</u>	<u>\$ 34,331</u>	<u>\$ 34,331</u>
Community and Economic Development			
LICENSES AND FEES			
Municipal Indebtedness Fees.....	\$ 138	\$ 140	\$ 140
MISCELLANEOUS REVENUE			
Contract Interest.....	\$ 247	\$ 20	\$ 2
Business Infrastructure Development (BID) Principal Repayments.....	74	75	65
BID Interest on Loans Per Act 105 of 1984.....	9	*	*
PENNWORKS Interest on Loans	345	275	215
PENNWORKS Penalty Charges	*	*	*
PENNWORKS Principal Repayment.....	4,071	3,500	3,000
GENERAL Interest on Loans	2	2	2
General Principal Repayments	30	30	30
SUBTOTAL	<u>\$ 4,779</u>	<u>\$ 3,902</u>	<u>\$ 3,314</u>
DEPARTMENT TOTAL	<u>\$ 4,917</u>	<u>\$ 4,042</u>	<u>\$ 3,454</u>
Conservation and Natural Resources			
MISCELLANEOUS REVENUE			
Camp Leases	\$ 756	\$ 790	\$ 800
Ground Rents	19	19	19
Housing Rents.....	19	23	19
Mineral Sales.....	1	1	1
Miscellaneous.....	(8)	2	-
Sale of DEP Water Kits	*	*	*
Parks Consignment Sales	-	*	-
Rights-Of-Way.....	1,118	1,000	1,174
Water Leases	27	23	27
DEPARTMENT TOTAL	<u>\$ 1,933</u>	<u>\$ 1,858</u>	<u>\$ 2,040</u>

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Estimated	2025-26 Budget
Corrections			
MISCELLANEOUS REVENUE			
Miscellaneous.....	\$ 4	\$ -	\$ -
Telephone Commissions.....	3,675	3,700	3,700
DEPARTMENT TOTAL	<u>\$ 3,679</u>	<u>\$ 3,700</u>	<u>\$ 3,700</u>
Education			
LICENSES AND FEES			
Fees For Licensing Private Schools.....	\$ 95	\$ 95	\$ 95
Private Academic School Teacher Certification Fees	58	53	54
Fees For Licensing Private Driver Training Schools	69	69	71
Fees Transcripts/Closed Private Schools	*	*	*
Secondary Education Evaluation Fees	24	23	23
Teacher Certification Fees	2,641	2,620	2,620
Fingerprint and FBI Background Check Fees	722	575	575
DEPARTMENT TOTAL	<u>\$ 3,608</u>	<u>\$ 3,435</u>	<u>\$ 3,438</u>
Environmental Protection			
LICENSES AND FEES			
Certification of PA Shot Firers for Mine Blasting	\$ 5	\$ 13	\$ 13
Mining Program Blasters' Examination and Licensing Fees	19	18	18
Explosives Storage Permit Fees	73	72	72
Government Financed Cost Contracts	48	37	37
Hazardous Waste Facility Annual Permit Administration Fees	21	24	24
Hazardous Waste Facility Permit Application Fees	123	111	111
Hazardous Waste Storage Disposal Facilities Fee	*	28	28
Hazardous Waste Transporter License and Fees.....	53	51	51
Infectious & Chemical Waste Transport Fees	12	11	11
Municipal Waste Annual Permit Administration Fees	258	255	255
Municipal Waste Permit Application Fees	88	97	97
Residual Waste Permit Administration Fees	219	227	227
Residual Waste Permit Application/Modification Fees	81	77	77
Sewage Permit Fees	291	358	358
Submerged Land Fees.....	33	42	42
Water Bacteriological Examination Fees	5	5	5
Water Power and Supply Permit Fees	78	80	80
SUBTOTAL	<u>\$ 1,406</u>	<u>\$ 1,506</u>	<u>\$ 1,506</u>

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	Actual	Estimated	Budget
MISCELLANEOUS REVENUE			
Ground Rentals	\$ 7	\$ 8	\$ 8
Miscellaneous.....	2	4	4
Payment To Occupy Submerged Lands	(104)	-	-
Refunds of Expenditures Not Credited to Appropriations	*	-	-
Rights-Of-Way.....	33	33	33
Royalties to Recovery of Materials - Schuylkill River	237	138	138
SUBTOTAL	<u>\$ 175</u>	<u>\$ 183</u>	<u>\$ 183</u>
DEPARTMENT TOTAL	<u>\$ 1,581</u>	<u>\$ 1,689</u>	<u>\$ 1,689</u>
Gaming Control Board			
LICENSES AND FEES			
VGT License Fees.....	\$ 68	\$ 200	\$ 200
VGT Application Fees	249	50	50
Fantasy Contest Authorization Fees	60	50	-
Sports Wagering Authorization Fees	1,902	1,260	450
Interactive Gaming Authorization Fees	15,975	70	260
Ancillary Table Games License Fees.....	281	320	-
Skill Games Fees	-	-	34,300
SUBTOTAL	<u>\$ 18,534</u>	<u>\$ 1,950</u>	<u>\$ 35,260</u>
MISCELLANEOUS REVENUE			
DEPARTMENT TOTAL	<u>\$ 18,534</u>	<u>\$ 1,950</u>	<u>\$ 35,260</u>
General Services			
MISCELLANEOUS REVENUE			
Allocation of Purchasing Costs for Commonwealth Property.....	\$ 2,448	\$ 3,100	\$ 4,200
Real Estate Services	375	430	440
Rental of State Property	68	110	120
Right-to-Know.....	-	*	*
Sale of State Property	5,893	28,300	2,200
Sale of Property Escrow.....	(258)	105	110
Reading State Office Building	354	360	370
Scranton State Office Building	606	530	540
Rebates to be Distributed.....	151	155	160
DEPARTMENT TOTAL	<u>\$ 9,637</u>	<u>\$ 33,090</u>	<u>\$ 8,140</u>
Human Services			
LICENSES AND FEES			
Miscellaneous.....	\$ 78	\$ 78	\$ 78
MISCELLANEOUS REVENUE			
Miscellaneous.....	\$ 1	\$ 1	\$ 2
DEPARTMENT TOTAL	<u>\$ 79</u>	<u>\$ 79</u>	<u>\$ 80</u>

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	Actual	Estimated	Budget
Health			
LICENSES AND FEES			
Bathing Place Program - Application Fees	\$ 1	\$ 1	\$ 1
Birth Certificate Fees	6,174	6,326	6,326
Birth Certificate Fees - Transfer	(3,162)	(3,207)	(3,207)
Home Care Agency Licensure Fees	492	495	495
Hospice Licensing Fees	10	9	9
Miscellaneous Licensure Fees	246	242	242
Nursing Home Licenses	307	311	311
Pediatric Extended Care Licensing Fees	2	3	3
Profit Making Hospital Licenses	188	212	212
Organized Camps Program Fees	3	3	3
Registration Fees - Hearing Aid Act	104	108	108
Registration Fees - Drugs, Devices, and Cosmetics Act	543	548	548
Vital Statistics Fees	1,309	1,313	1,313
Wholesale Prescription Drug Distribution Licenses	23	24	24
Milk Bank Licensing Fees	1	1	1
SUBTOTAL	\$ 6,242	\$ 6,390	\$ 6,390
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 20	\$ 32	\$ 32
DEPARTMENT TOTAL	\$ 6,262	\$ 6,423	\$ 6,423
Insurance			
LICENSES AND FEES			
Agents' Licenses	\$ 56,981	\$ 54,000	\$ 56,300
Brokers' Licenses	18,776	17,900	18,100
Division of Companies Certification - Certificates and Filing Fees	1,861	1,900	2,300
Miscellaneous Fees	535	500	500
Contra Transfers	(44,386)	(43,150)	(43,600)
Valuation of Policies Fees	10,599	10,000	10,000
SUBTOTAL	\$ 44,364	\$ 41,150	\$ 43,600
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 36	\$ -	\$ -
DEPARTMENT TOTAL	\$ 44,400	\$ 41,150	\$ 43,600

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	Actual	Estimated	Budget
Labor and Industry			
LICENSES AND FEES			
Building Accessibility Plan Review and Inspection Fees	\$ 17	\$ 70	\$ 72
Approval Of Building Plan Fees	306	1,000	1,100
Approval Of Elevator Plan Fees	1,272	2,750	2,800
Bedding and Upholstery Fees	665	1,600	1,650
Boiler Inspections Fees	1,911	5,500	5,550
Boiler Plan Fees	166	400	425
Elevator Inspection Fees	674	2,150	2,200
Flammable Liquids Storage Fees	144	495	500
Industrial Board Variance, Appeal, and Time Extension Fees	152	450	480
Liquefied Petroleum Gas Plan Fees	-	11	11
Liquefied Petroleum Gas Registration Fees	142	430	435
Stuffed Toys Manufacturers' Registration Fees	51	130	135
Uniform Commercial Code Certifications	47	120	130
SUBTOTAL	\$ 5,546	\$ 15,106	\$ 15,488
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 1,197	\$ -	\$ -
DEPARTMENT TOTAL	\$ 6,744	\$ 15,106	\$ 15,488
Revenue			
LICENSES AND FEES			
Certification and Copy Fees	\$ 4,519	\$ 80	\$ 83
Cigarette Permit Fees	1,572	786	786
Domestic Violence and Rape Crisis Program Fee	820	753	708
Expanded Gaming License Fees Per Act 42 of 2017	-	-	2,500
Adult Use Cannabis Fees	-	-	509,500
SUBTOTAL	\$ 6,911	\$ 1,619	\$ 513,577
MISCELLANEOUS REVENUE			
Exempt Collections Per Act 1992-67	\$ 17,065	\$ 14,000	\$ 15,300
District Justice Costs	11,781	11,433	11,086
Act 64 - Contra District Justice Costs	(4,150)	(3,802)	(3,455)
Miscellaneous	136	(131)	(71)
Distribution Due Absentee	8	27	27
SUBTOTAL	\$ 24,840	\$ 21,527	\$ 22,887
DEPARTMENT TOTAL	\$ 31,750	\$ 23,146	\$ 536,464

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Estimated	2025-26 Budget
State			
LICENSES AND FEES			
Charities Bureau Registration Fees	\$ 3,569	\$ 3,641	\$ 3,714
Commission and Filing Fees - Bureau of Elections	805	817	826
Commission and Filing Fees - Corporation Bureau	41,856	45,833	50,805
Campaign Finance Fee	100	120	100
Notary Public Commission Fees	862	898	925
SUBTOTAL	<u>\$ 47,193</u>	<u>\$ 51,309</u>	<u>\$ 56,370</u>
MISCELLANEOUS REVENUE			
Prof. & Occupational Affairs Credit Card Transfer	\$ 826	\$ -	\$ -
Interest Transferred to HAVA Program	(299)	-	-
Refunds of Expenditures Not Credited to Appropriations	*	-	-
SUBTOTAL	<u>\$ 528</u>	<u>\$ -</u>	<u>\$ -</u>
DEPARTMENT TOTAL	<u>\$ 47,720</u>	<u>\$ 51,309</u>	<u>\$ 56,370</u>
State Police			
MISCELLANEOUS REVENUE			
Act 64 - Contra Miscellaneous Revenue	\$ (786)	\$ -	\$ -
Miscellaneous	173	426	476
DEPARTMENT TOTAL	<u>\$ (613)</u>	<u>\$ 426</u>	<u>\$ 476</u>
Other			
LICENSES AND FEES			
Liquor Control Board - Small Games of Chance – License Fees	\$ 12	\$ *	\$ *
MISCELLANEOUS REVENUE			
Payments in Lieu of Taxes - SWIF	\$ 1,744	\$ 2,000	\$ 2,000
Insurance Contra IROF Return	21,180	16,209	9,018
Transfers From Special Funds	54,733	-	-
VGT & Skill Games Tax Transfer	-	18,400	354,100
DEPARTMENT TOTAL	<u>\$ 77,669</u>	<u>\$ 36,609</u>	<u>\$ 365,118</u>
Total Licenses, Fees, and Miscellaneous	<u>\$ 1,356,370</u>	<u>\$ 1,103,149</u>	<u>\$ 1,846,078</u>
Fines, Penalties, and Interest			
Attorney General			
Criminal Restitution General Fund	\$ 4	\$ 15	\$ 15

General Fund Revenue Detail

General Fund Revenue Detail, continued

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	Actual	Estimated	Budget
Agriculture			
General Food Fines.....	\$ 12	\$ 10	\$ 10
Civil Penalties - Food Establishments.....	7	1	3
Miscellaneous Fines.....	2	4	4
Conservation and Natural Resources			
Miscellaneous Fines.....	\$ -	\$ *	\$ -
Ethics Commission			
Ethics Act Violations Per Act 170 of 1978.....	\$ (40)	\$ 70	\$ 40
Lobbying Act Civil Penalties Per Act 134 of 2006.....	111	40	40
Gaming Control Board			
Miscellaneous Fines and Penalties.....	\$ 551	\$ -	\$ -
Health			
Non-Compliance Fines and Penalties.....	\$ *	\$ 2	\$ 2
Insurance			
Miscellaneous Fines.....	\$ 668	\$ 900	\$ 900
Surcharge on Moving Vehicles Violations.....	24,293	24,100	24,200
Labor and Industry			
BOIS Regulatory Fines.....	\$ -	\$ 2	\$ 3
Miscellaneous Fines.....	57	-	-
Judicial Computer System Collections Per Act 59 of 1990 and Act 64 of 1987....	(5)	-	-
Public Utility Commission			
Violation of Order Fines.....	\$ 1,939	\$ 500	\$ 500
Revenue			
CRIZ Program Penalties.....	\$ 11	\$ 2	\$ 2
Commercial Driver Fines.....	354	352	350
Act 64 - Contra Vehicle Code Fines.....	(4,152)	(4,008)	(3,899)
Act 64 - Contra Vehicle Code Fines.....	(1,245)	(1,201)	(1,164)
Vehicle Codes Fines - Local Police Enforcement.....	15,055	15,011	14,974
Vehicle Code Fines - Overweight Trucks.....	238	248	248
Vehicle Code Fines - State Police Enforcement.....	13,501	13,357	13,249
Transportation			
Emission Regulation Fines & Penalties.....	\$ 35	\$ 45	\$ 45
Fines - Restoration - Operating Privileges.....	10,616	10,800	11,000
Restoration of Vehicle Registration.....	5,237	6,200	8,100
Total Fines, Penalties, and Interest.....	\$ 67,250	\$ 66,451	\$ 68,622
TOTAL NONTAX REVENUES.....	\$ 1,608,720	\$ 1,354,700	\$ 2,099,800
TOTAL GENERAL FUND REVENUES.....	\$ 45,473,489	\$ 46,050,300	\$ 48,382,500

* Between (\$500) and \$500.

General Fund Revenue History

Revenue History

This table shows six years of actual General Fund revenues available for general appropriation. This table does not include special restricted receipts, receipts augmenting appropriations, or federal funds.

(Dollar Amounts in Thousands)

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Actual	Actual	Actual	Actual	Actual	Actual
TAX REVENUE						
Corporation Taxes						
Corporate Net Income Tax.....	\$ 3,397,543	\$ 2,826,881	\$ 4,423,759	\$ 5,323,091	\$ 6,142,927	\$ 5,651,453
Selective Business:						
Gross Receipts Tax.....	1,250,052	1,104,261	989,981	1,022,443	1,180,963	1,389,225
Public Utility Realty Tax.....	36,293	37,822	40,214	39,498	45,976	44,054
Insurance Premiums Tax	444,303	473,579	451,784	482,284	521,761	546,774
Financial Institutions Taxes	380,138	392,886	422,977	448,804	365,817	400,581
Total - Corporation Taxes.....	\$ 5,508,328	\$ 4,835,429	\$ 6,328,715	\$ 7,316,120	\$ 8,257,444	\$ 8,032,086
Consumption Taxes						
Sales and Use Tax.....	\$ 11,099,648	\$ 10,817,808	\$ 12,834,895	\$ 13,914,255	\$ 14,024,416	\$ 14,255,907
Cigarette Tax	1,118,764	924,341	964,201	874,065	772,866	668,010
Other Tobacco Products Tax	129,930	127,274	134,893	149,417	152,568	146,432
Malt Beverage Tax.....	23,534	23,167	23,271	22,473	22,427	21,381
Liquor Tax.....	381,876	365,707	415,839	431,264	450,755	448,755
Total - Consumption Taxes	\$ 12,753,752	\$ 12,258,298	\$ 14,373,099	\$ 15,391,474	\$ 15,423,032	\$ 15,540,485
Other Taxes						
Personal Income Tax	\$ 14,095,522	\$ 12,835,000	\$ 16,283,385	\$ 18,125,689	\$ 17,628,105	\$ 17,856,822
Realty Transfer Tax.....	533,981	497,792	640,233	847,072	643,835	530,750
Inheritance Tax	1,053,588	1,082,038	1,345,500	1,550,429	1,524,380	1,635,952
Gaming Taxes.....	131,673	143,022	241,834	307,857	365,077	360,492
Minor and Repealed Taxes	(20,539) ^a	(40,646) ^a	(33,130) ^a	(49,997) ^a	(65,475) ^a	(91,819)
Total - Other Taxes	\$ 15,794,224	\$ 14,517,206	\$ 18,477,822	\$ 20,781,049	\$ 20,095,923	\$ 20,292,197
TOTAL TAX REVENUE.....	\$ 34,056,304	\$ 31,610,933	\$ 39,179,636	\$ 43,488,644	\$ 43,776,399	\$ 43,864,769
NONTAX REVENUE						
State Stores Fund Transfer.....	\$ 185,100	\$ 185,100	\$ 185,100	\$ 185,100	\$ 185,100	\$ 185,100
Licenses, Fees, and Miscellaneous:						
Licenses and Fees	326,835	133,407	187,242	168,025	157,451	169,986
Miscellaneous	216,729	278,439	775,911	4,225,567	732,159	1,186,385
Fines, Penalties, and Interest.....	72,910	67,984	64,128	66,885	66,038	67,250
TOTAL NONTAX REVENUE.....	\$ 801,574	\$ 664,930	\$ 1,212,382	\$ 4,645,577	\$ 1,140,749	\$ 1,608,720
GENERAL FUND TOTAL.....	\$ 34,857,878	\$ 32,275,863	\$ 40,392,018	\$ 48,134,220	\$ 44,917,148	\$ 45,473,489

^a This includes accelerated deposits, an administrative classification of corporate tax payments used in the department's prior tax system.

Summary by Department

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget
<u>GOVERNOR'S OFFICE:</u>			
<i>General Government:</i>			
Governor's Office	\$ 10,389	\$ 11,634	\$ 11,985
TOTAL STATE FUNDS.....	\$ 10,389	\$ 11,634	\$ 11,985
Augmentations	-	-	-
DEPARTMENT TOTAL.....	\$ 10,389	\$ 11,634	\$ 11,985
<u>LIEUTENANT GOVERNOR:</u>			
<i>General Government:</i>			
Lieutenant Governor's Office	\$ 1,597	\$ 1,623	\$ 1,728
TOTAL STATE FUNDS.....	\$ 1,597	\$ 1,623	\$ 1,728
DEPARTMENT TOTAL.....	\$ 1,597	\$ 1,623	\$ 1,728
<u>EXECUTIVE OFFICES:</u>			
<i>General Government:</i>			
Office of Administration.....	\$ 16,225	\$ 18,224	\$ 19,705
Commonwealth Office of Digital Experience	-	8,238	18,469
Enhanced Enterprise Cybersecurity	-	-	10,000
Office of State Inspector General	6,000	6,184	6,426
State Inspector General-Welfare Fraud	12,850	13,420	13,159
Office of the Budget	28,535	26,108	26,879
Transfer to Enterprise Systems Lifecycle	-	-	20,000
Transfer to Enterprise and Technology (EA)	-	65,000	-
Transfer to School Environmental Repairs Program (EA)	75,000	-	-
Audit of the Auditor General	99	-	-
Office of General Counsel	7,531	8,684	9,742
Human Relations Commission	10,421	11,273	12,092
Council on the Arts	993	1,053	1,288
Juvenile Court Judges' Commission.....	3,152	3,357	4,062
Subtotal.....	\$ 160,806	\$ 161,541	\$ 141,822
<i>Grants and Subsidies:</i>			
Law Enforcement Activities.....	\$ 4,000	\$ 9,100	\$ 3,000
Grants to the Arts.....	9,590	9,590	9,590
Juvenile Probation Services	18,945	18,945	18,945
Subtotal.....	\$ 32,535	\$ 37,635	\$ 31,535
TOTAL STATE FUNDS.....	\$ 193,341	\$ 199,176	\$ 173,357
Federal Funds.....	27,623	27,023	26,910
Augmentations	542,294	619,110	643,519
Restricted.....	38,653	48,004	34,704
DEPARTMENT TOTAL.....	\$ 801,911	\$ 893,313	\$ 878,490

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2023-24	2024-25	2025-26
	Actual	Available	Budget
<u>COMMISSION ON CRIME AND DELINQUENCY:</u>			
General Government:			
Commission on Crime and Delinquency.....	\$ 23,583	\$ 24,383	\$ 24,107
Violence and Delinquency Prevention Programs	4,338	4,338	4,338
Office of Safe Schools Advocate	382	382	382
Subtotal.....	\$ 28,303	\$ 29,103	\$ 28,827
Grants and Subsidies:			
Violence Intervention and Prevention	\$ 40,000	\$ 56,500	\$ 76,500
County Probation and Reentry Services.....	-	-	36,139
Indigent Defense.....	7,500	7,500	7,500
Improvement of Adult Probation Services	16,222	16,222	-
Intermediate Punishment Treatment Programs	18,167	18,167	-
Transfer to Nonprofit Security Grant Fund.....	5,000	10,000	10,000
Transfer to School Safety and Security Fund-Targeted Grants.....	-	20,700	11,000
Victims of Juvenile Offenders	1,300	1,300	1,300
Subtotal.....	\$ 88,189	\$ 130,389	\$ 142,439
TOTAL STATE FUNDS.....	\$ 116,492	\$ 159,492	\$ 171,266
Federal Funds.....	200,497	201,497	190,592
Augmentations.....	15,224	14,951	3,490
Restricted.....	23,721	28,730	46,293
DEPARTMENT TOTAL.....	\$ 355,934	\$ 404,670	\$ 411,641
<u>ATTORNEY GENERAL:</u>			
General Government:			
General Government Operations.....	\$ 52,709	\$ 53,909	\$ 63,443
Drug Law Enforcement.....	59,668	59,668	62,066
Joint Local-State Firearm Task Force.....	13,969	13,969	13,707
Witness Relocation	1,215	1,215	1,315
Child Predator Interception	7,018	7,018	7,226
Tobacco Law Enforcement.....	1,691	1,691	1,816
School Safety.....	2,346	2,557	2,650
Human Trafficking Enforcement and Prevention	-	1,000	1,551
Organized Retail Theft Prevention.....	-	2,720	2,595
Subtotal.....	\$ 138,616	\$ 143,747	\$ 156,369
Grants and Subsidies:			
County Trial Reimbursement.....	\$ 200	\$ 200	\$ 200
TOTAL STATE FUNDS.....	\$ 138,816	\$ 143,947	\$ 156,569
Federal Funds.....	18,387	18,981	20,562
Augmentations.....	514	521	351
Restricted.....	60,335	83,179	75,925
DEPARTMENT TOTAL.....	\$ 218,052	\$ 246,628	\$ 253,407

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2023-24	2024-25	2025-26
	Actual	Available	Budget
AUDITOR GENERAL:			
General Government:			
Auditor General's Office.....	\$ 43,839	\$ 43,839	\$ 46,032
Board of Claims	1,935	2,005	2,010
Subtotal.....	<u>\$ 45,774</u>	<u>\$ 45,844</u>	<u>\$ 48,042</u>
TOTAL STATE FUNDS.....	<u>\$ 45,774</u>	<u>\$ 45,844</u>	<u>\$ 48,042</u>
Augmentations.....	12,698	16,340	16,032
DEPARTMENT TOTAL.....	<u>\$ 58,472</u>	<u>\$ 62,184</u>	<u>\$ 64,074</u>
TREASURY:			
General Government:			
General Government Operations.....	\$ 45,365	\$ 45,365	\$ 47,440
Divestiture Reimbursement	87	2,485	150
Intergovernmental Organizations.....	1,251	1,278	1,334
Information Technology Cyber Security.....	1,000	1,150	1,350
Board of Finance and Revenue	3,384	3,646	4,294
Subtotal.....	<u>\$ 51,087</u>	<u>\$ 53,924</u>	<u>\$ 54,568</u>
Grants and Subsidies:			
Law Enforcement and Emergency Response Death Benefit.....	\$ 3,330	\$ 3,330	\$ 3,330
Transfer to ABLE Fund	900	900	1,500
Subtotal.....	<u>\$ 4,230</u>	<u>\$ 4,230</u>	<u>\$ 4,830</u>
Debt Service:			
Loan and Transfer Agent.....	\$ 40	\$ 40	\$ 40
General Obligation Debt Service	1,201,000	1,100,000	1,417,000
Subtotal.....	<u>\$ 1,201,040</u>	<u>\$ 1,100,040</u>	<u>\$ 1,417,040</u>
TOTAL STATE FUNDS.....	<u>\$ 1,256,357</u>	<u>\$ 1,158,194</u>	<u>\$ 1,476,438</u>
Federal Funds.....	-	-	-
Augmentations.....	8,934	8,347	8,530
DEPARTMENT TOTAL.....	<u>\$ 1,265,291</u>	<u>\$ 1,166,541</u>	<u>\$ 1,484,968</u>
AGING:			
Federal Funds.....	\$ 116,951	\$ 114,752	\$ 114,816
DEPARTMENT TOTAL.....	<u>\$ 116,951</u>	<u>\$ 114,752</u>	<u>\$ 114,816</u>
AGRICULTURE:			
General Government:			
General Government Operations.....	\$ 43,361	\$ 48,604	\$ 49,799
Agricultural Preparedness and Response	34,000	34,000	11,000
Agricultural Excellence	3,300	4,100	3,300
Agricultural Business and Workforce Investment	4,800	4,800	4,800
Farmers' Market Food Coupons	2,079	2,579	2,579
Agricultural Research	2,187	2,187	2,187

Summary by Department, continued

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	Actual	Available	Budget
Agricultural Promotion, Education, and Exports	303	303	303
Agricultural Innovation Development	-	10,000	25,000
Hardwoods Research and Promotion	725	725	725
Subtotal	\$ 90,755	\$ 107,298	\$ 99,693
Grants and Subsidies:			
Livestock and Consumer Health Protection	\$ 1,000	\$ 1,000	\$ 1,000
Animal Health and Diagnostic Commission	11,350	11,350	6,000
Livestock Show	215	215	215
Open Dairy Show	215	215	215
Youth Shows	169	169	169
State Food Purchase	26,688	26,688	34,688
Food Marketing and Research	494	494	494
Fresh Food Financing Initiative	2,000	2,000	2,000
Transfer to Nutrient Management Fund	6,200	6,200	6,200
Transfer to Conservation District Fund	2,669	2,669	2,669
Transfer to Agricultural College Land Scrip Fund	57,710	57,710	60,596
Transfer to Farm Products Show Fund	5,000	5,000	5,000
PA Preferred Program Trademark Licensing	2,905	2,905	2,905
Payments to Pennsylvania Fairs	-	4,000	-
Veterinary Training and Services Grants	-	-	33,353
University of Pennsylvania-Veterinary Activities	100	31,560	-
University of Pennsylvania-Center for Infectious Disease	100	1,793	-
Subtotal	\$ 116,815	\$ 153,968	\$ 155,504
TOTAL STATE FUNDS	\$ 207,570	\$ 261,266	\$ 255,197
Federal Funds	155,010	108,712	104,350
Augmentations	3,560	3,408	3,408
Restricted	10,675	20,784	61,882
DEPARTMENT TOTAL	\$ 376,815	\$ 394,170	\$ 424,837
<u>BANKING AND SECURITIES:</u>			
Restricted	\$ 9,290	\$ 9,900	\$ 9,786
DEPARTMENT TOTAL	\$ 9,290	\$ 9,900	\$ 9,786
<u>COMMUNITY AND ECONOMIC DEVELOPMENT:</u>			
General Government:			
General Government Operations	\$ 32,544	\$ 37,058	\$ 37,303
Center for Local Government Services	4,735	5,304	7,285
Office of Open Records	3,895	4,051	5,572

Summary by Department, continued

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	Actual	Available	Budget
BusinessPA	-	-	8,892
Office of International Business Development.....	7,173	7,173	4,525
Marketing to Attract Tourists.....	31,365	55,787	19,315
Marketing to Attract Business	2,064	2,081	4,320
Base Realignment and Closure	556	567	608
Subtotal.....	\$ 82,332	\$ 112,021	\$ 87,820
Grants and Subsidies:			
Transfer to Municipalities Financial Recovery Revolving Fund	\$ 5,500	\$ 5,500	\$ 15,500
Transfer to Ben Franklin Tech. Development Authority Fund.....	17,000	17,000	17,000
PA Innovation	-	-	50,000
Invent Penn State	-	2,350	-
Intergovernmental Cooperation Authority-3rd Class Cities.....	100	100	100
Pennsylvania First	33,000	38,000	33,000
Workforce and Economic Development Network	-	-	12,500
Regional Economic Competitiveness Challenge	-	-	3,500
Municipal Assistance Program	2,000	2,000	2,000
Keystone Communities.....	37,666	45,343	-
Main Street Matters	-	20,000	20,008
Appalachian Regional Commission.....	750	750	750
Partnerships for Regional Economic Performance.....	10,880	10,880	10,880
Manufacturing PA	13,000	13,000	13,000
Strategic Management Planning Program.....	3,617	3,617	3,617
Tourism-Accredited Zoos.....	1,000	1,500	1,000
Infrastructure Technology Assistance Program.....	2,500	2,500	2,500
Super Computer Center.....	500	500	500
Powdered Metals	100	100	100
Rural Leadership Training	100	100	100
Infrastructure and Facilities Improvement Grants.....	10,000	10,000	10,000
Public Television Technology	-	-	875
America250PA.....	5,000	2,500	2,500
Regional Events Security and Support.....	7,500	-	15,000
Food Access Initiative.....	1,000	1,000	1,000
Local Government Emergency Housing Support	-	2,500	2,500
Housing Stock Restoration	-	-	50,000
First-Time Homebuyer Grants	-	-	10,000
Community and Economic Assistance	81,408	86,510	-
Workforce Development	8,000	15,000	-
Veterans Small Business Assistance	-	-	1,000
Historically Disadvantaged Business Assistance	20,000	20,000	20,000

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2023-24	2024-25	2025-26
	Actual	Available	Budget
Foundations in Industry	3,000	3,000	5,000
Local Municipal Relief.....	45,050	50,650	-
PA SITES Debt Service	-	15,404	38,198
Hospital and Health System Emergency Relief	50,000	17,500	-
Whole Home Repairs.....	-	-	-
Subtotal.....	\$ 358,671	\$ 387,304	\$ 342,128
TOTAL STATE FUNDS.....	\$ 441,003	\$ 499,325	\$ 429,948
Federal Funds.....	738,826	1,516,509	1,768,907
Augmentations.....	7,914	7,910	7,910
Restricted.....	54,261	61,026	108,085
DEPARTMENT TOTAL.....	\$ 1,242,004	\$ 2,084,770	\$ 2,314,850
<u>CONSERVATION AND NATURAL RESOURCES:</u>			
<i>General Government:</i>			
General Government Operations.....	\$ 29,465	\$ 33,031	\$ 35,997
State Parks Operations.....	60,787	71,967	81,150
State Forests Operations.....	44,431	51,435	56,949
Forest Pest Management	3,000	4,500	5,000
Parks, Forests, and Recreation Projects	900	900	900
Infrastructure and Trail Connections.....	-	-	5,000
Subtotal.....	\$ 138,583	\$ 161,833	\$ 184,996
<i>Grants and Subsidies:</i>			
Heritage Parks	\$ 5,000	\$ 5,000	\$ 5,000
Annual Fixed Charges-Flood Lands	70	70	70
Annual Fixed Charges-Project 70.....	88	88	88
Annual Fixed Charges-Forest Lands	7,962	7,962	7,962
Annual Fixed Charges-Park Lands.....	415	415	415
Subtotal.....	\$ 13,535	\$ 13,535	\$ 13,535
TOTAL STATE FUNDS.....	\$ 152,118	\$ 175,368	\$ 198,531
Federal Funds.....	204,940	164,198	153,575
Augmentations.....	63,999	68,348	67,080
Restricted.....	10,605	14,482	14,982
DEPARTMENT TOTAL.....	\$ 431,662	\$ 422,396	\$ 434,168
<u>CORRECTIONS:</u>			
<i>General Government:</i>			
General Government Operations.....	\$ 39,931	\$ 40,735	\$ 41,976
State Field Supervision.....	179,123	184,210	192,489
Pennsylvania Parole Board	12,967	13,373	13,825
Sexual Offenders Assessment Board.....	7,349	8,031	8,646
Board of Pardons.....	2,700	2,880	3,044

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2023-24	2024-25	2025-26
	Actual	Available	Budget
Office of Victim Advocate.....	3,489	3,809	4,419
Subtotal.....	<u>\$ 245,559</u>	<u>\$ 253,038</u>	<u>\$ 264,399</u>
Institutional:			
Medical Care.....	\$ 357,965	\$ 410,408	\$ 424,627
Correctional Education and Training	47,537	50,871	51,578
State Correctional Institutions	2,316,609	2,439,267	2,556,124
Subtotal.....	<u>\$ 2,722,111</u>	<u>\$ 2,900,546</u>	<u>\$ 3,032,329</u>
TOTAL STATE FUNDS.....	<u>\$ 2,967,670</u>	<u>\$ 3,153,584</u>	<u>\$ 3,296,728</u>
Federal Funds.....	26,752	112,879	14,718
Augmentations.....	4,939	6,056	6,248
Restricted.....	14,343	6,635	250
DEPARTMENT TOTAL.....	<u>\$ 3,013,704</u>	<u>\$ 3,279,154</u>	<u>\$ 3,317,944</u>
<u>DRUG AND ALCOHOL PROGRAMS:</u>			
General Government:			
General Government Operations	\$ 3,406	\$ 3,501	\$ 3,624
Grants and Subsidies:			
Assistance to Drug and Alcohol Programs	<u>\$ 44,732</u>	<u>\$ 44,732</u>	<u>\$ 44,732</u>
TOTAL STATE FUNDS.....	<u>\$ 48,138</u>	<u>\$ 48,233</u>	<u>\$ 48,356</u>
Federal Funds.....	280,379	283,105	281,267
Augmentations.....	-	-	-
Restricted.....	13,645	24,184	20,434
DEPARTMENT TOTAL.....	<u>\$ 342,162</u>	<u>\$ 355,522</u>	<u>\$ 350,057</u>
<u>EDUCATION:</u>			
General Government:			
General Government Operations.....	\$ 39,500	\$ 42,804	\$ 45,773
Recovery Schools.....	275	275	292
Information and Technology Improvement	3,940	4,166	4,973
PA Assessment	48,000	48,000	52,000
State Library	2,484	2,664	3,245
Subtotal.....	<u>\$ 94,199</u>	<u>\$ 97,909</u>	<u>\$ 106,283</u>
Institutional:			
Youth Development Centers-Education	\$ 11,230	\$ 13,747	\$ 14,360
Grants and Subsidies:			
Support of Public Schools:			
Basic Education Funding.....	\$ 7,872,444	\$ 8,157,444	\$ 8,232,444
Cyber Charter Transition	-	100,000	-
Level-Up Supplement	100,000	-	-
Dual Enrollment Payments	-	7,000	7,000
Transfer to Public School Facility Improvement Grant Program.....	-	100,000	125,000

Summary by Department, continued

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	Actual	Available	Budget
Ready to Learn Block Grant	295,500	821,500	1,347,500
School Safety and Security Transfer-Physical and Mental Hlth	50,000	100,000	100,000
Pre-K Counts	302,284	317,284	334,313
Head Start Supplemental Assistance	88,178	90,878	90,878
Mobile Science and Math Education Programs	7,164	7,164	-
Teacher Professional Development.....	5,044	5,044	7,544
Teacher Stipend	10,000	-	-
Adult and Family Literacy	16,310	16,310	22,728
Career and Technical Education	119,138	144,138	149,626
Career and Technical Education Equipment Grants	15,000	20,000	20,000
Authority Rentals and Sinking Fund Requirements	217,007	217,007	221,074
Pupil Transportation.....	693,945	702,315	725,837
Nonpublic and Charter School Pupil Transportation.....	72,255	73,396	67,390
Special Education	1,386,815	1,486,815	1,526,815
Early Intervention	365,995	415,160	429,725
Tuition for Orphans and Children Placed in Private Homes	45,321	45,463	39,752
Payments in Lieu of Taxes	173	180	178
Education of Migrant Laborers' Children.....	853	1,024	1,075
PA Chartered Schools for the Deaf and Blind	68,833	73,051	79,893
Special Education-Approved Private Schools	142,200	148,848	162,264
School Food Services.....	92,500	98,792	109,577
School Employees' Social Security.....	621,770	644,455	666,511
School Employees' Retirement.....	3,002,000	3,089,000	3,239,000
Subtotal.....	<u>\$ 15,590,729</u>	<u>\$ 16,882,268</u>	<u>\$ 17,706,124</u>
Other Grants and Subsidies:			
Services to Nonpublic Schools	98,969	101,839	101,839
Textbooks, Materials, and Equipment for Nonpublic Schools	30,106	30,979	30,979
Public Library Subsidy	70,470	70,470	70,470
Library Services for the Visually Impaired and Disabled	2,567	2,567	2,567
Library Access	3,071	3,071	3,071
Job Training and Education Programs	39,450	44,120	-
Safe School Initiative	22,000	1,614	1,614
Trauma-Informed Education	750	750	-
Safe Driving Course.....	1,099	1,099	1,099
Subtotal.....	<u>\$ 268,482</u>	<u>\$ 256,509</u>	<u>\$ 211,639</u>
Higher Education - Other Grants and Subsidies:			
Community Colleges.....	261,640	277,338	290,338
Transfer to Community College Capital Fund.....	54,161	54,161	54,161
Regional Community Colleges Services.....	2,221	2,221	2,221

Summary by Department, continued

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	Actual	Available	Budget
Northern PA Regional College.....	7,280	7,717	7,717
Community Education Councils.....	2,489	2,489	2,489
Hunger-Free Campus Initiative.....	1,000	1,000	1,000
Parent Pathways.....	1,661	1,661	1,661
Sexual Assault Prevention.....	1,500	1,500	1,500
State-Related University Performance Funding	-	-	60,000
Subtotal.....	<u>\$ 331,952</u>	<u>\$ 348,087</u>	<u>\$ 421,087</u>
State System of Higher Education:			
State Universities.....	585,618	620,755	661,104
Facility Transition.....	85,000	-	-
Subtotal.....	<u>\$ 670,618</u>	<u>\$ 620,755</u>	<u>\$ 661,104</u>
Thaddeus Stevens College of Technology:			
Thaddeus Stevens College of Technology	19,838	22,476	23,578
Subtotal.....	<u>\$ 19,838</u>	<u>\$ 22,476</u>	<u>\$ 23,578</u>
The Pennsylvania State University:			
General Support	242,096	242,096	242,096
Pennsylvania College of Technology.....	29,971	33,971	35,670
Subtotal.....	<u>\$ 272,067</u>	<u>\$ 276,067</u>	<u>\$ 277,766</u>
University of Pittsburgh:			
General Support	151,507	151,507	151,507
Rural Education Outreach	3,346	3,791	3,791
Subtotal.....	<u>\$ 154,853</u>	<u>\$ 155,298</u>	<u>\$ 155,298</u>
Temple University:			
General Support	158,206	158,206	158,206
Subtotal.....	<u>\$ 158,206</u>	<u>\$ 158,206</u>	<u>\$ 158,206</u>
Lincoln University:			
General Support	18,401	20,848	21,890
Subtotal.....	<u>\$ 18,401</u>	<u>\$ 20,848</u>	<u>\$ 21,890</u>
TOTAL STATE FUNDS.....	<u>\$ 17,590,575</u>	<u>\$ 18,852,170</u>	<u>\$ 19,757,335</u>
Federal Funds.....	4,643,642	4,627,961	4,631,488
Augmentations.....	7,185	10,392	10,637
Restricted.....	7,331	45,871	8,063
DEPARTMENT TOTAL.....	<u>\$ 22,248,733</u>	<u>\$ 23,536,394</u>	<u>\$ 24,407,523</u>
HIGHER EDUCATION ASSISTANCE AGENCY:			
Grants and Subsidies:			
Grants to Students.....	\$ 347,267	\$ 401,348	\$ 402,003
Pennsylvania Internship Program Grants.....	468	468	468
Ready to Succeed Scholarships.....	23,939	59,939	59,939
Matching Payments for Student Aid	13,646	13,646	13,646

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2023-24	2024-25	2025-26
	Actual	Available	Budget
Institutional Assistance Grants	26,521	26,521	26,521
Higher Education for the Disadvantaged	5,000	7,500	7,500
Higher Education of Blind or Deaf Students	51	51	51
Bond-Hill Scholarships	832	1,832	1,832
Cheyney University Honors Academy	3,980	5,480	5,480
Targeted Industry Cluster Scholarship Program	8,652	11,652	11,652
Student Teacher Stipend	-	20,000	40,000
Grow PA Scholarships	-	25,000	25,000
Subtotal	\$ 430,356	\$ 573,437	\$ 594,092
TOTAL STATE FUNDS	\$ 430,356	\$ 573,437	\$ 594,092
Federal Funds	-	-	-
Augmentations	21,051	15,500	15,500
DEPARTMENT TOTAL	\$ 451,407	\$ 588,937	\$ 609,592
<u>EMERGENCY MANAGEMENT AGENCY:</u>			
General Government:			
General Government Operations	\$ 15,721	\$ 14,786	\$ 21,912
State Fire Commissioner	3,080	4,614	5,031
Subtotal	\$ 18,801	\$ 19,400	\$ 26,943
Grants and Subsidies:			
Disaster Relief	-	10,000	-
Hazard Mitigation	2,000	1,000	-
Emergency Management Assistance Compact	-	4,000	-
State Disaster Assistance	5,000	5,000	5,000
Firefighters Memorial Flags	10	10	10
Red Cross Extended Care Program	350	350	350
Search and Rescue	250	250	250
Urban Search and Rescue	-	6,000	-
Subtotal	\$ 7,610	\$ 26,610	\$ 5,610
TOTAL STATE FUNDS	\$ 26,411	\$ 46,010	\$ 32,553
Federal Funds	568,265	1,171,607	563,833
Augmentations	1,728	1,517	1,431
Restricted	10,972	11,631	10,380
DEPARTMENT TOTAL	\$ 607,376	\$ 1,230,765	\$ 608,197

Summary by Department, continued

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	Actual	Available	Budget
<u>ENVIRONMENTAL PROTECTION:</u>			
<i>General Government:</i>			
General Government Operations.....	\$ 20,221	\$ 30,111	\$ 32,928
Environmental Program Management.....	39,714	42,510	44,030
Chesapeake Bay Agricultural Source Abatement.....	3,629	3,672	5,863
Environmental Protection Operations.....	116,450	125,881	132,069
Black Fly Control and Research.....	7,712	8,435	9,209
Vector Borne Disease Management.....	6,285	6,548	7,491
Transfer to Well Plugging Account.....	-	6,000	19,026
Environmental Hearing Board.....	2,864	3,041	3,064
Subtotal.....	\$ 196,875	\$ 226,198	\$ 253,680
<i>Grants and Subsidies:</i>			
Delaware River Master.....	\$ 38	\$ 38	\$ 38
Susquehanna River Basin Commission.....	740	740	740
Interstate Commission on the Potomac River.....	23	23	23
Delaware River Basin Commission.....	217	217	217
Ohio River Valley Water Sanitation Commission.....	68	68	68
Chesapeake Bay Commission.....	325	370	370
Transfer to Conservation District Fund.....	7,516	7,516	7,516
Interstate Mining Commission.....	15	15	15
Subtotal.....	\$ 8,942	\$ 8,987	\$ 8,987
TOTAL STATE FUNDS.....	\$ 205,817	\$ 235,185	\$ 262,667
Federal Funds.....	1,636,334	2,942,294	3,310,235
Augmentations.....	15,283	20,611	20,276
Restricted.....	105,203	141,545	139,349
DEPARTMENT TOTAL.....	\$ 1,962,637	\$ 3,339,635	\$ 3,732,527
<u>ETHICS COMMISSION:</u>			
<i>General Government:</i>			
State Ethics Commission.....	\$ 3,356	\$ 3,730	\$ 3,804
TOTAL STATE FUNDS.....	\$ 3,356	\$ 3,730	\$ 3,804
DEPARTMENT TOTAL.....	\$ 3,356	\$ 3,730	\$ 3,804
<u>GENERAL SERVICES:</u>			
<i>General Government:</i>			
General Government Operations.....	\$ 60,036	\$ 71,212	\$ 79,466
Capitol Police Operations.....	16,519	17,567	18,608
Rental, Relocation, and Municipal Charges.....	27,794	29,981	27,458
Space Optimization and Utilization Improvements.....	-	-	17,830
Utility Costs.....	27,272	27,461	24,900
Excess Insurance Coverage.....	3,637	3,637	4,200

Summary by Department, continued

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget
Transfer to State Insurance Fund	1,500	1,500	1,500
Capitol Fire Protection	5,000	5,000	5,000
Subtotal.....	<u>\$ 141,758</u>	<u>\$ 156,358</u>	<u>\$ 178,962</u>
TOTAL STATE FUNDS.....	<u>\$ 141,758</u>	<u>\$ 156,358</u>	<u>\$ 178,962</u>
Federal Funds.....	12,020	-	-
Augmentations.....	79,197	81,558	85,237
Restricted.....	<u>2,032</u>	<u>1,900</u>	<u>11,980</u>
DEPARTMENT TOTAL.....	<u>\$ 235,007</u>	<u>\$ 239,816</u>	<u>\$ 276,179</u>
HEALTH:			
General Government:			
General Government Operations.....	\$ 31,145	\$ 32,048	\$ 34,246
Quality Assurance.....	29,347	30,738	33,766
Long-Term Care Transformation Office.....	-	-	7,500
Health Promotion and Disease Prevention.....	2,321	5,000	5,000
Health Innovation.....	798	798	852
Achieving Better Care-MAP Program.....	3,117	3,117	3,180
State Laboratory.....	5,143	5,685	6,472
State Health Care Centers.....	28,086	31,157	33,697
Sexually Transmitted Disease Screening and Treatment.....	<u>1,822</u>	<u>1,822</u>	<u>1,994</u>
Subtotal.....	<u>\$ 101,779</u>	<u>\$ 110,365</u>	<u>\$ 126,707</u>
Grants and Subsidies:			
Diabetes Programs.....	\$ 112	\$ 112	\$ 112
Primary Health Care Practitioner.....	8,350	8,350	23,350
Community-Based Health Care Subsidy.....	2,000	2,000	2,000
Newborn Screening.....	7,092	7,329	7,329
Cancer Screening Services.....	2,563	2,563	2,563
AIDS Programs and Special Pharmaceutical Services.....	10,436	10,436	10,436
Regional Cancer Institutes.....	2,000	2,000	2,000
School District Health Services.....	34,620	37,620	37,620
Local Health Departments.....	35,785	36,609	35,854
Local Health-Environmental.....	2,697	2,697	2,697
Maternal and Child Health Services.....	1,438	1,447	1,447
Tuberculosis Screening and Treatment.....	913	921	1,057
Renal Dialysis.....	6,678	6,678	6,678
Services for Children with Special Needs.....	1,728	1,728	1,728
Adult Cystic Fibrosis and Other Chronic Respiratory Illness.....	795	795	795
Cooley's Anemia.....	106	106	106
Hemophilia.....	1,017	1,017	1,017
Lupus.....	106	106	106

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2023-24	2024-25	2025-26
	Actual	Available	Budget
Sickle Cell	1,335	1,335	1,335
Regional Poison Control Centers	742	742	742
Trauma Prevention	488	488	488
Epilepsy Support Services	583	583	583
Bio-Technology Research	10,600	11,200	-
Tourette's Syndrome	159	159	159
Amyotrophic Lateral Sclerosis Support Services	1,501	1,501	1,501
Neurodegenerative Disease Research	-	-	5,000
Lyme Disease	3,180	3,180	3,180
Subtotal	\$ 137,024	\$ 141,702	\$ 149,883
TOTAL STATE FUNDS	\$ 238,803	\$ 252,067	\$ 276,590
Federal Funds	694,942	682,550	631,423
Augmentations	4,104	7,223	5,844
Restricted	126,249	106,033	182,392
DEPARTMENT TOTAL	\$ 1,064,098	\$ 1,047,873	\$ 1,096,249
<u>HEALTH CARE COST CONTAINMENT COUNCIL:</u>			
General Government:			
Health Care Cost Containment Council	\$ 3,167	\$ 3,167	\$ 8,379
TOTAL STATE FUNDS	\$ 3,167	\$ 3,167	\$ 8,379
Augmentations	850	950	950
DEPARTMENT TOTAL	\$ 4,017	\$ 4,117	\$ 9,329
<u>HISTORICAL AND MUSEUM COMMISSION:</u>			
General Government:			
General Government Operations	\$ 22,417	\$ 24,240	\$ 25,500
Grants and Subsidies:			
Cultural and Historical Support	\$ 2,000	\$ 4,000	\$ 2,000
TOTAL STATE FUNDS	\$ 24,417	\$ 28,240	\$ 27,500
Federal Funds	9,859	9,739	9,791
Augmentations	1,056	1,056	1,056
Restricted	68	80	80
DEPARTMENT TOTAL	\$ 35,400	\$ 39,115	\$ 38,427
<u>HUMAN SERVICES:</u>			
General Government:			
General Government Operations	\$ 128,196	\$ 136,587	\$ 152,389
Information Systems	103,049	112,656	112,656
County Administration-Statewide	60,509	64,501	74,272
County Assistance Offices	320,810	355,088	374,483

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2023-24	2024-25	2025-26
	Actual	Available	Budget
Child Support Enforcement.....	20,152	22,011	19,518
New Directions.....	22,234	23,401	22,816
Subtotal.....	<u>\$ 654,950</u>	<u>\$ 714,244</u>	<u>\$ 756,134</u>
Institutional:			
Youth Development Institutions and Forestry Camps	\$ 91,255	\$ 146,818	\$ 150,837
Mental Health Services.....	885,567	956,535	988,803
Intellectual Disabilities-State Centers	100,327	114,214	108,713
Subtotal.....	<u>\$ 1,077,149</u>	<u>\$ 1,217,567</u>	<u>\$ 1,248,353</u>
Grants and Subsidies:			
Cash Grants.....	\$ 16,240	\$ 20,141	\$ 22,716
Supplemental Grants-Aged, Blind, and Disabled	114,011	114,745	114,136
Medical Assistance-Capitation.....	3,594,065	3,628,892	4,288,678
Medical Assistance-Fee-for-Service	697,354	686,639	646,769
Payment to Federal Government-Medicare Drug Program	990,294	1,005,413	1,078,279
Medical Assistance-Workers with Disabilities.....	66,486	103,859	123,720
Medical Assistance-Physician Practice Plans	10,071	10,571	10,571
Medical Assistance-Hospital-Based Burn Centers	4,438	4,438	4,438
Medical Assistance-Critical Access Hospitals	14,472	7,944	-
Medical Assistance-Obstetric and Neonatal Services	3,682	10,682	10,682
Medical Assistance-Trauma Centers	8,657	8,657	8,657
Medical Assistance-Academic Medical Centers	24,682	24,682	24,681
Medical Assistance-Transportation.....	67,485	69,532	74,346
Expanded Medical Services for Women.....	8,263	8,263	8,263
Patient Safety and Services-Hospitals.....	-	-	20,000
Children's Health Insurance Program	110,957	106,888	100,138
Medical Assistance-Long-Term Living.....	188,374	195,493	175,576
Medical Assistance-Community HealthChoices	5,281,872	5,826,618	6,766,168
Long-Term Care Managed Care.....	171,745	180,942	188,781
Intellectual Disabilities-Community Base Program	150,970	160,108	167,181
Intellectual Disabilities-Intermediate Care Facilities	174,730	192,154	196,645
Intellectual Disabilities-Community Waiver Program	2,290,882	2,552,157	2,727,463
Transfer to HCBS-Individuals with Intellectual Disabilities (EA)	10,783	-	5,501
Autism Intervention and Services	31,679	35,174	37,406
Behavioral Health Services.....	57,149	57,149	57,149
Special Pharmaceutical Services	500	500	450
County Child Welfare.....	1,492,635	1,494,733	1,494,733
Community-Based Family Centers	34,558	34,558	34,558
Child Care Services	271,859	298,080	299,635
Child Care Assistance	123,255	123,255	124,398

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2023-24	2024-25	2025-26
	Actual	Available	Budget
Child Care Recruitment and Retention	-	-	55,000
Nurse Family Partnership	14,112	14,042	13,975
Early Intervention	185,541	185,250	201,430
Domestic Violence	20,093	22,593	22,593
Rape Crisis	11,921	11,921	11,921
Breast Cancer Screening.....	1,828	1,828	1,828
Human Services Development Fund	13,460	13,460	13,460
Legal Services	4,161	6,661	6,661
Homeless Assistance	18,496	23,496	23,496
211 Communications	750	750	750
Health Program Assistance and Services	40,133	32,827	-
Services for the Visually Impaired	4,702	4,702	4,702
Subtotal.....	<u>\$ 16,327,345</u>	<u>\$ 17,279,797</u>	<u>\$ 19,167,534</u>
TOTAL STATE FUNDS.....	<u>\$ 18,059,444</u>	<u>\$ 19,211,608</u>	<u>\$ 21,172,021</u>
Federal Funds.....	33,275,058	34,519,377	37,083,246
Augmentations.....	4,029,035	4,450,529	4,728,304
Restricted.....	<u>30,730</u>	<u>30,730</u>	<u>30,730</u>
DEPARTMENT TOTAL.....	<u>\$ 55,394,267</u>	<u>\$ 58,212,244</u>	<u>\$ 63,014,301</u>
<u>INSURANCE:</u>			
<i>Grants and Subsidies:</i>			
Federal Funds.....	<u>5,000</u>	<u>-</u>	<u>-</u>
DEPARTMENT TOTAL.....	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ -</u>
<u>LABOR AND INDUSTRY:</u>			
<i>General Government:</i>			
General Government Operations.....	\$ 15,038	\$ 16,838	\$ 16,838
Occupational and Industrial Safety	3,573	4,457	6,209
Subtotal.....	<u>\$ 18,611</u>	<u>\$ 21,295</u>	<u>\$ 23,047</u>
<i>Grants and Subsidies:</i>			
Occupational Disease Payments	\$ 101	\$ 86	\$ 87
Transfer to Vocational Rehabilitation Fund.....	47,942	48,718	53,718
Supported Employment	397	397	397
Centers for Independent Living.....	2,634	2,634	3,634
Workers' Compensation Payments.....	200	200	185
New Choices/New Options	1,000	1,000	1,000
Assistive Technology Financing	1,000	1,000	1,000
Assistive Technology Demonstration and Training.....	850	850	850
Industry Partnerships	<u>2,813</u>	<u>2,813</u>	<u>7,813</u>

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2023-24	2024-25	2025-26
	Actual	Available	Budget
Schools-to-Work	3,500	3,500	3,500
Apprenticeship Training	10,500	12,500	10,000
Subtotal	<u>\$ 70,937</u>	<u>\$ 73,698</u>	<u>\$ 82,184</u>
TOTAL STATE FUNDS	<u>\$ 89,548</u>	<u>\$ 94,993</u>	<u>\$ 105,231</u>
Federal Funds	460,971	502,355	506,638
Augmentations	10,013	10,080	10,080
Restricted	<u>2,083</u>	<u>2,275</u>	<u>2,275</u>
DEPARTMENT TOTAL	<u>\$ 562,615</u>	<u>\$ 609,703</u>	<u>\$ 624,224</u>
<u>MILITARY AND VETERANS AFFAIRS:</u>			
<i>General Government:</i>			
General Government Operations	\$ 32,990	\$ 36,571	\$ 40,146
Keystone State Challenge Academy	2,175	2,175	2,622
Burial Detail Honor Guard	187	187	187
American Battle Monuments	50	50	50
Armory Maintenance and Repair	2,895	3,145	3,395
Special State Duty	<u>70</u>	<u>70</u>	<u>70</u>
Subtotal	<u>\$ 38,367</u>	<u>\$ 42,198</u>	<u>\$ 46,470</u>
<i>Institutional:</i>			
Veterans Homes	<u>\$ 151,169</u>	<u>\$ 161,595</u>	<u>\$ 165,024</u>
<i>Grants and Subsidies:</i>			
Education of Veterans Children	\$ 135	\$ 320	\$ 350
Transfer to Educational Assistance Program Fund	13,525	13,525	14,525
Blind Veterans Pension	222	222	222
Amputee and Paralyzed Veterans Pension	3,951	4,173	4,559
National Guard Pension	5	5	5
Supplemental Life Insurance Premiums	164	164	164
Civil Air Patrol	100	100	120
Disabled American Veterans Transportation	336	336	336
Veterans Outreach Services	<u>4,378</u>	<u>4,802</u>	<u>4,922</u>
Subtotal	<u>\$ 22,816</u>	<u>\$ 23,647</u>	<u>\$ 25,203</u>
TOTAL STATE FUNDS	<u>\$ 212,352</u>	<u>\$ 227,440</u>	<u>\$ 236,697</u>
Federal Funds	309,505	332,799	306,650
Augmentations	28,564	28,143	27,865
Restricted	<u>69</u>	<u>101</u>	<u>101</u>
DEPARTMENT TOTAL	<u>\$ 550,490</u>	<u>\$ 588,483</u>	<u>\$ 571,313</u>
<u>PUBLIC UTILITY COMMISSION:</u>			
Federal Funds	\$ 5,538	\$ 7,716	\$ 7,739
Restricted	<u>82,896</u>	<u>88,386</u>	<u>95,392</u>
DEPARTMENT TOTAL	<u>\$ 88,434</u>	<u>\$ 96,102</u>	<u>\$ 103,131</u>

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2023-24	2024-25	2025-26
	Actual	Available	Budget
REVENUE:			
General Government:			
General Government Operations.....	\$ 157,823	\$ 159,401	\$ 167,885
Technology and Process Modernization.....	22,089	13,993	13,592
Commissions-Inheritance and Realty Transfer Taxes (EA).....	15,500	15,500	15,748
Subtotal.....	\$ 195,412	\$ 188,894	\$ 197,225
Grants and Subsidies:			
Distribution of Public Utility Realty Tax.....	\$ 32,970	\$ 32,801	\$ 34,457
TOTAL STATE FUNDS.....	\$ 228,382	\$ 221,695	\$ 231,682
Augmentations.....	11,064	6,917	6,917
Restricted.....	-	-	1,500
DEPARTMENT TOTAL.....	\$ 239,446	\$ 228,612	\$ 240,099
STATE:			
General Government:			
General Government Operations.....	\$ 9,275	\$ 10,462	\$ 10,933
Statewide Uniform Registry of Electors.....	13,474	20,574	20,698
Voter Registration and Education.....	546	546	668
Lobbying Disclosure.....	562	562	917
Publishing Constitutional Amendments (EA).....	-	1,300	1,300
Electoral College.....	-	10	-
Subtotal.....	\$ 23,857	\$ 33,454	\$ 34,516
Grants and Subsidies:			
Voting of Citizens in Military Service.....	\$ 20	\$ 20	\$ 20
County Election Expenses (EA).....	400	1,400	400
Election Code Debt Service.....	9,256	9,247	9,242
Subtotal.....	\$ 9,676	\$ 10,667	\$ 9,662
TOTAL STATE FUNDS.....	\$ 33,533	\$ 44,121	\$ 44,178
Federal Funds.....	12,110	12,110	9,387
Augmentations.....	-	-	-
Restricted.....	91,666	103,478	102,333
DEPARTMENT TOTAL.....	\$ 137,309	\$ 159,709	\$ 155,898
STATE POLICE:			
General Government:			
General Government Operations.....	\$ 958,449	\$ 1,072,441	\$ 1,217,570
Statewide Public Safety Radio System.....	8,126	28,506	28,612
Law Enforcement Information Technology.....	6,899	27,596	29,096
Municipal Police Training.....	1,708	3,555	3,591
Multi-Biometric Identification System.....	885	885	885
Gun Checks.....	5,970	7,582	7,750

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2023-24	2024-25	2025-26
	Actual	Available	Budget
Patrol Vehicles	-	20,000	20,000
Commercial Vehicle Inspections	-	15,008	15,572
Subtotal	<u>\$ 982,037</u>	<u>\$ 1,175,573</u>	<u>\$ 1,323,076</u>
Grants and Subsidies:			
Municipal Police Training Grants	\$ -	\$ 5,000	\$ 5,000
TOTAL STATE FUNDS	<u>\$ 982,037</u>	<u>\$ 1,180,573</u>	<u>\$ 1,328,076</u>
Federal Funds	38,767	62,040	62,056
Augmentations	127,466	113,060	123,061
Restricted	6,664	22,216	20,800
DEPARTMENT TOTAL	<u>\$ 1,154,934</u>	<u>\$ 1,377,889</u>	<u>\$ 1,533,993</u>
<u>TRANSPORTATION:</u>			
General Government:			
Vehicle Sales Tax Collections	\$ 496	\$ 443	\$ 447
Voter Registration	639	759	1,059
Transfer to Aviation Restricted Account	1,600	1,600	1,600
Transportation and Multimodal Improvement Projects	161,000	-	-
Subtotal	<u>\$ 163,735</u>	<u>\$ 2,802</u>	<u>\$ 3,106</u>
TOTAL STATE FUNDS	<u>\$ 163,735</u>	<u>\$ 2,802</u>	<u>\$ 3,106</u>
Federal Funds	252,900	246,475	259,475
Restricted	6,426	7,800	7,800
DEPARTMENT TOTAL	<u>\$ 423,061</u>	<u>\$ 257,077</u>	<u>\$ 270,381</u>
<u>JUDICIARY:</u>			
General Government:			
Supreme Court:			
Supreme Court	\$ 19,909	\$ 21,168	\$ 21,634
Justice Expenses	118	118	118
Judicial Center Operations	1,155	1,228	1,298
Judicial Council	141	141	141
District Court Administrators	24,581	26,136	27,718
Interbranch Commission	358	358	403
Court Management Education	78	78	78
Rules Committees	1,595	1,595	1,595
Court Administrator	14,592	15,515	15,515
Integrated Criminal Justice System	2,372	2,522	3,521
Unified Judicial System Security	2,002	2,129	2,443
Unified Judicial System Cybersecurity and Disaster Recovery	-	3,490	4,652
Office of Elder Justice in the Courts	499	531	802
Subtotal	<u>\$ 67,400</u>	<u>\$ 75,009</u>	<u>\$ 79,918</u>

Summary by Department, continued

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget
Superior Court:			
Superior Court	36,455	38,761	40,731
Judges Expenses	183	183	183
Subtotal.....	<u>\$ 36,638</u>	<u>\$ 38,944</u>	<u>\$ 40,914</u>
Commonwealth Court:			
Commonwealth Court.....	22,896	24,344	26,142
Judges Expenses	132	132	132
Subtotal.....	<u>\$ 23,028</u>	<u>\$ 24,476</u>	<u>\$ 26,274</u>
Court of Common Pleas:			
Courts of Common Pleas.....	138,172	146,913	161,378
Senior Judges	4,213	4,480	4,480
Judicial Education.....	1,532	1,532	1,593
Problem-Solving Courts.....	1,268	1,348	1,348
Subtotal.....	<u>\$ 145,185</u>	<u>\$ 154,273</u>	<u>\$ 168,799</u>
Magisterial District Judges:			
Magisterial District Judges.....	94,308	100,274	106,047
Magisterial District Judge Education.....	878	878	961
Subtotal.....	<u>\$ 95,186</u>	<u>\$ 101,152</u>	<u>\$ 107,008</u>
Philadelphia Courts:			
Municipal Court.....	9,475	10,074	10,921
Subtotal.....	<u>\$ 9,475</u>	<u>\$ 10,074</u>	<u>\$ 10,921</u>
Judicial Conduct:			
Judicial Ethics Advisory Board.....	244	259	306
Judicial Conduct Board.....	2,555	2,555	2,555
Court of Judicial Discipline.....	618	618	618
Subtotal.....	<u>\$ 3,417</u>	<u>\$ 3,432</u>	<u>\$ 3,479</u>
Grants and Subsidies:			
Reimbursement of County Costs:			
Juror Cost Reimbursement.....	\$ 1,118	\$ 1,118	\$ 1,118
County Court Reimbursement	23,136	23,136	23,136
Senior Judge Reimbursement	1,375	1,375	1,375
Court Interpreter County Grant.....	2,473	2,629	3,000
Subtotal.....	<u>\$ 28,102</u>	<u>\$ 28,258</u>	<u>\$ 28,629</u>
TOTAL STATE FUNDS.....	<u>\$ 408,431</u>	<u>\$ 435,618</u>	<u>\$ 465,942</u>
Federal Funds.....	2,403	2,530	1,430
Restricted.....	48,952	43,417	43,417
DEPARTMENT TOTAL.....	<u>\$ 459,786</u>	<u>\$ 481,565</u>	<u>\$ 510,789</u>

Summary by Department, continued

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	Actual	Available	Budget

LEGISLATURE:

General Government:

Senate:

Senators' Salaries.....	\$ 9,307	\$ 9,307	\$ 9,307
Employees of Chief Clerk	3,239	3,614	3,614
Salaried Officers and Employees	14,672	16,672	16,672
Incidental Expenses.....	3,775	3,775	3,775
Expenses-Senators	1,487	1,487	1,487
Legislative Purchasing and Expenses	8,450	8,450	8,450
Committee on Appropriations (R) and (D)	-	-	3,166
Committee on Appropriations (R)	1,583	1,583	-
Committee on Appropriations (D)	1,583	1,583	-
Caucus Operations (R) and (D)	-	-	96,676
Caucus Operations (R)	46,919	51,238	-
Caucus Operations (D)	41,607	45,438	-
Subtotal.....	<u>\$ 132,622</u>	<u>\$ 143,147</u>	<u>\$ 143,147</u>

House of Representatives:

Members' Salaries, Speaker's Extra Compensation.....	37,940	42,230	42,230
Caucus Operations (R) and (D)	-	-	148,044
Caucus Operations (R)	67,221	71,061	-
Caucus Operations (D)	72,823	76,983	-
Speaker's Office.....	1,703	1,873	1,873
Bi-Partisan Committee, Chief Clerk, Comptroller, and EMS.....	14,834	18,510	18,510
Mileage-Representatives, Officers, and Employees.....	672	672	672
Chief Clerk and Legislative Journal	2,816	2,816	2,816
Contingent Expenses (R) and (D).....	-	-	2,118
Speaker	20	20	-
Chief Clerk	2,000	2,000	-
Floor Leader (R)	7	7	-
Floor Leader (D)	7	7	-
Whip (R).....	6	6	-
Whip (D).....	6	6	-
Chairman-Caucus (R).....	3	3	-
Chairman-Caucus (D).....	3	3	-
Secretary-Caucus (R)	3	3	-
Secretary-Caucus (D)	3	3	-
Chairman-Appropriations Committee (R)	6	6	-
Chairman-Appropriations Committee (D)	6	6	-
Chairman-Policy Committee (R)	2	2	-

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2023-24	2024-25	2025-26
	Actual	Available	Budget
Chairman-Policy Committee (D)	2	2	-
Caucus Administrator (R)	2	2	-
Caucus Administrator (D)	2	2	-
Administrator for Staff (R)	20	20	-
Administrator for Staff (D)	20	20	-
Incidental Expenses	7,569	7,569	7,569
Expenses-Representatives	4,251	4,251	4,251
Legislative Purchasing and Expenses	11,174	13,000	13,000
Committee on Appropriations (R)	3,223	3,545	3,545
Committee on Appropriations (D)	3,223	3,545	3,545
Special Leadership Account (R)	6,045	7,045	7,045
Special Leadership Account (D)	6,045	7,045	7,045
Subtotal	\$ 241,657	\$ 262,263	\$ 262,263
TOTAL STATE FUNDS	\$ 374,279	\$ 405,410	\$ 405,410
Federal Funds	-	-	-
DEPARTMENT TOTAL	\$ 374,279	\$ 405,410	\$ 405,410
<u>GOVERNMENT SUPPORT AGENCIES:</u>			
General Government:			
Legislative Reference Bureau:			
Legislative Reference Bureau-Salaries and Expenses	\$ 10,285	\$ 11,000	\$ 11,000
Printing of PA Bulletin and PA Code	886	1,100	1,100
Contingent Expenses	25	25	25
Subtotal	\$ 11,196	\$ 12,125	\$ 12,125
Miscellaneous and Commissions:			
Legislative Budget and Finance Committee	2,020	2,020	2,020
Legislative Data Processing Center	34,255	36,255	36,255
LDP-Information Technology Modernization	2,500	2,500	2,500
Joint State Government Commission	1,701	1,701	1,701
Local Government Commission	1,283	1,283	1,283
Local Government Codes	24	24	24
Legislative Audit Advisory Commission	285	285	285
Independent Regulatory Review Commission	2,155	2,155	2,155
Capitol Preservation Committee	827	827	827
Capitol Restoration	3,157	3,157	3,157
Commission on Sentencing	2,553	2,553	2,553
Center for Rural Pennsylvania	1,250	1,250	1,250

Summary by Department, continued

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	Actual	Available	Budget
Commonwealth Mail Processing Center.....	3,583	3,583	3,583
Independent Fiscal Office.....	2,343	2,343	2,343
Subtotal.....	<u>\$ 57,936</u>	<u>\$ 59,936</u>	<u>\$ 59,936</u>
TOTAL STATE FUNDS.....	<u>\$ 69,132</u>	<u>\$ 72,061</u>	<u>\$ 72,061</u>
DEPARTMENT TOTAL.....	<u>\$ 69,132</u>	<u>\$ 72,061</u>	<u>\$ 72,061</u>
General Fund Total-All Funds			
State Funds.....	\$ 44,864,798	\$ 47,904,371	\$ 51,474,431
Federal Funds.....	43,696,679	47,667,209	50,059,088
Augmentations.....	4,996,672	5,492,527	5,793,726
Restricted.....	<u>756,869</u>	<u>902,387</u>	<u>1,028,933</u>
FUND TOTAL.....	<u>\$ 94,315,018</u>	<u>\$ 101,966,494</u>	<u>\$ 108,356,178</u>



MOTOR LICENSE FUND

The Motor License Fund is a special revenue fund composed of monies received from liquid fuels taxes, operator licenses, registration fees on motor vehicles, federal aid for transportation purposes, contributions from local subdivisions for highway projects, and other miscellaneous revenues.

The fund provides for highway and bridge design, improvement, maintenance, and repair as well as purchase of rights-of-way, and licensing and safety activities. It also pays subsidies to local subdivisions for construction and maintenance of roads.

Motor License Fund

The Motor License Fund is a special revenue and major operating fund of the Commonwealth. It receives revenues required by the Constitution of Pennsylvania to be used only for costs of construction, reconstruction, maintenance, repair of and safety on highways and bridges, and for the payment of debt service on obligations incurred for such purposes. The major sources of revenue to the Motor License Fund are from liquid fuels taxes, vehicle registration and titling fees, and permit and operator license fees. Certain revenues are further restricted to specific highway and aviation uses and are not included in the Motor License Fund estimate of revenue.

This budget proposes to decrease overall State Police reliance on the Motor License Fund to \$200,000,000 in 2025-26 to assure state match requirements for federal transportation infrastructure funding. Additionally, this budget proposes to further reduce the reliance on the Motor License Fund by \$50,000,000 annually until the support is eliminated in 2029-30.

Income and Outgo



Liquid Fuels Tax \$1,701,000
 Licenses and Fees \$1,357,400
 Other Nonrestricted \$25,700

Income
 (Dollar Amounts in Thousands)

TOTAL INCOME	\$3,084,100
Beginning Balance	271,718
TOTAL	\$3,355,818

Outgo
 (Dollar Amounts in Thousands)

TOTAL OUTGO	\$3,288,076
Ending Balance	67,742
TOTAL	\$3,355,818



Highways & Bridges \$2,175,793
 State Police \$200,000
 Local Subsidy \$316,886
 Licensing & Safety \$276,708
 Other \$266,618
 Debt Service \$52,071

Seven Year Financial Statement

Excludes Restricted Revenue and Expenditures

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
Beginning Balance	\$ 255,433	\$ 312,996	\$ 271,718	\$ 67,742	\$ 21,881	\$ 27,044	\$ 19,092
Adjustment to Beginning Balance.....	-	-	-	-	-	-	-
Adjusted Beginning Balance	\$ 255,433	\$ 312,996	\$ 271,718	\$ 67,742	\$ 21,881	\$ 27,044	\$ 19,092
Revenue:							
Liquid Fuels Taxes	\$ 1,778,021	\$ 1,723,700	\$ 1,701,000	\$ 1,674,700	\$ 1,651,600	\$ 1,632,900	\$ 1,608,700
Licenses and Fees	1,283,094	1,293,000	1,357,400	1,396,600	1,451,500	1,488,100	1,540,500
Other Nonrestricted	108,833	98,800	25,700	23,600	23,900	24,000	24,000
Total Revenue	\$ 3,169,948	\$ 3,115,500	\$ 3,084,100	\$ 3,094,900	\$ 3,127,000	\$ 3,145,000	\$ 3,173,200
Prior Year Lapses	121,159	96,883	-	-	-	-	-
Funds Available	\$ 3,546,540	\$ 3,525,379	\$ 3,355,818	\$ 3,162,642	\$ 3,148,881	\$ 3,172,044	\$ 3,192,292
Expenditures:							
Appropriations	\$ 2,897,841	\$ 2,864,646	\$ 2,857,496	\$ 2,710,181	\$ 2,681,257	\$ 2,712,372	\$ 2,734,263
Executive Authorizations	335,703	389,015	430,580	430,580	440,580	440,580	440,580
Proposed Supplementals	-	-	-	-	-	-	-
Current Year Lapses	-	-	-	-	-	-	-
Total Expenditures	\$ 3,233,544	\$ 3,253,661	\$ 3,288,076	\$ 3,140,761	\$ 3,121,837	\$ 3,152,952	\$ 3,174,843
Ending Balance	\$ 312,996	\$ 271,718	\$ 67,742	\$ 21,881	\$ 27,044	\$ 19,092	\$ 17,449

Summary by Department

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26
 Actual Available Budget

TREASURY:

General Government:

Administration-Refunding Liquid Fuels Taxes \$ 561 \$ 591 \$ 605

Refunds:

Refunding Liquid Fuels Taxes-State Share (EA)..... \$ 4,500 \$ 4,500 \$ 4,500
 Refunding Liquid Fuels Taxes-Agriculture (EA)..... 5,000 5,000 5,000
 Refunding Liquid Fuels Taxes-Political Subdivisions (EA) 5,000 5,000 5,000
 Refunding Liquid Fuels Taxes-Volunteer Services (EA)..... 800 800 800
 Refunding Liquid Fuels Taxes-Snowmobiles and ATVs (EA)..... 1,000 1,000 1,000
 Refunding Liquid Fuels Taxes-Boat Fund (EA) 13,603 12,500 13,500

Subtotal..... \$ 29,903 \$ 28,800 \$ 29,800

Debt Service:

Capital Debt Transportation Projects \$ 35,873 \$ 35,920 \$ 35,942
 General Obligation Debt Service 16,477 14,813 16,089
 Loan and Transfer Agent 40 40 40

Subtotal..... \$ 52,390 \$ 50,773 \$ 52,071

TOTAL STATE FUNDS \$ 82,854 \$ 80,164 \$ 82,476

Restricted..... 72,458 71,468 71,736

DEPARTMENT TOTAL \$ 155,312 \$ 151,632 \$ 154,212

AGRICULTURE:

General Government:

Weights and Measures Administration \$ 5,817 \$ 5,908 \$ 5,908

Grants and Subsidies:

Dirt, Gravel, and Low Volume Roads \$ 28,000 \$ 28,000 \$ 28,000

TOTAL STATE FUNDS \$ 33,817 \$ 33,908 \$ 33,908

DEPARTMENT TOTAL \$ 33,817 \$ 33,908 \$ 33,908

CONSERVATION AND NATURAL RESOURCES:

General Government:

Dirt and Gravel Roads \$ 7,000 \$ 7,000 \$ 7,000

TOTAL STATE FUNDS \$ 7,000 \$ 7,000 \$ 7,000

Restricted 9,364 9,281 9,140

DEPARTMENT TOTAL \$ 16,364 \$ 16,281 \$ 16,140

Motor License Fund

Summary by Department, continued

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget
GENERAL SERVICES:			
<i>General Government:</i>			
Tort Claims Payments	\$ 9,000	\$ 9,000	\$ 9,000
TOTAL STATE FUNDS	\$ 9,000	\$ 9,000	\$ 9,000
DEPARTMENT TOTAL	\$ 9,000	\$ 9,000	\$ 9,000
REVENUE:			
<i>General Government:</i>			
Collections-Liquid Fuels Taxes	\$ 23,564	\$ 24,797	\$ 25,596
<i>Refunds:</i>			
Refunding Liquid Fuels Taxes (EA)	\$ 35,300	\$ 29,715	\$ 30,280
TOTAL STATE FUNDS	\$ 58,864	\$ 54,512	\$ 55,876
Federal Funds	250	250	250
DEPARTMENT TOTAL	\$ 59,114	\$ 54,762	\$ 56,126
STATE POLICE:			
<i>General Government:</i>			
General Government Operations	\$ 286,546	\$ 250,000	\$ 200,000
Statewide Public Safety Radio System	20,329	- a	- a
Law Enforcement Information Technology	20,697	- a	- a
Municipal Police Training	1,708	- a	- a
Patrol Vehicles	26,000	- a	- a
Commercial Vehicle Inspections	14,720	- a	- a
Subtotal	\$ 370,000	\$ 250,000	\$ 200,000
<i>Grants and Subsidies:</i>			
Municipal Police Training Grants	\$ 5,000	\$ - a	\$ - a
TOTAL STATE FUNDS	\$ 375,000	\$ 250,000	\$ 200,000
Federal Funds	16,823	- a	- a
Augmentations	754	- a	- a
Restricted	1,220	- a	- a
DEPARTMENT TOTAL	\$ 393,797	\$ 250,000	\$ 200,000

Motor License Fund

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2023-24	2024-25	2025-26
	Actual	Available	Budget
TRANSPORTATION:			
General Government:			
General Government Operations.....	\$ 82,399	\$ 85,476	\$ 95,084
Welcome Centers	4,640	4,807	4,845
Highway and Safety Improvements	650,000	630,000	630,000
Highway Capital Projects (EA).....	240,000	300,000	340,000
Highway Maintenance	1,033,412	1,144,293	1,169,293
Highway Systems Technology and Innovation	16,000	20,000	20,000
Reinvestment in Facilities	16,500	16,500	16,500
Driver and Vehicle Services.....	236,055	231,055	276,708
Homeland Security-REAL ID	31,308	32,535	-
Subtotal.....	<u>\$ 2,310,314</u>	<u>\$ 2,464,666</u>	<u>\$ 2,552,430</u>
Grants and Subsidies:			
Local Road Maintenance and Construction.....	\$ 246,195	\$ 243,911	\$ 236,886
Supplemental Local Road Maintenance and Construction.....	5,000	5,000	5,000
Municipal Roads and Bridges	30,000	30,000	30,000
Maintenance and Construction of County Bridges	5,000	5,000	5,000
Municipal Traffic Signals.....	40,000	40,000	40,000
Payment to Turnpike Commission (EA).....	28,000	28,000	28,000
Subtotal.....	<u>\$ 354,195</u>	<u>\$ 351,911</u>	<u>\$ 344,886</u>
Refunds:			
Refunding Collected Monies (EA).....	\$ 2,500	\$ 2,500	\$ 2,500
TOTAL STATE FUNDS.....	<u>\$ 2,667,009</u>	<u>\$ 2,819,077</u>	<u>\$ 2,899,816</u>
Federal Funds.....	2,310,796	2,961,664	3,043,318
Augmentations.....	96,950	125,167	119,117
Restricted.....	<u>2,168,800</u>	<u>2,107,557</u>	<u>2,075,454</u>
DEPARTMENT TOTAL.....	<u>\$ 7,243,555</u>	<u>\$ 8,013,465</u>	<u>\$ 8,137,705</u>
Fund Summary			
State Funds-Transportation	\$ 2,667,009	\$ 2,819,077	\$ 2,899,816
State Funds-Other Departments.....	566,535	434,584	388,260
TOTAL STATE FUNDS.....	<u>\$ 3,233,544</u>	<u>\$ 3,253,661</u>	<u>\$ 3,288,076</u>
Motor License Fund Total—All Funds			
State Funds	\$ 3,233,544	\$ 3,253,661	\$ 3,288,076
Federal Funds	2,327,869	2,961,914	3,043,568
Augmentations	97,704	125,167	119,117
Restricted	<u>2,251,842</u>	<u>2,188,306</u>	<u>2,156,330</u>
FUND TOTAL.....	<u>\$ 7,910,959</u>	<u>\$ 8,529,048</u>	<u>\$ 8,607,091</u>

^a Reflects funding shift from the Motor License Fund to the General Fund.

^b This budget proposes to transfer funding to Driver and Vehicle Services, due to the May 7, 2025 REAL ID implementation.

Revenue Summary: Five Year Revenue Projections

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Liquid Fuels Taxes.....	\$ 1,778,021	\$ 1,723,700	\$ 1,701,000	\$ 1,674,700	\$ 1,651,600	\$ 1,632,900	\$ 1,608,700
Licenses and Fees.....	1,283,094	1,293,000	1,357,400	1,396,600	1,451,500	1,488,100	1,540,500
Other Nonrestricted	108,833	98,800	25,700	23,600	23,900	24,000	24,000
TOTAL MOTOR LICENSE							
FUND REVENUES	\$ 3,169,948	\$ 3,115,500	\$ 3,084,100	\$ 3,094,900	\$ 3,127,000	\$ 3,145,000	\$ 3,173,200

Restricted Revenues

Aviation.....	\$ 10,180	\$ 9,500	\$ 8,800	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200
Highway Bridge Improvement	\$ 223,611	\$ 216,100	\$ 212,000	\$ 210,000	\$ 208,500	\$ 206,900	\$ 204,900
State Highway Transfer.....	\$ 52,186	\$ 50,600	\$ 49,900	\$ 49,100	\$ 48,400	\$ 47,800	\$ 47,000
Oil Company Franchise Tax	\$ 956,736	\$ 930,800	\$ 918,100	\$ 903,300	\$ 890,000	\$ 879,400	\$ 881,500
Supplemental Maintenance.....	\$ 669,715	\$ 651,500	\$ 642,600	\$ 632,100	\$ 622,900	\$ 615,400	\$ 605,700

Adjustments to Revenue Estimates

On July 11, 2024, an official estimate for the 2024-25 fiscal year of \$3,016,200 was certified. The estimate detailed below reflects actual revenue collections through the first six months of the fiscal year and expected collections for the balance of the fiscal year.

(Dollar Amounts in Thousands)

	2024-25		2024-25
	Official	Adjustments	Revised
	Estimate		Estimate
Liquid Fuels Taxes.....	\$ 1,720,700	\$ 3,000	\$ 1,723,700
Licenses and Fees.....	1,231,600	61,400	1,293,000
Other Nonrestricted	63,900	34,900	98,800
TOTAL	\$ 3,016,200	\$ 99,300	\$ 3,115,500

Revenue Sources

This section briefly describes tax and non-tax state revenue sources for the Motor License Fund.

Liquid Fuels Taxes

<u>Actual</u>		<u>Estimated</u>	
2018-19.....	\$ 1,837,184	2024-25	\$ 1,723,700
2019-20.....	1,708,438	2025-26	1,701,000
2020-21.....	1,656,359	2026-27	1,674,700
2021-22.....	1,746,970	2027-28	1,651,600
2022-23.....	1,774,804	2028-29	1,632,900
2023-24.....	1,778,021	2029-30	1,608,700

Tax Base and Rates

Alternative Fuels Tax:

- Tax Base:** The alternative fuels tax became effective October 1, 1997, and is imposed on fuels other than liquid fuels or fuels used to propel motor vehicles on public highways such as compressed natural gas, propane, and electricity.
- Tax Rate:** The tax rates are calculated from the current oil company franchise tax rate on gasoline indexed to the energy content of the alternative fuel.
- Reference:** Chapter 90 Title 75 of the Pennsylvania Consolidated Statutes

Motor Carriers Road Tax/International Fuel Tax Agreement (IFTA):

- Tax Base:** The motor carriers road tax is levied on motor carriers operating vehicles with a gross weight or registered gross weight in excess of 26,000 pounds. Credit against the tax is given for liquid fuels and fuels tax and oil company franchise tax paid at the pump or directly remitted. Credit is also given for tax paid on motor fuels purchased in Pennsylvania but consumed elsewhere. Identification markers are required to be issued annually upon a payment of \$5 per vehicle for each vehicle subject to these taxes based in the Commonwealth. Pennsylvania has been a member of IFTA since 1996. Under this agreement, qualified vehicles are subject to payment of fuel tax obligations based on fuel consumed within each state. Qualified vehicles are those with two axles greater than 26,000 pounds, combinations greater than 26,000 pounds, and those with three or more axles regardless of weight. Therefore, 17,001 to 26,000 pound vehicles, which previously were subject to the motor carriers road tax, are not subject under IFTA. Identification markers remain at \$5 per qualified vehicle. The underlying fuel tax rates are unaffected by IFTA.
- Tax Rate:** The tax is equal to the oil company franchise tax rate.
- Reference:** Chapter 96 Title 75 of the Pennsylvania Consolidated Statutes

Oil Company Franchise Tax:

- Tax Base:** This tax is an excise tax on all taxable liquid fuels. The tax is imposed on a cents-per-gallon equivalent basis and is remitted by distributors.

Revenue Sources, continued

Tax Rate: The total tax rate in 2024 is 57.6 cents-per-gallon (cpg) on liquid fuels and 74.1 cpg on diesel. This rate is recalculated each year as the product of an annual average wholesale price (AWP) set by the Department of Revenue and the statutory millage rates. Act 89 of 2013 added mills that are included in the current rates. Act 89 of 2013 also uncapped the AWP in 2017 and thereafter, with a floor set at \$2.99 per gallon. Receipts from 57 mills of the tax on liquid fuels and fuels are deposited as nonrestricted Motor License Fund revenue, along with the mills added by Act 89 of 2013. The balance of the tax rate represents revenues restricted to certain highway activities. These dedicated and restricted revenues are not included in the above estimates.

Transfers: Liquid Fuels Tax Fund: 4.17 percent of the mills added by Act 89 of 2013
 Multimodal Transportation Fund: \$35 million annually

Reference: Chapter 95 Title 75 of the Pennsylvania Consolidated Statutes.

Licenses and Fees

<u>Actual</u>		<u>Estimated</u>	
2018-19.....	\$ 992,389	2024-25.....	\$ 1,293,000
2019-20.....	954,044	2025-26.....	1,357,400
2020-21.....	1,151,355	2026-27.....	1,396,600
2021-22.....	1,126,575	2027-28.....	1,451,500
2022-23.....	1,117,786	2028-29.....	1,488,100
2023-24.....	1,283,094	2029-30.....	1,540,500

The Commonwealth receives revenue from the collection of fees levied for the registration and titling of motor vehicles and for the issuance of learners' permits, operators' licenses, certificates of title, and transfers of registration. Various motor vehicle registration fees were increased on April 1, 2014, per Act 89 of 2013. Act 89 of 2013 also redirected certain vehicle fees that had been deposited in the Motor License Fund to public transit and multimodal transportation programs and authorizes a fee option in lieu of suspension for driving without insurance. Additionally, since January 1, 2017, it affords the motor vehicle owner an option for biennial vehicle registration renewal.

Other Nonrestricted

<u>Actual</u>		<u>Estimated</u>	
2018-19.....	\$ 19,678	2024-25.....	\$ 98,800
2019-20.....	997	2025-26.....	25,700
2020-21.....	17,855	2026-27.....	23,600
2021-22.....	9,840	2027-28.....	23,900
2022-23.....	65,720	2028-29.....	24,000
2023-24.....	108,833	2029-30.....	24,000

Other nonrestricted revenues include, but are not limited to, investment income, sale of unserviceable property, fees for reclaiming abandoned vehicles, highway encroachment permits, and other miscellaneous revenue.

Revenue Detail

The following is a detailed list of all revenues available for Motor License Fund appropriations. Restricted revenues for the Aviation, Highway Bridge Improvement, State Highway Transfer, and Oil Company Franchise Tax restricted accounts are not included in these amounts.

	(Dollar Amounts in Thousands)		
	2023-24	2024-25	2025-26
	Actual	Available	Budget
LIQUID FUELS TAXES			
Liquid Fuels Tax			
Liquid Fuels Tax	\$ 5	\$ -	\$ -
Subtotal.....	\$ 5	\$ -	\$ -
Alternative Fuel Tax			
Alternative Fuel Tax.....	\$ 18,192	\$ 18,480	\$ 19,280
Alternative Fuel Tax Interest and Penalties	15	20	20
Subtotal.....	\$ 18,207	\$ 18,500	\$ 19,300
Motor Carriers Road Tax-International Fuel Tax Agreement			
Motor Carriers Road/IFTA-Fuels Tax	\$ 143,365	\$ 135,130	\$ 133,560
Motor Carriers Road/IFTA-Registration Fees, Special Permit Fees, and Fines	2,619	2,470	2,440
Subtotal.....	\$ 145,984	\$ 137,600	\$ 136,000
Oil Company Franchise Tax			
Oil Company Franchise Tax	\$ 960,861	\$ 929,800	\$ 916,600
OCFT-Liquid Fuels	508,300	498,530	492,550
OCFT-Liquid Fuels Interest	840	820	810
OCFT-Liquid Fuels Penalties.....	665	650	640
OCFT-Fuel Use	143,159	137,800	135,100
Subtotal.....	\$ 1,613,825	\$ 1,567,600	\$ 1,545,700
TOTAL LIQUID FUELS TAXES.....	\$ 1,778,021	\$ 1,723,700	\$ 1,701,000
LICENSES AND FEES			
Operators' Licenses	\$ 78,772	\$ 80,400	\$ 86,900
REAL ID.....	8,288	9,600	9,600
Other Fee Collections	(6,129)	2,500	2,500
Registration Fees Received from Other States/IRP	212,390	196,700	212,600
Special Hauling Permit Fees	35,875	35,700	38,000
Vehicle Registration and Titling	953,898	968,100	1,007,800
TOTAL LICENSES AND FEES.....	\$ 1,283,094	\$ 1,293,000	\$ 1,357,400

Motor License Fund

Revenue Detail, continued

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	Actual	Available	Budget
OTHER NONRESTRICTED			
Fines and Penalties			
Department of Revenue			
Vehicle Code Fines.....	\$ 1,055	\$ -	\$ -
Miscellaneous Revenues			
Treasury Investment Income	\$ 106,406	\$ 96,400	\$ 23,300
Department of General Services			
Sale of Unserviceable Property	\$ 439	\$ 400	\$ 400
Department of Transportation			
Fees for Reclaiming Abandoned Vehicles.....	\$ 74	\$ 150	\$ 150
Highway Encroachment Permits.....	1,990	4,370	4,370
Interest Earned-Restricted Revenue	(1,156) ^a	(2,550) ^a	(2,550) ^a
Miscellaneous Revenues	4	-	-
Recovered Damages	14	20	20
Sale of Inspection Stickers	3	-	-
Sale of Maps and Plans.....	4	10	10
TOTAL OTHER NONRESTRICTED	\$ 108,833	\$ 98,800	\$ 25,700
TOTAL MOTOR LICENSE FUND REVENUES	\$ 3,169,948	\$ 3,115,500	\$ 3,084,100

^a Amounts transferred to restricted revenue account.

Restricted Revenues Not Included in Department Total

Aviation

Actual		Estimated	
2018-19	\$ 8,670	2024-25	\$ 9,500
2019-20	8,832	2025-26	8,800
2020-21	5,149	2026-27	9,200
2021-22	6,157	2027-28	9,200
2022-23	7,503	2028-29	9,200
2023-24	10,180	2029-30	9,200

Aviation restricted revenues include taxes levied on aviation gasoline and jet fuel. Aviation gasoline and jet fuel tax rates are adjusted annually based on the change in the jet fuel price index. In accordance with Act 164 of 1984, the aviation gasoline rate is not to exceed 6.0 cents per gallon nor be less than 3.0 cents per gallon. The jet fuel tax is not to exceed 2.0 cents per gallon nor be less than 1.5 cents per gallon. The tax rate as of January 1, 2023, is 6.0 cents per gallon on aviation gasoline and 2.0 cents per gallon on jet fuel. This budget assumes the continuation of a General Fund transfer to supplement Aviation revenues.

	2023-24 Actual	2024-25 Available	2025-26 Budget
AVIATION			
Jet Fuel Tax	\$ 7,248	\$ 7,100	\$ 6,400
Aviation Gasoline Tax	177	200	200
Transfer from General Fund	1,600	1,600	1,600
Interest	1,155	600	600
TOTAL AVIATION	\$ 10,180	\$ 9,500	\$ 8,800

Highway Bridge Improvement

Actual		Estimated	
2018-19	\$ 227,348	2024-25	\$ 216,100
2019-20	219,952	2025-26	212,000
2020-21	226,448	2026-27	210,000
2021-22	229,924	2027-28	208,500
2022-23	226,375	2028-29	206,900
2023-24	223,611	2029-30	204,900

The Highway Bridge Improvement restricted account was created by Act 234 of 1982. The largest revenue source is the oil company franchise tax with 55 mills enacted in Act 3 of 1997 and a portion of 1.5 mills authorized in Act 89 of 2013. The overall oil company franchise tax average wholesale price provisions also apply to the millage designated for this restricted account. Fees are received from a portion of the registration fee for Pennsylvania based motor vehicles in classes 9-25, as well as temporary permit fees collected from out-of-state motor carriers for travel in Pennsylvania. Act 89 of 2013 phased in the uncapping of the average wholesale price used to calculate the oil company franchise tax.

	2023-24 Actual	2024-25 Available	2025-26 Budget
HIGHWAY BRIDGE IMPROVEMENT			
Registration Fee Portion-PA-Based Motor Vehicles	\$ 11,181	\$ 11,600	\$ 11,500
Temporary Permit Fees	448	400	400
Oil Company Franchise Tax	211,982	204,100	200,100
TOTAL HIGHWAY BRIDGE IMPROVEMENT	\$ 223,611	\$ 216,100	\$ 212,000

Restricted Revenues Not Included in Department Total, continued

State Highway Transfer

Actual		Estimated	
2018-19.....	\$ 54,793	2024-25	\$ 50,600
2019-20.....	50,710	2025-26	49,900
2020-21.....	49,465	2026-27	49,100
2021-22.....	51,829	2027-28	48,400
2022-23.....	52,018	2028-29	47,800
2023-24.....	52,186	2029-30	47,000

Act 32 of 1983 established the local highway turnback program. The overall oil company franchise tax average wholesale price provisions also apply to the millage designated for this restricted account. Act 89 of 2013 directed that increased revenue from the act be transferred to the Highway Bridge Improvement restricted account for local bridge projects. Starting in 2017-18, Act 89 of 2013 provided that the 3 mills is equally divided between the State Highway Transfer and the Highway Bridge Improvement restricted accounts.

Oil Company Franchise Tax

Actual		Estimated	
2018-19.....	\$ 1,004,534	2024-25	\$ 930,800
2019-20.....	929,683	2025-26	918,100
2020-21.....	906,855	2026-27	903,300
2021-22.....	950,192	2027-28	890,000
2022-23.....	953,660	2028-29	879,400
2023-24.....	956,736	2029-30	881,500

Oil company franchise tax restricted account revenues are provided by 55 mills of the oil company franchise tax as a result of Act 26 of 1991. Prior to Act 89 of 2013, revenues were restricted to the following purposes: 42 percent for maintenance, 17 percent for capital projects, 13 percent for bridges, 12 percent for municipalities, 14 percent for toll roads, and 2 percent for county or forestry bridges. Act 89 of 2013 changed the percentages for maintenance and capital projects to align with the transportation investment plan as follows: 45 percent in 2013-14, 29 percent in 2014-15, 25 percent in 2015-16, and 19 percent for each fiscal year thereafter for maintenance; and 14 percent in 2013-14, 30 percent in 2014-15, 34 percent in 2015-16, and 40 percent for each fiscal year thereafter for capital projects. Act 89 of 2013 phased in the uncapping of the average wholesale price used to calculate the oil company franchise tax.

Supplemental Maintenance

Actual		Estimated	
2018-19.....	\$ 703,174	2024-25	\$ 651,500
2019-20.....	650,778	2025-26	642,600
2020-21.....	634,798	2026-27	632,100
2021-22.....	665,135	2027-28	622,900
2022-23.....	667,562	2028-29	615,400
2023-24.....	669,715	2029-30	605,700

Supplemental Maintenance restricted account revenues are provided by 38.5 mills of the oil company franchise tax as a result of Act 3 of 1997. Prior to Act 89 of 2013, revenues were restricted to the following purposes: 12 percent for municipalities and 88 percent for maintenance. Act 89 of 2013 changed the percentages for maintenance to align with the transportation investment plans as follows: 68 percent in 2013-14, 49 percent in 2014-15, and 40 percent each fiscal year thereafter for maintenance; and 20 percent in 2013-14, 39 percent in 2014-15, and 48 percent for each fiscal year thereafter for Expanded Highway and Bridge Maintenance. Act 89 of 2013 phased in the uncapping of the average wholesale price used to calculate the oil company franchise tax.



LOTTERY FUND

The Lottery Fund is a special revenue fund composed of monies received from lottery sales. It provides for lottery prizes and for programs to support older Pennsylvanians including property tax and rent rebates, assistance with prescription drug costs, community care, and public transportation subsidies.

Lottery Fund

The Lottery Fund is a special revenue fund that receives the proceeds of lottery sales. It provides funding for lottery prizes and for programs supporting older Pennsylvanians. These programs include property tax and rent rebates, assistance with prescription drug costs, community care, and public transportation subsidies.

The Property Tax and Rent Rebate program within the Department of Revenue allows older Pennsylvanians, surviving spouses over age 50, and permanently disabled individuals to lead fuller lives by restoring a portion of their income through property tax and rent assistance. [Act 1 of Special Session No. 1 of 2006](#) expanded the Property Tax and Rent Rebate program to give more Pennsylvanians a rebate while also increasing the amounts of the rebates. [Act 7 of 2023](#), further expanded the [program](#) currently enabling homeowners and renters with household incomes of \$46,250 or less to qualify for rebates from \$380 to \$1,000. The act also permits income eligibility to grow with inflation each year.

The Pharmaceutical Assistance Contract for the Elderly (PACE/PACENET) program provides a comprehensive pharmacy benefit plan to qualified Pennsylvanians who are 65 years of age and older who face the burden of the cost of drugs required to maintain healthy and productive lives.

The Department of Aging has established a network of in-home and community-based services to address the varying needs of older Pennsylvanians. These services reside within the PENNCARE program enriching the lives and enabling at-risk older Pennsylvanians to remain in a community setting. For additional details, see the Department of Aging's presentation.

The Lottery Fund also provides funds to offset program costs for older Pennsylvanians in the Department of Human Services. These funds offset costs for the Community HealthChoices appropriation to reflect the transition of older Pennsylvanians who were previously funded from the Long-Term Care and PENNCARE appropriations.

[Act 44 of 2007](#) provided an annual transfer to the Public Transportation Trust Fund for distribution to transit systems offering free rides to older Pennsylvanians. Additionally, funding is provided for the Older Pennsylvanians Shared Ride program.

Seven Year Financial Statement

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
Beginning Balance	\$ 162,648	\$ 318,101	\$ 89,232	\$ 10,058	\$ 19,497	\$ 26,377	\$ 39,067
Reserve from Previous Year	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>
Adjusted Beginning Balance.....	\$ 237,648	\$ 393,101	\$ 164,232	\$ 85,058	\$ 94,497	\$ 101,377	\$ 114,067
Revenue:							
Ticket Sales.....	\$ 5,836,901	\$ 5,228,071	\$ 5,119,939	\$ 5,089,285	\$ 5,108,180	\$ 5,155,317	\$ 5,144,331
Commissions.....	(239,908)	(216,303)	(209,835)	(205,969)	(204,594)	(203,418)	(201,269)
Field Paid Prizes	<u>(3,652,752)</u>	<u>(3,325,602)</u>	<u>(3,237,946)</u>	<u>(3,234,752)</u>	<u>(3,260,044)</u>	<u>(3,309,145)</u>	<u>(3,312,742)</u>
Net Collections	\$ 1,944,241	\$ 1,686,166	\$ 1,672,159	\$ 1,648,564	\$ 1,643,542	\$ 1,642,754	\$ 1,630,320
Gaming Transfers for Property							
Tax Relief.....	87,200	202,200	323,700	324,700	325,200	324,400	324,400
Transfer from Video Gaming Fund..	-	-	38,459	160,416	176,139	192,437	209,310
Miscellaneous	<u>38,940</u>	<u>20,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>
Total Revenue.....	\$ 2,070,381	\$ 1,908,366	\$ 2,059,318	\$ 2,158,680	\$ 2,169,881	\$ 2,184,591	\$ 2,189,030
Prior Year Lapses	<u>159,350</u>	<u>47,519</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Funds Available.....	\$ 2,467,380	\$ 2,348,986	\$ 2,223,550	\$ 2,243,738	\$ 2,264,378	\$ 2,285,968	\$ 2,303,097
Expenditures:							
Appropriations	\$ 832,252	\$ 877,685	\$ 835,154	\$ 846,317	\$ 862,024	\$ 872,731	\$ 888,438
Executive Authorizations	1,242,027	1,317,069	1,303,338	1,302,924	1,300,978	1,299,169	1,293,927
Proposed Supplementals	-	-	-	-	-	-	-
Current Year Lapses	<u>-</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	\$ 2,074,279	\$ 2,184,754	\$ 2,138,492	\$ 2,149,241	\$ 2,163,002	\$ 2,171,900	\$ 2,182,365
Reserve for Current Year	<u>(75,000)</u>	<u>(75,000)</u>	<u>(75,000)</u>	<u>(75,000)</u>	<u>(75,000)</u>	<u>(75,000)</u>	<u>(75,000)</u>
Ending Balance	<u>\$ 318,101</u>	<u>\$ 89,232</u>	<u>\$ 10,058</u>	<u>\$ 19,497</u>	<u>\$ 26,377</u>	<u>\$ 39,067</u>	<u>\$ 45,731</u>

Summary by Department

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget
AGING:			
General Government:			
General Government Operations.....	\$ 12,335	\$ 14,818	\$ 17,546
Grants and Subsidies:			
PENNCARE.....	\$ 287,848	\$ 287,848	\$ 308,555
Pre-Admission Assessment.....	8,750	8,750	8,750
Caregiver Support.....	12,103	12,103	12,103
Alzheimer's Outreach.....	250	250	250
Transfer to Pharmaceutical Assistance Fund.....	155,000	170,000	150,000
Grants to Senior Centers.....	3,000	3,000	3,000
Aging Our Way, PA.....	-	2,950	5,950
Subtotal.....	\$ 466,951	\$ 484,901	\$ 488,608
TOTAL STATE FUNDS.....	\$ 479,286	\$ 499,719	\$ 506,154
Augmentations.....	616	629	936
DEPARTMENT TOTAL.....	\$ 479,902	\$ 500,348	\$ 507,090
HUMAN SERVICES:			
Grants and Subsidies:			
Medical Assistance-Transportation Services.....	\$ 4,000	\$ 4,000	\$ 4,000
Medical Assistance-Community HealthChoices.....	348,966	373,966	325,000
Subtotal.....	\$ 352,966	\$ 377,966	\$ 329,000
TOTAL STATE FUNDS.....	\$ 352,966	\$ 377,966	\$ 329,000
DEPARTMENT TOTAL.....	\$ 352,966	\$ 377,966	\$ 329,000
REVENUE:			
General Government:			
General Operations (EA).....	\$ 77,665	\$ 83,701	\$ 83,701
Lottery Advertising (EA).....	51,000	55,000	55,000
Property Tax and Rent Rebate-General Operations (EA).....	24,000	25,000	25,000
On-Line Vendor Commissions (EA).....	76,552	76,213	75,540
Instant Vendor Commissions (EA).....	52,630	52,397	41,967
iLottery Vendor Commissions (EA).....	29,300	29,300	32,314
Payment of Prize Money (EA).....	552,373	500,151	495,209
Subtotal.....	\$ 863,520	\$ 821,762	\$ 808,731
Grants and Subsidies:			
Property Tax and Rent Rebate for Older Pennsylvanians (EA).....	\$ 207,600	\$ 324,400	\$ 323,700
TOTAL STATE FUNDS.....	\$ 1,071,120	\$ 1,146,162	\$ 1,132,431
Augmentations.....	531	663	678
DEPARTMENT TOTAL.....	\$ 1,071,651	\$ 1,146,825	\$ 1,133,109

Summary by Department, continued

	(Dollar Amounts in Thousands)		
	2023-24	2024-25	2025-26
	Actual	Available	Budget
<u>TRANSPORTATION:</u>			
<i>Grants and Subsidies:</i>			
Older Pennsylvanians Shared Rides (EA).....	\$ 75,000	\$ 75,000	\$ 75,000
Transfer to Public Transportation Trust Fund (EA).....	95,907	95,907	95,907
Subtotal.....	<u>\$ 170,907</u>	<u>\$ 170,907</u>	<u>\$ 170,907</u>
TOTAL STATE FUNDS.....	<u>\$ 170,907</u>	<u>\$ 170,907</u>	<u>\$ 170,907</u>
DEPARTMENT TOTAL.....	<u>\$ 170,907</u>	<u>\$ 170,907</u>	<u>\$ 170,907</u>
Lottery Fund Total-All Funds			
State Funds.....	\$ 2,074,279	\$ 2,194,754	\$ 2,138,492
Augmentations.....	1,147	1,292	1,614
FUND TOTAL.....	<u>\$ 2,075,426</u>	<u>\$ 2,196,046</u>	<u>\$ 2,140,106</u>

Revenue Summary: Five Year Revenue Projections

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Net Collections.....	\$ 1,944,241	\$ 1,686,166	\$ 1,672,159	\$ 1,648,564	\$ 1,643,542	\$ 1,642,754	\$ 1,630,320
Gaming Transfers for Property Tax Relief	87,200	202,200	323,700	324,700	325,200	324,400	324,400
Transfer from Video Gaming Fund	-	-	38,459	160,416	176,139	192,437	209,310
Miscellaneous	38,940	20,000	25,000	25,000	25,000	25,000	25,000
TOTAL LOTTERY FUND REVENUES	\$ 2,070,381	\$ 1,908,366	\$ 2,059,318	\$ 2,158,680	\$ 2,169,881	\$ 2,184,591	\$ 2,189,030

Revenue Sources

Net Collections

(Dollar Amounts in Thousands)

Actual	Estimated
2018-19.....	\$ 1,785,431
2019-20.....	1,675,953
2020-21.....	2,006,156
2021-22.....	1,852,633
2022-23.....	2,006,878
2023-24.....	1,944,241
2024-25.....	\$ 1,686,166
2025-26.....	1,672,159
2026-27.....	1,648,564
2027-28.....	1,643,542
2028-29.....	1,642,754
2029-30.....	1,630,320

The Lottery currently offers terminal-based games, Keno and Xpress Sports games, and Fastplay and Scratch-Off games. The Lottery also offers Powerball and MegaMillions as multi-state jackpot games. [Act 42 of 2017](#) authorized the Lottery to operate iLottery and internet instant games, which are lottery games of chance using a computer, mobile device, or other web or mobile applications. Monitor games including Keno and Xpress Sports were launched in 2018. Detail on revenue collections by game are included in the Lottery's [annual reports](#).

[Act 97 of 2019](#) provided a temporary reduction of the mandated margin rate of return from 25 percent to 20 percent through June 30, 2024. [Act 137 of 2022](#) extended this reduction through June 30, 2029. iLottery and internet instant games are exempt from the profit margin requirement. This budget seeks to eliminate this requirement to help the Lottery remain competitive with other gaming options.

Net collections consist of the proceeds from lottery sales less commissions and field-paid prizes. The table below shows the calculation of net revenue amount:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Ticket Sales	\$ 5,836,901	\$ 5,228,071	\$ 5,119,939	\$ 5,089,285	\$ 5,108,180	\$ 5,155,317	\$ 5,144,331
Commissions	(239,908)	(216,303)	(209,835)	(205,969)	(204,594)	(203,418)	(201,269)
Field Paid Prizes	<u>(3,652,752)</u>	<u>(3,325,602)</u>	<u>(3,237,946)</u>	<u>(3,234,752)</u>	<u>(3,260,044)</u>	<u>(3,309,145)</u>	<u>(3,312,742)</u>
NET COLLECTIONS	\$ 1,944,241	\$ 1,686,166	\$ 1,672,159	\$ 1,648,564	\$ 1,643,542	\$ 1,642,754	\$ 1,630,320

Revenue Sources, continued

Gaming Transfers for Property Tax Relief

(Dollar Amounts in Thousands)

Actual		Estimated
2018-19.....	\$ 141,700	2024-25..... \$ 202,200
2019-20.....	265,000	2025-26..... 323,700
2020-21.....	-	2026-27..... 324,700
2021-22.....	114,200	2027-28..... 325,200
2022-23.....	88,800	2028-29..... 324,400
2023-24.....	87,200	2029-30..... 324,400

Under [Act 1 of Special Session No. 1 of 2006](#) and [Act 7 of 2023](#), the Property Tax Relief Fund supports Property Tax and Rent Rebate program expansion costs through transfer of gaming revenues. [Act 20 of 2020](#) authorized the early payment of Property Tax and Rent Relief payments shifting payments from July 2020 to the prior fiscal year. [Act 7 of 2023](#), further expanded the [program](#) currently enabling homeowners and renters with household incomes of \$46,250 or less to qualify for rebates from \$380 to \$1,000. The act also permits income eligibility to grow with inflation each year.

This budget proposes to increase the gaming transfer for Property Tax and Rent Rebate program to cover all rebates from the Property Tax Relief Fund.

Miscellaneous

(Dollar Amounts in Thousands)

Actual		Estimated
2018-19.....	\$ 3,516	2024-25..... \$ 20,000
2019-20.....	2,868	2025-26..... 25,000
2020-21.....	476	2026-27..... 25,000
2021-22.....	708	2027-28..... 25,000
2022-23.....	23,308	2028-29..... 25,000
2023-24.....	38,940	2029-30..... 25,000

Miscellaneous revenue includes interest earned on securities, interest on deposits, gain on sale of securities, and refund of expenditures.



Commonwealth of Pennsylvania
Governor's Executive Budget

TAX EXPENDITURES

Tax credits, deductions, exemptions, and exclusions provided by law result in a significant reduction in revenues that would otherwise be received at current tax rates. These reductions are referred to as tax expenditures. Proposed changes to current law tax expenditures are shown in Section C.

Tax Expenditure Analysis

The traditional budget process involves estimating Commonwealth revenues and appropriating these funds for numerous programs. This process undergoes intense scrutiny from interests inside and outside government. Constrained by available revenues, programs are initiated, expanded, limited, or deleted based on merit. To augment the traditional budget process, this budget includes an analysis of indirect expenditures that occur through special treatment within the tax structure. Various tax credits, deductions, exemptions, and exclusions are provided, resulting in reductions in revenue that would otherwise be received by the Commonwealth at current tax rates. Cumulatively, these are referred to in this budget as “tax expenditures.”

The Commonwealth’s tax structure contains many tax expenditures, ranging from the sales and use tax exemption for firewood to the S corporation exemption in the corporate net income tax. In general, they confer special treatment on specific taxpayers, activities, or goods and services. The tax expenditures listed in this budget result from the accumulation of many prior legislative sessions, and the original intent of certain tax expenditures may no longer align with current policies. A comprehensive tax expenditure analysis permits an on-going evaluation of each tax expenditure.

Act 180 of 1992 revised the requirements for the Governor’s Executive Budget tax expenditure analysis. This act stipulated that tax expenditure data be revised and updated every two years. Therefore, consistent with this provision, tax expenditures presented in this and subsequent budget documents will be updated and revised biennially. Exceptions include tax expenditures initiated, deleted, or amended by statute, expenditures where improved data allow significant revisions, or items of significant policy interest.

The 2025-26 Governor’s Executive Budget presents this tax expenditure analysis covering Commonwealth taxes that historically had annual receipts of at least \$20 million. A complete list of covered taxes is shown in the Table of Contents. The intended purposes of the current analyses are to:

- (1) Identify indirect sources of budgetary support for various activities,
- (2) Present estimated costs associated with each tax expenditure,
- (3) Present actual or estimated costs of administering each tax expenditure,
- (4) Present actual or estimated numbers and descriptions of benefiting taxpayers, and
- (5) Allow for administration, legislative, and public scrutiny and facilitate discussion on each tax expenditure’s merits.

For the purposes of this document, a “tax expenditure” is defined as a reduction in revenue that would otherwise be collected by the Commonwealth due to an exemption, reduction, deduction, limitation, exclusion, tax deferral, discount, refund, commission, credit, special rate, or special treatment. This definition provides a general framework for determining whether to classify certain items as tax expenditures. To facilitate this classification process, six specific criteria have been adopted to augment the general definition of a tax expenditure:

- (1) Reduces state revenues,
- (2) Confers special treatment,
- (3) Is included in the defined tax base,
- (4) Is not subjected to equivalent alternative taxation,
- (5) Can be altered by a change in state law, and
- (6) Is not an appropriation.

The following examples clarify the use of these criteria for several items not considered to be tax expenditures:

Purchases made by Commonwealth agencies are not subject to sales and use tax. If these transactions were not exempted, tax revenues would increase, but increased Commonwealth expenses would offset revenues. Therefore, no net budgetary change occurs. This item is not a tax expenditure.

The exclusion of a sale for resale from sales and use tax is not considered a tax expenditure because the tax is imposed on each separate sale at retail of tangible personal property or services.

Financial institutions and insurance companies are exempted from corporate net income tax (CNIT). However, these corporations are subject to alternative taxes: the bank and trust company shares tax, mutual thrift institutions tax, or insurance premiums tax. The exemption of these corporations from the CNIT is not in itself a tax expenditure; however, to the extent that those taxes may not impose proportionate tax burdens on the exempted companies, the overall tax structure may involve some indirect tax expenditure. This budget proposes the removal of the CNIT exemption for financial institutions and the repeal of the bank and trust company shares tax and the mutual thrift institutions tax.

The pro rata exclusion of U.S. securities from the bank and trust company shares tax was a state legislative response to a federal prohibition against direct taxation of these obligations or income derived from them. As this cannot be altered by changing state law, this exclusion is not a tax expenditure.

There are three primary limitations on tax expenditure estimates. First, estimated revenue foregone due to a tax expenditure should not be construed as the revenue that could be gained if the tax expenditure provision were rescinded in legislation. The impact of any particular piece of legislation will vary depending on how the bill is drafted, how its terms are defined, when it becomes effective, and how it relates to other parts of the tax law. In contrast, tax expenditure estimates are often based on concepts defined by the way that government statistics on the subject are made available to the department. Furthermore, no attempt has been made to account for changes in taxpayer behavior that may occur because of tax law changes. For example, if the sales and use tax exemptions were rescinded for equipment and utilities directly used in manufacturing, it is possible that capital investment in manufacturing would be reduced and that these sales and use tax receipts would be less than the tax expenditure estimate.

A second limitation is that individual estimates are not additive. It is not always possible to estimate each tax expenditure with regard to interactions with other provisions of that tax or other taxes. For example, certain exempt items qualify under multiple tax expenditures. If gasoline were to be included in the sales and use tax base, agricultural, political subdivision, and manufacturing/processing use would continue to be exempt under other provisions. Therefore, no bottom line can be presented similar to that shown for total revenues or expenditures in the current Governor's Executive Budget.

Third, these estimates are, in many cases, necessarily derived from data completely independent of taxpayer returns. Minor differences in data collection techniques among the various data sources used could introduce a small element of error into the estimates. Thus, these estimates are intended to represent the magnitude of each tax expenditure, not to provide pinpoint accuracy.

All estimates appear in millions of dollars. The word "nominal" is used when the estimated impact is less than \$100,000. Estimates of revenue loss or beneficiary count and description that are not available are represented by "N/A." Costs incurred to administer tax expenditures are estimated by major tax category or, if available, by a specific tax expenditure. Identified costs for a major tax category are provided at the beginning of the tax expenditure group. No administrative costs are reported for tax expenditures that provide incentives to implement or continue programs that replace or supplement efforts that would otherwise be the responsibility of state government.

This analysis is a general guide to tax expenditures in Pennsylvania. It is not intended to be a tax manual, and statements within it should not be construed as interpretations of the law or regulations.

Expenditure Introduction

ADMINISTRATIVE COSTS:

Costs incurred to administer the multiple tax expenditures cannot be separately identified. Tax expenditures are a significant factor associated with the need for more compliance audits and the increased complexity of compliance audits. These audits contribute significantly to the volume of appeals processed by the Department of Revenue.

(Dollar Amounts in Millions)

ADMINISTRATIVE COST ESTIMATES:	General Fund	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Corporate Taxes		\$ 6.3	\$ 6.5	\$ 6.7	\$ 6.9	\$ 7.1	\$ 7.3	\$ 7.5
Consumption Taxes.....		16.8	17.0	17.3	17.5	17.8	18.1	18.3
Other Taxes		2.0	2.1	2.1	2.2	2.2	2.3	2.4
	Motor License Fund	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Oil Company Franchise Tax.	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4
	Motor Carriers Road Tax/IFTA	1.2	1.2	1.2	1.2	1.3	1.3	1.3
	Motor Vehicle Code	0.1	0.1	0.1	0.1	0.1	0.1	0.1

Administrative costs for the following special funds are nominal: Public Transportation Assistance Fund, Unemployment Compensation Insurance Tax, and State Gaming Fund.

Corporate Taxes included in figures above:

Corporate net income tax, gross receipts tax, public utility realty tax, insurance premiums tax, and bank and trust company shares.

Consumption taxes included in figures above:

Sales and use tax and cigarette tax.

Other taxes included in figures above:

Personal income tax, inheritance tax, realty transfer tax, and table game taxes.

BENEFICIARIES:

Information provided under the "Beneficiaries" headings represents an actual or estimated number and description of Pennsylvania residents, households, or businesses benefiting from that specific tax expenditure. An unreported number of non-Pennsylvania entities may also benefit from the tax expenditure.

FURTHER INFORMATION:

- [Tax Compendium](#)
- [Sales and Use Tax Retailer's Information](#)
- [Personal Income Tax Booklet](#)
- [Property Tax/Rent Rebate Program Report](#)

Tax Credit Programs - Introduction

GENERAL INFORMATION:	Tax credit programs incentivize the growth and development of certain industries and activities within the Commonwealth. Eligible taxpayers and tax types vary by credit, along with timelines for usage, and rules for sale, assignment, or pass through.
BENEFICIARIES:	Estimates of numbers of businesses, individuals, and other entities benefiting from various tax credits are approximate.
ADMINISTRATIVE COSTS:	Administrative costs are borne by multiple departments, depending on the particular program. Costs for 2023-24 are estimated at \$2.7 million.
AUTHORIZING LEGISLATION:	<p>Most of the tax credit programs are authorized in two codes:</p> <ul style="list-style-type: none"> • Tax Reform Code of 1971 (P.L. 6, No. 2), as amended (TRC). • Public School Code of 1949 (P.L. 30, No. 14), as amended (PSC). <p>The remaining programs have their specific legislation noted.</p>

TAX CREDIT PROGRAM

[Neighborhood Assistance](#)
[New Jobs](#)
[Research and Development](#)
[Keystone Opportunity Zones](#)
[Educational Improvement](#)
[Opportunity Scholarship](#)
[Keystone Innovation Zones](#)
[Film Production](#)
[Video Game Production](#)
[Entertainment Economic Enhancement Program](#)
[Resource Enhancement and Protection](#)
[Keystone Special Development Zones](#)
[Resource Manufacturing](#)
[Historic Preservation Incentive](#)
[Organ and Bone Marrow Donation](#)
[Exemptions for Out-of-State Entities during a Declared Emergency](#)
[Waterfront Development](#)
[Coal Refuse Energy and Reclamation](#)
[Manufacturing](#)
[Rural Jobs and Investment](#)
[Brewers'](#)
[Mixed-Use Development](#)
[Computer Data Center Equipment Incentive Program](#)
[Pennsylvania Housing](#)
[Airport Land Development Zone](#)
[Local Resource Manufacturing](#)
[Pennsylvania Milk Processing](#)
[Regional Clean Hydrogen Hubs](#)
[Semiconductor Manufacturing and Biomedical Manufacturing and Research](#)
[529 Savings Account Employer Matching Contribution](#)
[Employer Child Care Contribution](#)

AUTHORIZING LEGISLATION

Article XIX-A of the TRC
 Article XVIII-B of the TRC
 Article XVII-B of the TRC
 Act 92 of October 6, 1998 (P.L. 702, No. 92)
 Article XX-B of the PSC
 Article XX-B of the PSC
 Article XIX-F of the TRC
 Article XVII-D of the TRC
 Article XVII-D of the TRC
 Article XVII-D of the TRC
 Article XVII-E of the TRC
 Article XIX-C of the TRC
 Article XVII-G of the TRC
 Article XVII-H of the TRC
 Article XVIII of the TRC
 Act 203 of 2014 (P.L. 3044, No. 203)
 Article XVII-K of the TRC
 Article XVII-J of the TRC
 Article XVIII-G of the TRC
 Article XVIII-G of the TRC
 Article XX, Section 2010 of the TRC
 Article XIX-E of the TRC
 Article XXIX-D of the TRC
 Article XIX-G of the TRC
 Article XIX-H of the TRC
 Article XVII-L of the TRC
 Article XVII-L of the TRC
 Article XVII-L of the TRC
 Article XVII-L of the TRC
 Article XIX-J of the TRC
 Article XIX-K of the TRC

General Fund Tax Expenditures

Tax Credit Programs - Estimates

PROGRAM ESTIMATES:

2023-24 reflects actual credit awards. Future years reflect program caps, as applicable, or estimates for formula-based programs.

(Dollar Amounts in Millions)

TAX CREDIT PROGRAM	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Neighborhood Assistance	\$ 36.0	\$ 72.0	\$ 72.0	\$ 72.0	\$ 72.0	\$ 72.0	\$ 72.0
New Jobs	0.9	7.4	5.8	3.9	3.9	3.1	1.7
Research and Development	60.0	60.0	60.0	60.0	60.0	60.0	60.0
Keystone Opportunity Zones	121.7	78.6	72.6	52.0	49.5	48.1	47.1
Educational Improvement	384.0	540.0	540.0	540.0	540.0	540.0	540.0
Opportunity Scholarship.....	63.0	90.0	90.0	90.0	90.0	90.0	90.0
Keystone Innovation Zones	9.9	15.0	15.0	15.0	15.0	15.0	15.0
Film Production	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Video Game Production..... ^a	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Entertainment Economic Enhancement Program	11.0	24.0	24.0	24.0	24.0	24.0	24.0
Resource Enhancement and Protection	13.0	13.0	13.0	13.0	13.0	13.0	13.0
Keystone Special Development Zones.....	4.5	N/A	N/A	N/A	N/A	N/A	N/A
Resource Manufacturing.....	27.3	65.0	65.0	65.0	65.0	65.0	65.0
Historic Preservation Incentive	5.0	20.0	20.0	20.0	20.0	20.0	20.0
Organ and Bone Marrow Donation	0.0	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal
Exemptions for Out-of-State Entities during a Declared Emergency	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Waterfront Development..... ^a	1.0	5.0	5.0	5.0	5.0	5.0	5.0
Coal Refuse Energy and Reclamation.....	20.0	55.0	55.0	55.0	55.0	55.0	55.0
Manufacturing..... ^a	0.4	4.0	4.0	4.0	4.0	4.0	4.0
Rural Jobs and Investment	1.2	6.0	6.0	12.0	12.0	12.0	6.0
Brewers'	2.9	5.0	5.0	5.0	5.0	5.0	5.0
Mixed-Use Development.....	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Pennsylvania Housing	0.0	10.0	10.0	10.0	10.0	10.0	10.0
Airport Land Development Zone.....	0.0	4.5	7.1	9.8	10.9	10.9	10.9
Local Resource Manufacturing..... ^a	0.0	56.7	56.7	56.7	56.7	56.7	56.7
Pennsylvania Milk Processing	0.0	15.0	15.0	15.0	15.0	15.0	15.0
Regional Clean Hydrogen Hubs..... ^a	0.0	50.0	50.0	50.0	50.0	50.0	50.0
Semiconductor Manufacturing and Biomedical Manufacturing and Research	0.0	20.0	20.0	20.0	20.0	-	-
529 Savings Account Employer Matching Contribution.....	-	-	9.3	12.0	12.8	13.0	13.1
Employer Child Care Contribution	-	-	8.1	8.1	8.0	8.0	8.0

^a Tax credit expenditure amounts are shown at current law levels. Changes affecting these tax credits are proposed. Details are shown in Section C.

General Fund Tax Expenditures

Tax Credit Programs - Beneficiaries

TAX CREDIT PROGRAM	COMPANIES	INDIVIDUALS	ORGANIZATIONS	OTHER
Neighborhood Assistance	180	250		
New Jobs	10			
Research and Development	1,000			
Keystone Opportunity Zones	620			
Educational Improvement	1,300	10,700	1,340	
Opportunity Scholarship.....	500	3,200	190	
Keystone Innovation Zones	140			
Film Production				50 film projects
Resource Enhancement and Protection	110	260		
Brewers'	682			
Airport Land Development Zone	50			
Local Resource Manufacturing	3			
Employer Child Care Contribution				11,800 employers

MINIMAL NUMBER OF BENEFICIARIES

Video Game Production	Organ and Bone Marrow Donation
Entertainment Economic Enhancement	Waterfront Development
Mixed-Use Development	

UNKNOWN NUMBER OF BENEFICIARIES

Keystone Special Development Zones	Rural Jobs and Investment
Resource Manufacturing	Pennsylvania Housing
Historic Preservation Incentive	Pennsylvania Milk Processing
Exemptions for Out-of-State Entities during a Declared Emergency	Semiconductor Manufacturing and Biomedical Manufacturing and Research
Manufacturing	Regional Clean Hydrogen Hubs
Coal Refuse Energy and Reclamation	529 Savings Account Employer Matching Contribution

Tax Credit Programs - Administering Agencies

ENTITIES RESPONSIBLE FOR TAX CREDIT ADMINISTRATION

DCED	Department of Community and Economic Development
DEP	Department of Environmental Protection
DOR	Department of Revenue
PDE	Department of Education
PHFA	Pennsylvania Housing Finance Agency
PHMC	Pennsylvania Historical and Museum Commission
SCC	Department of Agriculture's State Conservation Commission

TAX CREDIT PROGRAM	ADMINISTERING ENTITIES
Neighborhood Assistance	DCED, DOR
New Jobs	DCED, DOR
Research and Development	DCED, DOR
Keystone Opportunity Zones	DCED, DOR
Educational Improvement	DCED, DOR, PDE
Opportunity Scholarship	DCED, DOR, PDE
Keystone Innovation Zones	DCED, DOR
Film Production	DCED, DOR
Video Game Production	DCED, DOR
Entertainment Economic Enhancement Program	DCED, DOR
Resource Enhancement and Protection	DOR, SCC
Keystone Special Development Zones	DCED, DOR
Resource Manufacturing	DCED, DOR
Historic Preservation Incentive	DCED, DOR, PHMC
Organ and Bone Marrow Donation	DOR
Exemptions for Out-of-State Entities during a Declared Emergency	DOR
Waterfront Development	DCED
Coal Refuse Energy and Reclamation	DCED, DOR, DEP
Manufacturing	DCED, DOR
Rural Jobs and Investment	DCED, DOR
Brewers'	DOR
Mixed-Use Development	DOR, PHFA
Pennsylvania Housing	DOR, PHFA
Airport Land Development Zone	DCED, DOR
Local Resource Manufacturing	DCED, DOR
Pennsylvania Milk Processing	DOR
Regional Clean Hydrogen Hubs	DCED, DOR
Semiconductor Manufacturing and Biomedical Manufacturing and Research	DOR
529 Savings Account Employer Matching Contribution	DOR
Employer Child Care Contribution	DOR

General Fund Tax Expenditures

Corporate Net Income Tax

NONPROFIT CORPORATIONS EXEMPTION

Description: Any nonprofit corporation or entity that is an exempt organization as defined by section 501 of Internal Revenue Code of 1986 (P.L. 99-514, 26 U.S.C.) is exempt from the corporate net income tax (CNIT). Corporations organized as nonprofits but not operating as nonprofits are excluded from this exemption.

Purpose: This exemption provides tax relief to nonprofit corporations including religious, charitable, educational, and scientific organizations that are perceived as providing social benefits.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 59.2	\$ 56.1	\$ 53.3	\$ 50.5	\$ 47.7	\$ 44.7	\$ 41.7

Beneficiaries: Approximately 2,500 nonprofit corporations operating in Pennsylvania with unrelated business income benefit from this tax expenditure.

SALES FACTOR APPORTIONMENT WEIGHT

Description: Since tax year 2013, corporations with activities in multiple states apportion their income to Pennsylvania using a single sales factor. Prior to that, there were weighted formulas that incorporated property, payroll, and sales. All sales include the sale of real property, intangible property, and services sourced at the location of the consumer. The estimates shown below measure the impact of reverting to an equally weighted, three-factor formula.

Purpose: Corporations with a higher percentage of property and payroll invested in Pennsylvania (compared to their percentage of sales in Pennsylvania) will have less taxable income apportioned to the Commonwealth. Therefore, those corporations will have a reduced tax burden. This encourages business investment in Pennsylvania in the form of property and employment.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 856.9	\$ 841.5	\$ 771.3	\$ 706.8	\$ 650.7	\$ 597.4	\$ 554.1

Beneficiaries: More than 34,500 corporations are affected by this expenditure. Of those, 8,000 benefit (i.e., have their taxable income reduced) from the expenditure. The estimates shown above reflect the net impact and represent the change in corporate net income tax from corporations who have their taxable income reduced, as well as the impact on corporations that have their taxable income increased as a result of this tax expenditure.

FEDERAL INSURANCE CONTRIBUTIONS ACT (FICA) TAX ON TIPS DEDUCTION

Description: Eating and drinking establishments can claim a deduction from their Pennsylvania taxable income equal to the amount of Federal Insurance Contributions Act (FICA) tax on employees' tips.

Purpose: This deduction harmonizes Pennsylvania law with federal tax law, substituting the federal Credit for Employer Social Security and Medicare taxes with a deduction from federal income for Pennsylvania purposes.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 3.1	\$ 3.1	\$ 3.0	\$ 2.8	\$ 2.7	\$ 2.6	\$ 2.5

Beneficiaries: Approximately 2,400 taxpayers representing eating and drinking establishments could benefit from this tax expenditure.

General Fund Tax Expenditures

NET OPERATING LOSS CARRYFORWARD

Description: Corporations may deduct net losses accrued over the preceding 20 tax years from their current year taxable income. For tax years 2019 through 2025, the deduction is limited to 40 percent of taxable income. Thereafter, the maximum possible deduction increases by ten percentage points a year until it reaches 80 percent in tax year 2029. However, losses generated in tax year 2024 and prior can still only reduce taxable income up to 40 percent of taxable income. Losses generated in tax year 2025 and thereafter may then be used to further reduce taxable income.

Purpose: This deduction reduces the tax burden for a period of time after an operating loss, thereby aiding a corporation that has returned to economic viability as measured by taxable income.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 738.9	\$ 725.6	\$ 678.1	\$ 676.0	\$ 693.8	\$ 740.2	\$ 781.3

Beneficiaries: Approximately 17,800 businesses per year benefit from this tax expenditure.

NONPROFIT NONSTOCK COMMODITY OR STOCK EXCHANGE EXEMPTION

Description: Not-for-profit nonstock commodity or stock exchanges are excluded from the definition of a corporation for corporate net income tax purposes.

Purpose: This exemption provides tax relief for non-profit nonstock commodity or stock exchanges.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: A minimal number of corporate taxpayers benefit from this tax expenditure.

PENNSYLVANIA S CORPORATION EXEMPTION

Description: Corporations with a valid Pennsylvania S corporation election in effect for the taxable year are subject to CNIT only to the extent that they have net recognized built-in gains. Pennsylvania S corporation shareholders must include their distributive share of Pennsylvania S corporation income for Pennsylvania personal income tax (PIT) purposes. The tax expenditure is the difference between what is paid by the shareholders under PIT and what the corporations would have paid had they been fully subject to CNIT.

Purpose: This provision allows for tax treatment similar to that of the Internal Revenue Service and most other states, for businesses with this legal form of organization.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1,012.3	\$ 902.7	\$ 751.1	\$ 618.1	\$ 504.5	\$ 404.0	\$ 319.2

Beneficiaries: Approximately 161,000 sub-chapter S corporations doing business in Pennsylvania could benefit from this tax expenditure.

General Fund Tax Expenditures

LIMITED LIABILITY COMPANIES (LLC) EXEMPTION

Description: Limited Liability Companies (LLCs) that are not taxed as corporations for federal purposes are exempt from the Pennsylvania CNIT. Members of the LLC must include their share of the LLC's income for Pennsylvania PIT purposes or for CNIT if a corporate member. The tax expenditure is the difference between what is paid by the members under PIT and CNIT and what the LLC entities would have paid under CNIT.

Purpose: This provision allows tax treatment similar to that of the Internal Revenue Service, and most other states, for businesses with this legal form of organization.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1,879.9	\$ 1,691.0	\$ 1,420.5	\$ 1,182.5	\$ 979.1	\$ 798.5	\$ 646.5

Beneficiaries: As many as 166,500 companies doing business in Pennsylvania benefit from this tax expenditure.

POWDERED METALLURGY NEXUS EXEMPTION

Description: Out-of-state customers of Pennsylvania powdered metallurgy parts manufacturers are eligible for a nexus exemption.

Purpose: This nexus exemption ensures that Pennsylvania powdered metallurgy parts manufacturers will not lose business due to a concern that out-of-state customers may be unduly subject to Pennsylvania taxation as a result of contracting with such a company.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: A minimal number of corporate taxpayers benefit from this tax expenditure.

QUALIFIED MANUFACTURING INNOVATION & REINVESTMENT DEDUCTION

Description: Pennsylvania taxpayers who invest in the creation of a new or refurbished manufacturing facility can qualify for a deduction from their Pennsylvania apportioned income. The deduction cannot reduce total tax liability by more than 50 percent, is non-transferable, and expires at the end of the corresponding tax year.

Purpose: The deduction is intended to make Pennsylvania a more attractive place to make large capital investments in modern manufacturing.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 0.0	\$ 48.7	\$ 67.8	\$ 84.3	\$ 102.6	\$ 105.3	\$ 108.1

Beneficiaries: A minimal number of corporate taxpayers benefit from this tax expenditure.

General Fund Tax Expenditures

AIR FREIGHT FORWARDING SPECIAL APPORTIONMENT

Description: Qualified air freight forwarding companies can utilize a special income apportionment factor based on revenue miles for tax years starting after December 31, 2016. A revenue mile means the average receipts derived from the transportation by the taxpayer of persons or property one mile. Qualified companies are those engaged in the air freight forwarding business and primarily use an airline with which it has common ownership and control. Such companies shall use the revenue miles of the airline.

Purpose: Allowing qualified air freight forwarding companies to apportion their net income in the same manner as other transportation companies creates equal treatment amongst similar taxpayers.

Estimates:

(Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$	9.0	\$ 8.7	\$ 8.5	\$ 8.2	\$ 7.8	\$ 7.5	\$ 7.1

Beneficiaries: A minimal number of corporate taxpayers benefit from this tax expenditure.

General Fund Tax Expenditures

Gross Receipts Tax

MUNICIPALLY-OWNED PUBLIC UTILITIES

Description: Gross receipts of public utilities owned or operated by a municipality are exempt from tax to the extent the gross receipts are derived from business done inside the limits of the municipality.

Purpose: This exemption encourages municipalities to develop and invest in public utility services and supplemental energy sources including cogeneration facilities. It also benefits residents to the extent the tax relief is reflected through lower utility rates.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 8.5	\$ 8.8	\$ 9.7	\$ 9.0	\$ 9.0	\$ 9.2	\$ 9.2

Beneficiaries: The 35 municipally-owned utilities operating in the Commonwealth benefit from this tax expenditure.

NUCLEAR GENERATING FACILITY DAMAGE

Description: Gross receipts derived from the sale of electricity by an electric light company which are attributable to the recovery of purchased energy costs, clean-up costs, and investment write-off costs due to damage to a nuclear generating facility are exempt from tax.

Purpose: This tax relief alleviates the financial hardship faced by the public utility as a result of damage caused by an accident or natural disaster.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: One hundred fifty electric suppliers could potentially benefit from this tax expenditure.

ELECTRIC COOPERATIVES

Description: Gross receipts of electric cooperatives are exempt from the tax.

Purpose: These cooperatives are nonprofit corporations organized to engage in rural electrification and are perceived to provide public benefit. This exemption permits this service to be rendered at a reduced cost to the rate payers.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 20.2	\$ 19.8	\$ 21.8	\$ 20.2	\$ 20.3	\$ 20.6	\$ 20.7

Beneficiaries: The 13 cooperatives in the Commonwealth benefit from this tax expenditure.

General Fund Tax Expenditures

Public Utility Realty Tax

PROPERTY SUBJECT TO LOCAL TAXATION

Description: Property subject to local real estate taxation under any law in effect on April 23, 1968, is excluded from the Public Utility Realty Tax Act (PURTA) tax base.

Purpose: The Constitution of Pennsylvania was amended April 23, 1968, to provide for state taxation of public utility realty property; however, any law in effect which subjected real property of a public utility to local real estate taxation was left in place. This provision prevents the double taxation of such property.

Estimates: (Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 3.3	\$ 3.3	\$ 3.4	\$ 3.4	\$ 3.4	\$ 3.4	\$ 3.5

Beneficiaries: The 287 public utilities could benefit from this tax expenditure.

EASEMENTS

Description: Easements or similar interests are excluded from the tax base. An easement is an interest in land owned by another entity, which entitles a public utility company to limited use related to the provision of utility service.

Purpose: PURTA is intended as a tax on real property and not as a tax on intangible assets, such as easement rights.

Estimates: (Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 2.9	\$ 3.0	\$ 3.0	\$ 3.0	\$ 3.0	\$ 3.1	\$ 3.1

Beneficiaries: The 287 public utilities could benefit from this tax expenditure.

RAILROAD RIGHTS-OF-WAY

Description: Railroad rights-of-way and superstructures thereon are excluded from the tax base. Railroad rights-of-way are limited ownership of land to be used exclusively for the provision of rail transportation service.

Purpose: PURTA is intended as a tax on real property and not as a tax on intangible assets, such as rights-of-way. This tax relief may encourage the development of our railroad network.

Estimates: (Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 6.8	\$ 6.9	\$ 6.9	\$ 7.0	\$ 7.0	\$ 7.1	\$ 7.2

Beneficiaries: The 23 railroad public utilities could benefit from this tax expenditure.

SEWAGE SERVICES

Description: Public utilities furnishing sewage services are exempt from tax.

Purpose: This provides tax relief to companies that are in the business of sewage treatment and encourages investment in sewage treatment facilities.

Estimates: (Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 6.0	\$ 6.0	\$ 6.1	\$ 6.1	\$ 6.2	\$ 6.3	\$ 6.3

Beneficiaries: The 33 public utilities that provide sewage services benefit from this tax expenditure.

General Fund Tax Expenditures

MUNICIPALITIES

Description: Municipalities or municipal authorities furnishing electric, natural gas, telephone, or water public utility services are exempt from tax.

Purpose: The real property used for municipally furnished utility services is public property used for public purposes. Moreover, taxing such property would result in the municipal government funding the realty tax equivalent re-distributed to local taxing authorities.

Estimates:

<i>(Dollar Amounts in Millions)</i>							
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 3.7	\$ 3.7	\$ 3.8	\$ 3.8	\$ 3.8	\$ 3.9	\$ 3.9

Beneficiaries: The 520 municipal authorities and the 35 municipal public utilities benefit from this tax expenditure.

ELECTRIC GENERATION FACILITIES

Description: Land and improvements indispensable to the generation of electricity are subject to local real estate tax and are excluded from the PURTA tax base and the realty tax equivalent.

Purpose: Electric generation facilities were removed from the tax base because electric generation is no longer regulated as a public utility function. This exemption allows a level playing field for participants in electricity supply.

Estimates:

<i>(Dollar Amounts in Millions)</i>							
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 26.7	\$ 26.9	\$ 27.1	\$ 27.4	\$ 27.6	\$ 27.9	\$ 28.1

Beneficiaries: The 26 electric utilities owning generating assets in Pennsylvania benefit from this tax expenditure.

TRANSITION CREDIT

Description: During the transition years 1998 through 2001, tax liability of a public utility under PURTA was limited to 250 percent of its immediate prior year's liability with any reduction in the liability capped at \$100,000 per taxable year. The cost of the transition credit in current fiscal years depends on the calculation of the compensating adjustments for the affected tax years.

Purpose: The PURTA transition credit provides limited relief to taxpayers having a significant increase in their PURTA tax base as a result of Act 4 of 1999.

Estimates:

<i>(Dollar Amounts in Millions)</i>							
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: Approximately 15 taxpayers benefit from this tax expenditure.

General Fund Tax Expenditures

Insurance Premiums Tax

MUTUAL BENEFICIAL ASSOCIATIONS

Description: Purely mutual beneficial associations, whose funds benefit members, families, or heirs and are made up entirely of member contributions and accumulated interest, are exempt from insurance premiums tax (IPT).

Purpose: Mutual beneficial associations are charitable and benevolent organizations that provide life, accident, and health benefits for their members.

Estimates:

(Dollar Amounts in Millions)						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 19.7	\$ 21.5	\$ 22.3	\$ 23.1	\$ 24.0	\$ 24.9	\$ 25.8

Beneficiaries: Approximately 60 mutual beneficial associations doing business in Pennsylvania benefit from this tax expenditure.

NONPROFIT HOSPITAL AND MEDICAL CARE SERVICE ORGANIZATIONS

Description: Companies organized under the Nonprofit Hospital Plan Act (Act 378 of 1937), the Nonprofit Medical, Osteopathic, Dental and Podiatry Service Corporation Act (Act 399 of 1939), and their successor acts are exempt from IPT.

Purpose: These companies are deemed to be charitable and benevolent institutions that provide hospital and/or medical care to their subscribers.

Estimates:

(Dollar Amounts in Millions)						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 73.6	\$ 75.4	\$ 77.6	\$ 80.1	\$ 82.6	\$ 85.0	\$ 87.6

Beneficiaries: Eleven nonprofit hospital and medical care service organizations doing business in Pennsylvania benefit from this tax expenditure.

EXTRAORDINARY MEDICAL BENEFIT

Description: An exemption is allowed for premiums collected by automobile insurance companies for optional extraordinary medical benefit coverage from \$100,000 to \$1,100,000.

Purpose: This exemption benefits private insurance companies that are required to provide the extraordinary medical coverage as a result of the repeal of Pennsylvania's Catastrophic Loss Trust Fund.

Estimates:

(Dollar Amounts in Millions)						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 0.1	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2

Beneficiaries: Approximately 870 automobile insurance companies licensed to do business in Pennsylvania may benefit from this tax expenditure.

General Fund Tax Expenditures

LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION CREDIT

Description: A tax credit is available to companies that are members of the Pennsylvania Life and Health Insurance Guaranty Association (PLHIGA) to offset a proportionate part of assessment payments made to the association against the insurance premiums tax. The credit is for the portion of the assessment that is unrecoverable through premiums and must be taken over five years.

Purpose: PLHIGA protects policyholders and claimants by providing for the payment of benefits and the continuation of coverage under life, health, accident, and annuity policies under certain circumstances. This credit provides relief to member companies by allowing them to recoup a portion of their assessment payments in the form of tax credits.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 31.9	\$ 12.5	\$ 7.8	\$ 3.6	Nominal	Nominal	Nominal

Beneficiaries: Approximately 450 life, accident, and health insurance companies doing business in Pennsylvania may benefit from this tax expenditure.

PROPERTY AND CASUALTY INSURANCE GUARANTY ASSOCIATION CREDIT

Description: A tax credit is available to companies that are members of the Pennsylvania Property and Casualty Insurance Guaranty Association (PP&CIGA) for assessments paid to the association in the calendar year that exceed 1 percent of gross premiums collected from policy holders. The credit must be taken proportionately over five years, beginning the year after the assessment is paid.

Purpose: PP&CIGA protects policyholders and claimants by providing for the payment of benefits and claims for property and casualty policies under certain circumstances. This credit provides relief to member companies by allowing them to recoup a portion of their assessment payments in the form of tax credits.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Nominal	\$ 0.6	\$ 1.3	\$ 1.9	\$ 2.6	\$ 3.3	\$ 3.5

Beneficiaries: Approximately 1,090 property and casualty insurers doing business in Pennsylvania benefit from this tax expenditure.

General Fund Tax Expenditures

INNOVATE IN PA TAX CREDIT

Description: A total of \$100 million in tax credits were purchased by qualified insurance companies in 2015. The credits may be claimed beginning in calendar year 2017 against IPT liabilities incurred for a taxable year beginning on or after January 1, 2016. The total amount of credits applied against IPT liability by all qualified taxpayers in a fiscal year may not exceed \$20 million, nor may they exceed a taxpayer's IPT liability for that year. Credits may be sold to other qualified taxpayers and may be carried forward for any taxable year that begins prior to January 1, 2026.

Purpose: The tax credit encourages funding of early-stage venture capital investment through the Ben Franklin Technology Partners, the Venture Investment Program, and the Life Sciences Greenhouses.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Nominal	Nominal	Nominal	-	-	-	-

Beneficiaries: Approximately 30 taxpayers will benefit from this tax expenditure.

SURPLUS LINES TAX EXEMPTION FOR CHARTER SCHOOLS

Description: Act 13 of 2019 provided that a charter school, regional charter school, or cyber charter school, as defined in Section 1703-A of the Public School Code of 1949, is an independent public school and shall be free from taxation within this Commonwealth to the same extent as a school district for purposes of the surplus lines tax under Section 1621 of the Insurance Company Law of 1921. The provision was effective immediately upon passage.

Purpose: The exemption provides an additional benefit to selected educational institutions.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The approximately 180 charter schools operating in the Commonwealth may benefit from this tax expenditure.

General Fund Tax Expenditures

Bank and Trust Company Shares Tax

GOODWILL DEDUCTION

Description: Goodwill is subtracted from a bank's book value of total bank equity capital when calculating its taxable shares and is also subtracted from total assets when calculating the proportional deduction for United States obligations. Beginning January 1, 2025, these adjustments are allowed for all goodwill.

Purpose: This deduction removes from the tax base the intangible value assigned to goodwill under purchase accounting rules as the result of a combination with another bank.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 98.1	\$ 124.2	\$ 133.0	\$ 136.5	\$ 139.9	\$ 143.4	\$ 147.0

Beneficiaries: Any Pennsylvania bank involved in combination activity benefits from this tax expenditure.

EDGE ACT DEDUCTION

Description: Edge Act subsidiary equity is subtracted from a bank's book value of total bank equity capital when calculating its taxable shares.

Purpose: This deduction removes from the tax base the value of Edge Act subsidiaries for institutions which file Reports of Condition on a consolidated basis.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 23.8	\$ 25.9	\$ 30.1	\$ 32.6	\$ 34.7	\$ 35.5	\$ 36.3

Beneficiaries: Any Pennsylvania bank which files Reports of Condition on a consolidated basis may benefit from this tax expenditure.

Mutual Thrift Institutions Tax

NET OPERATING LOSS CARRYFORWARD

Description: Thrift institutions may deduct from current taxable income the net losses from previous taxable years. A net loss for a taxable year may be carried forward over three years and must be carried to the earliest allowable tax year. There is no carryback of losses to prior years.

Purpose: This deduction reduces the tax burden for a period of time after an operating loss period, thereby aiding the thrift institution after it has attained economic health as measured by its taxable income.

Estimates:

(Dollar Amounts in Millions)							
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3

Beneficiaries: The 60 mutual thrift companies could benefit from this tax expenditure.

CREDIT UNIONS

Description: Credit unions are exempt from taxation. The tax expenditure is determined by applying the appropriate mutual thrift institutions tax rate to their net earnings.

Purpose: Credit unions are cooperative associations incorporated to promote thrift and to provide a source of credit for their members. This program provides tax relief to credit unions as well as their members to the extent that it is reflected in higher rates earned on savings and lower rates charged for loans.

Estimates:

(Dollar Amounts in Millions)							
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 16.7	\$ 17.4	\$ 18.1	\$ 18.8	\$ 19.6	\$ 20.4	\$ 21.3

Beneficiaries: The 40 state and federal credit unions operating in Pennsylvania benefit from this tax expenditure.

General Fund Tax Expenditures

Sales and Use Tax

General/Personal Expenditures

FOOD

Description: Generally, tax is not imposed on food and beverage other than those sold by a caterer or establishments selling ready-to-eat food and beverages. In addition, the exemption does not apply to soft drinks, alcoholic beverages, or food purchased from an establishment from which ready-to-eat food and beverages are sold.

Purpose: Food is a basic necessity. This provision reduces the regressive nature of the tax, easing the tax burden on families who spend a disproportionate share of income on these products.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1,991.0	\$ 2,024.0	\$ 2,058.6	\$ 2,096.7	\$ 2,134.6	\$ 2,168.2	\$ 2,202.2

Beneficiaries: Virtually all 5.3 million households benefit from this tax expenditure.

CANDY AND GUM

Description: The purchase at retail or use of candy and gum, regardless of where sold, is exempt from taxation.

Purpose: Candy and gum are considered food. Exempting candy and gum regardless of where sold provides for uniformity in their taxation.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 87.9	\$ 88.9	\$ 90.3	\$ 92.2	\$ 94.1	\$ 95.9	\$ 99.6

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

PERSONAL HYGIENE PRODUCTS

Description: The purchase at retail or use of disposable diapers, incontinence products, toilet paper, feminine hygiene products, toothpaste, toothbrushes, and dental floss are exempt from taxation.

Purpose: These products are considered essential for maintaining a basic standard of life.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 48.9	\$ 49.9	\$ 51.1	\$ 52.5	\$ 53.8	\$ 55.2	\$ 56.6

Beneficiaries: Virtually all 5.3 million households benefit from this tax expenditure.

NEWSPAPERS

Description: The purchase or use of newspapers or publications containing information of general interest and reports of current events that qualify as a "newspaper of general circulation qualified to carry a legal advertisement," not including magazines, is exempt from taxation.

Purpose: The purpose of this tax exemption is to encourage Pennsylvanians to be well informed.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 24.5	\$ 23.5	\$ 23.1	\$ 22.8	\$ 22.5	\$ 22.4	\$ 22.2

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

MAGAZINE SUBSCRIPTIONS

Description: The purchase at retail or use of subscriptions for magazines is exempt from taxation. A “magazine” is a periodical published at regular intervals not exceeding three months and circulated among the general public. The exclusion includes any printed advertising material circulated with the periodical.

Purpose: The purpose of this tax exemption is to encourage Pennsylvanians to be well informed.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 49.4	\$ 50.1	\$ 51.1	\$ 52.0	\$ 52.9	\$ 53.8	\$ 54.7

Beneficiaries: An unknown number of taxpayers benefit from this tax expenditure.

CLOTHING AND FOOTWEAR

Description: The purchase at retail or use of wearing apparel, footwear, and other articles of clothing worn on the human body is exempt from taxation. Additionally, the purchase at retail or use of clothing patterns and other items that are components of clothing is exempt from tax. Accessories, ornamental wear, formal day or evening apparel, furs, and sporting goods are taxable.

Purpose: Clothing and footwear are necessities. This provision reduces the regressive nature of the tax, easing the tax burden on families who spend a disproportionate share of income purchasing these products.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 793.6	\$ 830.7	\$ 860.4	\$ 886.3	\$ 913.4	\$ 941.4	\$ 971.0

Beneficiaries: Virtually all 5.3 million households benefit from this tax expenditure.

PRESCRIPTION DRUGS AND ORTHOPEDIC EQUIPMENT

Description: The purchase at retail or use of prescription drugs and orthopedic equipment is exempt from taxation. Examples of exempt equipment and devices include crutches, wheelchairs, false teeth and dental materials, eyeglasses, artificial limbs and eyes, hearing devices, braces, and other supports. Also included are devices to alleviate a physical incapacity, such as hospital beds and/or dialysis machines.

Purpose: Prescription drugs and orthopedic equipment are essential for maintaining a basic standard of life. This provision reduces the regressive nature of the tax and eases the tax burden on families who must spend a disproportionate share of income on these products.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1,064.5	\$ 1,100.7	\$ 1,147.1	\$ 1,207.6	\$ 1,274.9	\$ 1,337.8	\$ 1,399.9

Beneficiaries: Approximately 1.9 million Pennsylvanians benefit from this tax expenditure.

NON-PRESCRIPTION DRUGS

Description: The purchase at retail or use of non-prescription drugs such as antiseptics, aspirin, milk of magnesia, castor oil, cold capsules, eyewashes, and vitamins is exempt from taxation.

Purpose: Non-prescription drugs are essential for maintaining a basic standard of life. This provision reduces the regressive nature of the tax, easing the tax burden on families who spend a disproportionate share of income on these products.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 169.3	\$ 174.8	\$ 182.3	\$ 192.0	\$ 202.9	\$ 212.9	\$ 223.0

Beneficiaries: Virtually all 5.3 million households benefit from this tax expenditure.

General Fund Tax Expenditures

LIQUOR OR MALT BEVERAGE PURCHASED FROM RETAIL DISPENSER

Description: Alcoholic beverages purchased in a drinking place or bar are exempt from taxation. Purchases from a state liquor store or a beer distributor are taxed, despite the wholesale nature of a portion of these sales. The estimates represent the difference in the tax that would be collected at the retail level and the tax presently collected on the bulk sale.

Purpose: Taxing container sales rather than per drink sales reduces overall administrative and reporting burdens for vendors and audit efforts by the Department of Revenue.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 147.2	\$ 152.4	\$ 154.8	\$ 158.1	\$ 162.8	\$ 167.6	\$ 173.6

Beneficiaries: Approximately 6.4 million people benefit from this tax expenditure.

CHARGES FOR RETURNABLE CONTAINERS

Description: Separately stated deposit charges for returnable containers are excluded from the purchase price and are exempt from taxation.

Purpose: Deposit charges usually represent a security in the event a container is not returned. For this reason, a true exchange of property is not considered to have occurred.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 14.2	\$ 14.7	\$ 15.2	\$ 15.7	\$ 16.2	\$ 16.8	\$ 17.3

Beneficiaries: An unknown number of businesses and households may benefit from this tax expenditure.

CASKETS AND BURIAL VAULTS

Description: The purchase or use of caskets, burial vaults, markers, cremation urns, and tombstones for human graves, including foundations, is exempt from taxation.

Purpose: These items are essential for maintaining a basic standard of life. Additionally, this exemption reduces the regressive nature of the tax, easing the burden on low-income families.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 16.4	\$ 16.4	\$ 16.6	\$ 16.7	\$ 16.8	\$ 17.0	\$ 17.2

Beneficiaries: As many as 155,000 households benefit from this tax expenditure annually.

FLAGS

Description: The purchase or use of Pennsylvania and United States flags is exempt from taxation.

Purpose: The exemption may be based on the perception that support of national and state symbols is a worthy public policy objective.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1.8	\$ 1.8	\$ 1.9	\$ 1.9	\$ 2.0	\$ 2.0	\$ 2.1

Beneficiaries: An unknown number of households, businesses, and organizations benefit from this tax expenditure.

General Fund Tax Expenditures

TEXTBOOKS

Description: The purchase or use of textbooks for use in schools, colleges, and universities is exempt from taxation. The purchase must be on behalf of or through schools recognized by the Department of Education as institutions of learning.

Purpose: This exemption helps to reduce the overall cost of obtaining an education, furthering the Commonwealth's policy objective of the education of Pennsylvanians.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 13.9	\$ 13.4	\$ 13.1	\$ 12.8	\$ 12.4	\$ 12.1	\$ 11.7

Beneficiaries: As many as 859,600 college students may benefit from this tax expenditure.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) PURCHASES

Description: The purchase at retail or use of tangible personal property in accordance with the federal Food Stamp Act of 1977, as amended, is exempt from taxation. Primarily, exempt items are soft drinks, certain drink mixes, vegetable and fruit seeds and plants, and certain prepared cold foods.

Purpose: This provision is mandated by federal law for continued state participation in the federally funded food stamp program.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 13.9	\$ 14.1	\$ 14.7	\$ 15.4	\$ 16.1	\$ 16.9	\$ 17.5

Beneficiaries: Approximately 779,000 households benefit from this tax expenditure.

GRATUITIES

Description: Any amount paid, in excess of charges and tax, for service relating to the purchase of food or beverages or hotel or motel accommodations is an exempt gratuity.

Purpose: Gratuities or tips are not included in the cost of the meal or accommodation acquired by the purchaser but are considered costs of the accompanying non-taxable services.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 137.4	\$ 142.6	\$ 145.7	\$ 149.5	\$ 153.9	\$ 158.5	\$ 164.0

Beneficiaries: Approximately 3.7 million households and an unknown number of businesses benefit from this tax expenditure.

BREAST FEEDING SUPPLIES

Description: The sale at retail of tangible personal property manufactured for initiating, supporting, or sustaining breast feeding is exempt from sales and use tax.

Purpose: The exemption eases any financial burdens associated with breast feeding.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 2.9	\$ 3.0	\$ 3.2	\$ 3.3	\$ 3.6	\$ 3.7	\$ 3.9

Beneficiaries: Any taxpayer purchasing breast feeding supplies may benefit from this expenditure.

General Fund Tax Expenditures

Fuels and Utilities

COAL

Description: The purchase or use of coal is exempt from taxation.

Purpose: This exemption provides special tax treatment of coal versus other energy forms, which may have been perceived as preserving employment when mining was a major employer within the Commonwealth.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 127.1	\$ 128.6	\$ 130.4	\$ 133.6	\$ 137.5	\$ 141.4	\$ 144.7

Beneficiaries: Approximately 43,000 households and an unknown number of businesses benefit from this tax expenditure.

FIREWOOD

Description: The purchase or use of wood pellets or firewood cut into lengths for burning is exempt from taxation when used as fuel for cooking, or for heating water or residential dwellings.

Purpose: Alternative energy sources such as heating oil, natural gas, coal, and electricity are exempt when used for residential purposes. The extension of this exemption to firewood provides consistency among all major energy sources.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 11.4	\$ 12.0	\$ 12.4	\$ 12.8	\$ 13.2	\$ 13.7	\$ 14.1

Beneficiaries: Approximately 110,000 households use wood as a primary heating source. In addition, there are approximately 564,000 households with working fireplaces. Both groups benefit from this tax expenditure.

RESIDENTIAL UTILITIES

Description: As defined by law, "tangible personal property" specifies taxable items. Specifically omitted from this definition are electricity, steam, natural, manufactured, and bottled gas and fuel oil; basic local telecommunications service when purchased directly by the user solely for residential use; and charges for coin-operated telephone calls. Court decisions have expanded the electricity exemption to include purchases for residential use through an agent, where there is no commercial interest.

Purpose: Residential utilities are essential for maintaining a basic living standard. Additionally, this provision reduces the regressive nature of the tax, reducing the tax burden on families who spend a disproportionate share of income on these services.

(Dollar Amounts in Millions)

Electricity:

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 609.6	\$ 639.7	\$ 661.5	\$ 682.6	\$ 702.5	\$ 717.2	\$ 729.8

Fuel Oil/Gas:

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 217.5	\$ 220.6	\$ 230.6	\$ 243.6	\$ 256.1	\$ 261.5	\$ 262.7

Telephone:

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 42.5	\$ 41.8	\$ 42.5	\$ 44.0	\$ 46.1	\$ 47.9	\$ 48.8

Beneficiaries: Virtually all 5.3 million households (electricity), 3.7 million households (fuel oil/gas), and 1.4 million households (telephone) benefit from this tax expenditure.

General Fund Tax Expenditures

WATER AND SEWAGE SERVICES

Description: The purchase at retail or use of water (including bottled water and ice) or sewage services is exempt from taxation.

Purpose: Water is a necessity. Additionally, this provision reduces the regressive nature of the tax and reduces the tax burden on families who spend a disproportionate share of income on these products and services.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 158.3	\$ 165.7	\$ 171.5	\$ 177.7	\$ 184.6	\$ 192.0	\$ 199.5

Beneficiaries: Approximately 5.2 million households and about 305,000 businesses benefit from this tax expenditure.

GASOLINE AND MOTOR FUELS

Description: The purchase or use of gasoline and other motor fuels, taxed under the Liquid Fuels and Fuels Tax Act, is exempt from the sales and use tax.

Purpose: Because these items are already subject to fuels taxes, the legislature has provided for their exemption from the sales and use tax.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1,193.0	\$ 1,204.3	\$ 1,258.6	\$ 1,270.8	\$ 1,280.6	\$ 1,277.8	\$ 1,212.7

Beneficiaries: Approximately 4.7 million households and owners of more than 2.4 million heavy trucks, buses, etc., benefit from this tax expenditure.

General Fund Tax Expenditures

Motor Vehicles/Vessels

AIRCRAFT PARTS, HELICOPTERS, FLIGHT SIMULATORS, AND RELATED MATERIALS

Description: An exemption is provided for the sale at retail or use of helicopters and similar rotorcraft. In addition, there is an exemption for the sale at retail of repair and replacement parts for helicopters, similar rotorcraft, and fixed-wing aircraft. This exemption also covers the installation of these parts as well as other service to the aircraft. Additionally, the sale at retail of flight simulators, training materials, and corresponding software, and the leasing of helicopters and similar rotorcraft are exempt from sales and use tax.

Purpose: This exclusion places Pennsylvania aircraft manufacturers at a competitively neutral position relative to manufacturers in other states allowing this exemption.

Estimates: (Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$	11.1	\$ 11.5	\$ 11.8	\$ 12.1	\$ 12.5	\$ 12.8	\$ 13.2

Beneficiaries: Approximately 120 aircraft manufacturers and repair companies may benefit from this expenditure. An unknown number of lessors of helicopters, as well as approximately 20 purchasers of these products and services may benefit from this expenditure.

COMMON CARRIERS

Description: Vehicles purchased by a public utility, engaged in business as a common carrier, to be used in rendering utility services are exempt from taxation. Household goods carriers and private carriers remain taxable.

Purpose: Without this exemption, the tax would be built into the rate base of public utility services and, ultimately, passed on to consumers. Therefore, this exemption reduces the overall cost of utility services that are considered to be basic necessities.

Estimates: (Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$	65.4	\$ 69.1	\$ 72.7	\$ 75.9	\$ 78.4	\$ 80.6	\$ 82.7

Beneficiaries: Approximately 7,500 common carriers could benefit from this tax expenditure.

COMMERCIAL VESSELS (Construction and Repair)

Description: The purchase or use of commercial vessels of 50 tons or larger is exempt from taxation if delivery is taken in Pennsylvania.

Purpose: This exclusion places Pennsylvania shipbuilders at a competitively neutral position relative to shipbuilders in those states allowing this exemption.

Estimates: (Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$	17.1	\$ 18.1	\$ 19.1	\$ 20.0	\$ 20.8	\$ 21.5	\$ 22.2

Beneficiaries: As many as 10 establishments may benefit from this tax expenditure.

General Fund Tax Expenditures

COMMERCIAL VESSELS (Equipment and Maintenance)

Description: The purchase or use of fuel, supplies, equipment, ships or sea stores, and cleaning or maintenance supplies for commercial vessels is exempt from taxation. This exemption applies to vessels of 50 tons or more designed for commercial use.

Purpose: Imposition of the tax at the point of sale would place Pennsylvania vendors at a competitive disadvantage relative to those vendors operating in other states that allow this exemption.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 3.4	\$ 3.5	\$ 3.6	\$ 3.7	\$ 3.8	\$ 4.0	\$ 4.1

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

MOTOR VEHICLES (Out-of-State Purchasers)

Description: The purchase or use of a motor vehicle by a non-resident, to be used outside Pennsylvania, and which is registered in another state within 20 days of delivery, is exempt from taxation. Delivery must be taken outside of Pennsylvania.

Purpose: The exemption protects the participation of Pennsylvania car dealers in the out-of-state market while preventing potential abuses of such an exemption by Pennsylvania residents.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

SCHOOL BUSES

Description: The purchase at retail or use of school buses is exempt from taxation. These buses must be used exclusively for the transportation of children for school purposes. The provision is extended to persons who have contracts with school districts to transport children.

Purpose: The costs of transporting school children are directly borne by school districts and indirectly by state government through subsidy programs. This exemption, while limiting state sales and use tax revenues, also decreases state educational subsidy costs.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 27.0	\$ 26.9	\$ 26.8	\$ 26.7	\$ 26.6	\$ 26.5	\$ 26.4

Beneficiaries: Approximately 300 private school bus contractors and virtually all schools benefit from this tax expenditure.

MULTIPURPOSE AGRICULTURAL VEHICLES USED FOR FARMING

Description: The sale at retail of multipurpose agricultural vehicles used in farming is exempt from sales and use tax, effective for sales at retail or uses after December 31, 2021.

Purpose: This exemption provides a benefit for agricultural operations.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.1	\$ 1.1	\$ 1.1	\$ 1.1

Beneficiaries: Approximately 53,000 farmers in the Commonwealth may benefit from this expenditure.

General Fund Tax Expenditures

Production Expenditures

MANUFACTURING EXEMPTION (Manufacture and Processing)

Description: An exemption is provided for the purchase or use of machinery, equipment, parts and supplies, or the use of services or utilities used directly in the manufacturing and processing of personal property. This exemption does not apply to motor vehicles, maintenance facilities, managerial or other nonoperational activities or materials, supplies, or equipment used relative to real estate, obtaining disinfecting or pest control services, or building maintenance and cleaning services.

Purpose: Exemption of manufacturing equipment and supplies prevents the multiple taxation that could occur in the production of a finished good for consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1,589.6	\$ 1,633.1	\$ 1,684.7	\$ 1,747.9	\$ 1,818.0	\$ 1,891.1	\$ 1,967.6

Beneficiaries: Approximately 13,000 manufacturers and an unknown number of processors and manufacturers benefit from this tax expenditure.

MANUFACTURING EXEMPTION (Agriculture)

Description: An exemption is provided for the purchase or use of machinery, equipment, parts, and supplies, or the use of services or utilities used directly in farming, dairying, horticulture, floriculture, or aquaculture. This exemption does not apply to motor vehicles, maintenance facilities, managerial or other nonoperational activities or materials, supplies, or equipment used relative to real estate, obtaining disinfecting or pest control services, or building maintenance and cleaning services.

Purpose: Exemption of agricultural equipment and supplies prevents the multiple taxation that could occur in the production of an agricultural commodity for sale and consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 149.0	\$ 154.0	\$ 159.3	\$ 163.9	\$ 167.8	\$ 171.6	\$ 175.6

Beneficiaries: Approximately 53,000 farm operators benefit from this tax expenditure.

MANUFACTURING EXEMPTION (Public Utility)

Description: An exemption is provided for the purchase or use of machinery, equipment, parts, and supplies or the use of services or utilities used directly in producing, delivering, or rendering a public utility service. This exemption does not apply to motor vehicles (except those used as common carriers), maintenance facilities, managerial or other nonoperational activities or materials, supplies, or equipment used relative to real estate, obtaining disinfecting or pest control services, or building maintenance and cleaning services.

Purpose: Exemption of equipment and supplies used in producing and delivering a public utility service prevents the multiple taxation that could occur in providing the service. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 117.1	\$ 120.8	\$ 123.4	\$ 125.5	\$ 127.2	\$ 128.6	\$ 129.9

Beneficiaries: Approximately 880 public utilities could benefit from this tax expenditure.

General Fund Tax Expenditures

MANUFACTURING EXEMPTION (Foundations for Machinery and Equipment)

Description: Foundations for machinery and equipment used directly in manufacturing, farming, dairying, agriculture, horticulture, floriculture, aquaculture, processing or producing, and delivering or rendering a public utility service are exempt from taxation. Included for a public utility are sand, gravel, crushed rock, concrete, or similar material used as bedding or surrounding pipe used directly to render sewer or water service.

Purpose: Exemption of foundations for manufacturing equipment prevents the multiple taxation that could occur in the production of a finished good for consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 12.8	\$ 12.8	\$ 12.8	\$ 12.8	\$ 12.8	\$ 12.8	\$ 12.8

Beneficiaries: Approximately 66,800 entities benefit from this tax expenditure.

CONTRACT FARMING

Description: The purchase or use of tangible personal property or services that are directly used in farming, dairying, or agriculture for the production of food are exempt from tax even if the purchaser is not the entity directly involved in the agricultural activity. This exemption applies to machinery, equipment, parts, supplies, and utilities used in the production of food.

Purpose: Exemption of agricultural equipment and supplies prevents the multiple taxation that could occur in the production of an agricultural food commodity for sale and consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 36.7	\$ 37.9	\$ 39.2	\$ 40.4	\$ 41.3	\$ 42.2	\$ 43.2

Beneficiaries: An unknown number of businesses engaged in contract farming benefit from this tax expenditure.

General Fund Tax Expenditures

Other

AIRLINE CATERING

Description: Airline purchases of catered food and non-alcoholic beverages served to passengers in connection with the airline service are exempt from tax.

Purpose: This tax exemption lowers the cost of catered food and non-alcoholic beverages purchased by airlines, which may also reduce the cost of airline travel for consumers.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 2.3	\$ 2.4	\$ 2.6	\$ 2.7	\$ 2.8	\$ 2.8	\$ 2.9

Beneficiaries: Approximately 60 airlines may benefit from this expenditure.

HOTEL-PERMANENT RESIDENT

Description: An exemption is provided, under the hotel occupancy tax, for a person occupying or having the right to occupy a room in a hotel, inn, tourist home, lodging house, rooming house, summer camp, apartment hotel, resort lodging, or cabin for 30 consecutive days or more. This exemption does not extend to prepared meals or other taxable items.

Purpose: Residency of this length is felt to approximate permanent dwelling rental, which is non-taxable as a necessity.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 12.5	\$ 12.6	\$ 12.7	\$ 12.8	\$ 12.9	\$ 13.0	\$ 13.1

Beneficiaries: Approximately 79,100 persons benefit from this tax expenditure.

VENDOR DISCOUNT

Description: A licensed vendor is permitted a discount as a credit against the gross amount of tax collected provided that a tax return, with full payment due, is filed or postmarked on or before the due date. The discount shall be the lesser of 1 percent of the amount of the tax collected and a dollar amount, which varies based on filing frequency.

Purpose: This provision is intended to defray the vendor's cost of collecting and remitting the sales and use tax.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 16.7	\$ 17.2	\$ 17.5	\$ 17.9	\$ 18.4	\$ 18.9	\$ 19.5

Beneficiaries: Approximately 189,950 vendors benefit from this tax expenditure.

OUT-OF-STATE CREDIT

Description: A credit is allowed for the purchase of personal property or taxable services for use outside Pennsylvania equal to the sales tax paid in the applicable state. The state must grant substantially similar tax relief as provided by Pennsylvania.

Purpose: Allowing a credit for tax paid in another state prevents double taxation.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

TRADE-IN VALUE

Description: A deduction is allowed against the gross purchase price for the value of personal property actually taken in trade or exchange. The trade-in property does not have to be of like kind to the purchased property. The reduction in purchase price is considered to be the value of the trade-in.

Purpose: Tangible personal property taken as a trade-in is usually resold. Therefore, it is treated as a sale for resale.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 340.4	\$ 328.9	\$ 332.1	\$ 338.7	\$ 344.5	\$ 350.4	\$ 356.4

Beneficiaries: Approximately 526,000 purchasers of motor vehicles annually benefit from this tax expenditure. In addition, an unknown number of entities benefit from other trade-ins (such as boats and aircraft).

ISOLATED SALES

Description: Infrequent personal property sales of a non-recurring nature by persons not in the business of selling such items are exempt from taxation. By regulation, exempt entity sales can occur no more than three times nor more than a total of seven days in a year. These sales may include the sale of a lawn mower to a neighbor, liquidation of an estate, sale of a used typewriter by an insurance company, or yard sale items. Motor vehicles and property that must be registered or licensed are not granted this exemption.

Purpose: The exclusion of isolated sales from taxation greatly reduces compliance and administration burdens for the seller and the Commonwealth.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 120.8	\$ 123.8	\$ 126.4	\$ 129.5	\$ 133.0	\$ 136.7	\$ 140.4

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

TEMPORARY USAGE

Description: Property purchased outside Pennsylvania by a nonresident and temporarily used in Pennsylvania for seven days or less or any length of time by a tourist or vacationer is exempt from taxation. If the property is consumed in the state it becomes taxable.

Purpose: Providing an exemption for temporary usage of taxable property in Pennsylvania does not discourage entry into the state by vacationers, tourists, or others who attend, or are involved in specific short-term events or activities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

HORSES

Description: The sale of a horse is exempt from taxation if the seller is directed to deliver the horse to an out-of-state location. A horse may be temporarily delivered to a resident or agent prior to being delivered out-of-state.

Purpose: This exemption provides preferential treatment of horses relative to other tangible personal property by permitting temporary location in Pennsylvania before being delivered out-of-state.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 3.3	\$ 3.3	\$ 3.3	\$ 3.3	\$ 3.3	\$ 3.3	\$ 3.3

Beneficiaries: Approximately 1,500 horse purchasers and an unknown number of purchasers of other types of horses benefit from this tax expenditure.

General Fund Tax Expenditures

YOUTH SPORTS PROGRAMS

Description: The purchase of food and beverages from nonprofit associations which support sports programs for participants aged 19 or younger, or for persons with physical or intellectual disabilities regardless of age, is exempt from taxation.

Purpose: The exemption of these items encourages such organizations to support programs that provide activities beneficial to young people and persons with disabilities.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

PURELY PUBLIC CHARITIES

Description: The sale of personal property or services to or for use by any institution of purely public charity, as defined by Act 55 of 1997, is exempt from taxation. This exemption also includes the purchase or use of certain machinery and equipment used in a construction contract with an exempt entity. The purchase or use may be made by a construction contractor or the exempt entity. Transactions unrelated to the trade or business of such organizations are taxable as are certain materials and supplies purchased for use in connection with real estate.

Purpose: These organizations provide public and charitable services that are perceived to benefit the general public. This exemption permits these services to be rendered at reduced cost.

(Dollar Amounts in Millions)

Charitable Organizations:

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 16.3	\$ 17.2	\$ 18.1	\$ 18.9	\$ 19.8	\$ 20.7	\$ 21.5

Volunteer Firemen's Organizations:

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 28.1	\$ 30.2	\$ 32.0	\$ 33.9	\$ 35.9	\$ 37.7	\$ 39.5

Nonprofit Educational Institutions:

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 157.2	\$ 169.2	\$ 179.8	\$ 190.7	\$ 202.1	\$ 212.9	\$ 222.7

Religious Organizations:

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 11.6	\$ 12.2	\$ 12.9	\$ 13.5	\$ 14.1	\$ 14.7	\$ 15.3

Health & Social Assistance Organizations:

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 215.8	\$ 225.6	\$ 235.0	\$ 244.9	\$ 255.2	\$ 265.3	\$ 275.7

Beneficiaries: Approximately 31,000 organizations currently benefit from this tax expenditure.

General Fund Tax Expenditures

EXEMPT GOVERNMENTAL UNITS

Description: The sale of tangible personal property or services to or for use by the federal government, the Commonwealth, its instrumentalities, or political subdivisions is exempt from taxation. This exemption also includes the purchase or use of certain machinery or equipment used in a construction contract with a governmental unit. The purchase or use may be by a contractor or governmental unit. The estimate represents the tax on local government expenditures, as federal transactions do not meet the criteria for inclusion and Commonwealth expenditures would be offset by revenues.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 622.2	\$ 648.0	\$ 671.8	\$ 695.7	\$ 720.3	\$ 745.3	\$ 770.9

Beneficiaries: Approximately 3,130 governmental units benefit from this tax expenditure.

SUBSTITUTED TAX BASE

Description: The tax on tangible personal property purchased at least six months prior to the first taxable use in Pennsylvania may be based on the prevailing market price at the time of the taxable use. This substituted base is in lieu of taxing the original purchase price.

Purpose: This alternative tax base permits taxpayers to pay tax relative to the current market value of such assets that most closely approximates current taxable value.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

OUT-OF-STATE PURCHASES

Description: Tangible personal property purchased and used outside the state by a nonresident who later brings the property into Pennsylvania while establishing a permanent residence or business is exempt from taxation. This property must be purchased more than six months prior to the first taxable use in Pennsylvania.

Purpose: This provision eases administrative costs for the Commonwealth and compliance costs for the taxpayer and prevents a substantial tax liability from being imposed when a person moves to Pennsylvania.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

RAIL TRANSPORTATION EQUIPMENT

Description: The purchase or use of rail transportation equipment by a business in the movement of its own personal property is exempt from taxation.

Purpose: Exemption of rail equipment provides preferential treatment benefiting specific users of this transportation mode. Were these items not exempt, this additional cost may be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 17.1	\$ 18.0	\$ 19.0	\$ 19.9	\$ 20.8	\$ 16.8	\$ 17.4

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

FISH FEED

Description: The purchase or use of fish feed by sportsmen's clubs, fish cooperatives, or nurseries approved by the Pennsylvania Fish and Boat Commission is exempt from taxation.

Purpose: The exemption provides special treatment benefiting organizations that raise fish intended for human consumption.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: An unknown number of entities benefit from this tax expenditure.

TOURIST PROMOTION AGENCIES

Description: The purchase or use of supplies and materials by tourist promotion agencies receiving grants from the Commonwealth for distribution to the public is exempt from taxation.

Purpose: Excluding supplies and materials used by tourist promotion agencies that receive state grants reduces the cost of performing promotional activities, lessening the need for direct support of these agencies.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: An unknown number of entities benefit from this tax expenditure.

TROUT

Description: The purchase or use of brook trout, brown trout, or rainbow trout is exempt from taxation.

Purpose: Special treatment is conferred to those involved in the raising or sale of trout intended for human consumption.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: An unknown number of entities benefit from this tax expenditure.

CONSTRUCTION OF MEMORIALS

Description: The purchase or use of materials used in the construction or erection of objects commemorating or memorializing historical events is exempt from taxation. These objects must be purchased by not-for-profit organizations and erected on publicly owned property.

Purpose: This exemption has been provided because these memorials are presumably erected for public benefit and gratification.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

STORAGE

Description: Charges for storage, other than for self-storage, of tangible personal property are exempt from taxation.

Purpose: Commercial storage services may be considered an integral part of the production and distribution of tangible personal property.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 411.1	\$ 422.7	\$ 435.2	\$ 449.6	\$ 464.1	\$ 478.3	\$ 492.6

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

STAIR LIFT DEVICES

Description: The purchase or use of property or services used in installing or repairing stair lift devices is exempt from taxation when the device is installed or used in the residence of a person with a physical disability requiring the device to ascend or descend stairs. The physical disability must be certified by a physician.

Purpose: Stair lift devices are essential for people with physical disabilities that prevent them from ascending or descending stairs. This exemption reduces the regressive nature of the tax, easing the tax burden on people requiring the devices.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: As many as 837,000 residents who have difficulty ascending and descending stairs may benefit from this tax expenditure.

BAD DEBTS

Description: Sales tax vendors may apply for a refund equal to 100 percent of bad debts associated with sales tax paid to the state for sales written off by the vendor and deducted for federal income tax purposes because the vendor did not receive full payment from the purchaser. No refund is granted for interest, finance charges, or expenses incurred in attempting to collect receivables.

Purpose: The bad debt refund provision lessens the economic impact experienced by vendors when they extend credit to customers for taxable purchases and subsequently incur uncollectible accounts receivable (bad debts).

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 6.3	\$ 6.5	\$ 6.6	\$ 6.8	\$ 7.0	\$ 7.2	\$ 7.4

Beneficiaries: Any of the 305,000 licensed vendors could benefit from this tax expenditure if they extend credit or accept checks for payment.

UNIFORM COMMERCIAL CODE FILING FEES

Description: Separately stated Uniform Commercial Code (UCC) filing fees, copy requests, and certification fees paid to a state or local agency are exempt from tax.

Purpose: UCC filing legally identifies the lien holder for personal property collateral. These fees may be perceived as incidental to the purchase or use of the tangible personal property and, as such, are exempt from tax.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 2.8	\$ 2.9	\$ 3.0	\$ 3.2	\$ 3.3	\$ 3.4	\$ 3.5

Beneficiaries: As many as 153,200 entities benefit from this tax expenditure annually.

General Fund Tax Expenditures

RENTAL OF FILMS FOR COMMERCIAL EXHIBITION

Description: The purchase at retail or use of motion picture films rented or licensed from a distributor for the purpose of commercial exhibition are exempt from taxation.

Purpose: This provision allows the entertainment services associated with these films to be delivered to the public at a reduced cost. Were these films not exempt, the additional cost would likely be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 2.1	\$ 2.2	\$ 2.4	\$ 2.5	\$ 2.6	\$ 2.8	\$ 3.0

Beneficiaries: Approximately 160 motion picture and video exhibition companies, 70 television broadcasting stations, and 15 cable and subscription programming companies benefit from this expenditure.

COPIES OF AN OFFICIAL DOCUMENT

Description: The sale at retail or use of copies of an official document sold by a government agency or court are exempt from taxation. Included are any copies in tangible form, such as compact discs, microfilm, or similar forms of electronic media. Examples of documents include notes of court testimony, deposition transcripts, driving records, accident reports, birth and death certificates, deeds, and divorce decrees.

Purpose: This provision eases reporting and administrative burdens on state, county, and local governments, including courts and political subdivisions.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3

Beneficiaries: An unknown number of individuals and businesses benefit from this tax expenditure.

INVESTMENT METAL BULLION AND INVESTMENT COINS

Description: The purchase or use of investment metal bullion and investment coins are exempt from taxation. This exemption includes the purchase or use of precious metals, where the value of the metal is primarily a function of the metal content, or a coin, where the market value exceeds the face value. This exemption does not include jewelry, works of art made from coins, or medallions.

Purpose: These purchases are generally for investment purposes only and, as such, are exempt from tax.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 8.1	\$ 8.0	\$ 8.1	\$ 8.3	\$ 8.4	\$ 8.6	\$ 8.8

Beneficiaries: An unknown number of individuals and businesses engaged in the purchase and sale of investment bullion and coins benefit from this tax expenditure.

CATALOGS AND DIRECT MAIL ADVERTISING

Description: The purchase or use of a mail order catalog or direct mail advertising literature and materials is exempt from taxation.

Purpose: The purchase of these items may be perceived as incidental to the advertising service being provided.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 3.8	\$ 4.0	\$ 4.2	\$ 4.3	\$ 4.5	\$ 4.7	\$ 4.8

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

WRAPPING AND PACKING SUPPLIES

Description: The purchase or use of wrapping paper, twine, bags, cartons, tape, rope, labels, nonreturnable containers, corrugated boxes used by a person engaged in the manufacture of snack food products, and all other wrapping supplies which are incidental to the delivery of personal property is exempt from taxation. This exclusion applies to retailers only; a separately stated charge for wrapping or packaging is taxable.

Purpose: Exemption of these items prevents double taxation since the cost of wrapping supplies, as a final input of the product, is included in the price charged by the retailer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: Approximately 53,900 retail and wholesale establishments benefit from this tax expenditure.

CONVENTION CENTER RENTALS

Description: The sale at retail or use of services related to the setup, tear down, or maintenance of tangible personal property rented by an authority to exhibitors at certain convention centers or public auditoriums is exempt from sales and use tax.

Purpose: This exemption could promote the use of certain convention centers or public auditoriums in Pennsylvania.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

Beneficiaries: A minimal number of taxpayers will benefit from this tax expenditure.

FOOD AND BEVERAGES PURCHASED FROM VOLUNTEER FIREMEN'S ORGANIZATIONS

Description: The sale at retail or use of food and beverages by a volunteer firemen's organization to raise funds for the purposes of the volunteer firemen's association are exempt from taxation.

Purpose: The exemption allows volunteer entities that contribute to public safety to raise funds for their mission at a reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

BUILDING MATERIALS AND SUPPLIES FOR ANIMAL HOUSING

Description: The sale at retail of building materials and supplies used for the construction or repair of an animal housing facility are exempt from taxation. The building materials and supplies are exempt regardless of whether the sales are made to the purchaser directly or are pursuant to a construction contract.

Purpose: The exemption provides a benefit to those who need to provide housing for animals, primarily those engaged in agriculture.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 3.4	\$ 3.5	\$ 3.5	\$ 3.6	\$ 3.7	\$ 3.8	\$ 3.9

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

CANNED SOFTWARE PURCHASED BY FINANCIAL INSTITUTIONS

Description: The sale at retail or use by a financial institution of canned computer software directly utilized in the business of banking is not subject to tax. For this provision, a financial institution is defined as an institution doing business in the Commonwealth that is subject to bank and trust company shares or mutual thrift institutions taxes.

Purpose: This exemption provides tax relief for financial institutions.

Estimates: (Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$	13.7	\$ 14.3	\$ 14.9	\$ 15.5	\$ 16.2	\$ 16.9	\$ 17.5

Beneficiaries: Any financial institution subject to bank and trust company shares or mutual thrift institutions taxes may benefit from this expenditure.

COMPUTER DATA CENTER EQUIPMENT EXEMPTION

Description: Purchased computer data center equipment used exclusively in a data center certified by the Commonwealth is exempt from sales and use tax. Certified entities can annually submit a request for a sales and use tax certificate of exemption, provided the data center meets certain investment requirements.

Purpose: The exemption provides a benefit for the computer data center industry.

Estimates: (Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$	39.0	\$ 41.1	\$ 43.1	\$ 44.9	\$ 46.9	\$ 48.9	\$ 51.1

Beneficiaries: Approximately 1,070 data centers may benefit from this exemption.

RESTAURANT WASTE GREASE TRAPS

Description: Act 56 of 2024 excludes the sale at retail or use of services related to the cleaning or maintenance of a storage trap utilized by a food service or restaurant establishment to collect grease waste. The exclusions apply to transactions occurring after September 30, 2024.

Purpose: This provision provides a benefit to food services and restaurants to perform an important sanitation and safety function.

Estimates: (Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$	-	\$ 4.2	\$ 6.4	\$ 6.5	\$ 6.6	\$ 6.5	\$ 6.5

Beneficiaries: Approximately 27,000 food service and restaurant establishments benefit from this tax expenditure.

General Fund Tax Expenditures

Services

Description: Expenditures for services are not taxable under the sales and use tax except when specifically taxed by law.

Purpose: Because the primary basis for the sales and use tax is tangible personal property, the majority of services are not taxed unless they are related to taxable property.

(Dollar Amounts in Millions)

Estimates:

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
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LODGING

Recreational parks, camps, and campgrounds ...	\$ 16.5	\$ 17.7	\$ 18.4	\$ 18.9	\$ 19.4	\$ 20.0	\$ 20.7
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PERSONAL SERVICES

Dry-cleaning & laundry services.....	\$ 52.0	\$ 55.0	\$ 57.7	\$ 60.2	\$ 62.8	\$ 65.5	\$ 68.2
Personal care services.....	271.0	289.2	304.0	317.4	331.8	346.7	361.8
Funeral parlors, crematories, & death care services.....	43.3	43.1	43.3	43.4	43.5	43.7	43.9
Other: personal services.....	77.9	82.9	87.2	91.0	95.1	99.3	103.6

BUSINESS SERVICES

Services to buildings and dwellings.....	\$ 491.1	\$ 509.2	\$ 527.6	\$ 547.1	\$ 567.2	\$ 587.2	\$ 607.1
Advertising, public relations, & related services ..	1,394.6	1,453.1	1,509.3	1,565.2	1,622.4	1,680.0	1,738.6
Consulting (scientific, environmental, & technical).....	637.8	667.6	694.8	722.2	750.5	778.5	807.0
Scientific research & development services.....	161.0	162.8	165.2	170.0	175.1	180.1	185.2
Information services.....	320.3	346.1	369.1	392.5	418.5	445.7	472.4
Administrative services.....	1,011.8	1,053.8	1,094.6	1,136.6	1,180.6	1,224.7	1,269.4

COMPUTER SERVICES

Custom programming, design & data processing	\$ 834.1	\$ 869.4	\$ 902.1	\$ 934.8	\$ 969.1	\$ 1,003.9	\$ 1,039.1
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AUTOMOTIVE SERVICES

Parking lots & garages.....	\$ 82.8	\$ 88.2	\$ 92.7	\$ 96.8	\$ 101.2	\$ 105.7	\$ 110.2
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RECREATION SERVICES

Spectator sports admissions (excludes schools).	\$ 23.2	\$ 24.3	\$ 25.9	\$ 27.6	\$ 29.7	\$ 31.6	\$ 33.1
Theater, dance, music, & performing arts admissions.....	13.5	15.5	18.4	21.7	25.9	29.8	32.7
Amusement & recreation industries.....	450.3	476.5	509.0	542.7	581.4	621.8	664.7
Museums, historical sites, zoos, & parks.....	24.5	25.9	27.7	29.6	31.8	34.0	36.4

General Fund Tax Expenditures

(Dollar Amounts in Millions)

Estimates, continued

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
HEALTH SERVICES							
Home health care, nursing care, & other ambulatory health care services.....	\$ 590.7	\$ 616.1	\$ 646.6	\$ 682.0	\$ 719.8	\$ 758.8	\$ 798.7
Hospitals	1,575.6	1,643.3	1,724.9	1,819.2	1,920.1	2,024.1	2,130.4
Physician & dental services.....	1,591.0	1,659.4	1,741.8	1,837.0	1,938.8	2,043.9	2,151.2
Social assistance including day care.....	334.4	351.3	370.2	391.0	413.1	436.1	459.6
PROFESSIONAL SERVICES							
Legal	\$ 898.7	\$ 948.8	\$ 992.5	\$ 1,033.9	\$ 1,077.4	\$ 1,121.3	\$ 1,165.6
Architectural, engineering, & related services	572.2	596.1	620.4	645.6	671.9	698.4	725.2
Accounting, auditing, & bookkeeping services	519.7	541.5	562.8	584.9	607.8	630.8	654.1
Specialized design	120.8	125.9	130.7	135.9	141.5	147.1	152.9
All other professional and technical services.....	310.3	323.9	336.6	349.5	363.2	377.1	391.3
TRANSPORTATION SERVICES							
Transit & ground transportation.....	\$ 30.3	\$ 31.4	\$ 32.4	\$ 33.4	\$ 34.5	\$ 35.6	\$ 36.7
Air transportation.....	9.6	9.9	10.2	10.4	10.7	11.0	11.3
Truck transportation	20.2	20.7	21.2	21.8	22.4	23.0	23.6
Other transportation	24.3	25.2	26.1	26.9	27.7	28.5	29.3
MISCELLANEOUS SERVICES							
Basic television	\$ 91.6	\$ 91.5	\$ 93.7	\$ 97.1	\$ 101.5	\$ 105.3	\$ 107.8
Tuition (college, vocational training, & instruction).....	1,269.1	1,353.0	1,422.0	1,484.4	1,551.6	1,621.2	1,691.7
Electrical, plumbing, heating, & AC service fees .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Veterinary fees	118.5	126.3	132.7	138.5	144.7	151.1	157.6
Financial institution fees.....	178.9	184.3	189.8	195.5	201.4	207.4	213.6
Waste management and remediation services ...	253.3	263.8	274.3	285.2	296.5	307.9	319.3

Beneficiaries: Virtually all 5.3 million households and all 305,000 business establishments benefit from one or more of these service tax expenditures.

General Fund Tax Expenditures

Cigarette Tax

STATE VETERANS HOMES

Description: Sales to retail dealers located in state veterans homes, for resale to residents in such homes, are exempt. Federal veterans hospitals are exempt under federal law.

Purpose: It is perceived to be good public policy to reduce taxes for veterans who have served their country and are now residing in a veterans home or hospital.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: Residents in six state veterans homes benefit from this tax expenditure.

UNSTAMPED CIGARETTES (200 AND UNDER)

Description: Vacationers or tourists crossing state lines with one carton or less of unstamped cigarettes are not required to pay tax on those cigarettes. The carton (200 cigarettes) cannot be resold and must be for personal use only.

Purpose: Persons crossing state lines with one carton or less of cigarettes are presumed to possess such cigarettes for personal use rather than intentionally avoiding payment of the cigarette tax. This expenditure helps to relieve administration and enforcement burdens as well as promote tourism.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

COMMISSIONS ON SALES OF STAMPS

Description: Cigarette stamping agents are permitted a commission of 0.586 percent of the value of all cigarette tax stamps purchased from the Department of Revenue or its authorized agents to be affixed to cigarettes for sale within the Commonwealth. The commission does not apply to purchases of stamps by a cigarette-stamping agent in amounts of less than \$100.

Purpose: This commission is paid to the cigarette-stamping agent as compensation for services and expenses incurred while acting as an agent of the Commonwealth in affixing tax stamps.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 5.4	\$ 5.1	\$ 4.8	\$ 4.6	\$ 4.4	\$ 4.2	\$ 4.0

Beneficiaries: Approximately 80 cigarette stamping agents may benefit from this tax expenditure.

Tobacco Products Tax

The tobacco products tax contains no tax expenditures as defined for this tax expenditure analysis.

Malt Beverage Tax

The malt beverage tax contains no tax expenditures as defined for this tax expenditure analysis.

Liquor Tax

The liquor tax contains no tax expenditures as defined for this tax expenditure analysis.

General Fund Tax Expenditures

Personal Income Tax

Exclusions from Income

RETIREMENT INCOME

Description: Payments commonly recognized as old age or retirement benefits paid to persons retired from service after reaching a specific age or after a stated period of service are exempt from taxation.

Purpose: The exemption limits the impact of the tax on retired persons. It also prevents taxation of previously taxed employee contributions to retirement plans.

Estimates:

(Dollar Amounts in Millions)						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 3,896.8	\$ 4,166.3	\$ 4,418.5	\$ 4,662.8	\$ 4,906.0	\$ 5,152.7	\$ 5,405.8

Beneficiaries: As many as 3.5 million retired residents and their survivors benefit from this tax expenditure.

RETIREMENT CONTRIBUTIONS BY EMPLOYERS

Description: Payments made by employers for programs covering employee retirement and employer social security contributions are exempt from taxation.

Purpose: This provision lessens the burden of the tax on Pennsylvania wage earners and maintains fairness since the employee often does not have the right to possess the funds in the retirement plan except upon retirement or separation from the company after a set number of years of service.

Estimates:

(Dollar Amounts in Millions)						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 973.1	\$ 993.7	\$ 1,019.4	\$ 1,047.8	\$ 1,079.3	\$ 1,119.3	\$ 1,165.8

Beneficiaries: As many as 6.1 million employees benefit from this tax expenditure.

NONQUALIFIED DEFERRED COMPENSATION

Description: Following the federal constructive receipt rule, deferrals to nonqualified deferred compensation plans are not includible in compensation.

Purpose: With certain significant exceptions, Pennsylvania's constructive receipt rules were generally made consistent with the federal constructive receipt rules used to determine when compensation is received by a cash basis taxpayer.

Estimates:

(Dollar Amounts in Millions)						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 55.2	\$ 58.1	\$ 61.1	\$ 64.3	\$ 67.7	\$ 71.3	\$ 75.0

Beneficiaries: Approximately 89,400 employees benefit from this tax expenditure.

HEALTH SAVINGS ACCOUNTS/ARCHER MEDICAL SAVINGS ACCOUNTS (ARCHER MSAs)

Description: Contributions made to Health Savings Accounts and Archer Medical Savings Accounts are exempt from personal income tax, consistent with the federal treatment of such accounts. Distributions that are not used for qualified medical expenses are taxable as interest income.

Purpose: This provision reduces the cost and could improve the quality and availability of health care to Pennsylvanians.

Estimates:

(Dollar Amounts in Millions)						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 51.5	\$ 54.5	\$ 57.3	\$ 60.2	\$ 63.0	\$ 65.7	\$ 68.4

Beneficiaries: Individuals filing approximately 542,800 returns benefit from this tax expenditure. This number is expected to rise over time.

General Fund Tax Expenditures

EMPLOYEE BENEFIT PROGRAM EMPLOYER CONTRIBUTIONS

Description: Payments made by employers or labor unions for programs covering hospitalization, sickness, disability or death, supplemental unemployment benefits, group life insurance, and strike benefits are exempt from taxation. This expenditure also includes personal use of employer provided property and services.

Purpose: This provision lessens the burden of the tax upon Pennsylvania wage earners, along with maintaining fairness, since these payments are not usually based on actual use by each wage earner.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1,069.6	\$ 1,130.0	\$ 1,183.4	\$ 1,240.4	\$ 1,299.6	\$ 1,354.6	\$ 1,407.0

Beneficiaries: As many as 6 million employees benefit from this tax expenditure.

CAFETERIA PLANS

Description: Payments made by employers, on behalf of employees, into a qualifying cafeteria plan are exempt from taxation if the program does not discriminate in favor of highly compensated individuals. This exemption parallels the limited exemption treatment of employee benefit programs covering hospitalization, sickness, disability or death, supplemental unemployment benefits, or strike benefits. This expenditure also includes payments made on behalf of employees for personal use of employer provided property and services.

Purpose: This provision lessens the burden of the tax upon Pennsylvania wage earners, along with maintaining fairness, since these payments are not usually based on actual use by each wage earner.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 66.8	\$ 68.3	\$ 70.0	\$ 72.0	\$ 74.1	\$ 76.9	\$ 80.1

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

LIFE INSURANCE PROCEEDS

Description: Amounts paid to beneficiaries or the estate of a decedent due to the death of the decedent are exempt from tax.

Purpose: Life insurance proceeds are not considered compensation for services rendered. Also, premiums are often paid with after-tax dollars.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 181.1	\$ 181.8	\$ 186.9	\$ 191.6	\$ 196.6	\$ 202.1	\$ 208.0

Beneficiaries: The death payment beneficiaries of approximately 180,800 life insurance policies benefit from this tax expenditure.

SICKNESS OR DISABILITY PROCEEDS

Description: Payments, other than regular wages or salary, received for periods of sickness or disability are excluded from compensation.

Purpose: These payments are excluded because they do not take the place of an employee's regular wages or salary. However, sick pay in the form of regular wages or salary is taxable.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

UNEMPLOYMENT AND SUPPLEMENTAL UNEMPLOYMENT COMPENSATION

Description: Amounts received as unemployment compensation or supplemental unemployment compensation are excluded from taxable income.

Purpose: This exemption assists unemployed persons in providing the basic necessities of life.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 53.2	\$ 57.8	\$ 61.9	\$ 63.8	\$ 60.3	\$ 57.6	\$ 56.0

Beneficiaries: Approximately 260,000 people benefit from this tax expenditure.

WORKERS' COMPENSATION

Description: Disability, retirement, or other payments arising under workers' compensation acts, occupational disease acts, and similar legislation are exempt from taxation.

Purpose: These benefits are not related to services rendered and are intended to provide income or subsistence during periods of disability when the taxpayer was injured on the job and also to pay workers' medical bills for injuries sustained on the job. These benefits more closely resemble insurance payments, which are not taxable.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 81.5	\$ 81.1	\$ 80.6	\$ 80.1	\$ 79.6	\$ 79.2	\$ 78.7

Beneficiaries: As many as 167,300 residents benefit from this tax expenditure.

STRIKE BENEFITS

Description: Amounts designated as strike benefits are exempt from tax.

Purpose: These benefits are not considered compensation for services rendered and are thus excluded from tax.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

PUBLIC ASSISTANCE

Description: Public assistance payments from governmental entities are excluded from taxable income.

Purpose: This provision limits the impact of the tax on the poor and increases the effectiveness of state payments under this program.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 4.4	\$ 4.4	\$ 4.4	\$ 4.4	\$ 4.4	\$ 4.4	\$ 4.4

Beneficiaries: Approximately 72,400 people benefit from this tax expenditure.

General Fund Tax Expenditures

SALE OF A PRINCIPAL RESIDENCE

Description: The gain from a sale of principal residence is excludable from income.

Purpose: A principal residence is typically sold to meet the changing needs of the taxpayer and not in an effort to recognize a capital gain.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 331.6	\$ 347.7	\$ 369.9	\$ 392.4	\$ 413.4	\$ 400.6	\$ 384.5

Beneficiaries: The owners of approximately 217,400 principal residences that are sold each year in Pennsylvania benefit from this tax expenditure.

COMPENSATION FOR MILITARY SERVICE

Description: Compensation for military service by a Pennsylvania resident in a combat zone is excludable from tax. Income received for military service outside the Commonwealth (whether or not it is in a combat zone) while on active duty as a member of the armed forces is excludable from compensation. Income received for active state duty for an emergency within or outside Pennsylvania is excludable from compensation.

Purpose: This provision reduces tax on members of the armed forces while on active duty in service of the country.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 142.0	\$ 147.3	\$ 152.3	\$ 157.9	\$ 164.2	\$ 170.6	\$ 177.2

Beneficiaries: Approximately 50,100 residents benefit from this tax expenditure.

SCHOLARSHIPS, GRANTS, FELLOWSHIPS, AND STIPENDS

Description: Scholarships, grants, fellowships, and stipends awarded on the basis of need or academic achievement for the purpose of encouraging or allowing the recipient to further their educational development are not taxable. Fellowships and stipends are taxable if they are awarded as compensation for past, present, or future services.

Purpose: Awards made on the basis of detached generosity are considered to be gifts and are not taxable as income.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 162.7	\$ 165.6	\$ 168.5	\$ 171.4	\$ 174.4	\$ 177.5	\$ 180.6

Beneficiaries: The recipients of approximately 219,100 state and federal grants and scholarships, and an unknown number of private scholarships, grants, fellowships, and stipends benefit from this tax expenditure.

REIMBURSEMENTS FOR ACTUAL EXPENSES

Description: Payments by an employer to an employee to reimburse actual expenses incurred by the employee in the conduct of the employer's business are excludable from compensation.

Purpose: This provision ensures that employees incurring business expenses, for which they are later reimbursed in the actual amount of the expenses, are not taxed on the reimbursements. Such expenses and reimbursements are treated as if the employer had made the expenditure directly.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.5

Beneficiaries: Approximately 8,800 taxpayers benefit from this tax expenditure.

General Fund Tax Expenditures

UNREIMBURSED EXPENSES

Description: Unreimbursed expenditures made by employees are excludable from compensation if they are necessary to enable the taxpayer to properly perform the duties of employment, reasonable in amount, directly related to the taxpayer's occupation, and customary in the taxpayer's occupation.

Purpose: This provision enhances the fairness of the tax for those employees who incur expenses for the benefit of the employer, in order to properly perform a job, or to retain a rate of compensation.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 29.3	\$ 28.1	\$ 27.5	\$ 27.2	\$ 27.1	\$ 27.0	\$ 27.0

Beneficiaries: Individuals filing approximately 711,300 returns benefit from this tax expenditure.

BUSINESS INCOME DEDUCTIONS

Description: Ordinary and reasonable expenses necessary to operate a business or profession may be deducted from the gross receipts of that business or profession. This expenditure does not measure the cost of sales and operations or wages and salaries deductions.

Purpose: Businesses and professions are taxed on "net" profits; therefore, expenses necessary to produce the income may be deducted before tax is computed.

(Dollar Amounts in Millions)

Depreciation:

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 163.7	\$ 166.1	\$ 167.2	\$ 175.2	\$ 183.3	\$ 192.2	\$ 202.8

Other:

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 2,554.3	\$ 2,598.8	\$ 2,615.9	\$ 2,741.3	\$ 2,868.7	\$ 3,007.7	\$ 3,173.1

Beneficiaries: Approximately 1.1 million businesses and professions benefit from this tax expenditure.

FOSTER CARE

Description: Payments received by foster parents are explicitly excluded from the definition of compensation.

Purpose: This exemption provides a benefit to families providing foster care.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 4.3	\$ 4.3	\$ 4.2	\$ 4.1	\$ 4.1	\$ 4.0	\$ 3.9

Beneficiaries: The foster parents of approximately 16,900 children benefit from this tax expenditure.

QUALIFIED TUITION PROGRAMS

Description: Qualified tuition program contributions are deductible from personal income. Rollovers, undistributed earnings, and distributions used for qualified education expenses are not taxable.

Purpose: These provisions lessen the burden of tax on families saving for post-secondary, private primary, or private secondary education.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 51.2	\$ 54.6	\$ 59.8	\$ 63.6	\$ 67.7	\$ 72.1	\$ 76.8

Beneficiaries: At least 145,800 taxpayers benefit from this tax expenditure.

General Fund Tax Expenditures

EXEMPTION FOR ELECTION OFFICIALS

Description: Compensation and other payments received by county election officials are exempt from taxation.
Purpose: This exemption provides an incentive to serve as a county election official.

Estimates: (Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 0.8	\$ 0.8	\$ 0.9	\$ 0.9	\$ 0.9	\$ 0.9	\$ 0.9

Beneficiaries: As many as 100,700 election officials benefit from this tax expenditure.

PENNSYLVANIA LOTTERY NONCASH PRIZES

Description: Pennsylvania Lottery noncash prizes are exempt from personal income tax.
Purpose: This provision provides an additional benefit to individuals winning noncash Pennsylvania Lottery prizes.

Estimates: (Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 0.4	\$ 0.4	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.2	\$ 0.2

Beneficiaries: The winners of approximately 100 noncash prizes benefit from this expenditure.

STATE/LOCAL OBLIGATIONS

Description: Interest paid on Pennsylvania government-issued municipal bonds is exempt from Pennsylvania state income taxes.

Purpose: Because of this tax-exempt feature, investors will usually accept lower interest payments than on other types of borrowing, lowering the overall cost for the government bond issuer.

Estimates: (Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 63.3	\$ 61.8	\$ 60.3	\$ 58.8	\$ 57.4	\$ 56.0	\$ 54.7

Beneficiaries: Approximately 290,700 Pennsylvanians benefit from this expenditure.

START-UP BUSINESS DEDUCTION

Description: Pennsylvania allows for a \$5,000 deduction from net income for business start-up costs for personal income tax purposes.

Purpose: This deduction gives businesses the same opportunity they have at the federal level and will encourage small business development, attract entrepreneurs, and encourage existing businesses to expand and create new jobs.

Estimates: (Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1.0	\$ 1.1	\$ 1.1	\$ 1.1	\$ 1.2	\$ 1.2	\$ 1.2

Beneficiaries: Approximately 10,600 new businesses will benefit from this tax expenditure.

General Fund Tax Expenditures

INTANGIBLE DRILLING COSTS

Description: A taxpayer may recover intangible drilling costs either by using a 10-year amortization period, or by electing to immediately expense up to one-third of the allowable costs and recover the remaining costs over a 10-year period beginning in the taxable year the costs are incurred.

Purpose: This expenditure allows entities to deduct a larger portion of costs immediately, instead of spreading those costs over the life of the well.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.2

Beneficiaries: Approximately 120 taxpayers benefit from this expenditure.

ACHIEVING A BETTER LIFE EXPERIENCE (ABLE) SAVINGS PROGRAMS

Description: Contributions to an ABLE account are deductible from the taxable income of the contributor. Contributions, any increase in the value of those contributions, the retention or transfer of any legal interest in an account, and payment of qualified expenses are exempt from taxation.

Purpose: These provisions lessen the burden of tax on people with disabilities and their families.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 0.8	\$ 0.9	\$ 1.0	\$ 1.2	\$ 1.3	\$ 1.5	\$ 1.7

Beneficiaries: Approximately 2,900 people with disabilities and their families benefit from this expenditure.

INVOLUNTARY CONVERSIONS

Description: A taxpayer may acquire replacement property and make an election to defer recognition of the gain following an involuntary conversion.

Purpose: These provisions lessen the burden of tax on taxpayers who acquire replacement property when the original property has been destroyed, stolen, seized, requisitioned, or condemned.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: A minimal number of taxpayers will benefit from this expenditure.

QUALIFIED OPPORTUNITY ZONES

Description: Income derived from investment in a qualified opportunity zone that is exempt from federal tax is also exempt from Pennsylvania tax.

Purpose: This zone program provides federal tax incentives to encourage investment in economically distressed communities. This provision ensures that complementary incentives apply at the state level. Current law requires deferred zone gains to be recognized in 2026, which could be as much as \$124 million.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 22.4	\$ 23.2	\$ 7.4	\$ 0.0	\$ 0.1	\$ 0.2	\$ 1.4

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

OLYMPIC MEDALS AND PRIZES

Description: The value of Olympic medals and prize money received from the United States Olympic Committee are exempt from tax.

Purpose: This provision lessens the burden of tax on taxpayers who receive awards on account of competition in the Olympic Games or Paralympic Games.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: A minimal number of taxpayers will benefit from this expenditure.

CROP INSURANCE PROCEEDS

Description: Under certain circumstances, taxpayers may include crop insurance proceeds in income for the taxable year following the taxable year of crop destruction or damage.

Purpose: Given that crop insurance payments are often received because of unforeseen circumstances, this provision could provide greater flexibility in managing income and expenses in unexpectedly challenging times.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

EMPLOYER-PROVIDED DEPENDENT CARE BENEFITS

Description: Employer-provided dependent care benefits that are excludable from income at the federal level are also excluded from Pennsylvania personal income tax.

Purpose: This provision provides relief to working families that use child or dependent care.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	5.2	\$ 6.2	\$ 6.2	\$ 6.1	\$ 6.1	\$ 6.1	\$ 6.1

Beneficiaries: Taxpayers filing approximately 62,700 returns will benefit from this tax expenditure.

PAYMENTS FROM NORFOLK SOUTHERN TRAIN DERAILMENT

Description: Payments received as a result of the train derailment in East Palestine, Ohio on February 3, 2023, are not subject to income tax.

Purpose: This provision provides tax relief to individuals affected by the train derailment.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: An unknown number of taxpayers will benefit from this expenditure.

INTEREST ON QUALIFIED STUDENT LOANS

Description: Student loan interest payments up to \$2,500 may be deducted from taxable income for state residents.

Purpose: This provision reduces the income tax burden on residents who have accrued interest on their student loans.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ -	1.7	36.4	53.3	55.5	57.5	59.5

Beneficiaries: Approximately 979,900 Pennsylvania residents will benefit from this tax expenditure.

General Fund Tax Expenditures

Credits

SPECIAL POVERTY PROVISIONS (TAX FORGIVENESS)

Description: Special tax forgiveness provisions allow eligible claimants to reduce their tax liability depending on the amount of their eligibility income.

Purpose: This provision provides tax relief for taxpayers with low incomes.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 197.4	\$ 193.6	\$ 186.0	\$ 181.4	\$ 177.7	\$ 173.2	\$ 168.8

Beneficiaries: Individuals filing approximately 1 million returns benefit from this tax expenditure.

RESIDENT CREDIT

Description: Pennsylvania residents who have income that is subject to both Pennsylvania personal income tax and the income or wage tax of another state (excluding compensation earned in states with reciprocal agreements) may claim the lesser of the following as credit against the personal income tax: (1) the actual tax paid to the other state or (2) Pennsylvania taxable income earned in the other state, multiplied by the current Pennsylvania income tax rate.

Purpose: This provision prevents the double taxation of income earned by a Pennsylvania resident in another state.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 431.8	\$ 431.7	\$ 461.5	\$ 479.6	\$ 485.9	\$ 496.6	\$ 509.6

Beneficiaries: Individuals filing approximately 145,400 returns benefit from this tax expenditure.

TAX CREDITS FOR BEGINNING FARMERS

Description: Owners of agricultural assets who sell or rent those assets to beginning farmers (as defined by Act 65 of 2019) qualify for a tax credit.

The estimate for 2023-24 reflects actual credits awarded. Future fiscal years reflect the program cap.

Purpose: These tax credits are intended to encourage early-career farmers in Pennsylvania.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 6.0	\$ 6.0	\$ 6.0	\$ 6.0	\$ 6.0	\$ 6.0	\$ 6.0

Beneficiaries: An unknown number of taxpayers will benefit from this expenditure.

CHILD AND DEPENDENT CARE ENHANCEMENT TAX CREDIT

Description: Pennsylvania residents who receive the federal child and dependent care tax credit qualify for a refundable state tax credit equal to 100 percent of the federal credit, which was increased from 30 percent by Act 34 of 2023, and is effective beginning tax year 2023.

Purpose: This provision provides relief to working families that use child or dependent care.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 95.2	\$ 124.9	\$ 124.3	\$ 123.8	\$ 123.5	\$ 123.3	\$ 123.0

Beneficiaries: Individuals filing approximately 218,800 returns will benefit from this tax expenditure.

General Fund Tax Expenditures

Estimated Taxes

ESTIMATED TAXES FOR FIDUCIARIES

Description: Fiduciaries may adopt the federal annualization rules for calculating estimated payments.

Purpose: The adoption of annualized federal rules for calculating estimated payments for estates and trusts allows fiduciaries to have consistent payments between state and federal laws.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 9.5	\$ 11.6	\$ 10.1	\$ 8.1	\$ 6.8	\$ 6.9	\$ 6.9

Beneficiaries: Approximately 35,300 fiduciaries are estimated to benefit from this tax expenditure.

ESTIMATED TAXES FOR FARMERS

Description: Individuals having an estimated gross income from farming which is at least two-thirds of their total gross income may file an estimated tax declaration any time on or before January 15 of the succeeding year. If such an individual files a final return and pays the entire tax due by March 1, the return may be considered the declaration due on or before January 15. This estimate measures the interest lost due to delayed estimated payments.

Purpose: This provision provides assistance to farmers by allowing more liberal estimated payment rules, enhancing the farmers' cash flow.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1.3	\$ 0.6	\$ 0.5	\$ 0.6	\$ 0.6	\$ 0.7	\$ 0.7

Beneficiaries: Farmers operating approximately 53,000 farms benefit from this tax expenditure.

ESTIMATED PAYMENTS FOR SMALL AMOUNTS

Description: Individuals with taxable income not subject to withholding are not required to pay estimated taxes, provided that such income falls below a certain threshold. Beginning in tax year 2024, the threshold increases incrementally from the current level of \$8,000 to \$20,000 in tax year 2028. In subsequent years, the threshold increases by \$500 per year.

Purpose: These provisions reduce paperwork for the Department of Revenue and taxpayers with small amounts of income not subject to withholding.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 2.6	\$ 2.4	\$ 2.0	\$ 1.9	\$ 2.4	\$ 3.0	\$ 3.5

Beneficiaries: Approximately 1.4 million Pennsylvania residents benefit from this tax expenditure.

ESTIMATED TAXES FOR PRIOR YEAR TAX FORGIVENESS RECIPIENTS

Description: A taxpayer who received tax forgiveness through the special provisions for poverty during the prior tax year, but did not qualify for tax forgiveness in the current tax year and is required to make estimated payments, may avoid a penalty for underpayment of estimated taxes.

Purpose: This provision is intended to give taxpayers who qualified for tax forgiveness a safe harbor from estimated payments.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 2	\$ 1.8	\$ 1.3	\$ 1.1	\$ 1.1	\$ 1.1	\$ 1.1

Beneficiaries: Taxpayers filing nearly 44,000 returns benefit from this expenditure.

General Fund Tax Expenditures

Realty Transfer Tax

TRANSFERS TO GOVERNMENTAL UNITS AND VETERANS SERVICE ORGANIZATIONS

Description: A transfer to the Commonwealth, the federal government or their agencies, political subdivisions, or instrumentalities, or veterans organizations by gift, dedication, condemnation, or in lieu of condemnation is exempt from taxation.

Purpose: This exemption provides tax relief to the grantor of property to a governmental entity. Without an exemption, the grantor would be required to pay the tax. The exemption may encourage donation of property to a governmental entity.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 9.4	\$ 10.8	\$ 12.8	\$ 14.8	\$ 15.8	\$ 16.6	\$ 17.5

Beneficiaries: Approximately 3,130 local governmental units and veterans organizations could benefit from this tax expenditure.

PARTITION OF REALTY BY CO-TENANTS

Description: A partition of realty, passed by testate or intestate succession and held by co-tenants, into two or more distinctive portions with each party taking shares equal to their undivided interest, is an excluded transaction.

Purpose: Tax relief is given to the heirs to assist in the equitable settlement of the estate. Heirs to realty do not always want joint ownership in the realty willed to them as co-tenants. This exemption enables the parties to partition the realty into two or more distinct portions with each party taking shares equal to their undivided interest without incurring tax.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1.6	\$ 1.8	\$ 2.2	\$ 2.5	\$ 2.7	\$ 2.8	\$ 2.9

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

TRANSFERS AMONG FAMILY MEMBERS

Description: Transfers between spouses, parent and child or the spouse of such child, stepparent and a stepchild or the spouse of such child, siblings and/ or the spouse of a sibling, and a grandparent and grandchild or the spouse of such a grandchild are exempt from taxation.

Purpose: This exemption reduces the tax burden on families by exempting transfers to family members.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 85.7	\$ 98.2	\$ 116.3	\$ 135.1	\$ 144.0	\$ 151.3	\$ 159.0

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

TRANSFERS TO SHAREHOLDERS OR PARTNERS

Description: A transfer from a corporation or association to its shareholder or member, where the grantee owns stock or holds an interest in the same proportion as his interest in the real estate being conveyed, is an excluded transaction. The stock or interest must be held by the grantee for more than two years.

Purpose: This exemption recognizes that the grantee has an ownership interest in the realty conveyed to him in the same proportion as stock owned in the corporation or interest in the association.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1.9	\$ 2.2	\$ 2.6	\$ 3.0	\$ 3.2	\$ 3.4	\$ 3.6

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

TRANSFERS TO OR FROM A NONPROFIT INDUSTRIAL DEVELOPMENT AGENCY

Description: A transfer to a nonprofit industrial development agency or authority is an excluded transaction. A transfer from a nonprofit industrial development agency or authority to a grantee purchasing directly from it is an excluded transaction if: (1) the grantee uses such real estate for the primary purpose of manufacturing, fabricating, compounding, processing, publishing, research and development, transportation, energy conversion, energy production, pollution control, warehousing, or agriculture and (2) the authority has full ownership interest in the real estate transferred.

Purpose: These exemptions encourage transfers of realty to nonprofit organizations for industrial development and from nonprofit organizations for use in various activities that may contribute to economic development in the Commonwealth.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 8.7	\$ 10.0	\$ 11.8	\$ 13.7	\$ 14.6	\$ 15.3	\$ 16.1

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

TRANSFERS BETWEEN RELIGIOUS ORGANIZATIONS

Description: A transfer between religious organizations or persons holding title for a religious organization, with both parties possessing tax-exempt status under the Internal Revenue Code, is an excluded transaction. The real estate cannot have been used by such transferor for commercial purposes.

Purpose: This exemption provides tax relief to religious organizations that are perceived to provide social benefits.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1.9	\$ 2.1	\$ 2.5	\$ 3.0	\$ 3.1	\$ 3.3	\$ 3.5

Beneficiaries: Approximately 14,000 religious organizations could benefit from this tax expenditure.

General Fund Tax Expenditures

TRANSFERS TO A CONSERVANCY

Description: A transfer to or from a conservancy possessing tax-exempt status pursuant to the Internal Revenue Code and which has as its primary purpose preservation of land for historic, recreational, scenic, agricultural, or open space opportunities is an excluded transaction. Act 84 of 2016 added agricultural, conservation, or historic preservation easements transferred or sold to certain dedicated conservancies, as well as government entities, as being excluded transactions.

Purpose: This exemption encourages the preservation of realty with historic, recreational, scenic, or agricultural value.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 0.2	\$ 0.3	\$ 0.3	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4

Beneficiaries: Approximately 60 land conservancies could benefit from this tax expenditure.

REAL ESTATE DEVOTED TO AGRICULTURE

Description: A transfer of real estate devoted to the business of agriculture to a family farm business by a member of the same family is an excluded transaction. The family must own at least 75 percent of each class of stock in a family farm business. The family farm may also lease the farmland as long as it is used for farming.

Purpose: This exemption provides tax relief for the establishment or expansion of the family farm business thereby recognizing the importance of the family-owned farm.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The owners of 53,000 farms might benefit from this tax expenditure.

OWNERSHIP INTEREST IN REAL ESTATE COMPANY OR FAMILY FARM

Description: A transfer between members of the same family of an ownership interest in a real estate company or family farm business is an excluded transaction.

Purpose: A transfer of ownership interest between members of the same family is not considered a change in ownership of the business. This exemption encourages the preservation of family farm businesses and family-owned real estate businesses by allowing transfers of ownership interests between members of the same family not to count toward the corporation becoming an acquired company.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The owners of 53,000 farms might benefit from this tax expenditure.

General Fund Tax Expenditures

TRANSFERS OF REALTY VALUED AT \$100 OR LESS

Description: A transaction where the tax due is \$100 or less is an excluded transaction.

Purpose: The administrative costs of collecting the revenue from a transfer of realty valued at \$100 or less are thought to be greater than the revenue.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1.8	\$ 2.0	\$ 2.4	\$ 2.8	\$ 3.0	\$ 3.1	\$ 3.3

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

PRODUCTION OR EXTRACTION OF COAL, OIL, NATURAL GAS, OR MINERALS

Description: Leases for the production or extraction of coal, oil, natural gas, or minerals and assignments thereof are excluded transactions.

Purpose: This exemption gives tax relief to the mining and extracting industries to produce and extract coal, oil, natural gas, and minerals at a lower cost.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: Approximately 70 companies may benefit from this tax expenditure.

PUBLIC UTILITY EASEMENTS

Description: A transfer of an easement to a person furnishing public utility service is an excluded transaction if the easement is used in, or useful for, furnishing public utility services.

Purpose: Public utility easements are numerous and the majority of them are conveyed for a small consideration. The administrative costs of collecting the revenue from an easement to a provider of public utility services are thought to be greater than the revenue.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 16.0	\$ 18.4	\$ 21.7	\$ 25.2	\$ 26.9	\$ 28.3	\$ 29.7

Beneficiaries: The 880 public utilities could benefit from this tax expenditure.

General Fund Tax Expenditures

STANDING TIMBER OR CROPS

Description: Standing timber and crops are not deemed to actually pass with the conveyance of realty when the instrument provides for severance and removal within an immediate ascertainable date.

Purpose: Timber and crops are personal property in this instance, the transfer of which is not subject to realty transfer tax.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

TRANSFERS INVOLVING VOLUNTEER EMERGENCY AGENCIES

Description: A transfer to or by a volunteer emergency medical services company, volunteer fire company, or volunteer rescue company is an excluded transaction. Act 66 of 2020 expanded this exemption to include all transactions involving volunteer emergency agencies; previous legislation had only excluded certain transactions.

Purpose: This exemption provides tax relief to volunteer emergency agencies. Without the exemption, they would be required to pay the tax when acquiring real property. The exemption should aid volunteer emergency agencies in being able to better serve their communities.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 2.1	\$ 2.5	\$ 2.9	\$ 3.4	\$ 3.6	\$ 3.8	\$ 4.0

Beneficiaries: Approximately 2,080 taxpayers could benefit from this tax expenditure.

TRANSFERS TO OR FROM A LAND BANK

Description: A transfer of real estate to or from a land bank is an excluded transaction. The term "land bank" shall have the same meaning as given to it in 68 Pa.C.S. § 2103.

Purpose: This exemption provides tax relief on transfers to or from a land bank. Land banks are used by local governments to acquire problem properties and return them to productive use.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

General Fund Tax Expenditures

TRANSFERS TO CERTAIN NONPROFIT ORGANIZATIONS FROM HOUSING AUTHORITIES WITHIN THE COMMONWEALTH

Description: A transfer of real estate from a Public Housing Authority (PHA) to a nonprofit organization utilizing the Rental Assistance Demonstration (RAD) Program administered by the Department of Housing and Urban Development (HUD) are exempt from realty transfer tax. This applies to a county of the fifth class with a population between 115,000 and 118,000 that filed an appeal with the Board of Finance and Revenue after December 31, 2015.

Purpose: The RAD program was created by HUD to give PHAs an additional tool to preserve and improve public housing properties. Without this exemption from tax, the transfer from the PHAs to nonprofit organizations participating in the RAD program would be taxable.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: A limited number of nonprofit organizations will benefit from this expenditure.

TRANSFERS TO BEGINNING FARMERS

Description: The transfer of a property subject to an agricultural easement to a qualified beginning farmer is exempt from the tax.

Purpose: The exemption is intended to encourage new persons to become involved in farming.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

Inheritance Tax

Family Related Exemptions and Exclusions

PREFERENTIAL RATE FOR TRANSFERS TO LINEAL BENEFICIARIES

Description: Assets transferred to lineal beneficiaries are taxed at a 4.5 percent rate rather than the 15 percent rate for assets transferred to non-lineal heirs.

Purpose: This provision reduces the tax burden on the immediate family members of the decedent.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 2,130.4	\$ 2,102.3	\$ 2,085.6	\$ 2,083.4	\$ 2,072.8	\$ 2,061.0	\$ 2,048.7

Beneficiaries: Approximately 45,200 estates benefit from this tax expenditure.

TRANSFERS OF PROPERTY TO SPOUSE

Description: Property passing to a spouse of a decedent is taxed at 0 percent. This estimate is based on the difference between taxing all assets transferred between spouses at the lineal rate of 4.5 percent and the spousal rate of 0 percent.

Purpose: This provision prevents an undue tax burden on a surviving spouse especially when assets cannot be jointly owned. It allows spouses to maintain homes and other assets without being subject to inheritance tax.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 3,594.7	\$ 3,499.2	\$ 3,459.8	\$ 3,455.9	\$ 3,438.5	\$ 3,419.0	\$ 3,398.6

Beneficiaries: Approximately 39,700 estates benefit from this tax expenditure.

EXEMPTION FOR TRANSFERS OF PROPERTY FROM A CHILD TO PARENT

Description: Property passing from a child 21 years of age or younger to a parent is subject to a 0 percent tax rate. This estimate measures the difference between taxing child to parent transfers at the lineal rate of 4.5 percent and the rate of 0 percent.

Purpose: This provision reduces the tax burden on families receiving assets due to the untimely death of a child.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6

Beneficiaries: Approximately 30 estates benefit from this tax expenditure.

PREFERENTIAL RATE FOR TRANSFERS TO SIBLINGS

Description: Assets transferred to siblings are taxed at a rate of 12 percent rather than the rate of 15 percent for assets transferred to non-lineal heirs.

Purpose: This provision reduces the tax burden on estates that transfer assets to a sibling of the decedent. It recognizes that a sibling is often a decedent's closest relative and that transfers to siblings should be taxed at a lower rate than transfers to unrelated beneficiaries.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 44.6	\$ 44.0	\$ 43.6	\$ 43.6	\$ 43.4	\$ 43.1	\$ 42.9

Beneficiaries: Approximately 5,700 estates benefit from this tax expenditure.

General Fund Tax Expenditures

LIFE INSURANCE PROCEEDS

Description: Life insurance proceeds, whether or not payable to the estate of the decedent, are exempt from inheritance tax.

Purpose: This provision lessens the tax burden on the insurance beneficiaries of the decedent, who are likely to be family members. A common reason for purchasing life insurance is to assist with the payment of inheritance and estate taxes.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 158.9	\$ 162.1	\$ 166.0	\$ 170.3	\$ 175.0	\$ 180.0	\$ 185.2

Beneficiaries: Estates of the decedents associated with approximately 78,000 life insurance policies benefit from this expenditure.

FEDERAL WAR RISK INSURANCE AND NATIONAL SERVICE LIFE INSURANCE PROCEEDS

Description: Proceeds of federal war risk insurance, national service life insurance, or other similar governmental insurance are exempt from inheritance tax.

Purpose: This provision lessens the tax burden on beneficiaries of U.S. military personnel and dependents who receive increased insurance when stationed in an area where military conflict is possible.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: The families of fallen Pennsylvanians benefit from this tax expenditure.

FAMILY EXEMPTION

Description: A \$3,500 family exemption from inheritance tax is permitted for the decedent's surviving spouse, children, or parents living in the decedent's household at the time of death.

Purpose: This provision allows a small tax-free transfer of property to immediate family members residing with the decedent. Smaller taxable estates benefit to a greater extent.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 1.9	\$ 1.9	\$ 1.9

Beneficiaries: Approximately 7,900 families benefit from this tax expenditure.

EXEMPTION FOR TRANSFERS FROM A PARENT TO CHILD 21 OR YOUNGER

Description: Property passing from a parent to a child 21 years of age or younger is subject to a 0 percent tax rate. This estimate measures the difference between taxing parent to child transfers at the lineal rate of 4.5 percent and the rate of 0 percent.

Purpose: This provision reduces the tax burden on families receiving assets due to the death of a parent.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 20.9	\$ 20.4	\$ 20.2	\$ 20.2	\$ 20.5	\$ 20.6	\$ 20.6

Beneficiaries: Approximately 100 estates benefit from this tax expenditure.

General Fund Tax Expenditures

Personal Exclusions and Deductions

EMPLOYMENT BENEFITS

Description: Employment benefits that the decedent did not have the right to possess, enjoy, assign, or anticipate before death are exempt from inheritance tax. Exempt benefits include pensions, stock-bonuses, profit-sharing plans, Keoghs, Individual Retirement Accounts, and other retirement plans. If the decedent did have the right to possess, enjoy, assign, or anticipate the benefits, they are exempt from Pennsylvania inheritance tax only to the same extent they are exempt from the federal estate tax.

Purpose: This provision limits inheritance tax on employment benefits to which the decedent did not have full rights. An individual is presumed to have full rights to these employment benefits after age 59 ½, the age at which someone may utilize at least a portion of these funds without penalty under the Internal Revenue Code.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 10.9	\$ 11.8	\$ 12.7	\$ 13.6	\$ 14.7	\$ 15.8	\$ 17.0

Beneficiaries: Estates of the approximately 12,000 decedents of working age and under 59½ at death may benefit from this tax expenditure.

ESTATE ADMINISTRATION EXPENSES

Description: Expenses for attorney fees, funeral and burial expenses, tombstones and grave markers, and other expenses incurred in administering the estate are deductible from the taxable estate.

Purpose: This provision allows for the deduction of reasonable and necessary expenses associated with managing the estate.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 70.3	\$ 70.3	\$ 70.2	\$ 70.2	\$ 70.2	\$ 70.1	\$ 70.1

Beneficiaries: Approximately 47,900 estates benefit from this tax expenditure.

DEBTS AND LIABILITIES OF THE DECEDENT

Description: A deduction from the gross estate is allowed for debts and liabilities of the decedent.

Purpose: This provision increases the fairness of the tax by ensuring that property is included in the taxable estate based on its net value. For example, a mortgage is deducted from the value of real property to properly value the decedent's interest in that property.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 86.2	\$ 86.2	\$ 86.2	\$ 86.1	\$ 86.1	\$ 86.1	\$ 86.0

Beneficiaries: Approximately 36,400 estates benefit from this tax expenditure.

General Fund Tax Expenditures

SOCIAL SECURITY DEATH PAYMENTS

Description: The lump-sum social security death benefit is exempt from inheritance tax.

Purpose: This provision helps limit the impact of the tax on poorer beneficiaries. The social security death benefit could comprise the majority of assets for many small taxable estates.

Estimates:

<i>(Dollar Amounts in Millions)</i>						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0

Beneficiaries: As many as 69,600 estates may benefit from this tax expenditure.

RAILROAD RETIREMENT BURIAL BENEFITS

Description: The lump-sum railroad retirement burial benefit is exempt from inheritance tax.

Purpose: This provision helps limit the impact of the tax on poorer beneficiaries. The railroad retirement burial benefit could comprise the majority of assets for many small taxable estates.

Estimates:

<i>(Dollar Amounts in Millions)</i>						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: An estimated 100 estates receive lump sum benefit payments from the U.S. Railroad Retirement Board.

ADVANCEMENTS

Description: Transfers made as an advancement of or on account of an intestate share or in satisfaction or partial satisfaction of a gift by will are exempt unless the gift was made within one year of death and gifts to the transferee exceeded \$3,000 during that calendar year.

Purpose: This provision provides that these advancements be treated as gifts that are not intended to avoid the tax.

Estimates:

<i>(Dollar Amounts in Millions)</i>						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: Approximately 69,600 estates might benefit from this tax expenditure.

General Fund Tax Expenditures

PROPERTY SUBJECT TO POWER OF APPOINTMENT

Description: Property left to a trust by the decedent (grantor) subject to a power of appointment (by a grantee), whether or not exercised and notwithstanding any blending of such property with property of the grantee, is exempt from inheritance tax in the estate of the grantee.

Purpose: Pennsylvania taxes the transfer of these assets at the time the interest is created (when the grantor dies). This provision prevents taxation when the property is subsequently distributed upon the death of the grantee, having already been taxed in the estate of the grantor.

Estimates:

(Dollar Amounts in Millions)						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

NOMINAL OWNERSHIP OF PROPERTY

Description: Property held in the name of a decedent who held no beneficial interest in the property is exempt from inheritance tax.

Purpose: This provision prevents property in which the decedent had no real interest from being included in the taxable estate.

Estimates:

(Dollar Amounts in Millions)						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

TRANSFERS BY A MEMBER OF THE MILITARY ON ACTIVE DUTY

Description: Transfers from decedents who died as a result of injury or illness while on active military duty are exempt from inheritance tax.

Purpose: This provision lessens the tax burden on beneficiaries of the U.S. military personnel who, while serving in the armed forces, a reserve component, or the National Guard of the United States, died as a result of injury or illness received while on active duty, including active duty for training.

Estimates:

(Dollar Amounts in Millions)						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: Those receiving transfers from fallen active duty military members benefit from this tax expenditure.

General Fund Tax Expenditures

Business Related Exclusions and Deductions

PREFERENTIAL VALUATION OF FARMLAND

Description: Farmland which was devoted to agricultural use for the three years preceding the death of the decedent and is not less than 10 contiguous acres or has an anticipated yearly gross income derived from agricultural use of \$2,000 or more, is valued based on its current use rather than its highest use.

Purpose: This provision helps to maintain family farms since land currently devoted to agricultural use is often more valuable if developed.

Estimates:

<i>(Dollar Amounts in Millions)</i>						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

SMALL BUSINESS INTEREST TRANSFER EXTENDED PAYMENT SCHEDULE

Description: The inheritance tax due on the transfer of a qualified small business interest may be paid in 20 consecutive quarterly installments beginning nine months after the decedent's death. Each installment payment bears annual interest of 9 percent.

Purpose: This provision helps protect small businesses upon the death of the owner from a sudden tax burden. Payments are spread out over time so that asset sales can be avoided.

Estimates:

<i>(Dollar Amounts in Millions)</i>						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this expenditure is unknown.

PREFERENTIAL VALUATION OF AGRICULTURAL CONSERVATION EASEMENTS

Description: An agricultural conservation easement is a deed restriction landowners voluntarily place on their property to protect productive agricultural land. The value of an agricultural conservation easement is set at 50 percent of what the land would otherwise be valued for purposes of inheritance tax assessments.

Purpose: This provision helps to maintain family farms and increase participation in the preservation of the Commonwealth's farmland.

Estimates:

<i>(Dollar Amounts in Millions)</i>						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 0.8	\$ 0.8	\$ 0.9	\$ 0.9	\$ 1.0	\$ 1.1	\$ 1.2

Beneficiaries: The owners of 53,000 farms might benefit from this tax expenditure.

General Fund Tax Expenditures

AGRICULTURAL TRANSFERS TO FAMILY MEMBERS

Description: A transfer of real estate devoted to the business of agriculture between members of the same family is exempt from inheritance tax, provided that after the transfer the real estate continues to be devoted to the business of agriculture for a period of seven years beyond the decedent's date of death and the real estate derives a yearly gross income of at least \$2,000. A transfer of an agricultural commodity, agricultural conservation easement, agricultural reserve, agricultural use property, or a forest reserve to lineal descendants or siblings is also exempt from inheritance tax.

Purpose: This provision helps to maintain family farms and increase participation in the preservation of the Commonwealth's farmland.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 6.9	\$ 7.2	\$ 7.5	\$ 7.8	\$ 8.2	\$ 8.5	\$ 8.9

Beneficiaries: The owners of 53,000 farms might benefit from this tax expenditure.

FAMILY-OWNED BUSINESS TRANSFERS TO FAMILY MEMBERS

Description: A transfer of a family-owned, small business interest to or for the benefit of members of the same family is exempt from inheritance tax, provided that after the transfer, the family-owned business interest continues to be owned by members of the same family or a trust whose beneficiaries are comprised solely of members of the same family for a minimum of seven years beyond the decedent's date of death. The exemption is limited to qualified family-owned business interests, defined as having fewer than 50 full-time equivalent employees, a net book value of assets less than \$5 million, and being in existence for at least five years, as of the decedent's date of death. The exemption does not apply to property transferred into the business within one year of the decedent's date of death.

Purpose: This provision helps to maintain family-owned, small businesses.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 8.6	\$ 8.5	\$ 8.4	\$ 8.4	\$ 8.4	\$ 8.4	\$ 8.4

Beneficiaries: The owners of 206,000 family-owned, small businesses might benefit from this tax expenditure.

General Fund Tax Expenditures

Other Exclusions

TRANSFERS TO GOVERNMENTS

Description: Inter vivos transfers and bequests to governments are exempt from inheritance tax.

Purpose: This exemption is an indirect means of assistance to governments and may reduce the taxes levied by these entities.

Estimates:

<i>(Dollar Amounts in Millions)</i>						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5

Beneficiaries: Approximately 3,000 estates benefit from this tax expenditure.

TRANSFERS TO CHARITABLE AND FRATERNAL ORGANIZATIONS

Description: Inter vivos transfers and bequests to charitable and fraternal organizations are exempt from inheritance tax.

Purpose: Charitable and fraternal organizations provide public services that are believed to benefit Pennsylvanians. This exemption represents an indirect means of assistance to these entities and may increase the money available for charitable purposes.

Estimates:

<i>(Dollar Amounts in Millions)</i>						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 131.2	\$ 129.5	\$ 128.4	\$ 128.3	\$ 127.6	\$ 126.9	\$ 126.1

Beneficiaries: An estimated 31,000 charitable and fraternal organizations might benefit from this tax expenditure.

Table Game Tax

PROMOTIONAL ITEM DEDUCTION

Description: The deduction of promotional items from gross table game revenue includes the cost of personal property awarded to a player as a result of playing a table game. This deduction does not include travel expenses, food, refreshments, lodging, or services.

Purpose: This deduction removes from the tax base the value of prizes awarded as a result of table game play.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 1.9	\$ 2.0	\$ 2.1	\$ 2.2	\$ 2.2	\$ 2.3	\$ 2.4

Beneficiaries: All licensed gaming entities in Pennsylvania operating table games may benefit from this tax expenditure.

Sports Wagering Tax

PROMOTIONAL ITEM DEDUCTION

Description: The deduction of promotional items from gross sports wagering revenue includes the cost of personal property awarded to a player as a result of sports wagering. This deduction does not include travel expenses, food, refreshments, lodging, or services.

Purpose: This deduction removes from the tax base the value of prizes awarded as a result of sports wagering.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2

Beneficiaries: All holders of sports wagering certificates in Pennsylvania may benefit from this tax expenditure.

Motor License Fund Tax Expenditures

Oil Company Franchise Tax

POLITICAL SUBDIVISIONS

Description: Fuels purchased by political subdivisions of the Commonwealth are exempt from the tax.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 44.2	\$ 41.9	\$ 41.2	\$ 40.3	\$ 39.4	\$ 38.6	\$ 37.8

Beneficiaries: Approximately 3,130 governmental units benefit from these tax expenditures.

VOLUNTEER EMERGENCY VEHICLES

Description: Fuel purchased by a volunteer fire company, volunteer ambulance service, or volunteer rescue squad, and used solely in official vehicles, is exempt from the tax.

Purpose: Volunteer emergency organizations provide public services that are perceived to benefit Pennsylvanians. This exemption permits these services to be rendered at a reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 11.0	\$ 10.4	\$ 10.3	\$ 10.0	\$ 9.8	\$ 9.6	\$ 9.4

Beneficiaries: Approximately 1,800 volunteer fire departments and an unknown number of other volunteer organizations benefit from these tax expenditures.

NONPROFIT NONPUBLIC SCHOOLS

Description: Fuel purchased by any nonprofit nonpublic school in which a Commonwealth resident may legally fulfill compulsory school attendance requirements is granted an exemption from the tax.

Purpose: Since state government indirectly subsidizes transporting public school children, this exemption provides similar treatment to nonprofit nonpublic schools.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2

Beneficiaries: As many as 2,750 nonprofit nonpublic schools may benefit from these tax expenditures.

SECOND CLASS COUNTY PORT AUTHORITIES

Description: Purchases of fuel by second class county port authorities are exempt from the tax.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: One second class county port authority benefits from this tax expenditure.

Motor License Fund Tax Expenditures

ELECTRIC COOPERATIVES

Description: Fuel purchases for vehicles operated by electric cooperatives are exempt from the tax.

Purpose: These cooperatives are nonprofit corporations organized to engage in rural electrification and are perceived to provide a public benefit. This exemption permits this service to be rendered at a reduced cost.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3

Beneficiaries: There are 13 electric cooperatives in the Commonwealth that benefit from these tax expenditures.

AGRICULTURAL USE

Description: A full refund of tax paid is granted for fuel consumed in agricultural use relating to the actual production of farm products. Fuel used in farm machinery or equipment engaged in the production or harvesting of agricultural products is exempt from taxation under these provisions.

Purpose: This exemption allows farmers to provide agricultural products at a reduced cost.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 4.8	\$ 4.5	\$ 4.5	\$ 4.4	\$ 4.3	\$ 4.2	\$ 4.1

Beneficiaries: Individuals operating approximately 53,000 farms benefit from these tax expenditures.

TRUCK REFRIGERATION UNITS

Description: A full refund of tax paid is granted for undyed diesel fuel used in truck refrigeration units when the tank that fuels the refrigeration unit is used solely for that purpose and is separate from that which powers the vehicle.

Purpose: This provision allows a refund for fuel consumed in an off-road manner when such use can be clearly documented.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 5.8	\$ 5.5	\$ 5.5	\$ 5.5	\$ 5.5	\$ 5.4	\$ 5.4

Beneficiaries: Approximately 220 entities benefit from these tax expenditures.

POWER TAKE-OFF

Description: A full refund of tax paid is granted for undyed fuel consumed in a power take-off unit used to load or unload farm feed, feed products, lime, or limestone products for agricultural use at a farm. Tax paid will be refunded provided that the fuel usage is documented by an electronic monitoring device used in conjunction with an electronically controlled engine.

Purpose: This provision allows a refund for fuel consumed in an off-road manner when such use can be clearly documented.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

Beneficiaries: Approximately 14 taxpayers benefit from these tax expenditures.

Motor License Fund Tax Expenditures

DISCOUNT

Description: A distributor is permitted a variable percentage discount based on the gross tax due on the oil company franchise tax mills added by Act 89 of 2013. Returns and payments are generally due on or before the 20th day of each month for the preceding month's sales.

Purpose: This discount is intended to defray the cost of preparing and remitting the tax reports and payments.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 5.4	\$ 5.1	\$ 5.0	\$ 4.9	\$ 4.8	\$ 4.7	\$ 4.6

Beneficiaries: Approximately 810 distributors benefit from these tax expenditures.

FOREIGN DIPLOMATS

Description: Fuel purchased by foreign diplomats whose countries have entered into a treaty with the United States is exempt from payment of the tax.

Purpose: The Commonwealth grants this exemption administratively at the request of the federal government.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of foreign diplomats benefiting from these tax expenditures is unknown but presumed to be nominal.

BUSES

Description: A bus company is entitled to a refund equal to 55 mills of the oil company franchise tax imposed on fuels consumed by motorbuses within this Commonwealth.

Purpose: Act 3 of 1997 repealed the 6 cent surtax imposed on all motor carriers and replaced it with a 55 mill increase in the oil company franchise tax imposed on fuels. Since buses were historically exempt from the surtax, they have been granted a refund for the 55 mill surtax replacement effective January 1, 1999.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 0.4	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3

Beneficiaries: Approximately 40 bus companies benefit from this tax expenditure.

Motor License Fund Tax Expenditures

Motor Carrier Road Tax / IFTA

POLITICAL SUBDIVISIONS

Description: Vehicles operated by political subdivisions are exempt from the requirements of the motor carriers road tax.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 39.8	\$ 37.6	\$ 37.4	\$ 37.3	\$ 37.1	\$ 36.9	\$ 36.8

Beneficiaries: Approximately 3,130 governmental units benefit from this tax expenditure.

FARM VEHICLES

Description: Qualified motor vehicles bearing a Pennsylvania farm truck registration operating under restricted use, and farm vehicles exempt from registration, are exempt from the motor carriers road tax.

Purpose: This exemption allows farmers to provide agricultural products at a reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 10.2	\$ 9.6	\$ 9.6	\$ 9.6	\$ 9.5	\$ 9.5	\$ 9.4

Beneficiaries: Individuals operating approximately 53,000 farms benefit from this tax expenditure.

EMERGENCY VEHICLES

Description: Fire, rescue, ambulance, and select other emergency vehicles are exempt from the motor carriers road tax.

Purpose: Emergency organizations provide public services that are perceived to benefit Pennsylvanians. This exemption permits these services to be rendered at a reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 17.4	\$ 16.4	\$ 16.4	\$ 16.3	\$ 16.2	\$ 16.2	\$ 16.1

Beneficiaries: Approximately 1,800 fire departments and an unknown number of other organizations benefit from this tax expenditure.

SPECIAL MOBILE EQUIPMENT

Description: Vehicles not designed or used primarily for the transportation of persons or property and that only incidentally operate or move over a highway, such as ditch digging apparatus, well-boring apparatus, earth moving and road construction machinery, are exempt from the motor carriers road tax.

Purpose: Exemption is granted to these vehicles because of their specialized off-highway use.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: The owners of approximately 1,950 special mobile equipment vehicles benefit from this tax expenditure.

Motor License Fund Tax Expenditures

IMPLEMENTS OF HUSBANDRY

Description: A vehicle designed or adapted to be used exclusively for agricultural operations is exempt from the motor carriers road tax.

Purpose: This exemption allows the farmer to provide agricultural products at a reduced price.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: The owners of approximately 160 implements of husbandry vehicles benefit from this tax expenditure.

CHARITABLE AND RELIGIOUS ORGANIZATIONS

Description: Vehicles operated by charitable and religious organizations are exempt from the motor carriers road tax.

Purpose: These organizations provide services which are perceived to benefit the general public. This exemption permits these services to be rendered at reduced cost.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 2.2	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1

Beneficiaries: Approximately 24,200 charitable and religious organizations may benefit from this tax expenditure.

CHURCHES

Description: A motorbus owned by and registered to a church, exempt under section 1901 of Title 75, is exempt from the motor carriers road tax.

Purpose: These organizations provide services which are perceived to benefit the general public. This exemption permits these services to be rendered at reduced cost.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: As many as 14,000 churches may benefit from this tax expenditure.

ELECTRIC COOPERATIVES

Description: Qualified motor vehicles operated by electric cooperatives are exempt from the motor carriers road tax.

Purpose: These cooperatives are nonprofit corporations organized to engage in rural electrification and are perceived to provide a public benefit. This exemption permits this service to be rendered at a reduced cost to the rate payers.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The 13 electric cooperatives in the Commonwealth benefit from this tax expenditure.

Motor License Fund Tax Expenditures

VEHICLES NEEDING EMERGENCY REPAIRS

Description: A qualified motor vehicle needing emergency repairs, which was granted authorization from the Pennsylvania State Police to enter this Commonwealth, is exempt from the motor carriers road tax.

Purpose: This exemption was granted due to the temporary emergency nature of the vehicle entering Pennsylvania for needed repairs.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of individuals benefiting from this tax expenditure is unknown.

VEHICLES SECURING REPAIRS OR RECONDITIONING

Description: Exemption from the motor carriers road tax is provided for unladen or towed motor vehicles or unladen trailers entering Pennsylvania solely for the purpose of securing repairs or reconditioning.

Purpose: This exemption was granted so as to not discourage vehicle owners from obtaining repairs or reconditioning of a vehicle from a Pennsylvania business.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this tax expenditure is unknown.

SCHOOL BUSES

Description: Buses designed to carry 11 or more passengers used for the transportation of preprimary, primary, or secondary school students to or from public, private, or parochial schools, or school-related activities or events are exempt from the motor carriers road tax.

Purpose: Since state government subsidizes transporting school children, this exemption decreases state educational subsidy costs.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 13.7	\$ 13.0	\$ 12.9	\$ 12.9	\$ 12.8	\$ 12.7	\$ 12.7

Beneficiaries: Approximately 6,130 schools benefit from this tax expenditure.

RECREATIONAL VEHICLES

Description: Qualified motor vehicles, such as motor homes, pickup trucks with attached campers, and buses when used exclusively for personal pleasure by individuals, are exempt from the motor carriers road tax.

Purpose: The motor carrier road tax/IFTA requirements are intended to apply to selected commercial vehicles. This provision exempts personal use only vehicles which would otherwise be subject to these taxing requirements.

(Dollar Amounts in Millions)

Estimates:	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The number of taxpayers benefiting from this tax expenditure is unknown.

Motor License Fund Tax Expenditures

Motor Vehicle Code

VEHICLE REGISTRATIONS

Description: Specific entities that request the authority to operate a motor vehicle are granted a full or partial exemption from the registration fee. Not shown below are exempt categories with unknown numbers of vehicles which include, for example, mobile/modular homes and off-road construction vehicles.

Purpose: This exemption provides relief to the organizations or individuals cited below. Many of those cited are dependent upon charitable contributions or augmented incomes. This exemption is also an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

Estimates: **Disabled/Severely Disabled Veterans:**

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$	0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.6	\$ 0.6	\$ 0.6

Beneficiaries: The owners of approximately 6,800 vehicles benefit from this tax expenditure.

Estimates: **Charitable Organizations:**

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$	1.6	\$ 1.6	\$ 1.7	\$ 1.7	\$ 1.8	\$ 1.9	\$ 2.0

Beneficiaries: The owners of approximately 15,500 vehicles benefit from this tax expenditure.

Estimates: **Former Prisoners of War:**

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: The owners of approximately 50 vehicles benefit from this tax expenditure.

Estimates: **Farm Trucks:**

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$	4.9	\$ 5.0	\$ 5.3	\$ 5.3	\$ 5.6	\$ 5.7	\$ 6.0

Beneficiaries: The owners of approximately 9,300 farm trucks benefit from this tax expenditure.

Estimates: **Commercial Implements of Husbandry:**

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$	0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2

Beneficiaries: The owners of approximately 180 commercial implements of husbandry vehicles benefit from this tax expenditure.

Estimates: **Emergency Vehicles:**

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$	9.9	\$ 10.0	\$ 10.6	\$ 10.7	\$ 11.4	\$ 11.5	\$ 12.1

Beneficiaries: Organizations owning approximately 14,700 vehicles benefit from this tax expenditure.

Motor License Fund Tax Expenditures

Estimates: **Political Subdivisions:**

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 35.6	\$ 35.9	\$ 38.1	\$ 38.5	\$ 40.8	\$ 41.2	\$ 43.4

Beneficiaries: Approximately 3,130 governmental units benefit from this tax expenditure.

Estimates: **Older Pennsylvanians:**

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 4.3	\$ 4.5	\$ 5.0	\$ 5.2	\$ 5.7	\$ 6.0	\$ 6.6

Beneficiaries: Older Pennsylvanians owning approximately 86,600 vehicles benefit from this tax expenditure.

CARNIVAL TRUCKS/TRUCK TRACTORS

Description: Owners who document with the Department of Transportation that the truck or tractor is used exclusively for the purpose of transporting circus or carnival personnel, equipment, or machinery are granted a reduced registration fee.

Purpose: The reduced registration fee provides partial relief for those vehicles being used only between April 1 and September 30.

(Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Estimates:	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: The owners of approximately 30 carnival vehicles benefit from this tax expenditure.

BRIDGE PERMITS

Description: Bridges on state owned rights-of-way need periodic maintenance and construction work. Permits are issued, for a fee, by the state to perform such work. The Commonwealth administratively grants an exemption from the permit fee to political subdivisions who are performing work for the state.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Estimates:	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: As many as 3,130 political subdivisions may benefit from this tax expenditure.

Motor License Fund Tax Expenditures

HAULING PERMITS

Description: Permits, for which a fee is charged, are issued to firms that wish to haul loads that exceed the maximum size or weight specifications of certain highways and bridges. The Commonwealth administratively grants an exemption from the permit fee to political subdivisions.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: As many as 3,130 political subdivisions may benefit from this tax expenditure.

POLICE ACCIDENT REPORTS

Description: Traffic accident reports are generated as a result of any accident where there is bodily injury or death or if one or more vehicles must be towed from the scene. A fee is charged to obtain a copy of the police accident report. The Commonwealth administratively grants an exemption for paying an accident report fee to political subdivisions.

Purpose: This exemption provides local prosecuting officials an aid in law enforcement.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: As many as 3,130 political subdivisions may benefit from this tax expenditure.

Special Fund Tax Expenditures

Public Transportation Assistance Fund

Motor Vehicle Lease Tax and Motor Vehicle Rental Fee

COMMON CARRIERS

Description: Vehicles leased or rented by a public utility, engaged in business as a common carrier, to be used in rendering utility services, are exempt from taxation. Since the enactment of the Federal Aviation Act, effective January 1, 1995, Pennsylvania has recognized contract carriers as common carriers. Household goods carriers and private carriers remain taxable.

Purpose: Without this exemption, the tax would be built into the rate base of these types of public utility services and, ultimately, passed on to consumers. Therefore, this exemption reduces the overall cost of utility services that are considered to be basic necessities.

(Dollar Amounts in Millions)

Estimates:

Motor Vehicle Leases:

2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Motor Vehicle Rentals:

2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: Approximately 7,500 common carriers could benefit from this tax expenditure.

SCHOOL BUSES

Description: The lease or rental of school buses is exempt from taxation. These buses must be used exclusively for the transportation of children for school purposes. The provision is extended to persons who have contracts with school districts to transport children. For the purposes of this analysis, the majority of these contracts are assumed to be leases.

Purpose: The costs of transporting school children are directly borne by school districts and indirectly by state government through subsidy programs. This exemption, while limiting state Public Transportation Assistance Fund revenues, decreases state educational subsidy costs.

(Dollar Amounts in Millions)

Estimates:

Motor Vehicle Leases:

2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 2.8	\$ 2.8	\$ 2.8	\$ 2.8	\$ 2.8	\$ 2.8	\$ 2.8

Motor Vehicle Rentals:

2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

Beneficiaries: Approximately 6,130 schools may benefit from this tax expenditure.

Special Fund Tax Expenditures

MOTOR CARRIERS (CLASS 4 AND ABOVE)

Description: Motor carriers in vehicle classes 4 and above are exempt from the motor vehicle lease tax.

Purpose: This exemption benefits those entities engaged in commercial leasing. Presumably, many of these vehicles are operated as common carriers that are normally treated as a utility service.

(Dollar Amounts in Millions)

Estimates:

Motor Vehicle Leases:						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: The owners of approximately 533,700 motor carrier vehicles (class 4 and above) could benefit from this tax expenditure.

EXEMPT ORGANIZATIONS

Description: The lease or rental of personal property to or for use by an exempt organization such as a charitable organization, volunteer fireman's organization, nonprofit educational institution, or religious organization is exempt from taxation. Transactions unrelated to the trade or business of such organizations are taxable.

Purpose: These organizations provide public and charitable services that are perceived to benefit the general public. This exemption permits these services to be rendered at reduced cost.

(Dollar Amounts in Millions)

Estimates:

Motor Vehicle Leases:						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Motor Vehicle Rentals:						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Beneficiaries: Approximately 28,200 organizations may benefit from this tax expenditure.

EXEMPT GOVERNMENTAL UNITS

Description: The lease or rental of personal property to or for use by the federal government, the Commonwealth, or its instrumentalities or political subdivisions is exempt from taxation. Based on the criteria adopted to define tax expenditures, federal transactions are not included in this study. Commonwealth transactions are also excluded because revenues would offset expenditures with no net effect. The estimates, therefore, represent local government tax expenditures.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

Estimates:

Motor Vehicle Leases:						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 2.1	\$ 2.2	\$ 2.4	\$ 2.5	\$ 2.6	\$ 2.8	\$ 2.9

Motor Vehicle Rentals:						
2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 0.5	\$ 0.5	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6

Beneficiaries: Approximately 3,130 political subdivisions may benefit from this tax expenditure.

Special Fund Tax Expenditures

VENDOR DISCOUNT

Description: A licensed vendor is permitted a 1 percent discount as a credit against the gross amount of tax collected provided that a tax return, with full payment due the department, is filed or postmarked on or before the due date. Nearly all tax returns are due 20 days after the end of a collection period.

Purpose: This provision is intended to defray the vendor's cost of collecting and remitting the motor vehicle lease tax and motor vehicle rental fee.

(Dollar Amounts in Millions)

Estimates:

Motor Vehicle Leases:

2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 1.2	\$ 1.2	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3

Motor Vehicle Rentals:

2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 1.2	\$ 1.2	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3

Beneficiaries: Approximately 1,000 vendors may benefit from this tax expenditure.

Tire Fee

EXEMPT GOVERNMENTAL UNITS

Description: The sale of new tires to or for use by the federal government, the Commonwealth, or its instrumentalities or political subdivisions is exempt from taxation. Based on the criteria adopted to define tax expenditures, federal transactions are not included in this study. Commonwealth transactions are also excluded because revenues would offset expenditures with no net effect. The estimates, therefore, represent only local government tax expenditures.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

Estimates:

2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

Beneficiaries: Approximately 3,130 political subdivisions may benefit from this tax expenditure.

VENDOR DISCOUNT

Description: A licensed vendor is permitted a 1 percent discount as a credit against the gross amount of tax collected provided that a tax return, with full payment due the department, is filed or postmarked on or before the due date. Nearly all tax returns are due 20 days after the end of a collection period.

Purpose: This provision is intended to defray the vendor's cost of collecting and remitting the tire fee.

(Dollar Amounts in Millions)

Estimates:

2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

Beneficiaries: Approximately 4,200 vendors may benefit from this tax expenditure.

State Racing Fund

The State Racing Fund contains no tax expenditures as defined by this tax expenditure analysis.

Unemployment Compensation Contribution Fund

Unemployment Compensation Insurance Tax

LIMITATION OF THE TAXABLE WAGE BASE

Description: The Commonwealth's unemployment compensation law provides for a limitation of the taxable wage base to the first \$10,000 of wages paid to each employee during a calendar year by an employer. This amount has increased annually from \$8,000 in calendar year 2012 to its current level, set in 2018. The federal government requires all state governments to tax at minimum the first \$7,000 of subject wages. The estimate represents the cost of this limitation as measured by the difference between contributions based on taxable wages and contributions based on total wages.

Purpose: The limitation on taxable wages limits growth in employer tax liabilities that would otherwise occur as wages rise.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 9,226.3	\$ 9,161.0	\$ 9,367.9	\$ 9,795.8	\$ 10,231.0	\$ 10,666.7	\$ 11,113.0

Beneficiaries: Pennsylvania's unemployment compensation tax system is intended to generate a sufficient amount of revenue to meet annual benefit payments. In general, under the current system, an employer with higher wage employees pays on a smaller percentage of total wages. If the taxable wage base were total wages paid to employees, the employer with the higher employee wages would have to pay a greater amount in taxes.

As of the first quarter of 2023, there were 305,278 contributory employers to the Unemployment Compensation Contribution Fund. The following is a breakdown of these employers according to major industry division^a:

Construction	30,109	Financial Activities	22,176
Manufacturing	13,285	Leisure and Hospitality	28,010
Trade	44,912	Other Services	31,779
Information	7,837	Local Government	1,212
Transportation, Warehousing, Utilities	9,936	Professional and Business Services	70,937
Natural Resources and Mining	3,367	Education and Health Services	41,713

^a Based on NAICS industry classification. Data may not add to totals due to the unavailability of industry classification for some employers.

Special Fund Tax Expenditures

State Gaming Fund

Slot Machine Tax

PROMOTIONAL ITEM DEDUCTION

Description: The deduction of promotional items from gross terminal revenue includes the cost of personal property awarded to a player as a result of playing a slot machine. This deduction does not include travel expenses, food, refreshments, lodging, or services.

Purpose: This deduction removes from the tax base the value of prizes awarded as a result of slot machine play.

(Dollar Amounts in Millions)

<i>Estimates:</i>	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$ 8.1	\$ 8.3	\$ 8.3	\$ 8.3	\$ 8.3	\$ 8.3	\$ 8.2

Beneficiaries: All licensed gaming entities in Pennsylvania operating slots may benefit from this tax expenditure.



Commonwealth of Pennsylvania

Governor's Executive Budget

DEPARTMENT PRESENTATIONS

This section provides detailed expenditure information by agency, program and funding source. Each department presentation includes a Summary by Fund and Appropriation, Program Funding Summary, program subcategory information and Program Measures.

The Summary by Fund and Appropriation presentation is organized by fund, character of expenditures, state appropriation and the federal funds, augmentations and other funds that supplement the activities funded by each state appropriation. Three fiscal years are displayed. The Program Funding Summary presents general, special, federal and other funding organized by program subcategory. Each program subcategory includes a program objective, a narrative describing program activities and services, funding recommendations that identify increases or decreases over available year funding, and a list of state appropriations that support the activities within the program. Program Measures is the last section in the agency presentation and is a seven-year presentation of performance measures that identify program activities and outcomes and the impact the proposed budget is expected to have on those activities and outcomes.

Department Funding Summary

(Dollar Amounts in Thousands)

	General Fund	Motor License Fund	Lottery Fund	Federal Funds	Augmentations	Restricted	Other Funds
Governor's Office.....	\$ 11,985	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lieutenant Governor.....	1,728	-	-	-	-	-	-
Executive Offices.....	173,357	-	-	26,910	643,519	34,704	-
Commission on Crime and Delinquency.....	171,266	-	-	190,592	3,490	46,293	166,168
Attorney General.....	156,569	-	-	20,562	351	75,925	1,750
Auditor General.....	48,042	-	-	-	16,032	-	411,756
Treasury.....	1,476,438	82,476	-	-	8,530	71,736	17,578
Aging.....	-	-	506,154	114,816	936	-	3,951
Agriculture.....	255,197	33,908	-	104,350	3,408	61,882	194,866
Banking and Securities.....	-	-	-	-	-	9,786	32,481
Community and Economic Development.....	429,948	-	-	1,768,907	7,910	108,085	118,500
Conservation and Natural Resources.....	198,531	7,000	-	153,575	67,080	24,122	214,025
Corrections.....	3,296,728	-	-	14,718	6,248	250	103,965
Drug and Alcohol Programs.....	48,356	-	-	281,267	-	20,434	27,970
Education.....	19,757,335	-	-	4,631,488	10,637	8,063	1,086,644
Higher Education Assistance Agency.....	594,092	-	-	-	15,500	-	1,175
Emergency Management Agency.....	32,553	-	-	563,833	1,431	10,380	470,527
Environmental Protection.....	262,667	-	-	3,310,235	20,276	139,349	248,399
Ethics Commission.....	3,804	-	-	-	-	-	-
Fish and Boat Commission.....	-	-	-	-	-	-	105,794
Game Commission.....	-	-	-	-	-	-	289,176
Gaming Control Board.....	-	-	-	-	-	-	69,288
General Services.....	178,962	9,000	-	-	85,237	11,980	-
Health.....	276,590	-	-	631,423	5,844	182,392	128,249
Health Care Cost Containment Council.....	8,379	-	-	-	950	-	-
Historical and Museum Commission.....	27,500	-	-	9,791	1,056	80	21,461
Human Services.....	21,172,021	-	329,000	37,083,246	4,728,304	30,730	403,330
Infrastructure Investment Authority.....	-	-	-	-	-	-	2,496,378
Insurance.....	-	-	-	-	-	-	576,888
Health Insurance Exchange Authority.....	-	-	-	-	-	-	116,222
Labor and Industry.....	105,231	-	-	506,638	10,080	2,275	912,774
Liquor Control Board.....	-	-	-	-	-	-	2,788,259
Military and Veterans Affairs.....	236,697	-	-	306,650	27,865	101	5,453
Milk Board.....	-	-	-	-	-	-	2,947
Public School Employees' Retirement System.....	-	-	-	-	-	-	108,126
Public Utility Commission.....	-	-	-	7,739	-	95,392	306,686
Revenue.....	231,682	55,876	1,132,431	250	7,595	1,500	46,432
State.....	44,178	-	-	9,387	-	102,333	150
State Employees' Retirement System.....	-	-	-	-	-	-	60,315
State Police.....	1,328,076	200,000	-	62,056	123,061	20,800	87,561
Transportation.....	3,106	2,899,816	170,907	3,302,793	119,117	2,083,254	2,997,818
Judiciary.....	465,942	-	-	1,430	-	43,417	-
Legislature.....	405,410	-	-	-	-	-	-
Government Support Agencies.....	72,061	-	-	-	-	-	-
Commonwealth Totals.....	<u>\$ 51,474,431</u>	<u>\$ 3,288,076</u>	<u>\$ 2,138,492</u>	<u>\$ 53,102,656</u>	<u>\$ 5,914,457</u>	<u>\$ 3,185,263</u>	<u>\$ 14,623,062</u>



GOVERNOR'S OFFICE

The mission of the [Governor](#) is to lead and coordinate the work of state government while guiding agency programs in a direction that ensures compliance with existing law, addresses definable needs, and aligns with Administration goals.

Programs and Goals

Executive Direction: To provide an effective administrative system through which the programs of the Commonwealth can be executed.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26
 ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

Governor's Office..... \$ 10,389 \$ 11,634 \$ 11,985

Program Funding Summary

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26 2026-27 2027-28 2028-29 2029-30
 Actual Available Budget Estimated Estimated Estimated Estimated

EXECUTIVE DIRECTION:

GENERAL FUND.....	\$ 10,389	\$ 11,634	\$ 11,985	\$ 12,297	\$ 12,297	\$ 12,297	\$ 12,297
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
DEPARTMENT TOTAL	<u>\$ 10,389</u>	<u>\$ 11,634</u>	<u>\$ 11,985</u>	<u>\$ 12,297</u>	<u>\$ 12,297</u>	<u>\$ 12,297</u>	<u>\$ 12,297</u>

Program: Executive Direction

Goal: To provide an effective administrative system through which the programs of the Commonwealth can be executed.

The [Pennsylvania Constitution](#) vests the executive authority of the Commonwealth in the Governor. It is the duty of the Governor to ensure that the laws of the Commonwealth are faithfully executed. The Governor submits an annual budget to the General Assembly and performs all other functions required of this office as delegated in statute.

The Executive Direction program provides for the maintenance and oversight of the [Governor's Residence](#). The residence is used for state functions and is available as a domicile for the Governor and the First Family. The expenses for official functions, as well as those essential to managing a household, are paid from the Governor's Office appropriation, while maintenance of the residence is primarily the responsibility of the Department of General Services. Equipment, supplies (except food), and housekeeping services are provided by the department.

Roles of the [Governor's Office](#) include:

- Executing Commonwealth law faithfully;
- Acting as Commander-in-Chief of military forces of the Commonwealth;
- Appointing agency heads and officers and filling vacancies;
- Signing or vetoing bills passed by the legislature;
- Convening special legislative sessions for specific purposes; and
- Making policy recommendations.

Governor Josh Shapiro and his Office are focused on getting things done – creating, directing, and advancing initiatives that benefit all Pennsylvanians, such as making government more responsive, accessible, and accountable; creating opportunities in our schools by supporting teachers, empowering parents, expanding higher education, and funding our public school system; investing in safer communities by supporting law enforcement and first responders, promoting anti-violence initiatives, and pursuing smart policy reforms; and creating economic opportunities all across the Commonwealth.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Governor's Office
 \$ 351 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Governor's Office	\$ 10,389	\$ 11,634	\$ 11,985	\$ 12,297	\$ 12,297	\$ 12,297	\$ 12,297



LIEUTENANT GOVERNOR

The mission of the [Lieutenant Governor](#) is to perform legislative and administrative functions as delegated by the [Pennsylvania Constitution](#) and the Governor.

The Lieutenant Governor serves as president of the [Senate](#) and chairperson of the [Board of Pardons](#). In case of the death, conviction on impeachment, failure to qualify, or resignation of the Governor, the Lieutenant Governor will become Governor for the remainder of the term. In case of the disability of the Governor, the powers, duties, and emoluments of the office will transfer to the Lieutenant Governor until the disability is removed.

Programs and Goals

Executive Direction: To provide an effective administrative system through which the programs of the Commonwealth can be executed.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24	2024-25	2025-26
ACTUAL	AVAILABLE	BUDGET

GENERAL FUND:

General Government:

Lieutenant Governor's Office	\$	1,597	\$	1,623	\$	1,728
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Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated

EXECUTIVE DIRECTION:

GENERAL FUND.....	\$	1,597	\$	1,623	\$	1,728	\$	1,773	\$	1,773	\$	1,773	\$	1,773
MOTOR LICENSE FUND ...		-		-		-		-		-		-		-
LOTTERY FUND		-		-		-		-		-		-		-
FEDERAL FUNDS		-		-		-		-		-		-		-
AUGMENTATIONS		-		-		-		-		-		-		-
RESTRICTED		-		-		-		-		-		-		-
OTHER FUNDS		-		-		-		-		-		-		-
DEPARTMENT TOTAL	\$	1,597	\$	1,623	\$	1,728	\$	1,773	\$	1,773	\$	1,773	\$	1,773

Program: Executive Direction

Goal: To provide an effective administrative system through which the programs of the Commonwealth can be executed.

The duties of the Office of Lieutenant Governor, as prescribed by the state constitution, include presiding over the Senate; assuming the Office of Governor for the remainder of the Governor’s term in the case of the death, conviction on impeachment, failure to qualify, or resignation of the Governor; and serving as chairperson of the Board of Pardons, which reviews applications for reprieve, commutation of sentences, and pardons. Through statute, the Lieutenant Governor also serves as chairperson of the Local Government Advisory Committee and is a member of the Pennsylvania Military Community Enhancement Commission and the Pennsylvania Emergency Management Council.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Lieutenant Governor’s Office
\$ 105 —to continue current program.

Appropriations within this Program:

Table with columns for years 2023-24 to 2029-30 and rows for GENERAL FUND: Lieutenant Governor's Office. Values range from \$1,597 to \$1,773.



EXECUTIVE OFFICES

The mission of the Executive Offices is to assist the Governor in the administration of state government.

The [Office of Administration \(OA\)](#) performs central management duties and provides coordinated information technology strategies. The [Office of the Budget](#) performs central financial management duties, prepares the annual Governor's executive budget, and provides comptroller services for most Commonwealth agencies. The [Office of General Counsel \(OGC\)](#) provides legal counsel for state agencies. The [Office of State Inspector General \(OSIG\)](#) investigates suspected improper use of state resources and recovers funds disbursed as a result of welfare benefits fraud or overpayment. The [Pennsylvania Human Relations Commission \(PHRC\)](#) promotes equal opportunities in employment, housing, public accommodations, and education. The [Pennsylvania Council on the Arts \(PCA\)](#) promotes the development of the arts in Pennsylvania. The [Juvenile Court Judges' Commission \(JCJC\)](#) provides technical and financial assistance to county court juvenile probation programs.

Programs and Goals

Executive Direction: *To provide an effective administrative system through which the substantive programs of the Commonwealth can be executed.*

Legal Services: *To provide legal advice to the Governor and the cabinet, and to supervise, coordinate, and administer legal services for the Commonwealth.*

Prevention and Elimination of Discriminatory Practices: *To ensure equal opportunities and participation for all individuals regardless of race, religion, color, creed, handicap or disability, ancestry, national origin, familial status, age, or sex in all areas of employment, housing, credit, commercial property, public accommodations, and education.*

Development of Artists and Audiences: *To strengthen the cultural, educational, and economic vitality of Pennsylvania's communities through the arts.*

Juvenile Reentry into Communities: *To reduce the recurrence of juvenile delinquency through replacement of criminal behavior with socially acceptable behavior.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	ACTUAL	AVAILABLE	BUDGET

GENERAL FUND:

General Government:

Office of Administration	\$ 16,225	\$ 18,224	\$ 19,705
(F)IIJA-State Cybersecurity (EA)	3,650	2,172 ^a	916
(F)Workforce Data Quality Initiative (EA)	2,830	254	-
(F)OIT Public Safety NCHIP (EA)	1,959	3,058	-
(A)IT Shared Services	320,221	378,466	393,613
(A)Integrated Enterprise System	44,766	40,864	40,864
(R)Agency Information Technology Projects (EA)	33,500	43,300	30,000
(A)HR Shared Services	118,916	131,507	137,883
(A)Agency Services	1,071	1,097	1,142
Subtotal	\$ 543,138	\$ 618,942	\$ 624,123

Commonwealth Office of Digital Experience	-	8,238	18,469
(F)IIJA-State Digital Equity	-	-	5,000
(R)Commonwealth Office of Digital Experience (EA)	-	- ^b	-
Subtotal	\$ -	\$ 8,238	\$ 23,469

Enhanced Enterprise Cybersecurity	-	-	10,000
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Civil Service Commission:

(R)Fees from Agencies (EA)	4,916	4,469	4,469
(R)Special Merit System Services (EA)	237	235	235
Subtotal	\$ 5,153	\$ 4,704	\$ 4,704

Office of State Inspector General	6,000	6,184	6,426
(A)Reimbursements for Special Fund Investigations	1,111	1,111	1,111
Subtotal	\$ 7,111	\$ 7,295	\$ 7,537

State Inspector General-Welfare Fraud	12,850	13,420	13,159
(F)SNAP-Program Accountability	7,000	7,000	7,000
(F)Medical Assistance-Program Accountability	5,500	5,500	5,500
(F)TANFBG-Program Accountability	1,500	3,500	3,500
(F)CCDFBG-Subsidized Day Care Fraud Investigation	905	1,000	1,000
Subtotal	\$ 27,755	\$ 30,420	\$ 30,159

Office of the Budget	28,535	26,108	26,879
(A)Comptroller Services	37,847	42,292	44,311
(A)Commonwealth Payroll Operations	7,053	7,230	7,770
(A)PLCB Comptroller's Office	6,353	6,605	6,900
(A)Comptroller Single Audit	3,383	3,398	3,509
(A)Bureau of Audits-Single Audit	819	849	768
(A)Redevelopment Assistance Operations	-	4,836	4,837
(A)RACP-eGrant System	160	160	200
(A)IRA Direct Pay Tax Credit Reimbursement	-	99	-
Subtotal	\$ 84,150	\$ 91,577	\$ 95,174

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Transfer to Enterprise Systems Lifecycle	-	-	20,000
(R)Enterprise Systems Lifecycle Project (EA).....	-	- ^c	-
Subtotal.....	\$ -	\$ -	\$ 20,000
Transfer to Enterprise and Technology (EA)	-	65,000	-
Transfer to School Environmental Repairs Program (EA).....	75,000	-	-
Audit of the Auditor General.....	99	-	-
Office of General Counsel.....	7,531	8,684	9,742
(A)Reimbursements for Services	465	465	480
(A)Continuing Legal Education Registration Fees	126	126	126
Subtotal.....	\$ 8,122	\$ 9,275	\$ 10,348
Human Relations Commission	10,421	11,273	12,092
(F)EEOC-Special Project Grant	1,665	2,100	2,100
(F)HUD-Special Project Grant.....	700	700	500
(A)Miscellaneous Revenues.....	3	5	5
Subtotal.....	\$ 12,789	\$ 14,078	\$ 14,697
Council on the Arts.....	993	1,053	1,288
(F)NEA-Grants to the Arts-Administration	1,414	1,564	1,394
Subtotal.....	\$ 2,407	\$ 2,617	\$ 2,682
Juvenile Court Judges' Commission.....	3,152	3,357	4,062
Subtotal - State Funds.....	\$ 160,806	\$ 161,541	\$ 141,822
Subtotal - Federal Funds.....	27,123	26,848	26,910
Subtotal - Augmentations.....	542,294	619,110	643,519
Subtotal - Restricted.....	38,653	48,004	34,704
Total - General Government.....	\$ 768,876	\$ 855,503	\$ 846,955
Grants and Subsidies:			
Law Enforcement Activities	\$ 4,000	\$ 9,100	\$ 3,000
Grants to the Arts	9,590	9,590	9,590
(F)FTA Library Grants	500	175	-
Juvenile Probation Services.....	18,945	18,945	18,945
Subtotal - State Funds.....	\$ 32,535	\$ 37,635	\$ 31,535
Subtotal - Federal Funds.....	500	175	-
Total - Grants and Subsidies.....	\$ 33,035	\$ 37,810	\$ 31,535
STATE FUNDS.....	\$ 193,341	\$ 199,176	\$ 173,357
FEDERAL FUNDS.....	27,623	27,023	26,910
AUGMENTATIONS	542,294	619,110	643,519
RESTRICTED.....	38,653	48,004	34,704
GENERAL FUND TOTAL	\$ 801,911	\$ 893,313	\$ 878,490

^a Includes recommended supplemental executive authorization of \$132,000.

^b Transfer from Enterprise and Technology not added to avoid double counting. Commonwealth Office of Digital Experience for 2024-25 Available is \$21,000,000.

^c Transfer from Enterprise and Technology not added to avoid double counting. Enterprise Systems Lifecycle Project for 2024-25 Available is \$38,000,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
EXECUTIVE DIRECTION:							
GENERAL FUND.....	\$ 142,709	\$ 146,274	\$ 117,638	\$ 110,200	\$ 98,732	\$ 98,732	\$ 98,831
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	23,344	22,484	22,916	17,000	17,000	17,000	17,000
AUGMENTATIONS	541,700	618,514	642,908	642,908	642,908	642,908	642,908
RESTRICTED.....	38,653	48,004	34,704	34,704	34,704	34,704	34,704
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 746,406	\$ 835,276	\$ 818,166	\$ 804,812	\$ 793,344	\$ 793,344	\$ 793,443
LEGAL SERVICES:							
GENERAL FUND.....	\$ 7,531	\$ 8,684	\$ 9,742	\$ 9,995	\$ 9,995	\$ 9,995	\$ 9,995
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	591	591	606	606	606	606	606
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 8,122	\$ 9,275	\$ 10,348	\$ 10,601	\$ 10,601	\$ 10,601	\$ 10,601
PREVENTION AND ELIMINATION OF DISCRIMINATORY PRACTICES:							
GENERAL FUND.....	\$ 10,421	\$ 11,273	\$ 12,092	\$ 12,406	\$ 12,406	\$ 12,406	\$ 12,406
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	2,365	2,800	2,600	2,600	2,600	2,600	2,600
AUGMENTATIONS	3	5	5	5	5	5	5
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 12,789	\$ 14,078	\$ 14,697	\$ 15,011	\$ 15,011	\$ 15,011	\$ 15,011
DEVELOPMENT OF ARTISTS AND AUDIENCES:							
GENERAL FUND.....	\$ 10,583	\$ 10,643	\$ 10,878	\$ 10,911	\$ 10,911	\$ 10,911	\$ 10,911
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	1,914	1,739	1,394	1,394	1,394	1,394	1,394
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 12,497	\$ 12,382	\$ 12,272	\$ 12,305	\$ 12,305	\$ 12,305	\$ 12,305

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
JUVENILE REENTRY INTO COMMUNITIES:							
GENERAL FUND.....	\$ 22,097	\$ 22,302	\$ 23,007	\$ 23,113	\$ 23,113	\$ 23,113	\$ 23,113
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL.....	\$ 22,097	\$ 22,302	\$ 23,007	\$ 23,113	\$ 23,113	\$ 23,113	\$ 23,113
ALL PROGRAMS:							
GENERAL FUND.....	\$ 193,341	\$ 199,176	\$ 173,357	\$ 166,625	\$ 155,157	\$ 155,157	\$ 155,256
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	27,623	27,023	26,910	20,994	20,994	20,994	20,994
AUGMENTATIONS	542,294	619,110	643,519	643,519	643,519	643,519	643,519
RESTRICTED.....	38,653	48,004	34,704	34,704	34,704	34,704	34,704
OTHER FUNDS.....	-	-	-	-	-	-	-
DEPARTMENT TOTAL	\$ 801,911	\$ 893,313	\$ 878,490	\$ 865,842	\$ 854,374	\$ 854,374	\$ 854,473

Program: Executive Direction

Goal: To provide an effective administrative system through which the substantive programs of the Commonwealth can be executed.

Administration

The [Office of Administration \(OA\)](#) provides administrative, talent, and technology services and oversight to support and improve operations of agencies under the Governor's jurisdiction. OA provides human resource (HR) and information technology (IT) services that support agencies under the Governor's jurisdiction through a shared services model, which reduces costs and streamlines operations. Independent agencies, boards, and commissions also utilize these services.

The [Office for Human Resources and Management](#) provides policy direction and support for HR services through classification, pay, benefits, workers' compensation systems, negotiating and administering bargaining agreements, recruiting, training in management and supervisory skills, and administering equal employment opportunity programs for all agencies under the Governor's jurisdiction. HR Delivery Centers serve as shared service organizations for mission-aligned agencies.

The offices of [Continuity of Government](#) and [Records Management](#) provide guidance for the continuance of essential government services during a disruption or emergency. It serves as a liaison to independent agencies, the legislature, and the judiciary. The office also provides comprehensive statements of policy and procedures on matters that affect agencies and employees of the executive branch.

The [Office for Information Technology](#) develops and administers statewide policies and standards governing the Commonwealth's IT resources and supporting enterprise shared services. The office also oversees telecommunications infrastructure and cyber security, builds and maintains enterprise and web-based applications, establishes policy and IT standards, provides project management, and promotes standardization of Commonwealth business processes. IT Delivery Centers serve as shared service organizations for mission-aligned agencies.

The [State Civil Service Commission](#) ensures compliance with the merit service employment provisions of [Act 71 of 2018](#). It conducts fair and impartial civil service appeal hearings, performs high quality merit service and veterans' preference employment audits, and reviews requests to exempt jobs from the classified service.

Fraud Detection and Prevention

The [Office of State Inspector General \(OSIG\)](#), which was originally created by [Executive Order in 1987](#) and codified by [Act 29 of 2017](#), ensures integrity, accountability, and public confidence in Pennsylvania government by preventing, investigating, and eliminating fraud, waste, abuse, and misconduct in agencies under the Governor's jurisdiction. In addition, OSIG investigates and prosecutes welfare fraud and conducts collection activities for the public benefits programs administered by the Department of Human Services (DHS). Annual reports, statistics, and investigative case summaries can be found on OSIG's website.

Within OSIG, the [Bureau of Special Investigations \(BSI\)](#) investigates allegations of fraud, waste, abuse, and misconduct in agencies under the Governor's jurisdiction; including the mismanagement of state monies, employee misconduct, and contract fraud and irregularities. BSI receives its complaints from private citizens, state employees, and Commonwealth officials. BSI also conducts program reviews when problems are suspected in a work process or program. These program reviews can occur as a result of a related investigation or can be requested by an agency's executive-level management.

OSIG's [Bureau of Fraud Prevention and Prosecution \(BFPP\)](#) investigates and prosecutes [public assistance fraud](#) and conducts collection activities for DHS. BFPP investigates the following DHS programs: Temporary Assistance to Needy Families; General Assistance; Medical Assistance, including Long Term Care; Supplemental Nutrition Assistance Program (SNAP), including the trafficking of SNAP benefits; Subsidized Child Care; Medical Assistance Transportation Program; Low Income Home Energy Assistance Program; and Special Allowance programs.

OSIG works to review and improve policing practices within law enforcement agencies under the Governor's jurisdiction. In addition, the Pennsylvania State Law Enforcement Citizen Advisory Commission is comprised of Pennsylvanians focused on promoting transparency, fairness, and accountability among the Commonwealth's state law enforcement agencies by examining events and conducting reviews of policies, practices, and procedures.

Program: Executive Direction, continued

Commonwealth Budget and Accounting

The [Office of the Budget](#) assists the Governor in formulating fiscal policies and procedures and preparing the [Commonwealth budget](#) for delivery to the General Assembly. The office also establishes authorized complement levels for agencies under the Governor’s jurisdiction, prepares fiscal notes, and reviews regulations.

In addition, the [Office of Comptroller Operations \(OCO\)](#) within the Office of the Budget is a shared service organization that performs professional accounting and financial reporting services; including accounts payable, accounts receivable, payroll, and employee travel. OCO also implements quality assurance and process improvements, internal audits, service contract reviews, and other financial functions for agencies under the Governor’s jurisdiction and other independent agencies, boards, and commissions.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Office of Administration		State Inspector General-Welfare Fraud	
\$ 871	—to continue current program.	\$ (261)	—to continue current program.
610	—to meet federal infrastructure matching requirements.		
<u>\$ 1,481</u>	<i>Appropriation Increase</i>		
Commonwealth Office of Digital Experience		Office of the Budget	
\$ 2,831	—to continue current program.	\$ 771	—to continue current program.
500	—to meet federal infrastructure matching requirements.		
6,900	—Initiative—for additional projects to improve citizen and user digital experience with Commonwealth systems.		
<u>\$ 10,231</u>	<i>Appropriation Increase</i>		
Enhanced Enterprise Cybersecurity		Transfer to Enterprise Systems Lifecycle	
\$ 10,000	—Initiative—to strengthen and expand existing cybersecurity measures.	\$ 20,000	—to continue replacement of the Commonwealth’s ERP system at the end of its supported lifecycle.
		\$ (65,000)	Transfer to Enterprise and Technology (EA)
			—nonrecurring funding reduction.
			Law Enforcement Activities
		\$ (6,100)	—funding reduction.
Office of State Inspector General			
\$ 242	—to continue current program.		

Program: Executive Direction, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Office of Administration.....	\$ 16,225	\$ 18,224	\$ 19,705	\$ 19,591	\$ 19,591	\$ 19,591	\$ 19,591
Commonwealth Office of Digital Experience.....	-	8,238	18,469	18,469	18,469	18,469	18,469
Enhanced Enterprise Cybersecurity.....	-	-	10,000	10,000	10,000	10,000	10,000
Office of State Inspector General.....	6,000	6,184	6,426	6,593	6,593	6,593	6,593
State Inspector General-Welfare Fraud.....	12,850	13,420	13,159	13,501	13,501	13,501	13,501
Office of the Budget.....	28,535	26,108	26,879	27,578	27,578	27,578	27,578
Transfer to Enterprise Systems Lifecycle.....	-	-	20,000	11,369	-	-	-
Transfer to Enterprise and Technology (EA).....	-	65,000	-	-	-	-	-
Transfer to School Environmental Repairs Program (EA).....	75,000	-	-	-	-	-	-
Audit of the Auditor General .	99	-	-	99	-	-	99
Law Enforcement Activities...	4,000	9,100	3,000	3,000	3,000	3,000	3,000
TOTAL GENERAL FUND.....	\$ 142,709	\$ 146,274	\$ 117,638	\$ 110,200	\$ 98,732	\$ 98,732	\$ 98,831

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Office of Administration:							
Maintain and improve the timeliness of filling positions in the Commonwealth's workforce.							
Average time to hire (days).....	75	72	76	72	68	66	65
Maintain and expand the delivery of cost-effective, high-quality human resource services to employees and agencies through the centralized Human Resource Service Center.							
Transactions processed by the HR Service Center.....	90,899	83,182	98,162	98,000	118,928	117,000	120,000
Office of State Inspector General:							
Ensure all complaints of fraud, waste, abuse, and misconduct in executive agencies under the Governor's jurisdiction are promptly evaluated so that appropriate action can be taken.							
Average percentage of complaints to the Bureau of Special Investigation that are closed, or an investigation has been initiated within 10 days.....	% 89	89	90	90	88	90	92
Maintain the integrity of public benefits programs through effective enforcement.							
Percentage of prosecution cases that resulted in a successful adjudication	% 92	93	93	92	96	96	97
Amount of overpaid benefits collected by OSIG from individuals who were ineligible to receive public benefits (in thousands).....	\$ 22,244	23,717	26,645	23,455	24,715	24,750	25,000

Program: Executive Direction, continued

Program Measures, continued:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Prevent, detect, and deter fraud prior to an agency's authorization of an individual for program benefits.							
Percentage of cases referred to OSIG by DHS where investigative findings have resulted in an ineligible individual not being authorized for public benefits, having their benefits reduced, or closed %							
	44	37	40	41	44	45	46
Office of the Budget:							
Improve the Commonwealth's accounting and financial reporting system.							
Average cycle time for purchase order invoices (days).....	34.4	36.1	35.6	35.5	36.7	35.5	35.0
Average cycle time for non-purchase order invoices (days).....	32.3	34.5	36.9	37.3	36.2	35.5	35.0
Value of improper payments identified and recovered (in thousands).....	\$ 5,529	4,367	10,380	3,937	3,646	2,500	2,500

Program: Legal Services

Goal: To provide legal advice to the Governor and the cabinet, and to supervise, coordinate, and administer legal services for the Commonwealth.

The [Office of General Counsel \(OGC\)](#) was created by [Act 164 of 1980](#). The general counsel serves as the chief legal advisor to the Governor and appoints deputies general counsel, chief counsel, and assistant counsel to assist in the performance and responsibilities of OGC. The office represents the Commonwealth, the Governor, cabinet members, and more than 30 agencies that conduct the business of the Commonwealth. The office also reviews and approves for form and legality all Commonwealth deeds, leases, contracts, rules, and regulations. The office provides advice to the Governor on pending legislative matters and reviews for constitutionality and legality all legislation presented to the Governor for approval.

OGC is responsible for initiating appropriate actions or defending the Commonwealth when the Office of Attorney General declines to initiate appropriate proceedings or delegates that responsibility to OGC. Upon request by the Governor, the office also has the authority to intervene in any action by or against an agency under the Governor’s jurisdiction.

In addition, the general counsel serves as a member of the [Board of Commissioners on Uniform State Laws](#), the [Pennsylvania Emergency Management Agency](#), the [Joint Committee on Documents](#), the [Board of Property](#), the [Local Government Records Committee](#), the [Medical Advisory Board](#), the [Board of Finance and Revenue](#), and the Civil Disorder Commission.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Office of General Counsel
 \$ 1,058 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Office of General Counsel	\$ 7,531	\$ 8,684	\$ 9,742	\$ 9,995	\$ 9,995	\$ 9,995	\$ 9,995

Program: Prevention and Elimination of Discriminatory Practices

Goal: To ensure equal opportunities and participation for all individuals regardless of race, religion, color, creed, handicap or disability, ancestry, national origin, familial status, age, or sex in all areas of employment, housing, credit, commercial property, public accommodations, and education.

The [Pennsylvania Human Relations Commission \(PHRC\)](#) is a law enforcement agency responsible for identifying, preventing, and eliminating illegal discriminatory practices as defined by Act 222 of 1955, commonly known as the [Pennsylvania Human Relations Act](#) and Act 187 of 1992, commonly known as the [Pennsylvania Fair Educational Opportunities Act](#). The commission uses two primary methods to secure compliance with these laws by [investigating complaints](#) of discrimination that might result in legal proceedings and providing [educational and technical assistance](#) to schools, police organizations, businesses, governmental bodies, as well as individuals to inform the public of their statutory protections, promote voluntary compliance with the laws, and prevent civil tensions. PHRC focuses on ensuring all students have equal access to education by eliminating the disparities that exist in schools that are based on race, color, national origin, or disability. The commission and its [local advisory councils](#) also offer outreach programs to provide information to community leaders and public officials regarding their civil rights, the importance of fair housing, the value of a diverse workforce, and preventing cyberbullying and hate crimes.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Human Relations Commission
 \$ 819 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Human Relations Commission	\$ 10,421	\$ 11,273	\$ 12,092	\$ 12,406	\$ 12,406	\$ 12,406	\$ 12,406

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Reduce case processing time to conclude investigations and resolve cases more quickly.							
Percentage of cases still under investigation and > two years old..... %	23	13	13	14	5	5	5
Percentage of cases closed within one year..... %	48	60	25	34	45	50	50
Average case age statewide (days).....	430	386	457	360	325	300	325
Increase public awareness of civil rights and equal opportunity laws through education outreach.							
Community meetings and outreach events	110	115	301	150	175	200	400

Program: Development of Artists and Audiences

Goal: To strengthen the cultural, educational, and economic vitality of Pennsylvania’s communities through the arts.

Established by the General Assembly in 1966, the [Pennsylvania Council on the Arts \(PCA\)](#) is charged with identifying how artistic and cultural resources can best serve the cultural needs and aspirations of Pennsylvanians. PCA works with communities to originate and create their own cultural and artistic progress.

PCA addresses its mission through [grants to the arts](#), partnerships, initiatives that leverage new opportunities, information and technical assistance, and through Commonwealth promotion both nationally and internationally.

PCA’s [Preserving Diverse Cultures Division \(PDC\)](#) is one of the most comprehensive programs serving diverse communities in the nation, supporting the creation, development, and stabilization of organizations, programs, and projects whose mission is deeply rooted in and reflective of the perspectives of Black, Indigenous, and People of Color (BIPOC).

The arts are part of a vibrant and livable Pennsylvania that is competitive for retaining youth, workforce, and attracting businesses. Pursuant to its new community-centric goals and to support [Pennsylvania’s creative sector](#), PCA adapted its [Creative Communities Initiative](#) to address community recovery and resilience; launched a [cross-sector partnership](#) with community development financial institutions to leverage affordable, flexible funding for small, creative businesses; and, fostered sector resilience through equitable distribution to provide liquidity and capacity for vulnerable arts organizations across the Commonwealth to enable them to stabilize and participate in community recovery.

Working with its regional Arts in Education Partners, PCA places teaching artists in schools and community settings. [Art Sparks](#), a collaboration with the Pennsylvania Turnpike Commission, places student-created works of public art in service plazas across the 550-mile roadway. PCA’s partnership with the Department of Military and Veterans Affairs, modeled on earlier work with the Department of Aging, developed [Creative Communities of Care](#) to bring creative programming to all six PA Veterans Homes to conduct arts activities tailored to residents with dementia.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Council on the Arts
 \$ 235 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Council on the Arts	\$ 993	\$ 1,053	\$ 1,288	\$ 1,321	\$ 1,321	\$ 1,321	\$ 1,321
Grants to the Arts.....	9,590	9,590	9,590	9,590	9,590	9,590	9,590
TOTAL GENERAL FUND	\$ 10,583	\$ 10,643	\$ 10,878	\$ 10,911	\$ 10,911	\$ 10,911	\$ 10,911

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Strengthen Pennsylvania communities through the arts.							
Investment granted to rural and BIPOC communities (in thousands).....	\$ 934	1,762	1,788	1,767	1,791	1,736	1,736

Program: Juvenile Reentry into Communities

Goal: To reduce the recurrence of juvenile delinquency through replacement of criminal behavior with socially acceptable behavior.

The [Juvenile Court Judges' Commission \(JCJC\)](#) is responsible for advising juvenile court judges regarding the development and improvement of juvenile probation services throughout the Commonwealth. These services focus on the protection of the community, the imposition of accountability for offenses committed, and the development of competencies to enable children to become responsible and productive members of the community. The provision of statewide juvenile justice training, graduate education, research, statistical information, development and implementation of evidence-based practices, and a statewide quality assurance initiative have significantly improved the Commonwealth's juvenile justice system.

Since 1993, the JCJC has collected outcome measures on all cases closed within juvenile probation departments in the Commonwealth.

The JCJC coordinates the ongoing implementation of [Pennsylvania's Juvenile Justice System Enhancement Strategy](#), which is designed to enhance the capacity of Pennsylvania's juvenile justice system by employing evidence-based practices with fidelity at every stage of the juvenile justice process and collecting and analyzing the data necessary to measure the results of these efforts. Eligibility for all county Juvenile Probation Services grants is dependent on measurable evidence-based practices.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Juvenile Court Judges' Commission

\$ 705 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
GENERAL FUND:	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Juvenile Court Judges' Commission	\$ 3,152	\$ 3,357	\$ 4,062	\$ 4,168	\$ 4,168	\$ 4,168	\$ 4,168
Juvenile Probation Services .	18,945	18,945	18,945	18,945	18,945	18,945	18,945
TOTAL GENERAL FUND	\$ 22,097	\$ 22,302	\$ 23,007	\$ 23,113	\$ 23,113	\$ 23,113	\$ 23,113

Program: Juvenile Reentry into Communities, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Assist those involved in the juvenile justice system to acquire the knowledge and skills they need to become productive, connected, and law-abiding members of their communities.							
Percentage of juveniles who successfully completed supervision without a new offense resulting in a Consent Decree, Adjudication of Delinquency, Accelerated Rehabilitation Disposition, Nolo Contendere, or finding of guilt in a criminal proceeding..... %	86.4	88.0	88.1	88.9	90.7	92.7	93.1
Percentage of juveniles without a judicial finding of technical violations of probation while under supervision %	84.4	84.6	86.2	87.1	87.9	91.0	91.0
Percentage of juveniles employed or engaged in an educational/vocational activity at case closing %	92.1	91.6	92.3	93.8	92.8	94.2	95.5
Percentage of juveniles who complete their assigned community service obligations..... %	97.3	96.3	95.7	96.8	96.5	97.6	97.4
Percentage of juveniles who successfully completed a victim awareness curriculum/program while under supervision %	97.7	97.0	96.7	97.0	97.3	97.6	97.7
Percentage of juveniles who made full restitution to their victim(s)..... %	89.2	88.2	88.3	89.3	86.0	87.8	88.3
Percentage of juveniles who paid Crime Victim's Compensation Fund costs in full %	91.6	90.0	89.1	89.2	88.8	90.6	89.3



COMMISSION ON CRIME AND DELINQUENCY

The mission of the [Pennsylvania Commission on Crime and Delinquency \(PCCD\)](#) is to enhance the quality, coordination, and planning within the criminal and juvenile justice systems, to facilitate the delivery of services to victims of crime, and to increase the safety of Pennsylvania's communities.

PCCD supports programs and practices that promote justice for all citizens and communities of Pennsylvania.

Programs and Goals

Criminal and Juvenile Justice Planning and Coordination: To provide leadership in system-wide coordination and in building collaboration among public servants and private citizens representing all aspects of the criminal and juvenile justice systems and victim services.

Commission on Crime and Delinquency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
GENERAL FUND:			
General Government:			
Commission on Crime and Delinquency	\$ 23,583	\$ 24,383	\$ 24,107
(F)Justice Assistance Grants	11,500	11,500	11,500
(F)Justice Assistance Grants-Administration	1,000	1,000	1,000
(F)Forensic Science Program	1,500	1,500	1,500
(F)Prosecuting Cold Cases Using DNA	535	535	535
(F)National Sexual Assault Kit Initiative (SAKI).....	-	-	2,500
(F)Comprehensive Opioid Abuse Site-Based Program	5,000	5,000	5,000
(F)Residential Substance Abuse Treatment Program	2,000	2,000	2,000
(F)Body-Worn Camera Policy and Implementation.....	1,500	1,500	1,500
(F)Adam Walsh Implementation Support	1,000	1,000	1,000
(F)Smart Probation.....	700	700	-
(F)Byrne Competitive Program.....	450	450	450
(F)Statistical Analysis Center	400	400	400
(F)Prosecutor and Defender Incentives	300	300	600
(F)Building Local Continuums-Youth Success	-	825	825
(F)Plan for Juvenile Justice.....	170	170	170
(F)VOCA Crime Victims Assistance.....	100,000	100,000	100,000
(F)VOCA Crime Victims Assistance-Administration	5,000	5,000	5,000
(F)Crime Victims Compensation Services.....	8,500	8,500	8,500
(F)State Opioid Response (EA).....	22,826	23,328	7,254
(F)SUPTRSBG-Substance Use Prevention (EA).....	405	172	241
(F)Children's Justice Act (EA)	1,049	530	530
(F)PA Youth Survey (EA)	75	-	-
(A)Interagency Granting Services	9,389	8,209	490
(R)Children's Advocacy Centers	2,434	2,500	2,500
(R)First Chance Trust Fund.....	16	1,289	1,400
(R)Crime Victim Services and Compensation Fund.....	14,185	16,824	23,876 ^a
(R)Constables Education and Training	1,258	1,700	1,700
(R)Sheriff and Deputy Sheriff Education and Training	5,445	6,000	6,400
(R)Firearms Education and Training Commission	383	417	417
Subtotal	\$ 220,603	\$ 225,732	\$ 211,395
Violence and Delinquency Prevention Programs.....	4,338	4,338	4,338
(F)Juvenile Justice and Delinquency Prevention	3,000	3,000	3,000
(F)Violence Against Women-Administration	600	600	600
(F)Community Based Violence Intervention and Prevention	-	-	4,000
(A)Interagency Granting Services	5,835	6,742	3,000
Subtotal.....	\$ 13,773	\$ 14,680	\$ 14,938

Commission on Crime and Delinquency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Office of Safe Schools Advocate	382	382	382
Subtotal - State Funds.....	\$ 28,303	\$ 29,103	\$ 28,827
Subtotal - Federal Funds.....	167,510	168,010	158,105
Subtotal - Augmentations.....	15,224	14,951	3,490
Subtotal - Restricted.....	<u>23,721</u>	<u>28,730</u>	<u>36,293</u>
Total - General Government.....	<u>\$ 234,758</u>	<u>\$ 240,794</u>	<u>\$ 226,715</u>
Grants and Subsidies:			
Violence Intervention and Prevention	\$ 40,000	\$ 56,500	\$ 76,500
(F)Criminal Identification Technology.....	10,500	10,500	10,500
(F)NICS Act Record Improvement Program	1,987	1,987	1,987
(F)Safer Communities	10,000	10,000	10,000
(F)Project Safe Neighborhoods.....	1,000	1,000	1,000
(F)STOP School Violence	500	500	-
(F)Targeted Violence and Terrorism Prevention	500	500	-
(F)Violence Against Women.....	7,000	7,000	7,000
(F)Assault Services Program	<u>1,500</u>	<u>2,000</u>	<u>2,000</u>
Subtotal.....	<u>\$ 72,987</u>	<u>\$ 89,987</u>	<u>\$ 108,987</u>
County Probation and Reentry Services	-	-	36,139
Indigent Defense.....	7,500	7,500	7,500
Improvement of Adult Probation Services	16,222	16,222	- ^b
Intermediate Punishment Treatment Programs.....	18,167	18,167	- ^b
Transfer to Nonprofit Security Grant Fund	5,000	10,000	10,000
Transfer to School Safety and Security Fund-Targeted Grants.....	- ^c	20,700	11,000
Victims of Juvenile Offenders	1,300	1,300	1,300
(R)Adult Use Cannabis-Restorative Justice.....	-	-	10,000
Subtotal - State Funds.....	\$ 88,189	\$ 130,389	\$ 142,439
Subtotal - Federal Funds.....	32,987	33,487	32,487
Subtotal - Restricted.....	<u>-</u>	<u>-</u>	<u>10,000</u>
Total - Grants and Subsidies.....	<u>\$ 121,176</u>	<u>\$ 163,876</u>	<u>\$ 184,926</u>
STATE FUNDS.....	\$ 116,492	\$ 159,492	\$ 171,266
FEDERAL FUNDS.....	200,497	201,497	190,592
AUGMENTATIONS	15,224	14,951	3,490
RESTRICTED.....	<u>23,721</u>	<u>28,730</u>	<u>46,293</u>
GENERAL FUND TOTAL	<u>\$ 355,934</u>	<u>\$ 404,670</u>	<u>\$ 411,641</u>

Commission on Crime and Delinquency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
OTHER FUNDS:			
JUSTICE REINVESTMENT FUND:			
(R)Victim Services (EA).....	\$ 595	\$ 250	\$ -
(R)County Probation Grants (EA).....	1,863	6,363	16,556
JUSTICE REINVESTMENT FUND TOTAL.....	\$ 2,458	\$ 6,613	\$ 16,556
MEDICAL MARIJUANA PROGRAM FUND:			
Local Police Enforcement (EA)	\$ 7,217	\$ 333 ^d	\$ 2,749
MONETARY PENALTY ENDOWMENTS TRUST FUND:			
(R)NCAA-Penn State Settlement (EA).....	\$ 4,800	\$ 4,800	\$ 4,800
SUBSTANCE ABUSE EDUCATION AND DEMAND REDUCTION FUND:			
Substance Abuse Education and Demand Reduction Programs (EA)	\$ 4,560	\$ 4,560	\$ 4,560
Substance Abuse Education and Demand Reduction-Admin (EA).....	240	240	240
SUBSTANCE ABUSE EDUCATION AND DEMAND REDUCTION FUND TOTAL..	\$ 4,800	\$ 4,800	\$ 4,800
SCHOOL SAFETY AND SECURITY FUND:			
School Safety and Security (EA).....	\$ 50,000	\$ 100,000	\$ 137,263
Targeted School Safety Grants (EA).....	20,700	- ^e	- ^e
(F)COVID-SFR School Mental Health Grants	86,353	-	-
SCHOOL SAFETY AND SECURITY FUND TOTAL.....	\$ 157,053	\$ 100,000	\$ 137,263
STATE GAMING FUND:			
Transfer to Crime Victim Services and Compensation Fund	\$ -	\$ - ^f	\$ -
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 116,492	\$ 159,492	\$ 171,266
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	200,497	201,497	190,592
AUGMENTATIONS	15,224	14,951	3,490
RESTRICTED	23,721	28,730	46,293
OTHER FUNDS	176,328	116,546	166,168
TOTAL ALL FUNDS	\$ 532,262	\$ 521,216	\$ 577,809

^a This budget proposes to transfer \$9,000,000 from the Local Police Enforcement (EA) within the Medical Marijuana Program Fund.

^b This budget proposes to transfer funding to County Probation and Reentry Services.

^c Per Act 33 of 2023, transferred from Department of Education.

^d This budget proposes to transfer \$9,000,000 to the (R)Crime Victim Services and Compensation Fund. Note: Amount shown includes recommended supplemental executive authorization of \$164,000.

^e Not added to avoid double counting: 2024-25 Available is \$20,700,000 and 2025-26 Budget is \$11,000,000.

^f Not added to avoid double counting: 2024-25 Available is \$5,000,000.

Commission on Crime and Delinquency

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
CRIMINAL AND JUVENILE JUSTICE PLANNING AND COORDINATION:							
GENERAL FUND.....	\$ 116,492	\$ 159,492	\$ 171,266	\$ 187,928	\$ 187,928	\$ 187,928	\$ 177,928
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	200,497	201,497	190,592	190,138	184,611	183,038	183,038
AUGMENTATIONS	15,224	14,951	3,490	3,490	3,490	3,490	3,490
RESTRICTED.....	23,721	28,730	46,293	35,020	34,922	35,129	35,129
OTHER FUNDS.....	176,328	116,546	166,168	111,665	111,658	110,458	110,458
DEPARTMENT TOTAL	<u>\$ 532,262</u>	<u>\$ 521,216</u>	<u>\$ 577,809</u>	<u>\$ 528,241</u>	<u>\$ 522,609</u>	<u>\$ 520,043</u>	<u>\$ 510,043</u>

Program: Criminal and Juvenile Justice Planning and Coordination

Goal: To provide leadership in system-wide coordination and in building collaboration among public servants and private citizens representing all aspects of the criminal and juvenile justice systems and victim services.

Established in 1978, the [Pennsylvania Commission on Crime and Delinquency \(PCCD\)](#) is the justice planning and policymaking agency for the Commonwealth. The members of the commission are justice system professionals who are assisted by advisory committees, task forces, planning groups, and PCCD staff.

Criminal Justice

The commission is tasked with coordinating the functions of the criminal justice system to run more efficiently and effectively. To that end, PCCD provides planning assistance, promotes digital technology, funds innovative projects, supports the development and implementation of best practices, coordinates information sharing, and facilitates collaboration among key criminal justice stakeholders throughout the Commonwealth.

The commission compiles [crime, corrections, and sentencing data](#); develops unified population projections for sentencing, corrections, and probation and parole; provides objective, independent, and comprehensive policy analysis; and responds to special justice research and data requests from federal, state, and local agencies, as well as from the general public.

PCCD works with local leadership to improve county justice and local law enforcement systems. The commission has been responsible for institutionalizing [County Criminal Justice Advisory Boards](#), which consist of top-level county officials who address criminal justice issues from a systemic and policy perspective, studying best practices in the administration and delivery of criminal justice, engaging in strategic planning, making recommendations, and establishing consensus among the members to improve the effectiveness and efficiency of the county's criminal justice system.

[Act 114 of 2019](#) established the [County Adult Probation and Parole Advisory Committee](#) within PCCD. Among other duties, the committee develops a funding plan that includes the Improvement of Adult Probation Services program. The plan includes disbursements generated through the implementation of the second phase of the [Justice Reinvestment Initiative](#). The [County Intermediate Punishment](#) program makes resources available to support county probation services. Additionally, [Act 115 of 2019](#) transitioned the responsibility and funding of the [Firearm Education and Training Commission](#) to the commission.

[Executive Order 2024-02](#) reestablished the requirement for state agencies to work together to identify and implement evidence-based initiatives to help address the public health and public safety crisis of gun violence in Pennsylvania. PCCD supported the [Governor's Special Council on Gun Violence](#) and is administering grant funding to support community-led efforts to mitigate issues of gun violence.

The commission oversees several justice-training programs, including the legislatively mandated basic and continuing education training of sheriffs, deputy sheriffs, constables, and deputy constables.

Juvenile Justice

Since 1978, PCCD has served as the Commonwealth's designated state planning agency for juvenile justice and delinquency prevention. The [Juvenile Justice and Delinquency Prevention Committee \(JJJPC\)](#) is comprised of representatives from the Juvenile Court Judges' Commission, juvenile court judges, law enforcement, chief juvenile probation officers, nonprofit prevention and treatment service providers, special education specialists, youth, and other related stakeholders. JJJPC is tasked by law to develop a [comprehensive plan](#) relating to juvenile justice and delinquency prevention for the Commonwealth.

The commission administers the Violence and Delinquency Prevention Program, which provides resources and technical assistance to communities who have implemented evidence-based violence and delinquency prevention programs that address risk and protective factors identified through sources such as the [Pennsylvania Youth Survey](#).

Victims' Services and Child Advocacy

PCCD's Victims' Services has three components: [Victims' Compensation Assistance Program \(VCAP\)](#), [Victims' Services Program \(VSP\)](#), and the [Children's Advocacy Center \(CAC\)](#) initiative.

Commission on Crime and Delinquency

Program: Criminal and Juvenile Justice Planning and Coordination, continued

VCAP responds to financial losses incurred by victims of crime through the Crime Victim Services and Compensation Fund. This fund is supported primarily by costs assessed against certain convicted offenders, as well as restitution, donations, reimbursements from victims who are awarded civil settlements, and federal Victims of Crime Act funds.

VSP administers a variety of state and federal funds designed to assist victims of crime. These funds support services such as courtroom accompaniment, victim rights notification, assistance with victim impact statements, crisis intervention, shelter, counseling, emergency services, and long-term services designed to return a victim to their pre-victimization status.

Finally, the commission administers a program to increase the availability of localized CAC services. CACs provide state-of-the-art treatment for the child victims of sexual and physical abuse. They coordinate medical care, treatment, and other social services for victims while gathering evidence, through age-appropriate forensic interviewing and other methods employed by multi-disciplinary investigative teams, to build an effective case against the alleged offender.

School Safety and Security

PCCD supports the [Office of Safe Schools Advocate](#) in the School District of Philadelphia, which provides victim advocacy for students and staff who are victims of school-based violence and crimes committed on school property. The office ensures the school district's compliance with all laws, regulations, and reporting requirements pertaining to school safety and discipline.

The commission's role in school safety and security expanded as a result of [Act 44 of 2018](#), which established the [School Safety and Security Grant](#) program and contained multiple provisions for school safety and security preparedness, including the creation of a School Safety and Security Committee. The committee provides financial resources to school entities and community organizations to improve school safety and reduce community violence as well as technical resources related to the development of trauma-informed education plans, safety assessment criteria and completion, threat assessment training, and best practices. Subsequent laws, including [Act 18 of 2019](#), [Act 67 of 2019](#), [Act 30 of 2020](#), [Act 55 of 2022](#), and [Act 33 of 2023](#) created additional responsibilities for the School Safety and Security Committee.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Commission on Crime and Delinquency		County Probation and Reentry Services		
\$ (2,000)	—funding reduction.	\$ 18,167	—transferred from Intermediate Punishment Treatment	
(1,750)	—transferred nonnarcotic medication substance use disorder treatment for eligible offenders to County Probation and Reentry Services.		Programs to allow flexible support to provide treatment services and supervision.	
74	—to continue current program.	16,222	—transferred from Improvement of Adult Probation	
2,200	—to provide additional support to ensure the safety, well-being, and forever home for children affected by abuse and/or neglect.	1,750	Services to allow flexible support to provide treatment services and supervision.	
1,200	—to implement the provisions of Act 122 of 2024 for statewide sexual assault evidence tracking system.	\$ 36,139	—transferred from Commission on Crime and Delinquency to allow flexible support to provide treatment services and supervision.	
\$ (276)	<i>Appropriation Decrease</i>		<i>Appropriation Increase</i>	
Violence Intervention and Prevention		Improvement of Adult Probation Services		
\$ 10,000	—to expand after-school programming.	\$ (16,222)	—transferred to County Probation and Reentry Services.	
10,000	—to provide additional support for community-led gun violence prevention efforts.	\$ (18,167)		
\$ 20,000	<i>Appropriation Increase</i>		Intermediate Punishment Treatment Programs	
			—transferred to County Probation and Reentry Services.	

Commission on Crime and Delinquency

Program: Criminal and Juvenile Justice Planning and Coordination, continued

Program Recommendations, continued:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Transfer to School Safety and Security

Fund-Targeted Grants

\$ (9,700) —funding reduction.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Commission on Crime and Delinquency	\$ 23,583	\$ 24,383	\$ 24,107	\$ 24,734	\$ 24,734	\$ 24,734	\$ 24,734
Violence and Delinquency Prevention Programs	4,338	4,338	4,338	4,338	4,338	4,338	4,338
Office of Safe Schools Advocate	382	382	382	392	392	392	392
Violence Intervention and Prevention	40,000	56,500	76,500	76,500	76,500	76,500	76,500
County Probation and Reentry Services	-	-	36,139	52,164	52,164	52,164	52,164
Indigent Defense	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Improvement of Adult Probation Services	16,222	16,222	-	-	-	-	-
Intermediate Punishment Treatment Programs	18,167	18,167	-	-	-	-	-
Transfer to Nonprofit Security Grant Fund	5,000	10,000	10,000	10,000	10,000	10,000	-
Transfer to School Safety and Security Fund-Targeted Grants	-	20,700	11,000	11,000	11,000	11,000	11,000
Victims of Juvenile Offenders	1,300	1,300	1,300	1,300	1,300	1,300	1,300
TOTAL GENERAL FUND	\$ 116,492	\$ 159,492	\$ 171,266	\$ 187,928	\$ 187,928	\$ 187,928	\$ 177,928

Commission on Crime and Delinquency

Program: Criminal and Juvenile Justice Planning and Coordination, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Promote the appropriate use and measure the effectiveness of promising approaches and dispositional alternatives.							
Number of individuals diverted from a county or state prison sentence as a result of their participation in the County Intermediate Punishment Program							
	3,646	3,633	4,378	4,793	4,662	4,900	4,900
Number of high-risk offenders under county supervision							
	N/A	N/A	8,789	20,540	17,964	23,000	15,000
Increase the utilization of evidence-based programs and practices to prevent delinquency and other problem behaviors.							
Percentage of youth participating in research-based programs with a demonstrated improvement related to the program's targeted behavioral outcome							
	51	62	64	60	63	60	60
Enhance the quality and the availability of services for victims of crime.							
Number of victims served							
	375,688	339,178	320,395	357,122	362,693	370,000	360,000



ATTORNEY GENERAL

The mission of the [Pennsylvania Office of Attorney General \(OAG\)](#) is to enforce the laws and defend the interests of the Commonwealth and its diverse citizens.

The [Commonwealth Attorneys Act of 1980](#) establishes the [Attorney General](#) as the chief legal and law enforcement officer of the Commonwealth and defines the following fundamental duties and responsibilities of the Office of Attorney General:

- To prosecute organized crime and public corruption. This law enforcement program includes a criminal investigations unit and drug law enforcement program as well as direction of statewide and multi-county investigating grand juries and a Medicaid Fraud Control Section;
- To represent the Commonwealth and all state agencies and, upon request, the Auditor General, State Treasurer, and Public Utility Commission in any action brought by or against the Commonwealth or its agencies;
- To furnish, upon request, legal advice to the Governor, or the head of any Commonwealth agency;
- To review for form and legality all proposed rules and regulations for Commonwealth agencies;
- To review for form and legality all Commonwealth deeds, leases, and contracts to be executed by Commonwealth agencies;
- To collect, by suit or otherwise, all debts, taxes, and accounts due to the Commonwealth which shall be referred to and placed with the Attorney General;
- To administer the provisions relating to consumer protection and appoint the Advisory Committee; and
- To represent the Commonwealth and its residents in any action brought for violation of the Antitrust Laws of the United States and the Commonwealth.

Programs and Goals

Public Protection and Law Enforcement: To enforce the criminal laws of the Commonwealth; to protect the interests of Pennsylvania residents in areas of consumer protection, antitrust enforcement, operation of charitable trusts and organizations, and civil rights; and to provide legal services to Commonwealth agencies.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26
ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

Table with 4 columns: Description, 2023-24 ACTUAL, 2024-25 AVAILABLE, 2025-26 BUDGET. Rows include General Government Operations, Drug Law Enforcement, Joint Local-State Firearm Task Force, Witness Relocation, Child Predator Interception, Tobacco Law Enforcement, and School Safety.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Human Trafficking Enforcement and Prevention	-	1,000	1,551
Organized Retail Theft Prevention	-	2,720	2,595
Subtotal - State Funds.....	\$ 138,616	\$ 143,747	\$ 156,369
Subtotal - Federal Funds.....	18,387	18,981	20,562
Subtotal - Augmentations.....	514	521	351
Subtotal - Restricted.....	<u>51,537</u>	<u>72,345</u>	<u>64,255</u>
Total - General Government.....	<u>\$ 209,054</u>	<u>\$ 235,594</u>	<u>\$ 241,537</u>
Grants and Subsidies:			
County Trial Reimbursement.....	\$ 200	\$ 200	\$ 200
(R)Reimbursement to Counties-Full Time District Attorney (EA)	8,798	9,108	9,565 ^b
(R)Operation PA Strike.....	-	1,726	2,105
Subtotal - State Funds.....	\$ 200	\$ 200	\$ 200
Subtotal - Restricted.....	<u>8,798</u>	<u>10,834</u>	<u>11,670</u>
Total - Grants and Subsidies.....	<u>\$ 8,998</u>	<u>\$ 11,034</u>	<u>\$ 11,870</u>
STATE FUNDS	\$ 138,816	\$ 143,947	\$ 156,569
FEDERAL FUNDS	18,387	18,981	20,562
AUGMENTATIONS	514	521	351
RESTRICTED	<u>60,335</u>	<u>83,179</u>	<u>75,925</u>
GENERAL FUND TOTAL	<u>\$ 218,052</u>	<u>\$ 246,628</u>	<u>\$ 253,407</u>
OTHER FUNDS:			
CIGARETTE FIRE SAFETY AND FIREFIGHTER PROTECTION ACT FUND:			
Cigarette Fire Safety and Firefighter Protection Enforcement	<u>\$ 50</u>	<u>\$ 50</u>	<u>\$ 50</u>
STATE GAMING FUND:			
(R)Gaming Enforcement	<u>\$ 1,618</u>	<u>\$ 1,618</u>	<u>\$ 1,700</u>
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 138,816	\$ 143,947	\$ 156,569
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	18,387	18,981	20,562
AUGMENTATIONS	514	521	351
RESTRICTED	60,335	83,179	75,925
OTHER FUNDS	<u>1,668</u>	<u>1,668</u>	<u>1,750</u>
TOTAL ALL FUNDS	<u>\$ 219,720</u>	<u>\$ 248,296</u>	<u>\$ 255,157</u>

^a Not added to the total to avoid double counting: 2023-24 Actual is \$702,000.

^b This budget proposes to expand the fee dedicated to full-time district attorney reimbursement to include traffic reimbursements and raise the fee by \$1 to a total of \$3.50.

Program Funding Summary

(Dollar Amounts in Thousands)

Table with 8 columns: 2023-24 Actual, 2024-25 Available, 2025-26 Budget, 2026-27 Estimated, 2027-28 Estimated, 2028-29 Estimated, 2029-30 Estimated. Rows include GENERAL FUND, MOTOR LICENSE FUND, LOTTERY FUND, FEDERAL FUNDS, AUGMENTATIONS, RESTRICTED, OTHER FUNDS, and DEPARTMENT TOTAL.

Program: Public Protection and Law Enforcement

Goal: To enforce the criminal laws of the Commonwealth; to protect the interests of Pennsylvania residents in areas of consumer protection, antitrust enforcement, operation of charitable trusts and organizations, and civil rights; and to provide legal services to Commonwealth agencies.

The [Attorney General](#), as the chief law enforcement officer of the Commonwealth, is charged with the responsibility of investigating and prosecuting organized crime and public corruption. The [Office of Attorney General \(OAG\)](#) investigates and prosecutes criminal activity and uses statewide investigative grand juries as appropriate. The office works with the Pennsylvania State Police and local law enforcement to curtail drug abuse in the Commonwealth by apprehending illegal drug traffickers and stopping the diversion of prescription drugs for illicit purposes. The OAG protects the children of Pennsylvania against predators by identifying, investigating, and capturing online child predators using proactive and undercover operations. The office also prosecutes and investigates online child predators, [insurance fraud](#), [Medicaid fraud](#), environmental crimes, and cases referred by district attorneys across the state that have a conflict of interest or lack the resources to prosecute certain crimes.

The OAG plays an important role [protecting the public](#) from fraud and deceptive business practices; securing and recovering damages owed to the Commonwealth and its people; encouraging free enterprise and competition; and investigating and prosecuting consumer fraud, unfair trade practices, antitrust violations, civil rights violations, and charitable scams. Additionally, the office enforces the [Tobacco Settlement Agreement Act of 2004](#), defends enforcement in arbitration proceedings, and polices the Master Settlement Agreement fully and aggressively.

The OAG represents the Commonwealth in any action brought by, or against, the Commonwealth or its agencies, particularly tort claims. Through its [civil division](#), the office upholds the laws of the Commonwealth and defends its agencies in various legal proceedings.

The [Joint Local-State Firearm Task Force](#) comprised of the Philadelphia District Attorney's Office, the Philadelphia Police Department, and the OAG was established to fight gun violence in the Philadelphia area. The Strategic Response Team provides deployment of resources and experience in combating organized drug trafficking and drug-related violent crimes from targeted neighborhoods and municipalities.

The [Drug Strike Force](#) program contributes to Pennsylvania's efforts in combating both local and widespread drug trafficking operations. Municipal police officers are trained in drug enforcement procedures and benefit from the expertise provided by the Bureau of Narcotics Investigations.

The [Safe2Say Something](#) program teaches students, educators, and administrators how to recognize the signs and signals of individuals who may be at risk of hurting themselves or others, and operates an anonymous reporting app, website, and 24/7 Crisis Center Hotline.

The [Home Improvement Consumer Protection Act of 2008](#) requires home improvement contractors to register with the [Bureau of Consumer Protection](#). The office investigates alleged violations regarding home improvement contractors. The [Homeowner Assistance Settlement Act of 2012](#) authorizes the OAG to provide housing consumer protection programs.

The [County Code](#) provides for full-time district attorneys under certain conditions. The annual salary for a full-time district attorney is set at \$1,000 less than a common pleas court judge in that county. The Commonwealth reimburses counties for 65 percent of the salary for the full-time district attorney through court document surcharge revenues deposited into the Criminal Justice Enhancement Account.

Program: Public Protection and Law Enforcement, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>General Government Operations</p> <p>\$ 9,534 —to continue current program.</p> <p>Drug Law Enforcement</p> <p>\$ 2,398 —to continue current program.</p> <p>Joint Local-State Firearm Task Force</p> <p>\$ (262) —to continue current program.</p> <p>Witness Relocation</p> <p>\$ 100 —to continue current program.</p> <p>Child Predator Interception</p> <p>\$ 208 —to continue current program.</p>	<p>Tobacco Law Enforcement</p> <p>\$ 125 —to continue current program.</p> <p>School Safety</p> <p>\$ 93 —to continue current program.</p> <p>Human Trafficking Enforcement and Prevention</p> <p>\$ 551 —to continue current program.</p> <p>Organized Retail Theft Prevention</p> <p>\$ (125) —to continue current program.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 52,709	\$ 53,909	\$ 63,443	\$ 71,983	\$ 71,983	\$ 71,983	\$ 71,983
Drug Law Enforcement	59,668	59,668	62,066	64,706	64,706	64,706	64,706
Joint Local-State Firearm Task Force ..	13,969	13,969	13,707	14,063	14,063	14,063	14,063
Witness Relocation ...	1,215	1,215	1,315	1,315	1,315	1,315	1,315
Child Predator Interception	7,018	7,018	7,226	7,414	7,414	7,414	7,414
Tobacco Law Enforcement	1,691	1,691	1,816	1,863	1,863	1,863	1,863
School Safety.....	2,346	2,557	2,650	2,719	2,719	2,719	2,719
Human Trafficking Enforcement and Prevention.....	-	1,000	1,551	1,591	1,591	1,591	1,591
Organized Retail Theft Prevention	-	2,720	2,595	2,662	2,662	2,662	2,662
County Trial Reimbursement	200	200	200	200	200	200	200
TOTAL GENERAL FUND.....	\$ 138,816	\$ 143,947	\$ 156,569	\$ 168,516	\$ 168,516	\$ 168,516	\$ 168,516

Program: Public Protection and Law Enforcement, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Curtail drug abuse in the Commonwealth by apprehending illegal drug traffickers.							
Drug diversion arrests.....	206	122	126	130	86	140	140
Total drug arrests.....	1,301	1,153	1,032	1,404	1,447	1,260	1,260
Increase compliance by estates, charities, nonprofits, and health care conversions with established rules and regulations.							
Estates, charities, nonprofits, and health care acquisitions reviewed for compliance with anti-trust rules and regulations	1,748	1,912	1,869	1,884	1,989	2,007	2,250
Decrease incidence of fraud and deceptive business practices and secure the recovery of damages to the Commonwealth and its citizens.							
Consumer complaints concerning business practices that were mediated.	27,327	25,286	30,538	38,659	34,030	35,000	35,000
Dollar value of recoupment to consumers regarding business practices (in thousands).....	\$ 4,656	6,260	8,287	9,303	9,610	9,000	9,000
Legal actions resulting from consumer tips, complaints, and other sources (yearly variations reflect case complexity).....	97	108	90	67	86	70	70
Dollar value of relief awarded on behalf of consumers related to legal actions (in thousands) (yearly variations reflect case types)	\$ 47,808	28,192	10,000	139,843	350,505	18,000	25,000
Consumer complaints concerning business practices - health care industry	2,202	1,128	1,727	2,120	2,041	2,041	2,400
Dollar value of recoupment to consumers regarding business practices - health care industry (in thousands)	\$ 1,059	749	960	1,251	870	870	1,500
Increase the number of investigations and arrests related to sexual solicitation of a minor and child pornography.							
Child predator arrests	100	80	77	60	95	100	100
Increase the number of investigations, firearm related arrests, and firearms recovered.							
Firearm related arrests	98	169	202	152	234	160	160
Firearms recovered.....	297	234	396	516	965	431	431



AUDITOR GENERAL

The mission of the [Department of the Auditor General](#) is to serve the people of Pennsylvania by improving government accountability, transparency, and the effective use of taxpayer dollars.

The department is responsible for ensuring that the Commonwealth receives all moneys to which it is entitled and that public money is disbursed legally and properly. In addition, the department examines the accounts of revenue collecting agents to ensure that all money due to the Commonwealth was reported and transmitted properly.

Programs and Goals

Auditing: To ensure that all revenue to which the Commonwealth is entitled is deposited in the State Treasury and that public money is disbursed legally and properly.

Municipal Pension Systems: To assist municipal pension systems through review and audit of their pension funds.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
Auditor General's Office.....	\$ 43,839	\$ 43,839	\$ 46,032
(A)Auditing Service Reimbursements	12,698	16,340	16,032
Subtotal.....	\$ 56,537	\$ 60,179	\$ 62,064
Board of Claims	1,935	2,005	2,010
Subtotal - State Funds.....	\$ 45,774	\$ 45,844	\$ 48,042
Subtotal - Augmentations.....	12,698	16,340	16,032
Total - General Government.....	\$ 58,472	\$ 62,184	\$ 64,074
STATE FUNDS	\$ 45,774	\$ 45,844	\$ 48,042
AUGMENTATIONS	12,698	16,340	16,032
GENERAL FUND TOTAL	\$ 58,472	\$ 62,184	\$ 64,074
OTHER FUNDS:			
MUNICIPAL PENSION AID FUND:			
(R)Municipal Pension Aid.....	\$ 377,386	\$ 408,742	\$ 411,210
(R)Post-Retirement Adjustments.....	710	621	546
MUNICIPAL PENSION AID FUND TOTAL	\$ 378,096	\$ 409,363	\$ 411,756
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 45,774	\$ 45,844	\$ 48,042
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	12,698	16,340	16,032
RESTRICTED	-	-	-
OTHER FUNDS	378,096	409,363	411,756
TOTAL ALL FUNDS	\$ 436,568	\$ 471,547	\$ 475,830

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
AUDITING:							
GENERAL FUND.....	\$ 45,774	\$ 45,844	\$ 48,042	\$ 49,291	\$ 49,291	\$ 49,291	\$ 49,291
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	12,698	16,340	16,032	16,032	16,032	16,032	16,032
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 58,472	\$ 62,184	\$ 64,074	\$ 65,323	\$ 65,323	\$ 65,323	\$ 65,323
MUNICIPAL PENSION SYSTEMS:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	378,096	409,363	411,756	413,726	415,706	417,695	419,694
SUBCATEGORY TOTAL....	\$ 378,096	\$ 409,363	\$ 411,756	\$ 413,726	\$ 415,706	\$ 417,695	\$ 419,694
ALL PROGRAMS:							
GENERAL FUND.....	\$ 45,774	\$ 45,844	\$ 48,042	\$ 49,291	\$ 49,291	\$ 49,291	\$ 49,291
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	12,698	16,340	16,032	16,032	16,032	16,032	16,032
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	378,096	409,363	411,756	413,726	415,706	417,695	419,694
DEPARTMENT TOTAL	\$ 436,568	\$ 471,547	\$ 475,830	\$ 479,049	\$ 481,029	\$ 483,018	\$ 485,017

Program: Auditing

Goal: To ensure that all revenue to which the Commonwealth is entitled is deposited in the State Treasury and that public money is disbursed legally and properly.

The [Department of the Auditor General](#) is provided authority through the Fiscal Code to [audit the financial affairs and the performance](#) of state government, as well as the affairs of certain local government entities. The department is also authorized to perform audits of any entity receiving funds from the Commonwealth or any entity collecting funds that belong to the Commonwealth.

Each year, the Department of the Auditor General performs thousands of [regular and performance audits](#) of Commonwealth agencies, boards, commissions, and state institutions, such as state higher education and correctional facilities, to ensure money is disbursed legally and properly. The department also examines and audits accounts of revenue collecting agents, including local government officials such as those in the magisterial district courts and county row offices, to ensure that all funds due to the Commonwealth have been reported and transmitted properly and that the Commonwealth's financial statements conform to Generally Accepted Accounting Principles. Finally, the department conducts audits of public entities that receive state funds, including local educational agencies, municipal pension plans, the Delaware and Susquehanna River Basin Commissions, and volunteer firefighters' relief associations.

The Single Audit, which is a single financial/compliance audit of the Commonwealth's federal aid programs and the Commonwealth's Annual Comprehensive Financial Report, is jointly performed each year by the department and an independent certified public accounting firm.

In accordance with Section 402 of the Fiscal Code, special audits, including performance audits, may be made at any time when, in the Auditor General's judgment, they appear to be necessary and are required to be conducted in accordance with Generally Accepted Government Auditing Standards. Special audits must also be conducted by the Auditor General at the Governor's request. The Auditor General also has the authority to demand and compel the production of documents.

The Auditor General has a variety of other responsibilities imposed by law. For example, the Auditor General is a signatory, along with the Governor and Treasurer, for approval of short-term and long-term borrowing by state government. The Auditor General is also a statutory member of the [Pennsylvania Higher Educational Facilities Authority](#), the [State Public School Building Authority](#), the [Delaware River Port Authority](#), the Local Government Records Committee, and the Joint Interstate Bridge Commission.

The department also provides administrative services for the [Board of Claims](#). The board operates within this program as an independent judicial and administrative body with jurisdiction to hear and determine claims against the Commonwealth.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Auditor General's Office		Board of Claims	
\$ 2,193	—to continue current program.	\$ 5	—to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Auditor General's Office.....	\$ 43,839	\$ 43,839	\$ 46,032	\$ 47,229	\$ 47,229	\$ 47,229	\$ 47,229
Board of Claims	1,935	2,005	2,010	2,062	2,062	2,062	2,062
TOTAL GENERAL FUND	\$ 45,774	\$ 45,844	\$ 48,042	\$ 49,291	\$ 49,291	\$ 49,291	\$ 49,291

Program: Municipal Pension Systems

Goal: To assist municipal pension systems through review and audit of their pension funds.

In 1984, the General Assembly passed [Act 205](#), commonly known as the Municipal Pension Plan Funding Standard and Recovery Act. The act establishes criteria for determination of actuarial soundness and the amount of state-financed support that will be provided. The Department of the Auditor General is responsible for audits of approximately 2,600 governing units with approximately 2,700 municipal pension plans, for both uniformed and non-uniformed employees that receive state aid.

The Auditor General administers the [General Municipal Pension System State Aid Program](#), established by Act 205, to distribute funding to municipal pension plans for police officers, paid firefighters, and other full-time municipal non-uniformed employees. The program is funded through the Municipal Pension Aid Fund, which receives a portion of Insurance Premiums Tax. The Auditor General is also responsible for distributing proceeds from the Fire Insurance Tax Fund to municipalities for payment to volunteer firefighter relief associations.

In 2016, [Act 100](#) abolished the Public Employee Retirement Commission and the Auditor General absorbed the duties relating to municipal pension reporting and analysis under [Act 205 of 1984](#) and [Act 293 of 1972](#). The duties were fully transitioned to the newly created [Municipal Pension Reporting Program](#) within the Department of the Auditor General's Office of Budget and Financial Management.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Municipal Pension Aid	Post-Retirement Adjustments
\$ 2,468 —to continue current program.	\$ (75) —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MUNICIPAL PENSION AID FUND:							
(R)Municipal Pension Aid	\$ 377,386	\$ 408,742	\$ 411,210	\$ 413,245	\$ 415,283	\$ 417,323	\$ 419,366
(R)Post-Retirement Adjustments	710	621	546	481	423	372	328
TOTAL MUNICIPAL PENSION AID FUND.....	\$ 378,096	\$ 409,363	\$ 411,756	\$ 413,726	\$ 415,706	\$ 417,695	\$ 419,694



TREASURY DEPARTMENT

The mission of the [Pennsylvania Treasury Department](#) is to provide safe, efficient, and effective stewardship of the financial assets entrusted to the department on behalf of the Commonwealth. The department strives to be the leader in financial reporting, transparency, and integrity for the Commonwealth.

The Pennsylvania Treasury is responsible for receiving all Commonwealth monies and depositing such monies in state depositories approved by the [Board of Finance and Revenue](#), managing all securities in its custody to the best advantage of the Commonwealth, pre-auditing all requisitions for the expenditures of funds, and disbursement of all state monies upon proper authorization to those entitled to receive payment.

Programs and Goals

Disbursement, Investment, and Cash Management: To receive, safeguard, and manage the funds of the Commonwealth, to ensure that all disbursements are legal and proper, and to manage investments and cash subject to a standard of prudence, safety, and liquidity.

Debt Service: To provide for interest and principal requirements of notes and bonds issued by the Commonwealth and other expenses related to debt service.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
General Government Operations	\$ 45,365	\$ 45,365	\$ 47,440
(A)Unemployment Compensation Service Reimbursements	4,229	4,450	4,450
(A)Administrative Service Fees	3,373	2,960	3,180
(A)Unclaimed Property Service Fees	1,332	937	900
Subtotal	\$ 54,299	\$ 53,712	\$ 55,970
Divestiture Reimbursement	87	2,485	150
Intergovernmental Organizations	1,251	1,278	1,334
Information Technology Cyber Security	1,000	1,150	1,350
Board of Finance and Revenue	3,384	3,646	4,294
Subtotal - State Funds	\$ 51,087	\$ 53,924	\$ 54,568
Subtotal - Augmentations	8,934	8,347	8,530
Total - General Government	\$ 60,021	\$ 62,271	\$ 63,098
<i>Grants and Subsidies:</i>			
Law Enforcement and Emergency Response Death Benefit	3,330	3,330	3,330
Transfer to ABLE Fund	900	900	1,500
Total - Grants and Subsidies	\$ 4,230	\$ 4,230	\$ 4,830
<i>Debt Service:</i>			
Loan and Transfer Agent	\$ 40	\$ 40	\$ 40
General Obligation Debt Service	1,201,000	1,100,000 ^a	1,417,000
Total - Debt Service	\$ 1,201,040	\$ 1,100,040	\$ 1,417,040
STATE FUNDS	\$ 1,256,357	\$ 1,158,194	\$ 1,476,438
AUGMENTATIONS	8,934	8,347	8,530
GENERAL FUND TOTAL	\$ 1,265,291	\$ 1,166,541	\$ 1,484,968
MOTOR LICENSE FUND:			
<i>General Government:</i>			
Administration-Refunding Liquid Fuels Taxes	\$ 561	\$ 591	\$ 605
<i>Refunds:</i>			
Refunding Liquid Fuels Taxes-State Share (EA)	\$ 4,500	\$ 4,500	\$ 4,500
Refunding Liquid Fuels Taxes-Agriculture (EA)	5,000	5,000	5,000
Refunding Liquid Fuels Taxes-Political Subdivisions (EA)	5,000	5,000	5,000
Refunding Liquid Fuels Taxes-Volunteer Services (EA)	800	800	800

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Refunding Liquid Fuels Taxes-Snowmobiles and ATVs (EA)	1,000	1,000	1,000
Refunding Liquid Fuels Taxes-Boat Fund (EA)	13,603	12,500	13,500
Total - Refunds	\$ 29,903	\$ 28,800	\$ 29,800
Debt Service:			
Capital Debt Transportation Projects	\$ 35,873	\$ 35,920	\$ 35,942
General Obligation Debt Service	16,477	14,813	16,089
(R)Capital Bridge Debt Service (EA)	72,458	71,468 ^b	71,736
Loan and Transfer Agent	40	40	40
Subtotal - State Funds	\$ 52,390	\$ 50,773	\$ 52,071
Subtotal - Restricted	72,458	71,468	71,736
Total - Debt Service	\$ 124,848	\$ 122,241	\$ 123,807
STATE FUNDS	\$ 82,854	\$ 80,164	\$ 82,476
RESTRICTED	72,458	71,468	71,736
MOTOR LICENSE FUND TOTAL	\$ 155,312	\$ 151,632	\$ 154,212
OTHER FUNDS:			
ACHIEVING A BETTER LIFE EXPERIENCE FUND:			
General Operations	\$ 1,130	\$ 1,426	\$ 1,426
ENVIRONMENTAL STEWARDSHIP FUND:			
Debt Service for Growing Greener (EA)	\$ 10,538	\$ 9,938 ^c	\$ 10,001
LIQUID FUELS TAX FUND:			
Refunding Liquid Fuels Tax-Boat Fund (EA)	\$ 116	\$ 110	\$ 116
TUITION ACCOUNT GUARANTEED SAVINGS PROGRAM FUND:			
Tuition Account Program Bureau	\$ 3,339	\$ 3,339	\$ 3,339
(A)Application Fees	2,563	2,581	2,696
TUITION ACCOUNT GUARANTEED SAVINGS PROGRAM FUND TOTAL	\$ 5,902	\$ 5,920	\$ 6,035
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ 1,256,357	\$ 1,158,194	\$ 1,476,438
MOTOR LICENSE FUND	82,854	80,164	82,476
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	8,934	8,347	8,530
RESTRICTED	72,458	71,468	71,736
OTHER FUNDS	17,686	17,394	17,578
TOTAL ALL FUNDS	\$ 1,438,289	\$ 1,335,567	\$ 1,656,758

^a Reflects recommended appropriation reduction of \$37,000,000.

^b Reflects recommended executive authorization reduction of \$624,000.

^c Reflects recommended executive authorization reduction of \$6,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
DISBURSEMENT, INVESTMENT, AND CASH MANAGEMENT:							
GENERAL FUND.....	\$ 55,317	\$ 58,154	\$ 59,398	\$ 60,643	\$ 60,643	\$ 60,643	\$ 60,643
MOTOR LICENSE FUND ...	30,464	29,391	30,405	30,405	30,405	30,405	30,405
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	8,934	8,347	8,530	8,530	8,530	8,530	8,530
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	7,148	7,456	7,577	7,577	7,577	7,577	7,577
SUBCATEGORY TOTAL.....	\$ 101,863	\$ 103,348	\$ 105,910	\$ 107,155	\$ 107,155	\$ 107,155	\$ 107,155
DEBT SERVICE:							
GENERAL FUND.....	\$ 1,201,040	\$ 1,100,040	\$ 1,417,040	\$ 1,491,650	\$ 1,560,276	\$ 1,645,359	\$ 1,753,812
MOTOR LICENSE FUND ...	52,390	50,773	52,071	52,911	52,886	52,503	52,225
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	72,458	71,468	71,736	73,882	74,121	66,537	60,180
OTHER FUNDS.....	10,538	9,938	10,001	10,637	10,684	10,738	10,791
SUBCATEGORY TOTAL.....	\$ 1,336,426	\$ 1,232,219	\$ 1,550,848	\$ 1,629,080	\$ 1,697,967	\$ 1,775,137	\$ 1,877,008
ALL PROGRAMS:							
GENERAL FUND.....	\$ 1,256,357	\$ 1,158,194	\$ 1,476,438	\$ 1,552,293	\$ 1,620,919	\$ 1,706,002	\$ 1,814,455
MOTOR LICENSE FUND ...	82,854	80,164	82,476	83,316	83,291	82,908	82,630
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	8,934	8,347	8,530	8,530	8,530	8,530	8,530
RESTRICTED.....	72,458	71,468	71,736	73,882	74,121	66,537	60,180
OTHER FUNDS.....	17,686	17,394	17,578	18,214	18,261	18,315	18,368
DEPARTMENT TOTAL	\$ 1,438,289	\$ 1,335,567	\$ 1,656,758	\$ 1,736,235	\$ 1,805,122	\$ 1,882,292	\$ 1,984,163

Program: Disbursement, Investment, and Cash Management

Goal: To receive, safeguard, and manage the funds of the Commonwealth, to ensure that all disbursements are legal and proper, and to manage investments and cash subject to a standard of prudence, safety, and liquidity.

The [Treasury Department](#) is required to receive and deposit all monies of the Commonwealth, collect dividends and interest, execute securities transactions, and handle daily settlements of trades. Treasury is also tasked with achieving the best possible advantage for all securities in its custody, pre-auditing requisitions for the expenditure of funds, and disbursing all state monies upon proper authorization to those entitled to receive payment.

The Treasury Department directly invests or oversees management of the investment of all excess revenue on a daily basis, subject to a prudent person standard. The investment function involves developing short- and long-term investment strategies with guidelines determined by statute, policy, prudence, safety, and liquidity.

Treasury directs, monitors, and safeguards securities, bonds, and other investments owned by the Commonwealth and the state pension funds. The Treasury Department is responsible for [investing](#) funds belonging to nearly all Pennsylvania state agencies as well as many state boards, commissions, and authorities.

The [State Treasurer](#) is chair of the [Board of Finance and Revenue](#), which is charged with reviewing and deciding tax appeals concerning settlements made between the Commonwealth and persons, associations, and corporations. The board also administers the program for refunding liquid fuels taxes to groups exempt by legislation from these taxes.

Treasury is required to pay death benefits, adjusted annually for inflation, to the surviving spouses or children of public safety workers, firefighters, or law enforcement officers of the Commonwealth killed in the performance of their duties and to reimburse political subdivisions for such payments made to survivors of local firefighters or law enforcement officers.

The Treasury Department promotes interstate cooperation and progress through participation in various associations, commissions, and organizations with other states and units of government. As a member of several organizations, including the [Council of State Governments](#), [National Conference of State Legislatures](#), and the [National Governors Association](#), Pennsylvania helps coordinate ideas on programs, interstate progress, budgets, federal-state relations, education, labor, research, and general information with other states and the federal government.

Treasury administers the [Tuition Account Program \(PA 529\)](#), which provides two options for postsecondary educational savings. The [Tuition Account Guaranteed Savings Program Fund](#) provides for the advance purchase of tuition credits for students who will attend institutions of higher education. The [Tuition Account Investment Program Fund](#) allows individuals to save for higher education through several investment options based on age, risk, or socially responsible investments.

The State Treasurer is responsible for the administration and enforcement of the Commonwealth's abandoned and [unclaimed property laws](#). Tangible and intangible property that has remained unclaimed for three or more years is reported and remitted to the Treasury Department by holders in possession of the property. The Commonwealth maintains perpetual custody of the property until it is claimed by the rightful owner. Revenues generated by collection of unclaimed property are deposited directly into the General Fund.

Treasury administers the [Achieving a Better Life Experience Fund \(ABLE\)](#), which provides qualifying individuals with disabilities and their families with a tax-free option to save for disability-related expenses while maintaining government benefits.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND:

	General Government Operations		Information Technology Cyber Security
\$ 2,075	—to continue current program.	\$ 200	—to continue current program.
	Divestiture Reimbursement		Board of Finance and Revenue
\$ (2,335)	—decrease in program requirements.	\$ 648	—to continue current program.
	Intergovernmental Organizations		Transfer to ABLE Fund
\$ 56	—to continue current program.	\$ 600	—to continue current program.

Program: Disbursement, Investment, and Cash Management, continued

Program Recommendations, continued:

This budget recommends the following changes: (Dollar Amounts in Thousands)

MOTOR LICENSE FUND:

Administration - Refunding Liquid Fuels Taxes

\$ 14 —to continue current program.

Refunding Liquid Fuels Taxes - Boat Fund (EA)

\$ 1,000 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 45,365	\$ 45,365	\$ 47,440	\$ 48,673	\$ 48,673	\$ 48,673	\$ 48,673
Divestiture Reimbursement ..	87	2,485	150	150	150	150	150
Intergovernmental Organizations.....	1,251	1,278	1,334	1,334	1,334	1,334	1,334
Information Technology Cyber Security	1,000	1,150	1,350	1,350	1,350	1,350	1,350
Board of Finance and Revenue	3,384	3,646	4,294	4,406	4,406	4,406	4,406
Law Enforcement and Emergency Response Death Benefit.....	3,330	3,330	3,330	3,330	3,330	3,330	3,330
Transfer to ABLE Fund	900	900	1,500	1,400	1,400	1,400	1,400
TOTAL GENERAL FUND	\$ 55,317	\$ 58,154	\$ 59,398	\$ 60,643	\$ 60,643	\$ 60,643	\$ 60,643
MOTOR LICENSE FUND:							
Administration-Refunding Liquid Fuels Taxes.....	\$ 561	\$ 591	\$ 605	\$ 605	\$ 605	\$ 605	\$ 605
Refunding Liquid Fuels Taxes-State Share (EA).....	4,500	4,500	4,500	4,500	4,500	4,500	4,500
Refunding Liquid Fuels Taxes-Agriculture (EA)	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Refunding Liquid Fuels Taxes-Political Subdivisions (EA).....	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Refunding Liquid Fuels Taxes-Volunteer Services (EA).....	800	800	800	800	800	800	800
Refunding Liquid Fuels Taxes-Snowmobiles and ATVs (EA).....	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Refunding Liquid Fuels Taxes-Boat Fund (EA)	13,603	12,500	13,500	13,500	13,500	13,500	13,500
TOTAL MOTOR LICENSE FUND	\$ 30,464	\$ 29,391	\$ 30,405	\$ 30,405	\$ 30,405	\$ 30,405	\$ 30,405

Program: Debt Service

Goal: To provide for interest and principal requirements of notes and bonds issued by the Commonwealth and other expenses related to debt service.

The Commonwealth, through the Treasury Department, is obligated to meet principal and interest requirements and other expenses related to debt service.

Long-term bonds are issued by the state to finance the cost of public improvements that represent a heavy financial burden which cannot be funded through current revenues. These bond issues provide funds for the acquisition and development of public recreation and historic sites and facilities; economic revitalization efforts; low-cost loans for water supply and sewage treatment improvements; and a wide variety of construction and renovation projects for hospitals, higher education facilities, state parks, flood control, correctional institutions, and various public buildings.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	GENERAL FUND:			ENVIRONMENTAL STEWARDSHIP FUND:
	General Obligation Debt Service			Debt Service for Growing Greener (EA)
\$ 317,000	—the net effect on principal and interest requirements.	\$	63	—the net effect on principal and interest requirements.
	MOTOR LICENSE FUND:			
	Capital Debt Transportation Projects			
\$ 22	—the net effect on principal and interest requirements.			
	General Obligation Debt Service			
\$ 1,276	—the net effect on principal and interest requirements.			

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
GENERAL FUND:	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Loan and Transfer Agent	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40
General Obligation Debt Service	1,201,000	1,100,000	1,417,000	1,491,610	1,560,236	1,645,319	1,753,772
TOTAL GENERAL FUND	\$ 1,201,040	\$ 1,100,040	\$ 1,417,040	\$ 1,491,650	\$ 1,560,276	\$ 1,645,359	\$ 1,753,812

Program: Debt Service, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MOTOR LICENSE FUND:							
Capital Debt Transportation Projects	\$ 35,873	\$ 35,920	\$ 35,942	\$ 37,706	\$ 37,832	\$ 37,942	\$ 38,026
General Obligation Debt Service	16,477	14,813	16,089	15,165	15,014	14,521	14,159
Loan and Transfer Agent	40	40	40	40	40	40	40
TOTAL MOTOR LICENSE FUND	\$ 52,390	\$ 50,773	\$ 52,071	\$ 52,911	\$ 52,886	\$ 52,503	\$ 52,225
ENVIRONMENTAL STEWARDSHIP FUND:							
Debt Service for Growing Greener (EA).....	\$ 10,538	\$ 9,938	\$ 10,001	\$ 10,637	\$ 10,684	\$ 10,738	\$ 10,791



AGING

The mission of the [Department of Aging](#) is to promote independence, purpose, and well-being in the lives of older adults through advocacy, service, and protection.

The department facilitates programs, services, and advocacy for older Pennsylvanians and provides a single point of contact through which older Pennsylvanians can address their concerns to state government.

Statewide services are provided through the local Area Agencies on Aging, and include home and community-based services, nutrition, senior employment, transportation, domiciliary care, ombudsman, caregiver support, and protective services. Additionally, the department manages the pharmaceutical assistance program for older Pennsylvanians.

Programs and Goals

Community Services for Older Pennsylvanians: *To enable older Pennsylvanians to maintain active and independent lives in their own homes or alternative community living arrangements.*

Pharmaceutical Assistance: *To assist eligible older Pennsylvanians who experience difficulty meeting the cost of prescription drugs necessary to maintain healthy lives.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
(F)Programs for the Aging-Title III-Administration.....	\$ 1,781	\$ 1,781	\$ 1,781
(F)Programs for the Aging-Title V-Administration	127	127	127
(F)Medical Assistance-Administration	888	888	888
(F)Programs for the Aging-Title VII-Administration	352	892	946
Subtotal.....	<u>\$ 3,148</u>	<u>\$ 3,688</u>	<u>\$ 3,742</u>
Total - General Government.....	<u>\$ 3,148</u>	<u>\$ 3,688</u>	<u>\$ 3,742</u>
<i>Grants and Subsidies:</i>			
(F)Programs for the Aging-Title III.....	\$ 56,800	\$ 56,800	\$ 56,800
(F)Programs for the Aging-Nutrition	10,000	10,000	10,000
(F)Programs for the Aging-Title V-Employment	12,269	12,269	12,269
(F)Programs for the Aging-Title VII-Elder Rights Protection	8,600	8,600	8,600
(F)Medical Assistance-Support	9,000	9,000	9,000
(F)Medical Assistance-Nursing Home Transition	700	-	-
(F)Chronic Disease Self-Management Education	271	271	271
(F)Pre-Admission Assessment.....	4,000	4,000	4,000
(F)Programs for the Aging-Title III-Caregiver Support	11,000	10,000	10,000
(F)COVID-Programs for the Aging-Title III-Caregiver Support (EA)	400	-	-
(F)Overdose Data to Action (EA)	579	-	-
(F)State Opioid Response (EA).....	184	124	134
Subtotal.....	<u>\$ 113,803</u>	<u>\$ 111,064</u>	<u>\$ 111,074</u>
Total - Grants and Subsidies.....	<u>\$ 113,803</u>	<u>\$ 111,064</u>	<u>\$ 111,074</u>
GENERAL FUND TOTAL	<u>\$ 116,951</u>	<u>\$ 114,752</u>	<u>\$ 114,816</u>
LOTTERY FUND:			
<i>General Government:</i>			
General Government Operations	\$ 12,335	\$ 14,818	\$ 17,546
(A)Day Care Licensure.....	9	9	9
(A)Digital Fingerprint Fees	138	138	138
Subtotal.....	<u>\$ 12,482</u>	<u>\$ 14,965</u>	<u>\$ 17,693</u>
Subtotal - State Funds.....	12,335	14,818	17,546
Subtotal - Augmentations.....	147	147	147
Total - General Government.....	<u>\$ 12,482</u>	<u>\$ 14,965</u>	<u>\$ 17,693</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Grants and Subsidies:			
PENNCARE	\$ 287,848	\$ 287,848	\$ 308,555
(A)Attendant Care Patient Fees	272	285	321
(A)Adult Protective Services.....	197	197	468
Subtotal.....	<u>\$ 288,317</u>	<u>\$ 288,330</u>	<u>\$ 309,344</u>
Aging Our Way, PA	-	2,950	5,950
Pre-Admission Assessment	8,750	8,750	8,750
Caregiver Support	12,103	12,103	12,103
Alzheimer's Outreach	250	250	250
Transfer to Pharmaceutical Assistance Fund	155,000	170,000	150,000
Grants to Senior Centers	3,000	3,000	3,000
Subtotal - State Funds.....	\$ 466,951	\$ 484,901	\$ 488,608
Subtotal - Augmentations	469	482	789
Total - Grants and Subsidies.....	<u>\$ 467,420</u>	<u>\$ 485,383</u>	<u>\$ 489,397</u>
STATE FUNDS	\$ 479,286	\$ 499,719	\$ 506,154
AUGMENTATIONS	616	629	936
LOTTERY FUND TOTAL	<u>\$ 479,902</u>	<u>\$ 500,348</u>	<u>\$ 507,090</u>
OTHER FUNDS:			
PHARMACEUTICAL ASSISTANCE FUND:			
PACE Contracted Services (EA).....	\$ 1,780 ^a	\$ - ^a	\$ - ^a
(A)Department of Corrections Claims	2,250	2,250	2,250
Administration of PACE (EA).....	1,376	1,530	1,591
(F)Diabetes Prevention (EA)	97	110	110
PHARMACEUTICAL ASSISTANCE FUND TOTAL	<u>\$ 5,503</u>	<u>\$ 3,890</u>	<u>\$ 3,951</u>
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ -	\$ -	\$ -
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	479,286	499,719	506,154
FEDERAL FUNDS	116,951	114,752	114,816
AUGMENTATIONS	616	629	936
RESTRICTED	-	-	-
OTHER FUNDS	5,503	3,890	3,951
TOTAL ALL FUNDS	<u>\$ 602,356</u>	<u>\$ 618,990</u>	<u>\$ 625,857</u>

^a Lottery Fund transfer to the Pharmaceutical Assistance Fund not added to avoid double counting: PACE Contracted Services (EA) for 2023-24 Actual is \$156,780,000, 2024-25 Available is \$155,461,000, and 2025-26 Budget is \$149,550,000. The budget assumes \$10,000,000 from the Transfer to Pharmaceutical Assistance Fund appropriation will be lapsed during the 2024-25 fiscal year.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
COMMUNITY SERVICES FOR OLDER PENNSYLVANIANS:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	324,286	329,719	356,154	357,317	358,024	358,731	359,438
FEDERAL FUNDS.....	116,951	114,752	114,816	114,821	114,855	114,890	114,927
AUGMENTATIONS	616	629	936	936	879	879	879
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL.....	\$ 441,853	\$ 445,100	\$ 471,906	\$ 473,074	\$ 473,758	\$ 474,500	\$ 475,244
PHARMACEUTICAL ASSISTANCE:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	155,000	170,000	150,000	150,000	150,000	150,000	155,000
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	5,503	3,890	3,951	5,401	7,678	9,700	7,002
SUBCATEGORY TOTAL.....	\$ 160,503	\$ 173,890	\$ 153,951	\$ 155,401	\$ 157,678	\$ 159,700	\$ 162,002
ALL PROGRAMS:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	479,286	499,719	506,154	507,317	508,024	508,731	514,438
FEDERAL FUNDS.....	116,951	114,752	114,816	114,821	114,855	114,890	114,927
AUGMENTATIONS	616	629	936	936	879	879	879
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	5,503	3,890	3,951	5,401	7,678	9,700	7,002
DEPARTMENT TOTAL	\$ 602,356	\$ 618,990	\$ 625,857	\$ 628,475	\$ 631,436	\$ 634,200	\$ 637,246

Program: Community Services for Older Pennsylvanians

Goal: To enable older Pennsylvanians to maintain active and independent lives in their own homes or alternative community living arrangements.

The [Department of Aging](#) demonstrates the Commonwealth's commitment to supporting older Pennsylvanians by providing an array of services to address the varying needs of individuals and assist them in aging in place in their homes and communities.

Many older Pennsylvanians require only minimal support to function independently, therefore a basic service provided by a network of [Area Agencies on Aging \(AAA\)](#) is to inform individuals of available services. AAAs sponsor senior community centers throughout the Commonwealth that provide a full range of social, nutritional, recreational, and educational activities. The centers serve congregate meals at lunchtime to provide older Pennsylvanians a hot, nutritionally balanced meal. The agencies also arrange transportation services to allow older Pennsylvanians to visit a doctor, shop, or attend community center events. Job training services include helping older Pennsylvanians find unsubsidized private sector employment and job training and subsidized part-time community service employment.

The department and the AAA network develop and administer a comprehensive and coordinated system of home and community-based services for older Pennsylvanians. Home and community-based services promote independence and self-reliance and maximize opportunities for family and community involvement. The department provides person-centered counseling to apprise them of available resources, supports, and choices across the continuum of care.

The Department of Aging conducts assessments of individuals to determine unmet needs and refers them to the appropriate program for services which provide assistance to develop individual, person-centered care plans in coordination with an extensive network of providers. The department, in cooperation with the AAA network, is responsible for providing services in a consistent and efficient manner. The department's [OPTIONS](#) program of home and community-based services helps provide eligible consumers assistance in maintaining independence at the highest level of functioning in the community and helps delay the need for more costly care services or settings. Priority services in OPTIONS include care management, in-home/home delivered meal service, personal care, and older adult daily living services. Persons with higher incomes share in the cost of OPTIONS services.

AAAs also administer the department's [Caregiver Support Program](#), which focuses on the well-being of the caregiver and provides resources, assistance, and reimbursement for caregiving-related expenses to eligible individuals.

AAAs also provide [protective services](#) to older Pennsylvanians who are at imminent risk of abuse, neglect, exploitation, or abandonment. The department, through the AAAs, investigates reports of need and develops individualized plans to eliminate or mitigate the risks.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	General Government Operations		Aging Our Way, PA
\$ 728	—to continue current program.	\$ 3,000	—Initiative—to transform the infrastructure and
2,000	—Initiative—to improve oversight and accountability of the		coordination of services for Pennsylvania's older
	AAA network.		adults.
\$ 2,728	<i>Appropriation Increase</i>		
PENNCARE			
\$ 707	—to continue current program.		
20,000	—Initiative—to provide operational resources to AAA		
	network to meet increased service needs of older		
	adults.		
\$ 20,707	<i>Appropriation Increase</i>		

Program: Community Services for Older Pennsylvanians, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
LOTTERY FUND:							
General Government Operations	\$ 12,335	\$ 14,818	\$ 17,546	\$ 18,002	\$ 18,002	\$ 18,002	\$ 18,002
PENNCARE	287,848	287,848	308,555	309,262	309,969	310,676	311,383
Aging Our Way, PA... Pre-Admission Assessment	-	2,950	5,950	5,950	5,950	5,950	5,950
Caregiver Support.....	12,103	12,103	12,103	12,103	12,103	12,103	12,103
Alzheimer's Outreach Grants to Senior Centers	250	250	250	250	250	250	250
	3,000	3,000	3,000	3,000	3,000	3,000	3,000
TOTAL LOTTERY FUND	\$ 324,286	\$ 329,719	\$ 356,154	\$ 357,317	\$ 358,024	\$ 358,731	\$ 359,438

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Ensure that older Pennsylvanians who are in need of protective or ombudsman services are receiving those services.							
Reports of need	36,693	38,339	44,314	53,840	58,532	61,594	66,439
Percentage of investigative reports of need substantiated	% 33.9	37.8	37.5	35.0	34.1	35.9	36.1
Percentage of facility complaints resolved to resident satisfaction by ombudsman	% 83	83	65	66	64	66	68
Increase services and support for caregivers in the Caregiver Support Program and develop a tool to better assess caregiver needs across the Commonwealth.							
Families receiving caregiver support	4,000	4,805	5,072	5,008	4,900	5,283	5,452
Ensure the department's services, programs, and supports reach older Pennsylvanians who need them.							
Congregate meals served.....	102,850	54,893	64,045	71,787	77,254	85,701	93,184

Program: Pharmaceutical Assistance

Goal: To assist eligible older Pennsylvanians who experience difficulty meeting the cost of prescription drugs necessary to maintain healthy lives.

The [Pharmaceutical Assistance Contract for the Elderly \(PACE\)](#) program provides pharmaceutical assistance to qualified older Pennsylvanians age 65 and over with limited incomes.

The PACE program has two components - PACE and PACE Needs Enhancement Tier (PACENET). PACENET covers individuals with higher incomes. The program pays the Medicare premiums for Part D coverage for PACE and PACENET enrollees, but PACENET cardholders must pay the equivalent of their Part D monthly premiums along with their copays when they pick-up their medications at the pharmacy.

The program acts as the enrollees' representative and facilitates cardholder enrollment into the Extra Help/Low-Income Subsidy offering under Part D and collaborates with selected prescription drug plans to facilitate enrollment of PACE and PACENET cardholders into Part D. The program covers all medications requiring a prescription in the Commonwealth, as well as insulin, insulin syringes, and needles, unless a manufacturer does not participate in the Manufacturer's Rebate Program. It does not cover medications that can be purchased without a prescription.

The Department of Aging is responsible for ensuring compliance with the program requirements. In addition to careful review of eligibility, including income verification by matching with Pennsylvania income tax returns, the department conducts compliance audits of pharmacy providers to ensure compliance with policies and contract provisions, and has established both a prospective and a retrospective drug utilization review system to monitor and correct misuse of drug therapies.

The department also serves as the administrative and fiscal agent for other Commonwealth-sponsored drug reimbursement programs. It processes and adjudicates claims, conducts cardholder/provider enrollment and outreach, and collects drug rebates from pharmaceutical manufacturers.

PACE conducts benefit outreach and assistance for parolees identified by the Department of Corrections and the Board of Probation and Parole. The program assists in the administration of parolees' pharmacy benefits including the coordination of benefits with PACE and participation in the federal 340B prescription program. The [PACE Application Center](#) and the [Pennsylvania Patient Assistance Clearinghouse](#) are available to all adult Pennsylvanians to assist in the application of pharmacy benefits, as well as other public and private health care benefits and social services, such as transportation, housing, and employment.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Transfer to Pharmaceutical Assistance Fund

\$ (20,000) —decrease in Lottery Fund transfer needed to support the PACE program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
LOTTERY FUND:							
Transfer to Pharmaceutical Assistance Fund	\$ 155,000	\$ 170,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 155,000

Program: Pharmaceutical Assistance, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Ensure that eligible older Pennsylvanians who need help in paying for medications are enrolled in PACE/PACENET.							
Older Pennsylvanians enrolled (average) in PACE.....	70,312	61,934	55,616	49,703	44,602	39,861	35,624
Total prescriptions per year - PACE	1,429,657	1,178,720	1,042,800	868,481	772,552	597,314	493,783
Older Pennsylvanians enrolled (average) in PACENET.....	154,371	147,046	149,490	152,802	153,415	154,029	154,645
Total prescriptions per year - PACENET	3,398,782	3,043,557	2,969,712	3,004,508	2,853,519	2,710,227	2,574,130



AGRICULTURE

The mission of the Pennsylvania [Department of Agriculture](#) is to ensure a vibrant economy, a successful future for Pennsylvania agriculture, and to safeguard the public through:

- Targeted investments to grow opportunities and remove barriers;
- Protecting human, animal, environmental, and plant health through regulatory oversight;
- Promotion of and education about Pennsylvania's agriculture products and sectors; and
- Conserving farmland and natural resources for the prosperity of Pennsylvania.

Pennsylvania's farm families are the stewards of millions of acres of farmland. In total, production agriculture and agribusiness industries' contributions to Pennsylvania's economy make Pennsylvania farmers and agribusinesses the leading economic drivers in our state.

In addition to production agriculture, the industry also raises revenue and creates jobs through support services such as food processing, marketing, transportation, and farm equipment.

Programs and Goals

Protection and Development of Agricultural Industries: To facilitate agriculture's continued economic vitality and ensure the health and safety of consumers, animals, and plants while protecting the environment through agricultural stewardship of natural resources.

Horse Racing Regulation: To prevent consumer fraud in the racing industry.

Emergency Food Assistance: To distribute surplus and donated food through institutions and counties or designated lead agencies to individuals and families who are dependent or disadvantaged to support minimum standards of living and economic independence.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

GENERAL FUND:

General Government:

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
General Government Operations	\$ 43,361	\$ 48,604	\$ 49,799
(F)Plant Pest Detection System	1,300	1,300	1,300
(F)Medicated Feed Mill Inspection	200	200	200
(F)National School Lunch Administration	1,700	1,700	1,700
(F)Emergency Food Assistance	11,500	11,500	11,500
(F)COVID-Resilient Food Systems Infrastructure Program (EA)	26,537	272	290
(F)Pesticide Control.....	1,000	1,000	1,000
(F)Agricultural Risk Protection.....	1,000	1,000	1,000
(F)Commodity Supplemental Food	4,000	4,000	4,000
(F)Organic Cost Distribution.....	650	650	650
(F)Animal Disease Control	4,000	4,000	4,000
(F)Food Establishment Inspections.....	5,000	5,000	5,000
(F)Integrated Pest Management	250	250	250
(F)Avian Influenza Surveillance.....	25,000	25,000	25,000
(F)Scrapie Disease Control	60	60	60
(F)Foot and Mouth Disease Monitoring.....	150	150	150
(F)Innovative Nutrient and Sediment Reduction	5,000	5,000	5,000
(F)Animal Identification.....	2,000	2,000	2,000
(F)Specialty Crops.....	3,500	3,500	3,500
(F)Emerald Ash Borer Mitigation	800	800	800
(F)Farmland Protection	6,000	6,000	6,000
(F)Crop Insurance	2,000	2,000	2,000
(F)Spotted Lanternfly.....	12,000	12,000	12,000
(F)Animal Feed Regulatory Program	2,000	2,000	2,000
(F)Conservation Partnership Farmland Preservation.....	6,500	6,500	6,500
(F)Invasive Plant Suppression (EA)	33	-	-
(F)Chesapeake Bay Pollution Abatement (EA).....	300	-	-
(A)Lime Fees	30	23	23
(A)Commercial Feed Inspections	905	700	700
(A)Milk Plant Inspections.....	19	20	20
(A)Pesticide Regulation.....	-	475	475
(A)Training Rides and Attractions	30	25	25
(A)Apiary Registration and Fees	23	25	25
(A)Consumer Fireworks License	1,023	750	750
(A)Taxidermy Permit Registrations	89	100	100
(A)Vet Lab Diagnostic Fees	953	700	700

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(A)Domestic Animal Dealer License.....	83	65	65
(A)Food Site Inspection, License, and Registration Fees	17	20	20
(A)Certificates of Free Sale	122	115	115
(A)Interagency Services	266	390	390
(A)Departmental Services	- ^a	-	-
(A)Transfer from Environmental Stewardship Fund	- ^b	-	-
(R)Adult Use Cannabis-Revolving Loan Fund	-	-	25,000
(R)Adult Use Cannabis-Operations and Technical Assistance.....	-	-	15,000
(R)Dog Law Administration	4,838	9,409	10,460
(R)Pesticide Regulation.....	3,887	6,191	6,228
(R)Agriculture Farm Operations	530	481	489
(R)Plant Pest Management.....	422	543	587
(R)Agronomic Regulatory Account.....	505	983	988
(R)Fruit and Vegetable Inspection and Grading.....	130	-	-
(R)Cervidae Livestock Operations	25	117	70
(R)National School Lunch	338	60	60
Subtotal.....	<u>\$ 180,076</u>	<u>\$ 165,678</u>	<u>\$ 207,989</u>
Agricultural Preparedness and Response	34,000	34,000	11,000
(R)Rapid Response Disaster Readiness	- ^c	- ^c	- ^c
Agricultural Excellence	3,300	4,100	3,300
Agricultural Business and Workforce Investment	4,800	4,800	4,800
(F)Community Mental Health Services (EA)	39	-	-
(R)Agricultural Business Development Center Fund	- ^d	- ^d	- ^d
(R)Specialty Crop Block Grant Fund	- ^e	- ^e	- ^e
Farmers' Market Food Coupons	2,079	2,579	2,579
(F)Farmers' Market Food Coupons	4,000	4,000	4,000
(F)COVID-WIC Farmers' Market Nutrition (EA)	101	-	-
(F)Senior Farmers' Market Nutrition.....	2,200	2,200	2,200
(F)COVID-Senior Farmers' Market Nutrition (EA).....	4,407	4,380	-
Agricultural Research	2,187	2,187	2,187
Agricultural Promotion, Education, and Exports	303	303	303
Agricultural Innovation Development.....	-	10,000	25,000
Hardwoods Research and Promotion.....	725	725	725
Subtotal - State Funds.....	\$ 90,755	\$ 107,298	\$ 99,693
Subtotal - Federal Funds.....	133,227	106,462	102,100
Subtotal - Augmentations.....	3,560	3,408	3,408
Subtotal - Restricted.....	<u>10,675</u>	<u>17,784</u>	<u>58,882</u>
Total - General Government.....	<u>\$ 238,217</u>	<u>\$ 234,952</u>	<u>\$ 264,083</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Grants and Subsidies:			
Livestock and Consumer Health Protection	\$ 1,000	\$ 1,000	\$ 1,000
Animal Health and Diagnostic Commission	11,350	11,350	6,000
Livestock Show	215	215	215
Open Dairy Show	215	215	215
Youth Shows	169	169	169
State Food Purchase	26,688	26,688	34,688
(F)Local Food for Schools.....	6,808	2,000	2,000
(F)COVID-Local Food Purchase Assistance (EA)	14,725	-	-
Food Marketing and Research	494	494	494
(F)Market Improvement.....	250	250	250
Fresh Food Financing Initiative	2,000	2,000	2,000
Transfer to Nutrient Management Fund	6,200	6,200	6,200
Transfer to Conservation District Fund	2,669	2,669	2,669
Transfer to Agricultural College Land Scrip Fund	57,710	57,710	60,596
Transfer to Farm Products Show Fund	5,000	5,000	5,000
PA Preferred Program Trademark Licensing	2,905	2,905	2,905
(R)PA Preferred Trademark Licensing Fund.....	-	-	-
Payments to Pennsylvania Fairs	-	4,000	-
Veterinary Training and Services Grants	-	-	33,353
University of Pennsylvania-Veterinary Activities	100	31,560	-
University of Pennsylvania-Center for Infectious Disease	100	1,793	-
(R)PA Malt and Brewed Beverages Industry Promotion Board (EA)	-	1,000	1,000
(R)PA Wine Marketing and Research Program Board (EA)	-	1,000	1,000
(R)PA Distilled Spirits Industry Promotion Board (EA).....	-	1,000	1,000
Subtotal - State Funds.....	\$ 116,815	\$ 153,968	\$ 155,504
Subtotal - Federal Funds.....	21,783	2,250	2,250
Subtotal - Restricted.....	-	3,000	3,000
Total - Grants and Subsidies.....	\$ 138,598	\$ 159,218	\$ 160,754
STATE FUNDS.....	\$ 207,570	\$ 261,266	\$ 255,197
FEDERAL FUNDS.....	155,010	108,712	104,350
AUGMENTATIONS	3,560	3,408	3,408
RESTRICTED	10,675	20,784	61,882
GENERAL FUND TOTAL	\$ 376,815	\$ 394,170	\$ 424,837

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
<u>MOTOR LICENSE FUND:</u>			
<i>General Government:</i>			
Weights and Measures Administration	\$ 5,817	\$ 5,908	\$ 5,908
<i>Grants and Subsidies:</i>			
Dirt, Gravel, and Low Volume Roads	\$ 28,000	\$ 28,000	\$ 28,000
MOTOR LICENSE FUND TOTAL	\$ 33,817	\$ 33,908	\$ 33,908
<u>OTHER FUNDS:</u>			
AGRICULTURAL COLLEGE LAND SCRIP FUND:			
(R)Agricultural Research Programs and Extension Services	\$ - ^g	\$ - ^g	\$ - ^g
AGRICULTURAL CONSERVATION EASEMENT PURCHASE FUND:			
Purchase of County Easements (EA)	\$ 40,000	\$ 40,000	\$ 40,000 ^h
CLEAN STREAMS FUND:			
SCC Agriculture Conservation Assistance Program (EA)	\$ -	\$ 43,498	\$ 38,896
(F)COVID-SFR SCC Agriculture Conservation Assistance Program	968	669	-
Transfer to Nutrient Management Fund	-	6,107	5,440
CLEAN STREAMS FUND TOTAL	\$ 968	\$ 50,274	\$ 44,336
CONSERVATION DISTRICT FUND:			
Conservation District Grants (EA)	\$ 5,173	\$ 5,173	\$ 5,173
ENVIRONMENTAL STEWARDSHIP FUND:			
Transfer to Agricultural Conservation Easement Program (EA)	\$ 12,739	\$ 12,807 ⁱ	\$ 13,038
FARM PRODUCTS SHOW FUND:			
General Operations (EA)	\$ 14,671	\$ 16,523	\$ 17,636
NUTRIENT MANAGEMENT FUND:			
Planning, Loans, Grants, and Technical Assistance (EA)	\$ 4,780	\$ 3,280	\$ 3,280
(F)COVID-SFR NM Planning, Grants, and Technical Assistance	179	489	-
Nutrient Management-Administration (EA)	1,463	1,909	2,322
NUTRIENT MANAGEMENT FUND TOTAL	\$ 6,422	\$ 5,678	\$ 5,602
PA RACE HORSE DEVELOPMENT TRUST FUND:			
(R)Animal Health and Diagnostic Commission	\$ -	\$ -	\$ 5,350
(R)Payments to Pennsylvania Fairs	4,000	-	4,000
(R)Pennsylvania Veterinary Lab	5,309	5,309	5,309
PA RACE HORSE DEVELOPMENT TRUST FUND TOTAL	\$ 9,309	\$ 5,309	\$ 14,659

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
STATE RACING FUND:			
State Racing Commission	\$ 6,825	\$ 7,680	\$ 8,155
Equine Toxicology and Research Laboratory	12,000	14,845	14,962
Horse Racing Promotion	2,042	2,195	1,871
(R)Sire Stakes Fund.....	9,374	8,889	6,834
(R)Breeders' Fund.....	19,914	15,000	15,000
(R)PA Standardbred Breeders Development Fund.....	5,828	7,600	7,600
STATE RACING FUND TOTAL	\$ 55,983	\$ 56,209	\$ 54,422
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 207,570	\$ 261,266	\$ 255,197
MOTOR LICENSE FUND	33,817	33,908	33,908
LOTTERY FUND	-	-	-
FEDERAL FUNDS.....	155,010	108,712	104,350
AUGMENTATIONS	3,560	3,408	3,408
RESTRICTED	10,675	20,784	61,882
OTHER FUNDS.....	145,265	191,973	194,866
TOTAL ALL FUNDS	\$ 555,897	\$ 620,051	\$ 653,611

^a Not added to avoid double counting: 2023-24 Actual is \$4,741,000.

^b Not added to avoid double counting: 2023-24 Actual is \$318,475.

^c Transfer from Agricultural Preparedness and Response not added to avoid double counting. Rapid Response Disaster Readiness for 2023-24 Actual is \$7,282,836, 2024-25 Available is \$34,000,000, and 2025-26 Budget is \$11,000,000.

^d Transfer from Agricultural Business and Workforce Investment not added to avoid double counting. Agricultural Business Development Center Fund for 2023-24 Actual is \$1,945,678, 2024-25 Available is \$2,000,000, and 2025-26 Budget is \$2,000,000.

^e Transfer from Agricultural Business and Workforce Investment not added to avoid double counting. Specialty Crop Block Grant Fund for 2023-24 Actual is \$348,207, 2024-25 Available is \$500,000, and 2025-26 Budget is \$500,000.

^f Transfer from PA Preferred Program Trademark Licensing not added to avoid double counting. PA Preferred Trademark Licensing Fund for 2023-24 Actual is \$2,845,701, 2024-25 Available is \$2,905,000, and 2025-26 Budget is \$2,905,000.

^g General Fund transfer to Agricultural College Land Scrip Fund not added to avoid double counting. Agricultural Research Programs and Extension Services for 2023-24 Actual is \$57,710,000, 2024-25 Available is \$57,710,000, and 2025-26 Budget is \$60,596,000.

^h This budget proposes increasing the administrative allowance from 2.5 to 4 percent of funds received from the Environmental Stewardship Fund.

ⁱ Includes recommended supplemental executive authorization of \$2,253,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PROTECTION AND DEVELOPMENT OF AGRICULTURAL INDUSTRIES:							
GENERAL FUND.....	\$ 178,803	\$ 231,999	\$ 217,930	\$ 219,633	\$ 219,633	\$ 219,633	\$ 219,633
MOTOR LICENSE FUND ...	33,817	33,908	33,908	33,908	33,908	33,908	33,908
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	80,732	80,360	80,360	80,360	80,360	80,360	80,360
AUGMENTATIONS	3,560	3,408	3,408	3,408	3,408	3,408	3,408
RESTRICTED	10,675	20,784	61,882	37,272	37,272	37,272	37,272
OTHER FUNDS.....	89,282	135,764	140,444	137,365	137,293	137,238	137,273
SUBCATEGORY TOTAL....	\$ 396,869	\$ 506,223	\$ 537,932	\$ 511,946	\$ 511,874	\$ 511,819	\$ 511,854
HORSE RACING REGULATION:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS.....	55,983	56,209	54,422	54,227	51,831	51,698	51,651
SUBCATEGORY TOTAL....	\$ 55,983	\$ 56,209	\$ 54,422	\$ 54,227	\$ 51,831	\$ 51,698	\$ 51,651
EMERGENCY FOOD ASSISTANCE:							
GENERAL FUND.....	\$ 28,767	\$ 29,267	\$ 37,267	\$ 37,267	\$ 37,267	\$ 37,267	\$ 37,267
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	74,278	28,352	23,990	21,990	21,700	21,700	21,700
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 103,045	\$ 57,619	\$ 61,257	\$ 59,257	\$ 58,967	\$ 58,967	\$ 58,967
ALL PROGRAMS:							
GENERAL FUND.....	\$ 207,570	\$ 261,266	\$ 255,197	\$ 256,900	\$ 256,900	\$ 256,900	\$ 256,900
MOTOR LICENSE FUND ...	33,817	33,908	33,908	33,908	33,908	33,908	33,908
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	155,010	108,712	104,350	102,350	102,060	102,060	102,060
AUGMENTATIONS	3,560	3,408	3,408	3,408	3,408	3,408	3,408
RESTRICTED	10,675	20,784	61,882	37,272	37,272	37,272	37,272
OTHER FUNDS.....	145,265	191,973	194,866	191,592	189,124	188,936	188,924
DEPARTMENT TOTAL	\$ 555,897	\$ 620,051	\$ 653,611	\$ 625,430	\$ 622,672	\$ 622,484	\$ 622,472

Program: Protection and Development of Agricultural Industries

Goal: To facilitate agriculture's continued economic vitality and ensure the health and safety of consumers, animals, and plants while protecting the environment through agricultural stewardship of natural resources.

The [Department of Agriculture](#) facilitates continued economic vitality of agricultural industries in the Commonwealth. The department ensures the health and safety of consumers, plants, and animals, reflecting agriculture's core regulatory functions in such critical areas as food safety, animal health, amusement ride and fireworks safety, and protecting plants from invasive pests like the [Spotted Lanternfly](#). The department also ensures agricultural stewardship of natural resources, and reflects ongoing commitments to the preservation of land and improvements to the quality of soil and water essential to agriculture's continued success.

Increase Market Opportunities and Transition to More Profitable Enterprises

The department helps farmers, food processors, and other agribusinesses build awareness of Pennsylvania agricultural products and reach domestic and international markets and consumers. The [PA Preferred®](#) program offers marketing and promotional support for members who grow or process locally produced agricultural products.

The [PA Specialty Crops Grant](#) program supplements federal funding received from the United States Department of Agriculture. This program supports transition to organic production and processing and targets certain crops that are not eligible for the federal program, but are either important sectors in Pennsylvania agriculture, such as [hardwoods](#), or appear to offer new market opportunities, such as hemp.

Finally, the Department of Agriculture continues to partner with the Department of Community and Economic Development (DCED) to allocate financing for the [Next Generation Farmer Loan](#) program, to certify beginning farmers for the [Beginning Farmer Realty Transfer Tax Exemption](#), and to assist farmers and processors with accessing DCED's affordable financing for small businesses.

Plan for Transition

The [Agricultural Business Development Center](#) builds technical assistance capacity and helps farmers find technical assistance providers who can help them with their business, finances, marketing, and other planning, including succession planning. Priority is placed on the farms that are in the [Farmland Preservation](#) program with easements requiring that the land stay in agricultural production in perpetuity.

Strengthen the Agricultural Workforce

The [Farm to School](#) program and the [Agriculture and Youth](#) program aid youth exploring agricultural opportunities and careers. Both programs provide grants for individual projects.

Develop Additional Processing Capacity

The department's [Bureau of Food Safety and Laboratory Services](#) regulates the food processing sector to ensure the safety of Pennsylvania's food supply.

Celebrating Agriculture

The Department of Agriculture also supports Pennsylvania's county and community fairs, and it operates the [Pennsylvania Farm Show Complex and Exposition Center](#). The complex hosts the state's sponsored shows: the annual Pennsylvania Farm Show, the All-American Dairy Show, and the Keystone International Livestock Exposition. The department also distributes funding for fair-related activities to 4-H programs and Future Farmers of America chapters.

Protected and Educated Public and Industry

The department works to ensure public safety and protects consumers through its work to safeguard the food supply and the environment, assist low-income consumers with accessing nutritious foods, and ensure the integrity of the horse and harness racing industries and weighing and measuring devices.

As part of the Department of Agriculture's work to preserve the integrity of Pennsylvania's [food system](#), it inspects retail food facilities annually, making this information [readily available to the public](#). The number of facilities the department must inspect has grown in recent years as municipalities eliminate local inspection programs, transferring responsibility to the department. The shift in inspection work has driven up the average number of inspections per inspector to well above federal recommendations.

Program: Protection and Development of Agricultural Industries, continued

The [PA Rapid Response Disaster Readiness Account](#) assists the department in acting quickly to respond to an outbreak of foodborne illness, [foreign animal disease](#), or plant disease to limit the scope of any such emergency to the extent possible.

The Department of Agriculture also guards against potentially devastating invasive [pests and diseases](#); oversees the sale, use, and handling of [pesticides](#); and monitors [seeds](#), [feed](#), and [fertilizer](#) for safety and accurate labeling. Whether [inspecting nurseries](#), surveying for Spotted Lanternfly populations, or regulating the cultivation of hemp, the department is ensuring the health of Pennsylvania's ecology and, in turn, its people.

The department also verifies the accuracy of [meters and scales](#) and inspects [amusement rides](#). As with the number of food establishments, the number of weighing and measuring devices and attractions considered amusement rides continues to increase while fewer counties and municipalities support inspection programs. The Department of Agriculture is working to accommodate this shifting workload by partnering with certified professionals from the private sector to ensure the weights and volumes of products consumers purchase are accurate. In addition, the department has updated and enhanced their use of mobile technology to improve productivity and ensure more devices are inspected according to their compliance schedule.

The Department of Agriculture supports a comprehensive research and diagnostic laboratory system to protect against diseases, provide service to production agriculture operations, and maintain the integrity and safety of the food system. [Pennsylvania Animal Diagnostic Laboratory System \(PADLS\)](#) and the [Animal Health and Diagnostic Commission](#) work to detect, identify, contain, and eradicate livestock and poultry diseases. PADLS includes the Pennsylvania Veterinary Laboratory, which is part of a nationwide network of state and federal laboratories that provide rapid and accurate diagnostic services to clients, maintain a bio-secure environment, and offer state-of-the-art testing methods for surveillance and detection. Important partners include the Pennsylvania State University, as well as the University of Pennsylvania's School of Veterinary Medicine. The department also supports Penn State's Extension program through the Agricultural College Land Scrip Fund to share research with those in the field and the general public.

The Department of Agriculture also is responsible for ensuring the welfare of breeding dogs and puppies in commercial breeding kennels. The department regulates activities pertaining to dogs that are classified as dangerous and oversees annual licensure and rabies vaccinations for dogs.

Healthy, Sustainable Natural Resources

Pennsylvania leads the nation in number of farms and number of acres preserved. The department works to protect this land and future farms from the threat of development and to keep these operations in production agriculture.

The Department of Agriculture also maintains administrative responsibility for the [State Conservation Commission](#). Under the concurrent authority of the Pennsylvania Departments of Environmental Protection and Agriculture, the commission's primary mission is ensuring stewardship of Pennsylvania's natural resources, protecting and restoring the environment through soil and water conservation practices, working with county conservation districts that assist farmers with meeting nutrient and manure management requirements, and supporting rural communities as they prevent runoff through improved dirt, gravel, and low-volume roads.

The State Conservation Commission operates the [Resource Enhancement and Protection \(REAP\)](#) tax credit program as well as the [AgriLink Program](#), which offers interest rate reductions on loans to implement best management practices (BMPs). The commission also administers the [Conservation Excellence Grant](#) program which offers financial and technical assistance for farmers to implement BMPs in accordance with their farm plan. BMPs offer dual benefits of improved water and soil quality and economic savings by reducing inputs and preserving valuable resources.

Program: Protection and Development of Agricultural Industries, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>General Government Operations</p> <p>\$ 1,195 —to continue current program.</p> <p>Agricultural Preparedness and Response</p> <p>\$ (25,000) —funding reduction.</p> <p>2,000 —Initiative—for increased testing capacity in western Pennsylvania.</p> <hr style="width: 100%;"/> <p>\$ (23,000) <i>Appropriation Decrease</i></p> <p>Agricultural Excellence</p> <p>\$ (800) —funding reduction.</p> <p>Agricultural Innovation Development</p> <p>\$ 13,000 —Initiative—for increased support and attraction of innovative agricultural businesses, including energy and conservation.</p> <p>2,000 —Initiative—for a county-based digester pilot program.</p> <hr style="width: 100%;"/> <p>\$ 15,000 <i>Appropriation Increase</i></p> <p>Animal Health and Diagnostic Commission</p> <p>\$ (5,350) —funding shift to PA Race Horse Development Trust Fund.</p>	<p>Transfer to Agricultural College Land Scrip Fund</p> <p>\$ 2,886 —Initiative—to invest in higher education and improve programs related to agriculture.</p> <p>Payments to Pennsylvania Fairs</p> <p>\$ (4,000) —funding shift to PA Race Horse Development Trust Fund.</p> <p>Veterinary Training and Services Grants</p> <p>\$ 33,353 —Initiative—to provide grants to support veterinary activities and animal-related services.</p> <p>University of Pennsylvania-Veterinary Activities</p> <p>\$ (31,560) —funding reduction.</p> <p>University of Pennsylvania-Center for Infectious Disease</p> <p>\$ (1,793) —funding reduction.</p>
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Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 43,361	\$ 48,604	\$ 49,799	\$ 51,502	\$ 51,502	\$ 51,502	\$ 51,502
Agricultural Preparedness and Response	34,000	34,000	11,000	11,000	11,000	11,000	11,000
Agricultural Excellence	3,300	4,100	3,300	3,300	3,300	3,300	3,300
Agricultural Business and Workforce Investment	4,800	4,800	4,800	4,800	4,800	4,800	4,800
Agricultural Research	2,187	2,187	2,187	2,187	2,187	2,187	2,187
Agricultural Promotion, Education, and Exports	303	303	303	303	303	303	303

Program: Protection and Development of Agricultural Industries, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Agricultural Innovation Development.....	-	10,000	25,000	25,000	25,000	25,000	25,000
Hardwoods Research and Promotion	725	725	725	725	725	725	725
Livestock and Consumer Health Protection	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Animal Health and Diagnostic Commission	11,350	11,350	6,000	6,000	6,000	6,000	6,000
Livestock Show	215	215	215	215	215	215	215
Open Dairy Show.....	215	215	215	215	215	215	215
Youth Shows.....	169	169	169	169	169	169	169
Food Marketing and Research	494	494	494	494	494	494	494
Fresh Food Financing Initiative.....	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Transfer to Nutrient Management Fund.....	6,200	6,200	6,200	6,200	6,200	6,200	6,200
Transfer to Conservation District Fund.....	2,669	2,669	2,669	2,669	2,669	2,669	2,669
Transfer to Agricultural College Land Scrip Fund	57,710	57,710	60,596	60,596	60,596	60,596	60,596
Transfer to Farm Products Show Fund.....	5,000	5,000	5,000	5,000	5,000	5,000	5,000
PA Preferred Program Trademark Licensing	2,905	2,905	2,905	2,905	2,905	2,905	2,905
Payments to Pennsylvania Fairs	-	4,000	-	-	-	-	-
Veterinary Training and Services Grants	-	-	33,353	33,353	33,353	33,353	33,353
University of Pennsylvania-Veterinary Activities	100	31,560	-	-	-	-	-
University of Pennsylvania-Center for Infectious Disease	100	1,793	-	-	-	-	-
TOTAL GENERAL FUND	\$ 178,803	\$ 231,999	\$ 217,930	\$ 219,633	\$ 219,633	\$ 219,633	\$ 219,633
MOTOR LICENSE FUND:							
Weights and Measures Administration	\$ 5,817	\$ 5,908	\$ 5,908	\$ 5,908	\$ 5,908	\$ 5,908	\$ 5,908
Dirt, Gravel, and Low Volume Roads	28,000	28,000	28,000	28,000	28,000	28,000	28,000
TOTAL MOTOR LICENSE FUND	\$ 33,817	\$ 33,908	\$ 33,908	\$ 33,908	\$ 33,908	\$ 33,908	\$ 33,908

Program: Protection and Development of Agricultural Industries, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Decrease threats to animal and human health in Pennsylvania through inspections and laboratory testing.							
Tests conducted by the Pennsylvania Animal Diagnostic Lab System to support access to markets (domestic and international) (in thousands)	629	615	613	595	600	620	630
Annual percentage completion of required regulatory inspections conducted by the Bureau of Animal Health and Diagnostic Services..... %	N/A	79	80	65	80	82	82
Enforcing all dog-related laws and regulations to protect the public's health and safety.							
Percentage of dogs licensed compared to the estimated total dog population in Pennsylvania	49	43	43	41	46	50	55
Reduce foodborne illness threats through more efficient inspections.							
Retail food facility inspections conducted annually to prevent foodborne illnesses.....	42,996	46,023	47,087	46,388	46,500	46,500	40,000
Retail food safety inspections conducted per food inspector	494	476	523	510	510	510	500
Decrease the risk to Pennsylvania consumers when engaging in commercial transactions.							
Percentage of weighing and measuring devices inspected within their approved time interval	49	65	61	64	70	72	67
Preserve 200 farms (approx. 16,000 acres) annually.							
New farm acres protected.....	14,605	14,760	14,885	13,069	14,000	14,000	14,000
Decrease nutrient runoff and conserve Pennsylvania's natural resources through increased opportunities and incentives in addition to best management practices.							
Farm acres covered by approved Nutrient Management Plans (in thousands)	240	242	248	265	270	275	275
Ensure agricultural stewardship of natural resources.							
Best management practices implemented as a result of the Resource Enhancement and Protection program	725	645	650	839	1,350	2,220	2,220
Continue to grow Pennsylvania agriculture's international trade program by increasing opportunities for Pennsylvania farmers and agribusinesses to market their products overseas and by encouraging foreign companies to invest in Pennsylvania agriculture.							
Dollar value of Pennsylvania food and agricultural exports, excluding hardwoods (in millions), due to growth in the department's international trade related activities	\$ 1,891	1,981	2,000	2,050	1,989	1,989	1,970
Facilitate introduction of industrial hemp as a viable food and fiber crop.							
Permits issued to grow hemp	510	426	275	215	220	250	260

Program: Protection and Development of Agricultural Industries, continued

Program Measures, continued:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Ensure that local municipalities, private sector consultants, and service providers in the agricultural community have adequate training and accreditation tools to expand the pool of qualified individuals to support agricultural producers and local municipal officials in meeting environmental protection requirements.							
Trained and accredited agricultural consultants, agricultural support service personnel, and municipal staff..	1,790	3,200	2,300	2,390	4,000	5,000	5,250
Training hours provided to accredited agricultural consultants, agricultural support service personnel, and municipal staff.....	11,972	12,424	12,824	13,100	18,000	20,000	18,000
Facilitate agriculture's continued economic vitality.							
Newly preserved farms with a transition, succession, or business plan	60	17	50	8	25	25	25
Percent increase in the number of certified or transitioning to certified organic operations	% N/A	3	4	9	10	15	8
Percent increase in the number of people participating as gardeners and/or volunteers in the funded programs.....	% N/A	10	12	14	16	18	18
Broaden workforce development and education opportunities.							
Youth events held at the Pennsylvania Farm Show Complex & Expo Center annually	8	0	8	10	11	12	17
Capitalize on branding and marketing opportunities.							
Percent increase in the number of members of the Farmer Veterans Coalition Homegrown By Heroes Program who become members of the PA Preferred® Homegrown By Heroes Program as a result of targeted outreach	% 62	64	75	44	25	20	20
Dollar value of the economic impact of the Pennsylvania Farm Show Complex & Expo Center (in millions)	\$ 250	0	250	250	255	275	300

Program: Horse Racing Regulation

Goal: To prevent consumer fraud in the racing industry.

The department maintains administrative responsibilities for the [State Horse Racing Commission](#), making it responsible for the integrity of horse racing in Pennsylvania. Emphasis is placed on protecting those engaged in equine racing and those who wager on it. The commission supports the [Pennsylvania Equine Toxicology and Research Laboratory \(PETRL\)](#) to ensure legitimacy of race results with both testing of samples from each race and out-of-competition testing.

This lab performs equine blood and urine testing to ensure that no foreign, performance-enhancing substances have been introduced to racehorses which would undermine the integrity and legitimacy of results. PETRL also engages in cutting edge research to identify new substances that could adversely affect the legitimacy of live horse races in Pennsylvania.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	State Racing Commission		Horse Racing Promotion
\$ 475	—to continue current program.	\$ (324)	—to continue current program.
	Equine Toxicology and Research Laboratory		
\$ 117	—to continue current program.		

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
STATE RACING FUND:							
State Racing Commission	\$ 6,825	\$ 7,680	\$ 8,155	\$ 8,318	\$ 8,318	\$ 8,318	\$ 8,318
Equine Toxicology and Research Laboratory.....	12,000	14,845	14,962	15,096	15,096	15,096	15,096
Horse Racing Promotion.....	2,042	2,195	1,871	1,854	1,837	1,822	1,808
(R)Sire Stakes Fund	9,374	8,889	6,834	6,359	6,308	6,301	6,319
(R)Breeders' Fund	19,914	15,000	15,000	15,000	15,000	15,000	15,000
(R)PA Standardbred Breeders Development Fund	5,828	7,600	7,600	7,600	5,272	5,161	5,110
TOTAL STATE RACING FUND.....	\$ 55,983	\$ 56,209	\$ 54,422	\$ 54,227	\$ 51,831	\$ 51,698	\$ 51,651

Program: Emergency Food Assistance

Goal: To distribute surplus and donated food through institutions and counties or designated lead agencies to individuals and families who are dependent or disadvantaged to support minimum standards of living and economic independence.

Protecting public health includes ensuring adequate nutrition to low-income consumers at risk of hunger. The Department of Agriculture administers federal and state programs that provide more Pennsylvanians with ready [access to healthy and nutritious foods](#). The department works to ensure that the [State Food Purchase Program](#), [The Emergency Food Assistance Program](#), and the [Farmers Market Nutrition Programs](#) (FMNPs) reach eligible residents and the programs function efficiently and effectively. The Department of Agriculture also manages the [Pennsylvania Agricultural Surplus System \(PASS\)](#), an innovative program that connects the state’s farmers and food manufacturers with the charitable food system, focusing on increasing the number of farms contributing food to the system and ensuring that food goes to serve each county of the Commonwealth. With some Pennsylvanians considered food insecure, these programs are vital in helping to move food from the farm to the dinner table.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	State Food Purchase
\$ 4,000	—Initiative—to reduce food insecurity and increase access to healthy meals.
4,000	—Initiative—to provide additional funding for the Pennsylvania Agricultural Surplus System.
<hr/>	
\$ 8,000	<i>Appropriation Increase</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Farmers' Market Food Coupons	\$ 2,079	\$ 2,579	\$ 2,579	\$ 2,579	\$ 2,579	\$ 2,579	\$ 2,579
State Food Purchase	26,688	26,688	34,688	34,688	34,688	34,688	34,688
TOTAL GENERAL FUND	<u>\$ 28,767</u>	<u>\$ 29,267</u>	<u>\$ 37,267</u>	<u>\$ 37,267</u>	<u>\$ 37,267</u>	<u>\$ 37,267</u>	<u>\$ 37,267</u>

Program: Emergency Food Assistance, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Providing all Pennsylvanians with access to healthy, nutritious food, which will improve their well-being, health, and independence.							
Pounds of food distributed annually through the Pennsylvania Agricultural Surplus System (in millions)	2.3	8.2	2.5	4.2	5.1	5.1	6.5
Dollar value of Senior Farmers Market Nutrition Program vouchers redeemed (in millions)..... \$	2.5	2.4	2.4	2.5	4.5	4.5	3.5
Dollar value of Women, Infants, and Children Farmers Market Nutrition Program vouchers redeemed (in millions)..... \$	1.2	0.9	0.9	1.0	1.8	1.8	1.8
Capitalize on branding and marketing opportunities.							
Producers from whom product is sourced annually for the Pennsylvania Agricultural Surplus System..... ^a	66	70	90	103	107	115	125

^a Method of data collection has changed for this budget.



BANKING AND SECURITIES

The mission of the [Department of Banking and Securities](#) is to regulate financial services and work to ensure consumers and businesses are well-informed about the marketplace.

Programs and Goals

Financial Services Industry Regulation: To preserve and protect the integrity of the financial services marketplace and promote public confidence in the Commonwealth's financial services.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
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GENERAL FUND:

General Government:

(R)Securities Operations (EA).....	\$ 9,290	\$ 9,900	\$ 9,786
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OTHER FUNDS:

BANKING TRUST FUND:

General Government Operations	\$ 23,532	\$ 26,343	\$ 27,481
Transfer to Institution Resolution Account (EA)	5,000	5,000	5,000

BANKING TRUST FUND TOTAL.....	\$ 28,532	\$ 31,343	\$ 32,481
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DEPARTMENT TOTAL - ALL FUNDS

GENERAL FUND.....	\$ -	\$ -	\$ -
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	-	-	-
AUGMENTATIONS.....	-	-	-
RESTRICTED.....	9,290	9,900	9,786
OTHER FUNDS.....	28,532	31,343	32,481
TOTAL ALL FUNDS	\$ 37,822	\$ 41,243	\$ 42,267

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
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FINANCIAL SERVICES INDUSTRY REGULATION:

GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS.....	-	-	-	-	-	-	-
RESTRICTED.....	9,290	9,900	9,786	10,040	10,040	10,040	10,040
OTHER FUNDS.....	28,532	31,343	32,481	32,670	32,170	32,170	32,170
DEPARTMENT TOTAL	\$ 37,822	\$ 41,243	\$ 42,267	\$ 42,710	\$ 42,210	\$ 42,210	\$ 42,210

Program: Financial Services Industry Regulation

Goal: To preserve and protect the integrity of the financial services marketplace and promote public confidence in the Commonwealth's financial services.

The [Department of Banking and Securities](#) works to preserve and promote public confidence in the Commonwealth's financial services industries by ensuring an economically sound and competitive system of depository financial institutions, non-depository financial services institutions, and securities entities. The agency seeks to protect consumers in the financial marketplace and investors engaged in securities transactions. The department is funded solely by assessments, fees, licenses, fines, and penalties paid by entities under its jurisdiction. It is accredited by the Conference of State Bank Supervisors, the American Association of Residential Mortgage Regulators, and the National Association of State Credit Union Supervisors.

The department works to preserve and protect the integrity of the financial services marketplace and promote public confidence in the Commonwealth's financial services through its oversight of:

- [Depository institutions](#) such as state-chartered banks, credit unions, and independent trust companies;
- [Non-depository institutions](#) including residential mortgage lenders, brokers and originators, check cashers, consumer discount companies, auto sales finance companies, pawnbrokers, debt management companies, debt settlement companies, and money transmitters; and
- [Securities-related business](#) in the state by broker-dealers, broker-dealer agents, investment advisers, investment adviser representatives, and investment adviser notice filers.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>GENERAL FUND: (R)Securities Operations (EA)</p> <p>\$ (114) —to continue current program.</p>	<p>BANKING TRUST FUND: General Government Operations</p> <p>\$ 1,138 —to continue current program.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
(R)Securities Operations (EA)	\$ 9,290	\$ 9,900	\$ 9,786	\$ 10,040	\$ 10,040	\$ 10,040	\$ 10,040
BANKING TRUST FUND:							
General Government Operations	\$ 23,532	\$ 26,343	\$ 27,481	\$ 27,670	\$ 27,170	\$ 27,170	\$ 27,170
Transfer to Institution Resolution Account (EA).....	5,000	5,000	5,000	5,000	5,000	5,000	5,000
TOTAL BANKING TRUST FUND	\$ 28,532	\$ 31,343	\$ 32,481	\$ 32,670	\$ 32,170	\$ 32,170	\$ 32,170

Program: Financial Services Industry Regulation, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Complete independent depository examinations in a timely manner.							
Average days for turnaround of independent depository institution examinations.....	25	23	27	26	34	30	30
Develop a highly skilled workforce.							
Percentage of eligible depository and non-depository examiners with the highest certification available for their level of experience..... %	98.3	100.0	100.0	99.0	98.0	90.0	90.0
Examine non-depository licensees on a regular basis.							
Percentage of all non-depository licensees examined %	24.0	25.1	24.6	23.4	29.8	20.0	20.0
Examine Securities Investment Adviser registrants on an annual basis.							
Percentage of Securities Investment Adviser registrants examined annually. %	16.8	23.0	15.4	15.4	17.9	20.0	20.0
Respond to consumer complaints in a timely and fair manner.							
Average days to respond to consumer complaints.....	4	4	2	3	3	10	10



COMMUNITY AND ECONOMIC DEVELOPMENT

The mission of the [Department of Community and Economic Development \(DCED\)](#) is to encourage the shared prosperity of all Pennsylvanians by supporting good stewardship and sustainable development initiatives across our Commonwealth. With a keen eye toward diversity and inclusiveness, we act as advisors and advocates, providing strategic technical assistance, training, and financial resources to help our communities and industries flourish.

Programs and Goals

Job Creation, Workforce Training, Business Growth, and Attraction: To reignite Pennsylvania's economy by investing the resources needed to attract and retain businesses, support expansion efforts, and position the Commonwealth as a national leader in economic development.

Pennsylvania Innovation Economy: To capitalize on our leadership in research and development by creating access to capital and technical assistance for entrepreneurs to commercialize new and emerging innovations. This commercial activity provides job growth in key sectors such as Life Sciences, Robotics and Technology, Agriculture, Manufacturing, and Energy, all while strengthening the resilience and interconnectivity of our supply chains and deepening cross-sector collaboration across the Commonwealth.

Pennsylvania Worldwide: To leverage Pennsylvania's international business connections — managed and facilitated by DCED — to increase exports sales in markets around the world and bring more foreign investment into the Commonwealth. These efforts will create more jobs in Pennsylvania and enable economic growth.

Pennsylvania Assets: To launch new business and tourism brands and marketing campaigns to build Pennsylvania's image as a destination to visit, a place to grow a business, a community to call home, and a state to feel proud of thanks to a strong quality of work and life.

Pennsylvania Communities: To champion and promote all Pennsylvania regions by supporting tailored, flexible regional strategies, investing in downtowns and main streets, and building local leadership capacity to make Pennsylvania a top state to live, work, play, and innovate and hence achieve equitable regional growth while increasing job creation, wages, and labor force participation across the Commonwealth.

Community and Economic Development

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24
ACTUAL

2024-25
AVAILABLE

2025-26
BUDGET

GENERAL FUND:

General Government:

General Government Operations	\$ 32,544	\$ 37,058	\$ 37,303
(F)DOE-Weatherization Administration	6,000	6,000	6,000
(F)IIJA-DOE-Weatherization Administration	5,500	5,500	12,000
(F)SCDBG-Administration	4,000	4,000	4,000
(F)SCDBG-Disaster Recovery Administration	1,500	2,500	2,500
(F)SCDBG-Neighborhood Stabilization Administration	800	800	800
(F)SCDBG/HUD Special Projects	2,000	2,000	2,000
(F)COVID-CDBG Administration (EA)	3,243	390	1,000
(F)CSBG-Administration	1,607	1,607	1,607
(F)LIHEABG-Administration	2,000	2,000	2,000
(F)EMG Solutions Administration	1,000	1,000	1,000
(F)COVID-ESG Administration (EA)	50	-	-
(F)Economic Adjustment Assistance	5,000	2,000	2,000
(F)ARC-Technical Assistance	1,000	1,000	1,000
(F)Continuum of Care Planning Grant	2,000	2,000	4,000
(F)Federal Grant Initiatives	10,000	30,000	30,000
(F)ARC-Area Development	6,000	15,000	15,000
(F)Recovery Housing Administration	1,000	1,000	1,000
(F)PRO Housing	-	20,000	20,000
(A)Commonwealth Financing Authority	5,349	5,300	5,300
(A)Pennsylvania Industrial Development Authority	1,670	1,630	1,630
(A)Pennsylvania Economic Development Financing Authority	641	700	700
(A)Governmental Transfers	5	5	5
(A)Local Match	74	80	80
(A)Community Development Bank	46	55	55
(A)Application Fees	51	60	60
Subtotal	<u>\$ 93,080</u>	<u>\$ 141,685</u>	<u>\$ 151,040</u>
(R)Small Business Advocate-Utilities	2,126	2,262	2,243
Center for Local Government Services	4,735	5,304	7,285
(A)Reimbursements	5	5	5
Office of Open Records	3,895	4,051	5,572
BusinessPA	-	-	8,892
Office of International Business Development	7,173	7,173	4,525
(F)SBA State Trade and Export Promotion	1,500	1,500	2,000
Marketing to Attract Tourists	31,365	55,787	19,315
(A)Travel Advertisements	60	60	60

Community and Economic Development

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(R)Marketing to Attract Tourists	7,000	10,000	56,500 ^a
Marketing to Attract Business	2,064	2,081	4,320
(A)Non COPA Reimbursements.....	13	15	15
Base Realignment and Closure	556	567	608
Subtotal - State Funds.....	\$ 82,332	\$ 112,021	\$ 87,820
Subtotal - Federal Funds.....	54,200	98,297	107,907
Subtotal - Augmentations.....	7,914	7,910	7,910
Subtotal - Restricted.....	9,126	12,262	58,743
Total - General Government.....	\$ 153,572	\$ 230,490	\$ 262,380
Grants and Subsidies:			
Transfer to Municipalities Financial Recovery Revolving Fund	\$ 5,500	\$ 5,500	\$ 15,500
Transfer to Ben Franklin Tech. Development Authority Fund	17,000	17,000	17,000
PA Innovation.....	-	-	50,000
Invent Penn State.....	-	2,350	-
Intergovernmental Cooperation Authority-3rd Class Cities	100	100	100
Pennsylvania First.....	33,000	38,000	33,000
Workforce and Economic Development Network.....	-	-	12,500
Regional Economic Competitiveness Challenge	-	-	3,500
Municipal Assistance Program	2,000	2,000	2,000
Keystone Communities	37,666	45,343	-
Main Street Matters.....	-	20,000	20,008
(F)Community Services Block Grant.....	50,000	50,000	50,000
(F)LIHEABG-Weatherization Program	60,000	60,000	60,000
(F)DOE-Weatherization.....	26,000	26,000	26,000
(F)IJA-DOE-Weatherization Program	80,000	80,000	150,000
(F)IJA-CWTP-Weatherization Assistance Program (EA).....	-	800	800
(F)SCDBG-Disaster Recovery Grant	56,000	70,000	70,000
(F)SCDBG-Neighborhood Stabilization Program.....	5,000	5,000	5,000
(F)SCDBG Program	6,000	6,000	6,000
(F)EMG Solutions Program.....	12,000	12,000	12,000
(F)ARC-Construction-RSBA Program	20,000	40,000	40,000
(F)Recovery Housing Program.....	5,000	5,000	5,000
(F)COVID-State Small Business Credit Initiative (EA).....	6,580	20	200
(F)COVID-Broadband Capital Projects	1,890	1,110	5,000
(F)COVID-SFR Whole Home Repairs Program.....	1,718	2,282	1,000
(F)IJA-Broadband Equity, Access, and Deployment.....	330,000	1,000,000	1,160,000 ^b
(F)IJA-State Digital Equity Capacity	14,438	40,000	50,000 ^b
(F)IJA-EPA Brownfields Revolving Loan Fund	-	10,000	10,000
(F)IRA-Industrial Decarbonization	10,000	10,000	10,000
(R)Election Integrity.....	44,456	45,314	45,892

Community and Economic Development

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Appalachian Regional Commission.....	750	750	750
Partnerships for Regional Economic Performance.....	10,880	10,880	10,880
Manufacturing PA	13,000	13,000	13,000
Strategic Management Planning Program	3,617	3,617	3,617
Tourism-Accredited Zoos	1,000	1,500	1,000
Infrastructure Technology Assistance Program	2,500	2,500	2,500
Super Computer Center	500	500	500
Powdered Metals.....	100	100	100
Rural Leadership Training	100	100	100
Infrastructure and Facilities Improvement Grants	10,000	10,000	10,000
Public Television Technology	-	-	875
America250PA.....	5,000	2,500	2,500
Regional Events Security and Support	7,500	-	15,000
Food Access Initiative	1,000	1,000	1,000
Local Government Emergency Housing Support.....	-	2,500	2,500
Housing Stock Restoration.....	-	-	50,000
First-Time Homebuyer Grants	-	-	10,000
Community and Economic Assistance	81,408	86,510	-
Workforce Development.....	8,000	15,000	-
Veterans Small Business Assistance	-	-	1,000
Historically Disadvantaged Business Assistance.....	20,000	20,000	20,000
Foundations in Industry	3,000	3,000	5,000
Local Municipal Relief	45,050	50,650	-
PA SITES Debt Service.....	-	15,404	38,198
Hospital and Health System Emergency Relief	50,000	17,500	-
Whole Home Repairs	-	-	-
(R)Industrial Sites Environmental Assessment Fund.....	296	3,000	3,000
(R)Industrialized Housing.....	383	450	450
Subtotal - State Funds.....	\$ 358,671	\$ 387,304	\$ 342,128
Subtotal - Federal Funds.....	684,626	1,418,212	1,661,000
Subtotal - Restricted.....	45,135	48,764	49,342
Total - Grants and Subsidies.....	\$ 1,088,432	\$ 1,854,280	\$ 2,052,470
STATE FUNDS	\$ 441,003	\$ 499,325	\$ 429,948
FEDERAL FUNDS.....	738,826	1,516,509	1,768,907
AUGMENTATIONS.....	7,914	7,910	7,910
RESTRICTED.....	54,261	61,026	108,085
GENERAL FUND TOTAL	\$ 1,242,004	\$ 2,084,770	\$ 2,314,850

Community and Economic Development

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24
ACTUAL

2024-25
AVAILABLE

2025-26
BUDGET

OTHER FUNDS:

BEN FRANKLIN TECHNOLOGY DEVELOPMENT AUTHORITY FUND:

Ben Franklin Technology..... \$ 17,500 \$ 17,500 \$ 17,500^d

HOME INVESTMENT TRUST FUND:

(F)Affordable Housing Act Administration \$ 4,000 \$ 4,000 \$ 4,000

(F)COVID-HOME Investment Partnership Non-Entitlement (EA) 21,150 400 3,000

HOME INVESTMENT TRUST FUND TOTAL **\$ 25,150 \$ 4,400 \$ 7,000**

INDUSTRIAL SITES CLEANUP FUND:

Industrial Sites Cleanup-Administration (EA) \$ 314 \$ 314 \$ 314

Industrial Sites Cleanup-Projects (EA) 5,500 5,500 5,500

INDUSTRIAL SITES CLEANUP FUND TOTAL **\$ 5,814 \$ 5,814 \$ 5,814**

LOCAL GOVERNMENT CAPITAL PROJECT LOAN FUND:

Local Government Capital Project Loans (EA) \$ 1,000 \$ 1,000 \$ 1,000

MACHINERY AND EQUIPMENT LOAN FUND:

General Operations (EA) \$ 778 \$ 778 \$ 778

Machinery and Equipment Loans (EA) 11,000 11,000 11,000

MACHINERY AND EQUIPMENT LOAN FUND TOTAL **\$ 11,778 \$ 11,778 \$ 11,778**

MINORITY BUSINESS DEVELOPMENT FUND:

General Operations (EA) \$ 350 \$ 400 \$ 400

Minority Business Development Loans (EA) 1,000 1,000 1,000

MINORITY BUSINESS DEVELOPMENT FUND TOTAL **\$ 1,350 \$ 1,400 \$ 1,400**

MUNICIPALITIES FINANCIAL RECOVERY REVOLVING AID FUND:

Distressed Community Assistance (EA) \$ 12,600 \$ 11,100 \$ 21,100

SMALL BUSINESS FIRST FUND:

Administration (EA) \$ 1,958 \$ 1,958 \$ 1,958

Loans (EA) 20,000 20,000 20,000

Community Economic Development Loans (EA) 3,000 3,000 3,000

SMALL BUSINESS FIRST FUND TOTAL **\$ 24,958 \$ 24,958 \$ 24,958**

TOBACCO SETTLEMENT FUND:

Life Sciences Greenhouses \$ 3,000 \$ 3,000 \$ 3,000

WORKERS' COMPENSATION ADMINISTRATION FUND:

(R)Small Business Advocate-Workers' Compensation \$ 550 \$ 550 \$ 550

Community and Economic Development

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 441,003	\$ 499,325	\$ 429,948
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	738,826	1,516,509	1,768,907
AUGMENTATIONS.....	7,914	7,910	7,910
RESTRICTED.....	54,261	61,026	108,085
OTHER FUNDS.....	103,700	81,500	94,100
TOTAL ALL FUNDS.....	\$ 1,345,704	\$ 2,166,270	\$ 2,408,950

^a This budget proposes to transfer \$46.5 million from the Medical Marijuana Program Fund to the Tourism Promotion Fund.

^b Estimate based on current federal guidance. Official allocations for additional funding pending.

^c The 2023-24 appropriation for Whole Home Repairs was lapsed during the fiscal year.

^d This budget proposal reflects a change in the administrative allowance of the appropriation to 6 percent.

Community and Economic Development

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
JOB CREATION, WORKFORCE TRAINING, BUSINESS GROWTH, AND ATTRACTION:							
GENERAL FUND.....	\$ 90,439	\$ 122,513	\$ 145,073	\$ 144,929	\$ 144,921	\$ 144,912	\$ 144,902
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	378,700	1,092,797	1,259,907	1,096,907	836,907	586,907	336,907
AUGMENTATIONS	7,836	7,830	7,830	8,005	8,155	8,310	8,435
RESTRICTED.....	2,422	5,262	5,243	5,243	5,243	5,243	5,243
OTHER FUNDS.....	44,450	44,500	44,500	44,514	44,514	44,114	44,114
SUBCATEGORY TOTAL....	\$ 523,847	\$ 1,272,902	\$ 1,462,553	\$ 1,299,598	\$ 1,039,740	\$ 789,486	\$ 539,601
PENNSYLVANIA INNOVATION ECONOMY:							
GENERAL FUND.....	\$ 43,980	\$ 46,330	\$ 94,855	\$ 64,855	\$ 64,855	\$ 64,855	\$ 64,855
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	1,500	1,500	2,000	2,000	2,000	2,000	2,000
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	20,500	20,500	20,500	20,500	20,500	20,500	20,500
SUBCATEGORY TOTAL....	\$ 65,980	\$ 68,330	\$ 117,355	\$ 87,355	\$ 87,355	\$ 87,355	\$ 87,355
PENNSYLVANIA WORLDWIDE:							
GENERAL FUND.....	\$ 7,173	\$ 7,173	\$ 4,525	\$ 4,643	\$ 4,643	\$ 4,643	\$ 4,643
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 7,173	\$ 7,173	\$ 4,525	\$ 4,643	\$ 4,643	\$ 4,643	\$ 4,643
PENNSYLVANIA ASSETS:							
GENERAL FUND.....	\$ 39,429	\$ 61,868	\$ 27,135	\$ 27,749	\$ 25,249	\$ 25,249	\$ 25,249
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	73	75	75	75	75	75	75
RESTRICTED.....	7,000	10,000	56,500	10,000	10,000	10,000	10,000
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 46,502	\$ 71,943	\$ 83,710	\$ 37,824	\$ 35,324	\$ 35,324	\$ 35,324

Community and Economic Development

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PENNSYLVANIA COMMUNITIES:							
GENERAL FUND.....	\$ 259,982	\$ 261,441	\$ 158,360	\$ 133,796	\$ 133,796	\$ 133,696	\$ 133,696
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	358,626	422,212	507,000	430,000	350,000	350,000	350,000
AUGMENTATIONS	5	5	5	5	5	5	5
RESTRICTED.....	44,839	45,764	46,342	500	500	500	500
OTHER FUNDS.....	38,750	16,500	29,100	15,700	15,600	15,500	15,300
SUBCATEGORY TOTAL....	\$ 702,202	\$ 745,922	\$ 740,807	\$ 580,001	\$ 499,901	\$ 499,701	\$ 499,501
ALL PROGRAMS:							
GENERAL FUND.....	\$ 441,003	\$ 499,325	\$ 429,948	\$ 375,972	\$ 373,464	\$ 373,355	\$ 373,345
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	738,826	1,516,509	1,768,907	1,528,907	1,188,907	938,907	688,907
AUGMENTATIONS	7,914	7,910	7,910	8,085	8,235	8,390	8,515
RESTRICTED.....	54,261	61,026	108,085	15,743	15,743	15,743	15,743
OTHER FUNDS.....	103,700	81,500	94,100	80,714	80,614	80,114	79,914
DEPARTMENT TOTAL	\$ 1,345,704	\$ 2,166,270	\$ 2,408,950	\$ 2,009,421	\$ 1,666,963	\$ 1,416,509	\$ 1,166,424

Program: Job Creation, Workforce Training, Business Growth, and Attraction

Goal: To reignite Pennsylvania's economy by investing the resources needed to attract and retain businesses, support expansion efforts, and position the Commonwealth as a national leader in economic development.

Pennsylvania First

The [Department of Community and Economic Development \(DCED\)](#) runs [Pennsylvania First \(PA First\)](#), a comprehensive program that offers grants for job creation and retention, infrastructure projects, and workforce development by providing the Commonwealth the flexibility necessary to rapidly respond to companies' needs, increasing investment in the state, and enabling Pennsylvania to compete more effectively with other states. [Eligible uses](#) for PA First funding include job training; land and building acquisition and construction; purchase and upgrade of machinery and equipment; construction and rehabilitation of infrastructure; working capital; and environmental assessment and remediation.

Workforce and Economic Development Network (WEDnetPA)

[WEDnetPA](#) is Pennsylvania's incumbent worker training program and provides funding to Pennsylvania companies for essential skills and advanced technology training. WEDnetPA is a job training alliance of [numerous partners](#), including several universities in the Pennsylvania State System of Higher Education, Pennsylvania's community colleges, Pennsylvania College of Technology, North Central PA Regional Planning & Development Commission, and the University of Pittsburgh at Bradford. WEDnetPA alliance partners seek the input of local workforce development boards and key economic development organizations to determine the target industries and training priorities in their regions. Since its inception, this program has [trained](#) over one million Pennsylvania workers.

Pennsylvania Industrial Development Authority

The [Pennsylvania Industrial Development Authority \(PIDA\)](#) provides low-interest loans and lines of credit for a wide range of Commonwealth businesses including manufacturing, industrial, health care, agricultural, research and development, hospitality, defense conversion, information technology, construction, day care, retail and service enterprises, as well as for the development of industrial parks and multi-tenant facilities. Eligible costs include real estate acquisitions, construction and renovation projects, machinery and equipment acquisitions, and working capital costs. The interest savings realized through PIDA's program enables the recipient companies to invest the savings back into the business and its workforce to remain competitive.

Infrastructure and Facilities Improvement Program

The [Infrastructure and Facilities Improvement Program](#) awards multi-year grants to debt-issuing authorities for debt service and related costs for economic development projects. Unlike local tax increment financing projects, where incremental tax revenues generated by a project are collected and deposited into a debt service reserve fund for the payment of debt, under this program, annual grants are awarded based on the incremental amount of state personal income tax, sales tax, and hotel occupancy tax generated by the project.

Energy

DCED leverages Pennsylvania's massive stake in global energy to develop home grown energy resources and attract energy intensive industries to the state, attracting investments that enhance Pennsylvania's manufacturing base by utilizing energy assets.

Pennsylvania has been a leader in coal production and in the last decade has rapidly become a leader in natural gas production. A marked decline in coal-fired electric generation has led to retirements of plants across the Commonwealth. These sites have premier access to rivers, roads, rail, utilities, and transmission, which demands a comprehensive statewide effort to market and incentivize these sites for repositioning and redevelopment. Utilizing Pennsylvania Energy Horizons, a statewide public-private network, to obtain feedback from stakeholders allows the department to refine where Pennsylvania should focus its energy efforts and support the state's interest in redeveloping decommissioned coal-fired power plants.

Community and Economic Development

Program: Job Creation, Workforce Training, Business Growth, and Attraction, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations		Workforce and Economic Development Network	
\$ 5,629	—to continue current program.	\$ 10,000	—program transfer from Pennsylvania First.
(5,384)	—Initiative—program transfer to BusinessPA.	2,500	—Initiative—to increase assistance to employers for incumbent worker training.
\$ 245	<i>Appropriation Increase</i>	\$ 12,500	<i>Appropriation Increase</i>
Office of Open Records		Regional Economic Competitiveness Challenge	
\$ 418	—to continue current program.	\$ 3,500	—Initiative—to provide planning grants for Pennsylvania regions to establish locally-driven economic growth strategies.
1,103	—to ensure transparent, timely, and effective administration of the Right-to-Know Law.		
\$ 1,521	<i>Appropriation Increase</i>		
Pennsylvania First		Workforce Development	
\$ 1,000	—to continue to provide adaptive equipment and opportunities for children with special needs.	\$ (15,000)	—program elimination.
(10,000)	—program transfer to Workforce and Economic Development Network.	\$ 2,000	Foundations in Industry
4,000	—Initiative—to provide additional financial assistance to facilitate increased economic investment.		—Initiative—to support internships at Pennsylvania companies.
\$ (5,000)	<i>Appropriation Decrease</i>	\$ 22,794	PA SITES Debt Service
			—estimated principal and interest payments for PA SITES.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 32,544	\$ 37,058	\$ 37,303	\$ 38,273	\$ 38,273	\$ 38,273	\$ 38,273
Office of Open Records	3,895	4,051	5,572	4,679	4,679	4,679	4,679
Pennsylvania First	33,000	38,000	33,000	33,000	33,000	33,000	33,000
Workforce and Economic Development Network.....	-	-	12,500	12,500	12,500	12,500	12,500
Regional Economic Competitiveness Challenge.....	-	-	3,500	3,500	3,500	3,500	3,500
Infrastructure and Facilities Improvement Grants	10,000	10,000	10,000	10,000	10,000	10,000	10,000

Community and Economic Development

Program: Job Creation, Workforce Training, Business Growth, and Attraction, continued

Appropriations within this Program, continued:

Workforce Development	8,000	15,000	-	-	-	-	-
Foundations in Industry	3,000	3,000	5,000	5,000	5,000	5,000	5,000
PA SITES Debt Service	-	15,404	38,198	37,977	37,969	37,960	37,950
TOTAL GENERAL FUND	\$ 90,439	\$ 122,513	\$ 145,073	\$ 144,929	\$ 144,921	\$ 144,912	\$ 144,902

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
To stimulate business growth and attraction to create jobs and ensure a high-quality workforce through targeted job training.							
Jobs pledged to be created	15,686	16,157	2,966	2,738	3,447	3,550	3,657
Jobs pledged to be retained	39,439	40,622	6,183	7,023	10,234	10,541	10,857
Private funds leveraged (in thousands) \$	4,043,580	4,164,887	445,099	532,631	892,687	919,467	947,051
Businesses assisted	3,774	3,887	3,254	3,492	2,858	2,944	3,032
Trainings provided to PA workers (WEDnetPA, PREP, LGTP, and CSBG)	86,482	89,076	82,228	84,273	88,868	91,534	94,280

Program: Pennsylvania Innovation Economy

Goal: To capitalize on our leadership in research and development by creating access to capital and technical assistance for entrepreneurs to commercialize new and emerging innovations. This commercial activity provides job growth in key sectors such as Life Sciences, Robotics and Technology, Agriculture, Manufacturing, and Energy, all while strengthening the resilience and interconnectivity of our supply chains and deepening cross-sector collaboration across the Commonwealth.

Ben Franklin Technology Development Authority

The [Ben Franklin Technology Development Authority \(BFTDA\)](#) ensures that Pennsylvania technology-enabled companies, entrepreneurs, and innovators have the necessary tools and capital to build their businesses. The BFTDA supports the advancement of technologies in traditional and emerging industries through a series of programs that are flexible, dynamic, and built to proactively respond to changing markets in key industry sectors.

BFTDA's current funded programs are:

- Ben Franklin Technology Partners, which are strategically located throughout the Commonwealth and are designed to advance the commercialization of new technologies and support company growth; and
- Venture Investment, which provides risk capital to venture partnerships that invest in Pennsylvania-based companies.

The Pennsylvania Life Sciences Greenhouse Initiative

Since 2002, Pennsylvania's three [Life Sciences Greenhouses](#) have been stimulating economic growth and job creation by providing critical capital to university-based researchers, emerging companies, and companies seeking to expand. Investments by the greenhouses are designed to advance the life sciences and stimulate economic growth, focusing on the health and welfare of Pennsylvanians, commercialization of new health care technologies, and creation of high-quality sustainable jobs.

Partnerships for Regional Economic Performance

[Partnerships for Regional Economic Performance \(PREP\)](#) supports the coordination and collaboration of over 100 economic development organizations in 10 regions across Pennsylvania. Core partners include the Industrial Development Organizations, Local Development Districts, and the Small Business Development Centers. PREP is designed to integrate these networks by encouraging regional coordination of economic development efforts and provide customer service to the business community resulting in a comprehensive, efficient, and statewide economic development delivery strategy.

PREP partner organizations deliver a wide array of coordinated business development services designed to encourage the creation of new companies and increase the capacity of Pennsylvania businesses to compete successfully in the global economy. Partners also collaborate to provide the necessary infrastructure (broadband, business sites, incubators, etc.), needed to attract, retain, and expand businesses. The PREP network will focus on providing technical assistance to advance the key sectors prioritized in Pennsylvania.

[Engage!](#) is a Pennsylvania statewide business retention and expansion program designed to regularly and proactively interact with targeted companies. The overall goal of Engage! is to retain existing businesses in a community and to help them grow and expand by building solid relationships with business owners or key decision makers and economic development partners. Engage! provides grants to identify and target companies, engages those companies through various outreach methods, assesses their needs, and assists through referrals and direct technical assistance.

Manufacturing PA

Launched in 2017, [Manufacturing PA](#) is a multi-faceted initiative designed to support Pennsylvania's manufacturing community, with an emphasis on small to medium-sized manufacturers. Manufacturing PA supports Pennsylvania's manufacturing community through the department's strategic partners including Industrial Resource Centers, Pennsylvania's colleges, universities, technical schools, and nonprofit organizations that provide critical training and workforce development opportunities. Manufacturing PA also promotes innovative problem solving by matching higher education with the business community.

Pennsylvania Business One-Stop Shop

The [Pennsylvania Business One-Stop Shop](#) streamlines the process for businesses to start and expand in Pennsylvania by serving as the source to guide aspiring entrepreneurs and established businesses through all stages of development, including planning, registering, operating, and growing. Services and resources are available through a website, toll-free number, and dedicated program office housed in the department. This program is an interagency, collaborative effort

Community and Economic Development

Program: Pennsylvania Innovation Economy, continued

involving the Departments of State, Revenue, and Labor and Industry and actively engages DCED's Partnerships for Regional Economic Performance, local governments, state legislators, and many other economic development organizations and networks to promote the program's services and resources across the Commonwealth.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

PA Innovation		Invent Penn State	
\$ 30,000	—Initiative—to spur life sciences job growth and innovation.	\$ (2,350)	—program elimination.
20,000	—Initiative—to support entrepreneurs scaling their products, innovation, and research, in conjunction with federal investment.	\$ 875	Public Television Technology —Initiative—to restore program funding and further promote public television services.
\$ 50,000	<i>Appropriation Increase</i>		

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
GENERAL FUND:							
Transfer to Ben Franklin Tech. Development Authority Fund	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000
PA Innovation	-	-	50,000	20,000	20,000	20,000	20,000
Invent Penn State	-	2,350	-	-	-	-	-
Partnerships for Regional Economic Performance	10,880	10,880	10,880	10,880	10,880	10,880	10,880
Manufacturing PA	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Infrastructure Technology Assistance Program.....	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Super Computer Center.....	500	500	500	500	500	500	500
Powdered Metals	100	100	100	100	100	100	100
Public Television Technology	-	-	875	875	875	875	875
TOTAL GENERAL FUND	\$ 43,980	\$ 46,330	\$ 94,855	\$ 64,855	\$ 64,855	\$ 64,855	\$ 64,855

Program Measures:

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Estimated	2025-26 Estimated
To provide technical support and access to capital to Pennsylvania's emerging technology-based companies and entrepreneurial community through strategic partners and networks to increase Pennsylvania's competitiveness.							
Jobs created	2,602	2,362	3,180	2,779	2,663	2,922	2,939
Jobs retained	16,632	16,773	13,698	13,730	10,934	11,345	11,370
New technology companies established.....	104	93	93	133	127	170	175
Businesses assisted	29,375	10,253	28,752	28,962	27,118	27,932	28,769
Private funds leveraged (in thousands) \$	717,262	823,875	1,200,339	1,573,444	1,387,150	1,735,675	1,749,685

Community and Economic Development

Program: Pennsylvania Worldwide

Goal: To leverage Pennsylvania's international business connections — managed and facilitated by DCED — to increase exports sales in markets around the world and bring more foreign investment into the Commonwealth. These efforts will create more jobs in Pennsylvania and enable economic growth.

Office of International Business Development

The [Office of International Business Development \(OIBD\)](#) maintains a network of authorized trade and investment representatives around the world. With this network and regional partners across Pennsylvania, the office pursues three goals. First, OIBD works to help Pennsylvania companies to export to new markets by providing customized assistance to ensure companies are ready to export, and then providing in-market research, vetted business connections, and other assistance to facilitate their business. Second, OIBD works to promote Pennsylvania as a place to do business by informing international audiences of Pennsylvania's strengths and serving as a business concierge helping international companies to conduct site searches, research business opportunities, and ultimately establish a presence and grow in Pennsylvania. Third, OIBD works to connect Pennsylvania companies, universities, cultural institutions, and communities to global partners for mutually beneficial information exchanges and business opportunities.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Office of International Business Development

\$ 37	—to continue current program.
<u>(2,685)</u>	—Initiative—program transfer to BusinessPA.
\$ (2,648)	<i>Appropriation Decrease</i>

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Office of International Business Development.....	<u>\$ 7,173</u>	<u>\$ 7,173</u>	<u>\$ 4,525</u>	<u>\$ 4,643</u>	<u>\$ 4,643</u>	<u>\$ 4,643</u>	<u>\$ 4,643</u>

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Leverage the state's overseas network and local partnerships to increase DCED-facilitated export sales, foreign direct investments, and global opportunities in targeted markets, ultimately creating and retaining jobs in the Commonwealth.							
Estimated state and local tax revenues generated (in thousands).....	\$ 42,651	35,073	67,415	40,852	36,947	40,000	40,000
Amount of export sales facilitated (in thousands).....	\$ 541,124	434,697	549,774	584,605	613,840	626,116	638,639
Jobs supported through Foreign Investment, Export Development, and International Company Retention	7,302	7,620	8,888	12,641	17,099	17,250	17,500
Foreign direct investments (FDI):							
Projects completed	16	23	24	20	23	23	24
Businesses assisted	707	606	548	643	721	740	760

Program: Pennsylvania Assets

Goal: To launch new business and tourism brands and marketing campaigns to build Pennsylvania's image as a destination to visit, a place to grow a business, a community to call home, and a state to feel proud of thanks to a strong quality of work and life.

Marketing to Attract Tourists

Tourism is a key industry for Pennsylvania, injecting billions of dollars annually into the Commonwealth's economy and generating tax revenues each year which allow for investments in vital services including public safety, education, and other essential programs that benefit Pennsylvanians. Those critical tax revenues also fund the work of tourism promotion partners across the state. The [Pennsylvania Tourism Office's](#) marketing activities provide exposure to out-of-state markets for the many small Pennsylvania tourism businesses that lack the resources to advertise beyond their local areas.

[Marketing to Attract Tourists](#) provides funding for a marketing agenda including the popular [visitPA.com](#) website, social media channels, media relations activities, an annual [travel guide](#), and a small targeted paid advertising campaign. The tourism office encourages public-private partnerships within the industry to maximize Pennsylvania's presence on the national and global travel and tourism stage. The tourism office leverages social media communities including [Facebook](#), [Instagram](#), [X](#), [YouTube](#), [Pinterest](#), and others to provide highly customized, personalized, and targeted information directly to travelers, extending the reach of the office's traditional marketing efforts.

Marketing to Attract Business

Attracting and retaining businesses is a priority for any location seeking industry growth and economic stability. The Pennsylvania Marketing Office encourages business decision makers to locate or stay in the state by promoting the competitive advantages of doing business in Pennsylvania. The office also promotes DCED's many programs for technical assistance, financial support, and workforce training resources for businesses.

The [Marketing to Attract Business](#) program provides necessary funding to support the office's business marketing initiatives. This includes the PA Gets It Done microsite and content, [DCED](#) and [Business One-Stop Shop](#) websites, proactive media relations, DCED's social media channels (including [LinkedIn](#), [X](#), and [Facebook](#)), paid advertising, and targeted events. The office collaborates with local and regional economic development organizations, community partners, and workforce development professionals to maximize the reach of collective marketing efforts.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	Marketing to Attract Tourists		Tourism-Accredited Zoos
\$ (36,472)	—funding reduction.	\$ (500)	—funding reduction.
	Marketing to Attract Business		
\$ 62	—to continue current program		
3,000	—Initiative—to enhance site selection and business attraction marketing.		
(823)	—Initiative—program transfer to BusinessPA.		
\$ 2,239	<i>Appropriation Increase</i>		

In addition, funding for Marketing to Attract Tourists includes \$56,500,000 from the Tourism Promotion restricted account.

Community and Economic Development

Program: Pennsylvania Assets, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
GENERAL FUND:							
Marketing to Attract Tourists	\$ 31,365	\$ 55,787	\$ 19,315	\$ 19,817	\$ 19,817	\$ 19,817	\$ 19,817
Marketing to Attract Business	2,064	2,081	4,320	4,432	4,432	4,432	4,432
Tourism-Accredited Zoos	1,000	1,500	1,000	1,000	1,000	1,000	1,000
America250PA	5,000	2,500	2,500	2,500	-	-	-
TOTAL GENERAL FUND	\$ 39,429	\$ 61,868	\$ 27,135	\$ 27,749	\$ 25,249	\$ 25,249	\$ 25,249

Program Measures:

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Estimated	2025-26 Estimated
To encourage the investment of time, labor, and financial resources in the state by building Pennsylvania's image as a destination to visit, a place to grow a business, a community to call home, and a state to feel proud of thanks to a strong quality of work and life.							
Hotel rooms sold (in thousands)	27,074	23,701	31,573	32,677	32,591	33,122	33,695
Travelers' expenditures (in thousands). \$	37,120,000	33,463,000	41,684,000	46,120,000	47,341,000	48,486,000	49,863,000
Corporate, Personal, Sales & Use, State & Local Hotel, Local Property, and Excise tax revenues generated (in thousands)	\$ 3,950,000	4,720,000	4,422,000	4,730,000	4,855,000	4,972,000	5,113,000

Program: Pennsylvania Communities

Goal: To champion and promote all Pennsylvania regions by supporting tailored, flexible regional strategies, investing in downtowns and main streets, and building local leadership capacity to make Pennsylvania a top state to live, work, play, and innovate and hence achieve equitable regional growth while increasing job creation, wages, and labor force participation across the Commonwealth.

Main Street Matters

[Main Street Matters](#) is designed to support our downtown cores and surrounding neighborhoods with tools to create healthy, vibrant, and welcoming communities. The program offers designation opportunities and financial resources to assist communities in achieving revitalization goals and making physical improvements.

The program offers four designation types and several grant types. Any community may apply and receive designation or grant funding in whatever order the community deems appropriate depending on its local needs and circumstances. Priority is given to communities administering designated programs. Designation also offers some benefits that may assist a community in non-financial ways, such as providing a roadmap and a process to guide a community's revitalization efforts. These partnerships create more attractive places to live and encourage business, job expansion, and retention in Pennsylvania.

Strategic Management Planning Program

To assist municipalities interested in improving their fiscal position, the [Strategic Management Planning Program \(STMP\)](#) provides financial assistance to municipal and county governments for the development and implementation of five-year financial management plans and departmental operational overviews. The STMP plans supply both short-term and long-term strategies to promote best management practices and ultimately avert financial distress.

[The Governor's Center for Local Government Services](#) has developed an approach to identify at-risk municipalities called the Early Warning System. The system looks at multiple financial factors to determine which municipalities may be experiencing fiscal difficulties. This approach, combined with the resources available under STMP, provides tools that aid in keeping governments from filing for financial assistance under [Act 47 of 1987](#), commonly known as the Municipalities Financial Recovery Act.

Municipalities Financial Recovery Program – Act 47

[The Governor's Center for Local Government Services](#) has a responsibility to assist local governments facing potential financial insolvency. When a municipality is declared distressed by the department, the [Municipalities Financial Recovery Program](#) is used to provide technical assistance in the fields of financial management and public administration, as well as financial assistance through the Distressed Municipalities Revolving Fund. Act 47 also empowers the Governor to issue a declaration of fiscal emergency for the purpose of enabling the department to prepare an emergency action plan. The Act further empowers the Governor to appoint a receiver for the purpose of preparing a recovery plan to be confirmed by Commonwealth Court.

Municipal Assistance Program

The [Municipal Assistance Program \(MAP\)](#) was created to help local governments plan for and effectively implement a variety of services, improvements, and soundly managed development. MAP provides funding for two groups of activities:

- Shared service activities – regionalization, consolidation, or merging of services; shared personnel; high impact projects serving many municipalities or large areas; and boundary change efforts; and
- Community planning – comprehensive plans; community revitalization plans; zoning and subdivision ordinances; and Transit Revitalization Investment District planning studies.

Transportation Projects

Funding is transferred annually to the [Commonwealth Financing Authority \(CFA\)](#) to assist with the implementation of a variety of [transportation projects](#) including: projects that coordinate local land use with transportation assets to enhance existing communities; projects related to streetscape, lighting, sidewalk enhancement, and pedestrian safety; projects that will improve connectivity or the use of existing transportation assets; and projects related to transit-oriented development. Financial assistance provided by the CFA is matched by local funding.

Program: Pennsylvania Communities, continued

Weatherization Assistance Program

The [U.S. Department of Energy's \(DOE\) Weatherization Assistance Program \(WAP\)](#) assists low-income families who lack resources to invest in energy efficiency upgrades and weatherization readiness measures to their single-family home or multi-family unit. Funds are used to improve the energy efficiency of low-income homes using the most advanced technologies and testing protocols available in the housing industry. Weatherization services primarily involve diagnostic assessment of air leakage, health and safety repairs, electric baseload measures, and client energy education.

Low-Income Heating and Energy Assistance Crisis Interface Program

The U.S. Department of Health and Human Services provides annual funding to the Department of Human Services (DHS) to administer a cash-grant heating bill supplement program, known as the [Low Income Heating and Energy Assistance Program \(LIHEAP\)](#). DHS provides 15 percent of their annual allocation to DCED to administer the LIHEAP-Crisis Programs through the WAP network of public and nonprofit agencies operating in all 67 counties of the Commonwealth. The program provides primarily direct crisis heating services including furnace repair and replacements throughout Pennsylvania's winter months, as well as weatherization and deferral work, and cooling and maintenance work throughout the year to low-income families.

Small Cities Community Development Block Grant

The federal [Small Cities Community Development Block Grant Program](#), commonly known as the Community Development Block Grant Program, provides financial assistance to:

- Expand low- and moderate-income housing opportunities;
- Enhance economic development and job opportunities for low- and moderate-income individuals;
- Correct deficiencies in water and sewer systems;
- Address blight; and
- Improve streets, streetscapes, recreational facilities, and public facilities to strengthen a pro-growth and pro-business environment.

HOME Investment Partnerships Program

The [HOME Investment Partnerships Program](#) provides municipalities with grant and technical assistance to expand the supply of safe, code compliant, and affordable housing for low- and very low-income Pennsylvanians. The department awards these funds on a competitive basis to projects which leverage other resources and demonstrate significant community impact.

The program prioritizes funding in the following areas:

- Development of rental housing for low-income households;
- Preservation of existing low-income housing units through rehabilitation of owner-occupied homes;
- Expanding the capacity of certified Community Housing Development Organizations to develop affordable housing; and
- Assistance to low-income homebuyers to acquire newly constructed or existing homes.

Emergency Solutions Grant Program

The [Emergency Solutions Grant \(ESG\)](#) program is the first step in achieving self-sufficiency for homeless individuals and families, while also assisting other households to avoid the causes of homelessness. ESG funds support households and individuals that earn less than 30 percent of median income. DCED awards ESG funds through a competitive application process to eligible entities in the following priority areas:

- Rapid re-housing (services to remove individuals/families from their homeless status quickly and move them into stable permanent housing);
- Homelessness prevention (services to assist individuals/families at risk of becoming homeless);
- Street outreach services;
- Emergency shelters (includes renovations, operational costs, and essential services); and
- Homeless Management Information Systems.

Community Services Block Grant

The [Community Services Block Grant \(CSBG\)](#) aims to reduce poverty in a community or those areas of a community where poverty is a particularly acute problem. Addressing the causes and conditions of poverty requires community engagement activities which remove obstacles that block self-sufficiency, such as employment and training resources; community stakeholder collaboration; literacy activities; affordable housing issues; grassroots activities that provide intervention to the causes of poverty; addressing the needs of youth through programming or coordination; and increased engagement in community planning and improvement activities.

Community and Economic Development

Program: Pennsylvania Communities, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Center for Local Government Services		Regional Events Security and Support	
\$ 981	—to continue current program.	\$ 15,000	—Initiative—to ensure a safe semiquincentennial celebration across Pennsylvania.
1,000	—Initiative—to improve zoning, regulation, code enforcement, and other practices that are barriers to housing creation and development.		
<hr/>			
\$ 1,981	<i>Appropriation Increase</i>	\$ 50,000	Housing Stock Restoration
			—Initiative—for counties to improve or maintain existing housing in communities.
	BusinessPA		First-Time Homebuyer Grants
\$ 8,892	—Initiative—to implement the department's economic development strategy by aligning resources to move at the speed of business.	\$ 10,000	—Initiative—to assist Pennsylvanians with closing costs when purchasing their first home.
	Base Realignment and Closure		Community and Economic Assistance
\$ 41	—to continue current program.	\$ (86,510)	—program elimination.
	Transfer to Municipalities Financial Recovery Revolving Fund		Veterans Small Business Assistance
\$ 10,000	—Initiative—to provide additional resources for communities that require Act 47 support.	\$ 1,000	—Initiative—to support veterans to establish and grow small businesses.
	Keystone Communities	\$ (50,650)	Local Municipal Relief
\$ (45,343)	—program elimination.		—program elimination.
	Main Street Matters	\$ (17,500)	Hospital and Health System Emergency Relief
\$ 8	—to continue current program.		—program elimination.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Center for Local Government Services	\$ 4,735	\$ 5,304	\$ 7,285	\$ 7,474	\$ 7,474	\$ 7,474	\$ 7,474
BusinessPA	\$ -	\$ -	\$ 8,892	\$ 9,123	\$ 9,123	\$ 9,123	\$ 9,123
Base Realignment and Closure	556	567	608	624	624	624	624
Transfer to Municipalities Financial Recovery Revolving Fund	5,500	5,500	15,500	5,500	5,500	5,500	5,500

Community and Economic Development

Program: Pennsylvania Communities, continued

Appropriations within this Program, continued:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Intergovernmental Cooperation Authority-3rd Class Cities	100	100	100	100	100	-	-
Municipal Assistance Program	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Keystone Communities	37,666	45,343	-	-	-	-	-
Main Street Matters ..	-	20,000	20,008	20,008	20,008	20,008	20,008
Appalachian Regional Commission	750	750	750	750	750	750	750
Strategic Management Planning Program	3,617	3,617	3,617	3,617	3,617	3,617	3,617
Rural Leadership Training	100	100	100	100	100	100	100
Regional Events Security and Support	7,500	-	15,000	-	-	-	-
Food Access Initiative	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Local Government Emergency Housing Support	-	2,500	2,500	2,500	2,500	2,500	2,500
Housing Stock Restoration	-	-	50,000	50,000	50,000	50,000	50,000
First-Time Homebuyer Grants ...	-	-	10,000	10,000	10,000	10,000	10,000
Community and Economic Assistance	81,408	86,510	-	-	-	-	-
Veterans Small Business Assistance ..	-	-	1,000	1,000	1,000	1,000	1,000
Historically Disadvantaged Business Assistance ..	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Local Municipal Relief	45,050	50,650	-	-	-	-	-
Hospital and Health System Emergency Relief	50,000	17,500	-	-	-	-	-
TOTAL GENERAL FUND	\$ 259,982	\$ 261,441	\$ 158,360	\$ 133,796	\$ 133,796	\$ 133,696	\$ 133,696

Community and Economic Development

Program: Pennsylvania Communities, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Provide resources and technical assistance to make impactful investments that enhance the performance and quality of Pennsylvania's local governments and communities.							
Municipalities receiving financial and technical assistance through the Strategic Management Planning Program	28	28	26	25	44	44	44
Designated distressed communities in Act 47	16	16	16	13	9	6	9
Municipal Assistance Program: Number of local governments assisted.	240	250	27	21	36	65	65
Homes weatherized	1,366	2,026	1,814	1,948	2,435	3,888	5,000



CONSERVATION AND NATURAL RESOURCES

The mission of the [Department of Conservation and Natural Resources \(DCNR\)](#) is to conserve and sustain Pennsylvania's natural resources for present and future generations' use and enjoyment.

Programs and Goals

Parks and Forests Management: *To manage state park and forest lands for their long-term use and enjoyment; provide the resources and expertise to help conserve and protect all the Commonwealth's natural resources; and help create and sustain economically vibrant communities through quality recreational resources and investments.*

Conservation and Natural Resources

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
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GENERAL FUND:

General Government:

General Government Operations	\$ 29,465	\$ 33,031	\$ 35,997
(F)Land and Water Conservation Fund	14,000	20,000	20,000
(F)Building Resilient Infrastructure and Communities	10,000	10,000	-
(F)Highlands Conservation Program	24,500	24,500	24,500
(F)Chesapeake Bay Gateway Network	600	600	600
(F)Topographic and Geologic Survey Grants	3,500	3,500	3,100
(F)U.S. Endowment-Healthy Watershed	200	200	-
(F)Federal Sentinel Landscape Program	-	300	300
(F)PA Recreation Trails (EA).....	8,500	8,500	8,300
(F)Hydraulic and Hydrological Study (EA)	-	238	2,713
(A)IRA Direct Pay Tax Credit Reimbursement	-	555	-
(A)Department Services	80	38	528
(A)Internet Record Imaging System	87	120	120
(A)Water Well Drillers	26	30	30
Subtotal.....	\$ 90,958	\$ 101,612	\$ 96,188

State Parks Operations	60,787	71,967	81,150
(F)Mental Health Training.....	150	150	-
(F)Federal Lands Access Program	400	400	400
(F)Pennsylvania Parks and Forest Foundation	650	650	-
(F)IIJA-Spring Garden Dam Removal (EA).....	750	750	750
(F)Coastal Zone Management Special Projects (EA)	150	150	150
(F)Disaster Relief (EA)	8,000	8,000	8,000
(A)State Parks User Fees	35,259	34,700	34,000
(A)State Parks Services	6,308	9,088	9,099
(A)Sale of Vehicles-Parks	91	42	42
(R)State Park Resource Restoration.....	185	100	550
Subtotal.....	\$ 112,730	\$ 125,997	\$ 134,141

State Forests Operations	44,431	51,435	56,949
(F)Forest Fire Protection and Control.....	4,000	3,200	3,200
(F)IIJA-Forest Fire Protection and Control	-	800	800
(F)IIJA-Forest Fire Protection and Control (EA).....	800	-	-
(F)IIJA-Community Wildfire Defense Grant Program	400	900	900
(F)Forest Management and Processing.....	55,600	21,600	21,600
(F)IIJA-Forest Management and Processing	-	34,000	34,000
(F)IIJA-Forest Management and Processing (EA)	34,000	-	-
(F)Aid to Volunteer Fire Companies.....	1,750	350	542
(F)IIJA-Aid to Volunteer Fire Companies	-	1,800	1,800
(F)IIJA-Aid to Volunteer Fire Companies (EA)	1,400	-	-
(F)National Fish and Wildlife Foundation	16,500	10,000	10,000

Conservation and Natural Resources

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(F)Wetland Protection Fund	400	400	400
(F)EPA Chesapeake Bay Grant	12,000	10,000	8,000
(F)USDA Good Neighbor Agreement.....	800	800	800
(F)Cooperative Endangered Species	40	60	60
(F)Wetlands Program Development (EA)	250	250	250
(A)Timber Sales	15,412	20,000	20,000
(A)Forest Fire Extinction.....	5,337	3,000	2,500
(A)State Forests Services	1,296	690	676
(A)Sale of Vehicles-Forests.....	67	60	60
(A)Tickets and Fines	36	25	25
(R)Forest Regeneration (EA)	4,000	4,200	4,500
(R)Forestry Research.....	9	250	250
Subtotal.....	\$ 198,528	\$ 163,820	\$ 167,312
Forest Pest Management	3,000	4,500	5,000
(F)Forest Insect and Disease Control	4,500	1,000	1,000
(F)IIJA-Forest Insect and Disease Control	-	1,100	1,410
(F)IIJA-Forest Insect and Disease Control (EA).....	1,100	-	-
(R)Good Neighbor Forest Restoration Services	108	800	800
Subtotal.....	\$ 8,708	\$ 7,400	\$ 8,210
Parks, Forests, and Recreation Projects.....	900	900	900
Infrastructure and Trail Connections.....	-	-	5,000
(R)ATV Management (EA)	5,621	5,532	5,532
(R)Snowmobile Management (EA).....	552	400	400
Subtotal - State Funds.....	\$ 138,583	\$ 161,833	\$ 184,996
Subtotal - Federal Funds.....	204,940	164,198	153,575
Subtotal - Augmentations	63,999	68,348	67,080
Subtotal - Restricted.....	10,475	11,282	12,032
Total - General Government.....	\$ 417,997	\$ 405,661	\$ 417,683
Grants and Subsidies:			
Heritage Parks.....	\$ 5,000	\$ 5,000	\$ 5,000
Annual Fixed Charges-Flood Lands	70	70	70
Annual Fixed Charges-Project 70	88	88	88
Annual Fixed Charges-Forest Lands	7,962	7,962	7,962
Annual Fixed Charges-Park Lands	415	415	415
(R)Monsanto Settlement	-	3,000	2,750
(R)Keystone Tree Account	130	200	200

Conservation and Natural Resources

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Subtotal - State Funds.....	\$ 13,535	\$ 13,535	\$ 13,535
Subtotal - Restricted.....	130	3,200	2,950
Total - Grants and Subsidies.....	<u>\$ 13,665</u>	<u>\$ 16,735</u>	<u>\$ 16,485</u>
STATE FUNDS.....	\$ 152,118	\$ 175,368	\$ 198,531
FEDERAL FUNDS.....	204,940	164,198	153,575
AUGMENTATIONS.....	63,999	68,348	67,080
RESTRICTED.....	<u>10,605</u>	<u>14,482</u>	<u>14,982</u>
GENERAL FUND TOTAL.....	<u>\$ 431,662</u>	<u>\$ 422,396</u>	<u>\$ 434,168</u>
<u>MOTOR LICENSE FUND:</u>			
<i>General Government:</i>			
Dirt and Gravel Roads.....	\$ 7,000	\$ 7,000	\$ 7,000
<i>Grants and Subsidies:</i>			
(R)Forestry Bridges-Excise Tax (EA).....	\$ 9,364	\$ 9,281	\$ 9,140
STATE FUNDS.....	\$ 7,000	\$ 7,000	\$ 7,000
RESTRICTED.....	<u>9,364</u>	<u>9,281</u>	<u>9,140</u>
MOTOR LICENSE FUND TOTAL.....	<u>\$ 16,364</u>	<u>\$ 16,281</u>	<u>\$ 16,140</u>
<u>OTHER FUNDS:</u>			
CLEAN STREAMS FUND:			
Transfer to Keystone Tree Account (EA).....	\$	\$ ^a	\$ ^a
ENVIRONMENTAL EDUCATION FUND:			
General Operations (EA).....	\$ 218	\$ 294	\$ 356
ENVIRONMENTAL STEWARDSHIP FUND:			
Parks and Forest Facility Rehabilitation (EA).....	\$ 13,579	\$ 13,652 ^b	\$ 13,902
Community Conservation Grants (EA).....	6,841	6,878 ^c	7,004
Natural Diversity Conservation Grants (EA).....	<u>325</u>	<u>325</u>	<u>325</u>
ENVIRONMENTAL STEWARDSHIP FUND TOTAL.....	<u>\$ 20,745</u>	<u>\$ 20,855</u>	<u>\$ 21,231</u>
KEYSTONE RECREATION, PARK, AND CONSERVATION FUND:			
Parks and Forest Facility Rehabilitation (EA).....	\$ 35,339	\$ 38,431 ^d	\$ 44,792
Grants for Local Recreation (EA).....	29,448	32,026 ^e	37,327
Grants to Land Trusts (EA).....	<u>11,780</u>	<u>12,810^f</u>	<u>14,931</u>
KEYSTONE RECREATION, PARK, AND CONSERVATION FUND TOTAL.....	<u>\$ 76,567</u>	<u>\$ 83,267</u>	<u>\$ 97,050</u>
OIL AND GAS LEASE FUND:			
General Government Operations.....	\$ 19,178	\$ 20,790	\$ 21,156
State Parks Operations.....	32,169	25,500	25,500
State Forests Operations.....	25,233	21,500	21,500
Parks, Forests, and Recreation Projects.....	112,000	-	-
Transfer to Marcellus Legacy Fund (EA).....	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>
OIL AND GAS LEASE FUND TOTAL.....	<u>\$ 203,580</u>	<u>\$ 82,790</u>	<u>\$ 83,156</u>

Conservation and Natural Resources

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
STATE GAMING FUND:			
Payments in Lieu of Taxes (EA).....	\$ 8,111	\$ 12,100	\$ 12,100
WILD RESOURCE CONSERVATION FUND:			
General Operations (EA).....	\$ 132	\$ 132	\$ 132
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 152,118	\$ 175,368	\$ 198,531
MOTOR LICENSE FUND.....	7,000	7,000	7,000
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	204,940	164,198	153,575
AUGMENTATIONS.....	63,999	68,348	67,080
RESTRICTED.....	19,969	23,763	24,122
OTHER FUNDS.....	309,353	199,438	214,025
TOTAL ALL FUNDS.....	\$ 757,379	\$ 638,115	\$ 664,333

^a Not added to the total to avoid double counting: 2024-25 Available is \$693,000 and 2025-26 Budget is \$272,000.

^b Includes recommended supplemental executive authorization of \$2,439,000.

^c Includes recommended supplemental executive authorization of \$1,230,000.

^d Includes recommended supplemental executive authorization of \$6,047,000.

^e Includes recommended supplemental executive authorization of \$5,040,000.

^f Includes recommended supplemental executive authorization of \$2,015,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
PARKS AND FORESTS MANAGEMENT:							
GENERAL FUND.....	\$ 152,118	\$ 175,368	\$ 198,531	\$ 209,374	\$ 208,374	\$ 209,374	\$ 210,374
MOTOR LICENSE FUND...	7,000	7,000	7,000	7,000	7,000	7,000	7,000
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	204,940	164,198	153,575	153,575	153,575	153,575	153,575
AUGMENTATIONS.....	63,999	68,348	67,080	66,080	63,080	62,080	64,080
RESTRICTED.....	19,969	23,763	24,122	24,015	23,882	23,776	22,377
OTHER FUNDS.....	309,353	199,438	214,025	221,514	230,157	238,545	242,738
DEPARTMENT TOTAL.....	\$ 757,379	\$ 638,115	\$ 664,333	\$ 681,558	\$ 686,068	\$ 694,350	\$ 700,144

Program: Parks and Forests Management

Goal: To manage state park and forest lands for their long-term use and enjoyment; provide the resources and expertise to help conserve and protect all the Commonwealth's natural resources; and help create and sustain economically vibrant communities through quality recreational resources and investments.

Management of State Park and Forest Lands

The [Department of Conservation and Natural Resources \(DCNR\)](#) manages over two million acres of [state parks](#) and [state forest](#) land across the Commonwealth. Pennsylvania's state parks protect many natural, aesthetic, geologic, scenic, and historical treasures that make the Commonwealth unique and diverse. State forests are managed for multiple uses, including protection of streams, drinking water, clean air, and conservation of many important plant and animal communities. Over two million acres of state forests offer exceptional opportunities for low-density outdoor recreation; including hunting, fishing, hiking, mountain biking, and critical scientific research. Forestlands support Pennsylvania's forest products industry with a steady supply of forest products. Numerous studies reinforce the belief that parks, forests, and outdoor recreation provide essential physical and mental health benefits. In addition, these resources support Pennsylvania's multi-billion dollar outdoor recreation industry, which draws out-of-state visitors and tourism dollars to Pennsylvania, providing income for local businesses and communities.

The department maintains thousands of structures, road miles, bridges, dams, treatment plants, and other infrastructure within the park and forest systems. DCNR is actively working to [reduce its carbon footprint](#) and save money by incorporating [energy-saving features](#) in existing and new buildings, water-saving measures in landscapes, and using recycled building materials. The department manages forestlands to limit impacts from development, maintain a balanced and healthy deer population, and incorporate sustainable practices that strengthen the forest's ability to regenerate and combat invasive species outbreaks. In addition, state forests alone sequester millions of standard tons of carbon each year, contributing significantly to the mitigation of climate change.

Improve Communities Through Access to Conservation and Recreation Resources

The [Community Conservation Partnerships Program](#) provides technical assistance and matching grants for community parks and trails, snowmobile and ATV trails, land conservation, river conservation, forested buffers, closing trail gaps, and rails-to-trails projects. These grants have assisted every Pennsylvania county and reached more than half of the Commonwealth's communities. Parks and trails provide multiple benefits that support local and regional economies, help build more flood and climate resilient communities through nature-based infrastructure, and ensure equitable access to the outdoors so that all can experience the healing and therapeutic benefits of the outdoors and participate in healthful activities.

DCNR also directly supports jobs through its [PA Outdoor Corps](#) where participants gain on-the-job skills by working outdoors through a 6-week summer youth corps or a 9-month young adult program. Projects include building trails and shelters, combating invasive species, and learning planning and design skills. Promoting conservation as a career creates a pipeline of young people interested in restoration, recreation, and helping to diversify and strengthen the next generation of conservation stewards.

Stewardship of Natural Resources

DCNR is a trustee under [Article 1, Section 27](#) of the state constitution and uses this responsibility to ensure the highest level of natural resource conservation for current and future generations of Pennsylvanians. The department uses adaptive management in its efforts to conserve the state's forests, streams, and natural communities. DCNR provides leadership and guidance through technical assistance, ecological and geologic information, and grant funding for research, planning, project development, and land acquisition. The department's conservation science programs and [topographic and geologic resources](#), including digital maps, data, and geographic information systems, help communities and industries make land use decisions that support sustainable development. Bureau geologists map the surface and subsurface geology and analyze the state's geological resources to disseminate impartial information essential to environmental stewardship, human health and safety, infrastructure development, and economic growth. DCNR, through its service foresters, provides hands-on assistance to private forest landowners who own three-quarters of all forestland in the state. The department's goal is to reduce forest fragmentation and loss by conserving additional forest acres and planting additional trees. DCNR is expanding its work to help the Chesapeake Bay and local streams by funding streamside [buffer projects](#) across the Commonwealth.

Conservation and Natural Resources

Program: Parks and Forests Management, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations	
\$ 3,410	—to continue current program.
(444)	—to reflect change in other revenue.
\$ 2,966	<i>Appropriation Increase</i>

Forest Pest Management	
\$ 500	—to continue current program.

State Parks Operations	
\$ 8,494	—to continue current program.
689	—to reflect change in other revenue.
\$ 9,183	<i>Appropriation Increase</i>

Infrastructure and Trail Connections	
\$ 5,000	—Initiative—for infrastructure improvement and trail connections between established trails.

State Forests Operations	
\$ 5,000	—to continue current program.
514	—to reflect change in other revenue.
\$ 5,514	<i>Appropriation Increase</i>

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 29,465	\$ 33,031	\$ 35,997	\$ 38,735	\$ 38,735	\$ 38,735	\$ 39,735
State Parks Operations...	60,787	71,967	81,150	84,696	84,696	84,696	84,696
State Forests Operations	44,431	51,435	56,949	61,508	64,508	65,508	65,508
Forest Pest Management	3,000	4,500	5,000	5,000	5,000	5,000	5,000
Parks, Forests, and Recreation Projects	900	900	900	900	900	900	900
Infrastructure and Trail Connections	-	-	5,000	5,000	1,000	1,000	1,000
Heritage Parks	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Annual Fixed Charges-Flood Lands	70	70	70	70	70	70	70
Annual Fixed Charges-Project 70	88	88	88	88	88	88	88
Annual Fixed Charges-Forest Lands	7,962	7,962	7,962	7,962	7,962	7,962	7,962
Annual Fixed Charges-Park Lands	415	415	415	415	415	415	415
TOTAL GENERAL FUND	\$ 152,118	\$ 175,368	\$ 198,531	\$ 209,374	\$ 208,374	\$ 209,374	\$ 210,374

Conservation and Natural Resources

Program: Parks and Forests Management, continued

Appropriations within this Program, continued:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MOTOR LICENSE FUND:							
Dirt and Gravel Roads	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
OIL AND GAS LEASE FUND:							
General Government Operations	\$ 19,178	\$ 20,790	\$ 21,156	\$ 19,400	\$ 19,400	\$ 19,400	\$ 18,400
State Parks Operations...	32,169	25,500	25,500	24,100	24,100	24,100	22,100
State Forests Operations	25,233	21,500	21,500	19,500	19,500	19,500	19,500
Parks, Forests, and Recreation Projects	112,000	-	-	-	-	-	-
TOTAL OIL AND GAS LEASE FUND	\$ 188,580	\$ 67,790	\$ 68,156	\$ 63,000	\$ 63,000	\$ 63,000	\$ 60,000

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Benefit communities and citizens through investments in conservation and recreation.							
Land conservation through acquisition and easement (acres) - includes additions to parks, forests, and grants to communities.....	2,324	6,946	7,907	10,839	11,590	11,300	9,900
Miles of trail improved/constructed in communities..... ^a	39.8	23.6	32.1	41.0	49.2	102.6	102.6
Total community grant funding (in millions).....	\$ 52.5	50.9	66.6	128.0	54.2	72.7	55.0
Promote responsible stewardship of the Commonwealth's natural resources.							
Youth trained and employed through the Pennsylvania Outdoor Corps	711	772	899	1,039	1,217	1,330	1,520
Enhance the stewardship and management of state parks and forests, operating effectively and efficiently.							
Annual state park visits (in millions).....	40.7	46.6	39.4	38.3	38.5	38.6	38.7
Green energy savings.....	\$ 47,682	373,207	389,717	486,736	1,502,485	1,588,958	1,648,361

^a Method of data collection has changed for this budget, as trails within State Parks and Forests are no longer included in these calculations.



CORRECTIONS

The [Pennsylvania Department of Corrections \(DOC\)](#) operates as one team, embraces diversity, and commits to enhancing public safety. As a leader in the corrections field, the department aims to reduce criminal behavior by providing individualized treatment and education to incarcerated individuals, resulting in successful community reintegration through accountability and positive change.

The department maintains a state system for the custody and rehabilitation of individuals sentenced to incarceration. Included within this system are residential programs to provide supervision, counseling, and treatment, enabling them to satisfactorily adjust to society. DOC further supervises persons on parole, helping them to continue to reintegrate into society. The [Pennsylvania Parole Board](#) ensures citizen safety through careful selection of individuals to be paroled. The [Office of Victim Advocate](#) administers the victim service programs by representing rights and interests of crime victims. The [Sexual Offenders Assessment Board](#) is responsible for the review of registration of sexual offenders and conducting assessments of convicted sex offenders. The [Board of Pardons](#) reviews criminal cases to determine whether clemency should be recommended to the Governor.

Programs and Goals

Incarcerated Individuals: To optimize safety and security in prison, reduce recidivism, strive for operational excellence, and promote engaged, collaborative, and effective staff.

Reentry Into Communities: To optimize safety and security in the community, reduce recidivism, strive for operational excellence, and promote engaged, collaborative, and effective staff.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26
 ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

General Government Operations	\$ 39,931	\$ 40,735	\$ 41,976
(A)County Training	126	125	125
(A)IRA Direct Pay Tax Credit Reimbursement	-	36	-
(A)Miscellaneous	-	276	276
Subtotal	<u>\$ 40,057</u>	<u>\$ 41,172</u>	<u>\$ 42,377</u>
State Field Supervision	179,123	184,210	192,489
(F)Smart Supervision	800	800	468
(A)State Parole Supervision Fees	3,977	4,100	4,100
(A)Interstate Supervision Fees	76	86	86
Subtotal	<u>\$ 183,976</u>	<u>\$ 189,196</u>	<u>\$ 197,143</u>
Pennsylvania Parole Board	12,967	13,373	13,825
Sexual Offenders Assessment Board	7,349	8,031	8,646
Board of Pardons	2,700	2,880	3,044
Office of Victim Advocate	3,489	3,809	4,419
(F)OVA Post Conviction Victims Rights and Services (EA)	584	564	564
(F)OVA STOP Grant Training and Technical Assistance (EA)	66	66	66
(F)SORNA Notifications (EA)	130	68	68
(F)SORNA Awareness Grant (EA)	152	50	50
Subtotal	<u>\$ 4,421</u>	<u>\$ 4,557</u>	<u>\$ 5,167</u>
Subtotal - State Funds	<u>\$ 245,559</u>	<u>\$ 253,038</u>	<u>\$ 264,399</u>
Subtotal - Federal Funds	1,732	1,548	1,216
Subtotal - Augmentations	4,179	4,623	4,587
Total - General Government	<u>\$ 251,470</u>	<u>\$ 259,209</u>	<u>\$ 270,202</u>

Institutional:

Medical Care	\$ 357,965	\$ 410,408	\$ 424,627
(F)Adult Reentry Education, Employment, and Treatment	750	600	50
(F)PREA Program-Strategic Support for PREA Implementation	200	179	179
(F)Pay for Success	1,000	900	900
(F)State Opioid Response (EA)	12,878	16,008	5,700
(A)Medical Reimbursements	517	525	500
Subtotal	<u>\$ 373,310</u>	<u>\$ 428,620</u>	<u>\$ 431,956</u>
Correctional Education and Training	47,537	50,871	51,578
(F)Correctional Education	915	832	859
Subtotal	<u>\$ 48,452</u>	<u>\$ 51,703</u>	<u>\$ 52,437</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
State Correctional Institutions	2,316,609	2,439,267	2,556,124
(F)COVID-SFR State Correctional Institutions	-	86,795	-
(F)Reimbursement for Incarcerated Aliens	5,000	2,500	2,500
(F)Naloxone Reentry Tracking Program	550	200	200
(F)Criminal Justice and Mental Health Collaboration	550	550	550
(F)Second Chance Act	380	31	-
(F)SUPTRSBG-Substance Use Prevention (EA)	1,965	1,965	1,965
(F)RSAT-State Incarcerated Individuals (EA)	660	599	599
(F)PREA Compliance (EA)	172	172	-
(A)Institutional Reimbursements	114	666	1,017
(A)Social Security	129	242	144
(R)Rockview Farm Program (EA)	289	285	250
Subtotal	<u>\$ 2,326,418</u>	<u>\$ 2,533,272</u>	<u>\$ 2,563,349</u>
Subtotal - State Funds	<u>\$ 2,722,111</u>	<u>\$ 2,900,546</u>	<u>\$ 3,032,329</u>
Subtotal - Federal Funds	25,020	111,331	13,502
Subtotal - Augmentations	760	1,433	1,661
Subtotal - Restricted	<u>289</u>	<u>285</u>	<u>250</u>
Total - Institutional	<u>\$ 2,748,180</u>	<u>\$ 3,013,595</u>	<u>\$ 3,047,742</u>
Grants and Subsidies:			
(R)County Parole Supervision Fees	\$ 14,054	\$ 6,350	\$ - ^a
STATE FUNDS	\$ 2,967,670	\$ 3,153,584	\$ 3,296,728
FEDERAL FUNDS	26,752	112,879	14,718
AUGMENTATIONS	4,939	6,056	6,248
RESTRICTED	<u>14,343</u>	<u>6,635</u>	<u>250</u>
GENERAL FUND TOTAL	<u>\$ 3,013,704</u>	<u>\$ 3,279,154</u>	<u>\$ 3,317,944</u>
OTHER FUNDS:			
MANUFACTURING FUND:			
General Operations (EA)	\$ 103,068	\$ 103,173	\$ 103,965
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ 2,967,670	\$ 3,153,584	\$ 3,296,728
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	26,752	112,879	14,718
AUGMENTATIONS	4,939	6,056	6,248
RESTRICTED	14,343	6,635	250
OTHER FUNDS	<u>103,068</u>	<u>103,173</u>	<u>103,965</u>
TOTAL ALL FUNDS	<u>\$ 3,116,772</u>	<u>\$ 3,382,327</u>	<u>\$ 3,421,909</u>

^a Per Act 34 of 2023, counties retain all supervision fees collected.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
INCARCERATED INDIVIDUALS:							
GENERAL FUND.....	\$ 2,762,042	\$ 2,941,281	\$ 3,074,305	\$ 3,031,203	\$ 3,031,203	\$ 3,028,568	\$ 3,028,568
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	25,020	111,331	13,502	14,502	9,477	7,802	7,802
AUGMENTATIONS	886	1,870	2,062	2,062	2,062	2,062	2,062
RESTRICTED	289	285	250	250	250	250	250
OTHER FUNDS.....	103,068	103,173	103,965	106,668	106,668	106,668	106,668
SUBCATEGORY TOTAL.....	\$ 2,891,305	\$ 3,157,940	\$ 3,194,084	\$ 3,154,685	\$ 3,149,660	\$ 3,145,350	\$ 3,145,350
REENTRY INTO COMMUNITIES:							
GENERAL FUND.....	\$ 205,628	\$ 212,303	\$ 222,423	\$ 228,206	\$ 228,206	\$ 228,206	\$ 228,206
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	1,732	1,548	1,216	748	748	748	748
AUGMENTATIONS	4,053	4,186	4,186	4,186	4,186	4,186	4,186
RESTRICTED	14,054	6,350	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL.....	\$ 225,467	\$ 224,387	\$ 227,825	\$ 233,140	\$ 233,140	\$ 233,140	\$ 233,140
ALL PROGRAMS:							
GENERAL FUND.....	\$ 2,967,670	\$ 3,153,584	\$ 3,296,728	\$ 3,259,409	\$ 3,259,409	\$ 3,256,774	\$ 3,256,774
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	26,752	112,879	14,718	15,250	10,225	8,550	8,550
AUGMENTATIONS	4,939	6,056	6,248	6,248	6,248	6,248	6,248
RESTRICTED	14,343	6,635	250	250	250	250	250
OTHER FUNDS.....	103,068	103,173	103,965	106,668	106,668	106,668	106,668
DEPARTMENT TOTAL	\$ 3,116,772	\$ 3,382,327	\$ 3,421,909	\$ 3,387,825	\$ 3,382,800	\$ 3,378,490	\$ 3,378,490

Program: Incarcerated Individuals

Goal: To optimize safety and security in prison, reduce recidivism, strive for operational excellence, and promote engaged, collaborative, and effective staff.

The [Department of Corrections \(DOC\)](#) protects the public by confining individuals in [state correctional institutions](#) for the period of time specified by the courts and the [Pennsylvania Parole Board](#). The department is charged with maintaining safe and humane institutions while providing opportunities to the prison population for growth and change. Given that 90 percent of individuals incarcerated in the Commonwealth's state correctional institutions will eventually be released into the community, DOC emphasizes programs that prepare them for responsible, crime-free community living. These reentry programs include [drug and alcohol treatment](#) programs, [educational/vocational](#) programs, and [reentry and transitional services](#). The department prepares and promotes rigorous [statistics and evaluations](#) on the institutional and reentry programs and processes to ensure data-driven decisions are made when allocating resources to reduce recidivism.

Institutional Operations

In addition to protecting the public, DOC emphasizes the safety and security of its staff, volunteers, incarcerated individuals, and visitors to institutions. All individuals undergo a diagnostic and classification process to determine the appropriate security classification, medical needs, and programs needed for reentry into society. Two of the largest support service needs to operate the institutions are food service and facility maintenance. Staff and incarcerated individuals perform most of these functions, giving people an opportunity to learn a trade, while constructively occupying their time. Another large support service is health care provided by a combination of staff and contractors. The department also offers renal dialysis, geriatric services, infectious care treatment, and other necessary services. Institutions also provide mental health services, including special needs units in most institutions and licensed mental health units in six institutions.

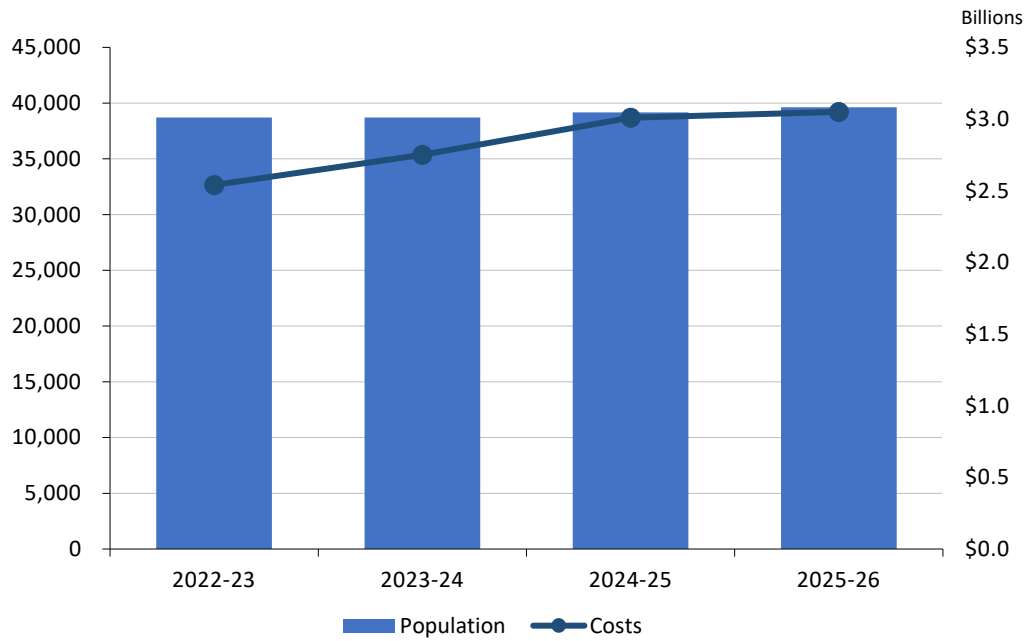
Individual Programs and Reentry

DOC provides programming which will enable individuals to leave prison better prepared to adjust to life in the community. In order to increase public safety, use of secure parole violator centers for certain reentrants is necessary. These centers provide the means to reduce the number of technical parole violators returning to a state correctional institution yet maintain a secure environment for parolees at the centers. Preparation for reentry begins when an individual enters the department's diagnostic and classification center. The center conducts a comprehensive assessment of the individual's risk or probability of reoffending. This assessment data develops a meaningful correctional plan which details the recommended treatment and education programs for each individual and sets expectations for behavior and work performance throughout incarceration. [Prosocial connections](#) are also important to the reentrant and the department. Another treatment option is the State Drug Treatment Program where eligible individuals participate in structured alcohol and drug treatment programs while in an institution, followed by treatment in the community. Employment in institutional jobs and [correctional industries](#) provide individuals with the opportunity to learn responsibility as well as work habits and skills that can be used to find employment after release.

Community Corrections

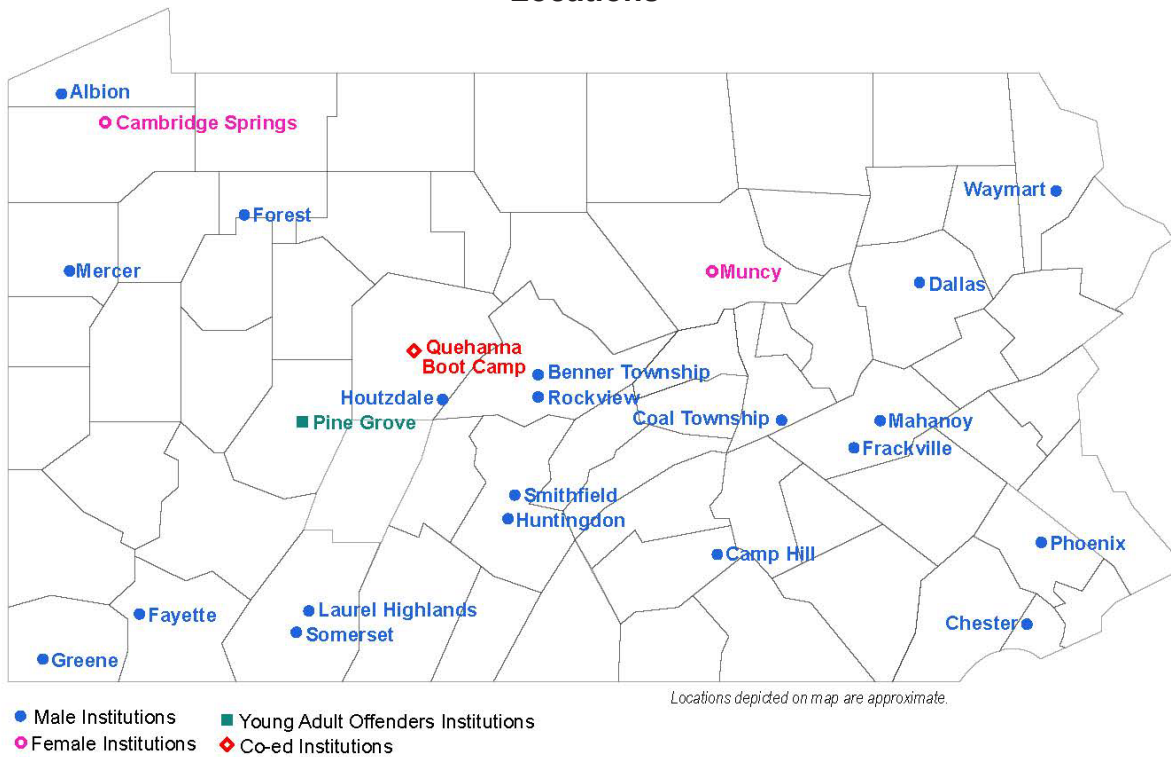
The last step in reentry treatment is [community corrections](#). Community corrections centers permit highly screened individuals, who meet established criteria, to live in housing in the community. At these centers, reentrants receive 24-hour supervision and can utilize counseling services while working or attending school. The centers also offer alcohol and drug treatment services, employment assistance, specialized counseling for hard-to-place individuals, and other services.

State Correctional Institutions Population and Operating Costs



The cost of operating the state correctional institution system is estimated to increase from \$2.54 billion in 2022-23 to \$3.05 billion in 2025-26. Since July 2023, the population has increased from 38,713 to a projected 39,624 by June 2026.

Locations



Program: Incarcerated Individuals, continued

Population by Institution

Institutions	Population	Population	Projected	Projected	Projected
	July 2023	July 2024	Population July 2025	Bed Capacity July 2025	Percent of Capacity July 2025
Albion	2,062	2,022	2,044	2,184	93.6%
Benner Township	1,782	1,831	1,851	2,146	86.3%
Cambridge Springs	799	845	854	1,160	73.6%
Camp Hill	1,640	1,998	2,020	2,522	80.1%
Chester	1,103	1,049	1,061	1,120	94.7%
Coal Township	1,914	1,840	1,860	1,916	97.1%
Dallas	1,897	1,929	1,951	1,819	107.3%
Fayette	1,790	1,896	1,917	2,163	88.6%
Forest	2,002	2,192	2,216	2,340	94.7%
Frackville	1,069	1,080	1,092	1,118	97.7%
Greene	1,632	1,565	1,583	1,830	86.5%
Houtzdale	2,135	2,095	2,118	2,255	93.9%
Huntingdon	1,930	1,808	1,828	1,869	97.8%
Laurel Highlands	1,351	1,428	1,444	1,174	123.0%
Mahanoy	2,127	2,106	2,130	2,159	98.7%
Mercer	1,192	1,216	1,230	1,137	108.2%
Muncy	1,055	1,034	1,046	1,509	69.3%
Phoenix	2,863	2,815	2,846	3,187	89.3%
Pine Grove	986	830	839	1,047	80.1%
Quehanna Boot Camp	387	365	369	552	66.8%
Rockview	2,032	2,164	2,188	2,213	98.9%
Smithfield	1,132	1,034	1,045	1,243	84.1%
Somerset	1,625	1,854	1,875	2,034	92.2%
Waymart	1,001	970	981	749	131.0%
Community Centers	1,203	1,197	1,147	1,147	100.0%
Other Jurisdictions - Federal	4	4	4	4	100.0%
Total	38,713	39,167	39,539	42,597	92.8%

^a Excess community correction facility capacity may be used for parolees, but is not required. Capacity shown reflects this alternative usage of the space.

Program: Incarcerated Individuals, continued

Expenditures by Institution: (Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget		2023-24 Actual	2024-25 Available	2025-26 Budget
Albion				Greene			
State Funds	\$ 97,701	\$ 100,836	\$ 104,973	State Funds	\$ 114,874	\$ 119,486	\$ 123,529
Federal Funds.....	-	7	-	Federal Funds....	-	-	-
Augmentations....	33	33	32	Augmentations...	25	26	27
TOTAL.....	\$ 97,734	\$ 100,876	\$ 105,005	TOTAL.....	\$ 114,899	\$ 119,512	\$ 123,556
Benner Township				Houtzdale			
State Funds	\$ 94,476	\$ 100,656	\$ 105,128	State Funds	\$ 101,570	\$ 108,069	\$ 112,629
Federal Funds.....	-	-	-	Federal Funds....	-	110	137
Augmentations....	24	17	16	Augmentations...	16	20	18
TOTAL.....	\$ 94,500	\$ 100,673	\$ 105,144	TOTAL.....	\$ 101,586	\$ 108,199	\$ 112,784
Cambridge Springs				Huntingdon			
State Funds	\$ 64,629	\$ 65,576	\$ 67,637	State Funds	\$ 105,090	\$ 105,759	\$ 112,463
Federal Funds.....	-	-	-	Federal Funds....	187	-	-
Augmentations....	26	34	32	Augmentations...	15	20	19
TOTAL.....	\$ 64,655	\$ 65,610	\$ 67,669	TOTAL.....	\$ 105,292	\$ 105,779	\$ 112,482
Camp Hill				Laurel Highlands			
State Funds	\$ 147,794	\$ 153,301	\$ 163,579	State Funds	\$ 103,346	\$ 107,273	\$ 110,651
Federal Funds.....	15	15	10	Federal Funds....	-	-	-
Augmentations....	44	89	85	Augmentations...	15	19	17
TOTAL.....	\$ 147,853	\$ 153,405	\$ 163,674	TOTAL.....	\$ 103,361	\$ 107,292	\$ 110,668
Chester				Mahanoy			
State Funds	\$ 72,883	\$ 81,241	\$ 82,052	State Funds	\$ 106,502	\$ 112,760	\$ 115,968
Federal Funds.....	-	-	-	Federal Funds....	-	7	-
Augmentations....	21	10	11	Augmentations...	39	39	39
TOTAL.....	\$ 72,904	\$ 81,251	\$ 82,063	TOTAL.....	\$ 106,541	\$ 112,806	\$ 116,007
Coal Township				Mercer			
State Funds	\$ 85,412	\$ 92,301	\$ 94,308	State Funds	\$ 79,816	\$ 84,842	\$ 87,707
Federal Funds.....	15	15	10	Federal Funds....	-	-	-
Augmentations....	32	39	39	Augmentations...	18	14	15
TOTAL.....	\$ 85,459	\$ 92,355	\$ 94,357	TOTAL.....	\$ 79,834	\$ 84,856	\$ 87,722
Dallas				Muncy			
State Funds	\$ 114,827	\$ 119,539	\$ 123,691	State Funds	\$ 97,987	\$ 105,617	\$ 111,389
Federal Funds.....	-	20	-	Federal Funds....	15	22	7
Augmentations....	23	27	23	Augmentations...	29	48	41
TOTAL.....	\$ 114,850	\$ 119,586	\$ 123,714	TOTAL.....	\$ 98,031	\$ 105,687	\$ 111,437
Fayette				Phoenix			
State Funds	\$ 123,464	\$ 126,232	\$ 133,726	State Funds	\$ 178,653	\$ 190,758	\$ 195,163
Federal Funds.....	-	20	-	Federal Funds....	-	15	-
Augmentations....	20	20	20	Augmentations...	44	459	809
TOTAL.....	\$ 123,484	\$ 126,272	\$ 133,746	TOTAL.....	\$ 178,697	\$ 191,232	\$ 195,972
Forest				Pine Grove			
State Funds	\$ 112,515	\$ 121,852	\$ 127,017	State Funds	\$ 76,229	\$ 78,460	\$ 81,718
Federal Funds.....	-	20	-	Federal Funds....	459	417	489
Augmentations....	29	29	27	Augmentations...	10	13	10
TOTAL.....	\$ 112,544	\$ 121,901	\$ 127,044	TOTAL.....	\$ 76,698	\$ 78,890	\$ 82,217
Frackville				Quehanna Boot Camp			
State Funds	\$ 67,090	\$ 73,003	\$ 76,895	State Funds	\$ 36,590	\$ 37,242	\$ 37,385
Federal Funds.....	-	-	-	Federal Funds....	15	15	6
Augmentations....	13	13	12	Augmentations...	13	14	14
TOTAL.....	\$ 67,103	\$ 73,016	\$ 76,907	TOTAL.....	\$ 36,618	\$ 37,271	\$ 37,405

Program: Incarcerated Individuals, continued

Expenditures by Institution: (Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget		2023-24 Actual	2024-25 Available	2025-26 Budget
Rockview				Community Centers			
State Funds	\$ 113,957	\$ 122,232	\$ 124,407	State Funds	\$ 98,680	\$ 101,846	\$ 93,441
Federal Funds.....	-	-	-	Federal Funds....	550	-	-
Augmentations....	341	380	346	Augmentations...	-	50	50
TOTAL.....	\$ 114,298	\$ 122,612	\$ 124,753	TOTAL.....	\$ 99,230	\$ 101,896	\$ 93,491
Smithfield				Training Academy			
State Funds	\$ 90,763	\$ 93,189	\$ 97,458	State Funds	\$ 7,136	\$ 7,040	\$ 6,455
Federal Funds.....	-	86,795	-	Federal Funds....	-	-	-
Augmentations....	41	24	30	Augmentations...	-	-	-
TOTAL.....	\$ 90,804	\$ 180,008	\$ 97,488	TOTAL.....	\$ 7,136	\$ 7,040	\$ 6,455
Somerset				Central Office			
State Funds	\$ 104,172	\$ 107,901	\$ 111,967	State Funds	\$ 207,380 ^a	\$ 251,152 ^a	\$ 293,835 ^a
Federal Funds.....	15	15	5	Federal Funds....	23,563	23,712	12,656
Augmentations....	14	21	19	Augmentations...	150	242	144
TOTAL.....	\$ 104,201	\$ 107,937	\$ 111,991	TOTAL.....	\$ 231,093	\$ 275,106	\$ 306,635
Waymart				Other Jurisdictions - Federal			
State Funds	\$ 116,517	\$ 126,151	\$ 131,077	State Funds	\$ 2,058	\$ 6,232	\$ 6,081
Federal Funds.....	186	126	182	Federal Funds....	-	-	-
Augmentations....	14	18	16	Augmentations...	-	-	-
TOTAL.....	\$ 116,717	\$ 126,295	\$ 131,275	TOTAL.....	\$ 2,058	\$ 6,232	\$ 6,081

^a Expenditures include annual maintenance costs for closed institutions.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>General Government Operations</p> <p>\$ 1,241 —to continue current program.</p> <p>Medical Care</p> <p>\$ 14,219 —to continue current program.</p>	<p>Correctional Education and Training</p> <p>\$ 707 —to continue current program.</p> <p>State Correctional Institutions</p> <p>\$ 86,795 —to replace federal funding received in 2024-25 COVID-19 response.</p> <p>39,985 —to continue current program.</p> <p>(9,923) —closure of two community corrections centers.</p> <p>\$116,857 Appropriation Increase</p>
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Program: Incarcerated Individuals, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 39,931	\$ 40,735	\$ 41,976	\$ 43,067	\$ 43,067	\$ 43,067	\$ 43,067
Medical Care.....	357,965	410,408	424,627	435,667	435,667	435,667	435,667
Correctional Education and Training.....	47,537	50,871	51,578	52,919	52,919	52,919	52,919
State Correctional Institutions.....	2,316,609	2,439,267	2,556,124	2,499,550	2,499,550	2,496,915	2,496,915
TOTAL GENERAL FUND	\$ 2,762,042	\$ 2,941,281	\$ 3,074,305	\$ 3,031,203	\$ 3,031,203	\$ 3,028,568	\$ 3,028,568

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Reduce violence rates.							
In-institution violence rate (on staff and on other persons combined) per 1,000	58.7	35.0	43.9	51.0	60.3	57.3	54.4
Decrease population.							
Population.....	42,101	37,748	37,498	38,713	39,167	39,589	39,624
Reduce recidivism.							
One-year recidivism rate..... %	40.0	36.7	30.4	31.5	33.7	34.7	35.7
Three-year recidivism rate..... %	64.7	62.8	60.2	58.4	54.8	57.8	59.8

Program: Reentry into Communities

Goal: To optimize safety and security in the community, reduce recidivism, strive for operational excellence, and promote engaged, collaborative, and effective staff.

The primary goal of reentry is to protect the safety of the public through effective [parole decisions](#) and proper supervision of individuals returning to their communities. Successful reentry can reduce the likelihood of recidivism. This includes making parole decisions and supervising adult parolees, revoking the parole of technical parole violators who continue to violate parole conditions, revoking the parole of violators convicted of new crimes, and discharging parolees who have fulfilled their sentences in compliance with the conditions of parole.

Parole Decisions

[Individuals](#) must serve their minimum sentence before becoming eligible for parole. To prepare people for reentry while incarcerated, the department develops a correctional plan to address drug and alcohol treatment needs, educational opportunities, vocational training, counseling services, and employment opportunities within the institution.

Reentry Preparation

To fulfill the mission of community safety, the department focuses on preparing individuals for parole release and providing continued support during the critical initial period of readjustment following a person’s return to the community. The institutional reentry staff work to identify employment, housing, and other obstacles or challenges to successful reentry. Upon release, an individual’s needs are reassessed every six months or more frequently, if necessary.

Supervision and Case Management

The [reentry of an individual](#) into the community requires effective supervision, which includes a balance of monitoring and enforcement of parole conditions coupled with effective case management. As part of DOC’s responsibility to public safety, field agents use problem-solving case management and other evidence-based strategies to reduce the risk of reoffending. Supervision staff also help with challenges regarding job, residence, continuity of care, or other issues. Management of technical parole violators through alternative, community-based interventions, and specialized support programs safely and effectively allow for continued supervision in the community.

Other Probation and Parole Programs

- The [Office of Victim Advocate](#) represents the interests of crime victims before the board or the department.
- The [Sexual Offenders Assessment Board \(SOAB\)](#) is responsible for conducting court-ordered assessments of convicted sexual offenders. SOAB provides the assessments to district attorneys and assists in determining those offenders who may be found by the court to be sexually violent predators. In addition, SOAB is responsible for updating and verifying the registry information for any offenders under board supervision.
- The [Board of Pardons](#) reviews criminal cases to determine whether clemency should be recommended to the Governor.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>State Field Supervision</p> <p>\$ 8,279 —to continue current program.</p> <p>Pennsylvania Parole Board</p> <p>\$ 452 —to continue current program.</p>	<p>Sexual Offenders Assessment Board</p> <p>\$ 249 —to continue current program.</p> <p>366 —Initiative—to increase reimbursement rate per assessment from \$350 to \$500.</p> <hr style="width: 50%; margin-left: 0;"/> <p>\$ 615 <i>Appropriation Increase</i></p>
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Program: Reentry into Communities, continued

Program Recommendations, continued:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Board of Pardons

\$ 164 —to continue current program.

Office of Victim Advocate

\$ 610 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
State Field Supervision	\$ 179,123	\$ 184,210	\$ 192,489	\$ 197,494	\$ 197,494	\$ 197,494	\$ 197,494
Pennsylvania Parole Board	12,967	13,373	13,825	14,184	14,184	14,184	14,184
Sexual Offenders Assessment Board....	7,349	8,031	8,646	8,871	8,871	8,871	8,871
Board of Pardons.....	2,700	2,880	3,044	3,123	3,123	3,123	3,123
Office of Victim Advocate	3,489	3,809	4,419	4,534	4,534	4,534	4,534
TOTAL GENERAL FUND.....	\$ 205,628	\$ 212,303	\$ 222,423	\$ 228,206	\$ 228,206	\$ 228,206	\$ 228,206

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase the number of individuals identified as appropriate for parole based on reduced risk of committing another crime.							
State parolees and probationers supervised at fiscal year end	41,219	39,800	36,749	33,782	31,485	29,193	28,047
Decrease the percentage of supervised individuals who return to prison upon release from prison.							
One-year parole recommitment rate..... %	15	14	14	18	19	19	19
Three-year parole recommitment rate .. %	41	39	37	36	35	37	39



DRUG AND ALCOHOL PROGRAMS

The mission of the [Department of Drug and Alcohol Programs \(DDAP\)](#) is to engage, coordinate, and lead the Commonwealth's effort to prevent and reduce drug, alcohol, and gambling addiction and misuse; and to promote recovery, thereby reducing the human and economic impact of the disease.

The department develops and implements programs to reduce substance misuse and dependency through prevention, intervention, rehabilitation, and treatment programs. These programs are designed to educate all population segments on the effects, dangers, and dependency that drug and alcohol misuse poses to public health and to mitigate the economic impact of substance misuse for the citizens of Pennsylvania.

Programs and Goals

Drug and Alcohol Misuse Prevention and Treatment: *To provide education, intervention, and treatment programs to reduce drug and alcohol addiction, misuse, and dependence as well as problem gambling disorders.*

Drug and Alcohol Programs

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	\$ 3,406	\$ 3,501	\$ 3,624
(F)SUPTRSBG-Administration and Operation	8,785	10,733 ^a	11,964
(F)COVID-SUPTRSBG-Administration and Operation (EA)	671	425	290
(F)Substance Use Special Projects-Administration and Operation.....	3,995	3,885	3,885
(F)State Opioid Response Administration.....	9,104	9,104	9,104
(F)Recovery House Assistance (EA).....	1,710	1,889	1,700
(R)Recovery House Certification (EA)	70	70	194
Subtotal.....	<u>\$ 27,741</u>	<u>\$ 29,607</u>	<u>\$ 30,761</u>
Subtotal - State Funds.....	\$ 3,406	\$ 3,501	\$ 3,624
Subtotal - Federal Funds.....	24,265	26,036	26,943
Subtotal - Augmentations.....	-	-	-
Subtotal - Restricted.....	70	70	194
Total - General Government.....	<u>\$ 27,741</u>	<u>\$ 29,607</u>	<u>\$ 30,761</u>
Grants and Subsidies:			
Assistance to Drug and Alcohol Programs.....	\$ 44,732	\$ 44,732	\$ 44,732
(F)SUPTRSBG-Drug and Alcohol Services	80,615	81,560	78,815
(F)Substance Use Special Projects Grants.....	21,250	21,250	21,250
(F)State Opioid Response.....	154,249	154,259	154,259
(R)Opioid Settlements	13,575	24,114	20,240 ^b
Subtotal.....	<u>\$ 314,421</u>	<u>\$ 325,915</u>	<u>\$ 319,296</u>
Subtotal - State Funds.....	\$ 44,732	\$ 44,732	\$ 44,732
Subtotal - Federal Funds.....	256,114	257,069	254,324
Subtotal - Restricted.....	13,575	24,114	20,240
Total - Grants and Subsidies.....	<u>\$ 314,421</u>	<u>\$ 325,915</u>	<u>\$ 319,296</u>
STATE FUNDS.....	\$ 48,138	\$ 48,233	\$ 48,356
FEDERAL FUNDS.....	280,379	283,105	281,267
AUGMENTATIONS	-	-	-
RESTRICTED.....	13,645	24,184	20,434
GENERAL FUND TOTAL	<u>\$ 342,162</u>	<u>\$ 355,522</u>	<u>\$ 350,057</u>
OTHER FUNDS:			
COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND:			
Drug and Alcohol Treatment Services (EA)	\$ 11,603	\$ 11,050	\$ 9,354
(R)Compulsive and Problem Gambling Treatment (EA).....	5,800	6,800	8,275
COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND TOTAL.....	<u>\$ 17,403</u>	<u>\$ 17,850</u>	<u>\$ 17,629</u>

Drug and Alcohol Programs

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2023-24	2024-25	2025-26
	ACTUAL	AVAILABLE	BUDGET
MEDICAL MARIJUANA PROGRAM FUND:			
Prevention and Treatment Services (EA).....	\$ 5,662	\$ 7,240 ^c	\$ 5,499
STATE STORES FUND:			
Alcohol Use Disorder Programs (EA).....	\$ 5,215	\$ 4,842	\$ 4,842
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 48,138	\$ 48,233	\$ 48,356
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	280,379	283,105	281,267
AUGMENTATIONS.....	-	-	-
RESTRICTED.....	13,645	24,184	20,434
OTHER FUNDS.....	28,280	29,932	27,970
TOTAL ALL FUNDS.....	\$ 370,442	\$ 385,454	\$ 378,027

^a Includes recommended supplemental appropriation of \$1,000,000.

^b Potential additional settlement payments to the Commonwealth not reflected in total.

^c Includes recommended supplemental executive authorization of \$328,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
DRUG AND ALCOHOL MISUSE PREVENTION AND TREATMENT:							
GENERAL FUND.....	\$ 48,138	\$ 48,233	\$ 48,356	\$ 48,450	\$ 48,450	\$ 48,450	\$ 48,450
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	280,379	283,105	281,267	281,267	281,267	280,977	280,977
AUGMENTATIONS.....	-	-	-	-	-	-	-
RESTRICTED.....	13,645	24,184	20,434	13,590	11,036	12,162	12,463
OTHER FUNDS.....	28,280	29,932	27,970	28,200	28,115	28,313	28,520
DEPARTMENT TOTAL.....	\$ 370,442	\$ 385,454	\$ 378,027	\$ 371,507	\$ 368,868	\$ 369,902	\$ 370,410

Program: Drug and Alcohol Misuse Prevention and Treatment

Goal: To provide education, intervention, and treatment programs to reduce drug and alcohol addiction, misuse, and dependence as well as problem gambling disorders.

The [Department of Drug and Alcohol Programs \(DDAP\)](#) is tasked with the development and implementation of a comprehensive plan to reduce substance misuse and dependency. While treatment is much of the department's immediate focus, interdepartmental collaborations and external partnerships emphasize four areas: prevention and intervention, treatment and recovery support, quality assurance, and workforce development.

Prevention and Intervention

The department's [prevention programs](#) aim to reduce the risk factors associated with substance use through educational sessions, workshops, media presentations, and information dissemination. Intervention services provide support to individuals affected by substance use problems. Services include information hotlines, drop-in centers, alcohol safety programs, and employee and student assistance programs.

DDAP provides county-based agencies, [Single County Authorities \(SCAs\)](#), with funding to ensure delivery of single and recurring prevention programs. SCAs prepare prevention and intervention plans, as well as treatment plans, tailored to meet the needs of their respective communities. The department approves these plans and formulates a statewide plan based on the findings.

Treatment and Recovery Support

DDAP provides the SCAs with funding to deliver or purchase substance use disorder (SUD) treatment and recovery [support services](#) for uninsured and underinsured Pennsylvanians. Treatment services may be received in hospitals, residential facilities, outpatient programs, or correctional settings.

The department established the [Get Help Now](#) hotline, which is available 24/7, 365 days a year to provide confidential referral services to Pennsylvanians seeking SUD treatment, as well as families experiencing difficulty as a result of drug and alcohol use/misuse.

Additionally, DDAP provides resources to first responders, friends, family, health care providers, and educators on the use of [Naloxone](#) to temporarily reverse the effects of an opioid overdose.

The department also provides public education, awareness, training, and call center services relative to [compulsive and problem gambling](#), as well as prevention and treatment services, to individuals with a problem gambling disorder.

Quality Assurance

DDAP conducts annual [inspections](#) of licensed SUD treatment facilities and programs, including the investigation of incident reports and complaints. Inspections are conducted to determine compliance with state and federal standards and regulations as a condition of receiving federal Medicare and Medicaid financial support.

The department also licenses drug and alcohol recovery houses, which offer individuals recovering from SUD a safe and supportive substance-free environment.

Workforce Development

DDAP's focus on workforce development includes [education and training](#) on prevention, intervention, treatment, and recovery support services for human services professionals and efforts to create a career ladder for growth in this field.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	General Government Operations
\$ 123	—to continue current program.

Drug and Alcohol Programs

Program: Drug and Alcohol Misuse Prevention and Treatment, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations.....	\$ 3,406	\$ 3,501	\$ 3,624	\$ 3,718	\$ 3,718	\$ 3,718	\$ 3,718
Assistance to Drug and Alcohol Programs	44,732	44,732	44,732	44,732	44,732	44,732	44,732
TOTAL GENERAL FUND	\$ 48,138	\$ 48,233	\$ 48,356	\$ 48,450	\$ 48,450	\$ 48,450	\$ 48,450

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Provide drug and alcohol treatment services.							
Pennsylvania's Get Help Now hotline calls.....	13,714	18,834	17,808	15,225	15,500	17,582	17,000
Percentage of Pennsylvania's Get Help Now hotline calls resulting in services .. %	55.1	63.9	68.8	70.5	70.0	71.0	72.5
Individuals admitted to treatment.....	28,290	17,713	18,431	16,685	16,500	22,400	25,000
Licensure and/or federal certification surveys completed.							
Licensed inpatient drug and alcohol treatment facilities	228	224	221	213	213	213	202
Inpatient capacity	10,955	11,219	11,141	10,803	10,803	10,626	10,475
Licensed outpatient drug and alcohol treatment facilities	643	622	616	610	610	597	579
Outpatient capacity	118,835	123,323	124,694	124,343	124,343	125,486	125,827



EDUCATION

The mission of the [Pennsylvania Department of Education \(PDE\)](#) is to ensure that every learner has access to a world-class education system that academically prepares children and adults to succeed as productive citizens. Further, the department seeks to establish a culture that is committed to improving opportunities throughout the Commonwealth by ensuring that technical support, resources, and optimal learning environments are available for all students, whether children or adults.

PDE establishes standards and measures aimed at continuous improvement of school curriculum and manages staff development and research dissemination systems to ensure that all educational institutions can select from proven practices to boost student achievement. Local school districts, school boards, and other educational institutions receive technical assistance via a network of intermediate units. The department operates a major research library and leads the development of the state's public, school, academic, and special libraries to meet the information, education, and enrichment needs of citizens. PDE supports the improvement of Pennsylvania's higher education and community colleges via educational programs, funding to support students, and direct resources for facility development.

Programs and Goals

Education Support Services: To provide customers with accurate, useful, timely, and cost-effective services that support meaningful programs critical for preparing lifelong learners to become productive citizens.

PreK–12 Education: To prepare all students to graduate high school college-ready and career-ready and to be engaged citizens of the Commonwealth.

Library Services: To support, develop, and provide library services for learning and advancement.

Higher Education: To promote access, affordability, and performance in higher education through strategies to expand opportunity for students and align with employer needs, and to support the Commonwealth's public institutions of higher education in achieving these goals.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	ACTUAL	AVAILABLE	BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	\$ 39,500	\$ 42,804	\$ 45,773
(F)Adult Basic Education-Administration.....	2,000	2,400	2,400
(F)Education of Exceptional Children.....	13,000	13,000	13,000
(F)Special Education-State Personnel Development.....	2,500	2,800	2,900
(F)ESEA-Title I-Administration	12,333	12,333	12,333
(F)State Approving Agency (Veterans Affairs)	1,800	2,100	2,100
(F)Food and Nutrition Service	21,000	21,000	21,000
(F)Migrant Education-Administration.....	700	700	750
(F)Career and Technical Education-Administration	4,100	4,300	4,300
(F)Improving Teacher Quality-Title II-Administration/State	7,400	7,400	7,400
(F)Jacob K Javits Gifted and Talented Students Education.....	-	760	760
(F)Homeless Assistance	5,000	6,500	6,500
(F)Preschool Grant.....	960	960	960
(F)School Health Education Programs.....	299	299	200
(F)Preschool Development Grants.....	16,000	16,000	16,000
(F)Medical Assistance-Nurses' Aide Training	335	335	335
(F)State and Community Highway Safety	2,269	2,480	2,480
(F)Title IV-21st Century Community Learning Centers-Admin.....	4,000	4,000	4,000
(F)National Assessment of Educational Progress.....	180	450	450
(F)Migrant Education Coordination Program	130	130	130
(F)Student Support and Academic Enrichment-Administration.....	4,569	8,750	8,750
(F)Troops to Teachers.....	400	-	-
(F)Emergency Impact Aid Program.....	2,000	-	-
(F)Refugee School Impact Development (EA).....	13,206	13,206	11,200
(A)Teacher Certification Fees	2,136	2,287	2,409
(A)PlanCon.....	538	501	522
(A)Approved Private Schools	1,079	1,129	1,231
(A)EPSDT Administration.....	350	350	350
(A)Services to Nonpublic Schools-Administration.....	989	1,018	1,018
(A)Nonpublic Textbook Administration.....	1,505	1,548	1,548
(A)Alternative Education.....	-	10	10
(A)SARA Reciprocity	174	176	176
(A)Higher Education Fees	370	373	373
(A)Management Services.....	44	-	-
(A)Menstrual Products Program.....	-	3,000 ^a	3,000 ^a
(R)Private Licensed Schools	557	960	1,063

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(R)Empowerment School Districts	6,774	7,000	7,000
Subtotal.....	\$ 168,197	\$ 181,059	\$ 182,421
Recovery Schools.....	275	275	292
Information and Technology Improvement.....	3,940	4,166	4,973
(F)Statewide Longitudinal Data Systems	5,110	5,110	1,400
(F)Longitudinal Data to Support Education Policy	500	1,006	1,006
PA Assessment.....	48,000	48,000	52,000
(F)Title VI-Part A State Assessments.....	15,000	16,000	16,000
State Library.....	2,484	2,664	3,245
(F)LSTA-Library Development	8,500	8,500	8,500
(A)Key 93 Administrative Costs.....	- ^b	- ^b	-
Subtotal - State Funds.....	\$ 94,199	\$ 97,909	\$ 106,283
Subtotal - Federal Funds.....	143,291	150,519	144,854
Subtotal - Augmentations.....	7,185	10,392	10,637
Subtotal - Restricted.....	7,331	7,960	8,063
Total - General Government.....	\$ 252,006	\$ 266,780	\$ 269,837
Institutional:			
Youth Development Centers-Education	\$ 11,230	\$ 13,747	\$ 14,360
Subtotal.....	\$ 11,230	\$ 13,747	\$ 14,360
Grants and Subsidies:			
Support of Public Schools:			
Basic Education Funding.....	\$ 7,872,444	\$ 8,157,444	\$ 8,232,444
Cyber Charter Transition	-	100,000	-
Level-Up Supplement	100,000 ^c	-	-
Dual Enrollment Payments	-	7,000	7,000
Transfer to Public School Facility Improvement Grant Program.....	-	100,000	125,000
Ready to Learn Block Grant	295,500	821,500	1,347,500
School Safety and Security Transfer-Physical and Mental Hlth	50,000	100,000	100,000
Pre-K Counts	302,284	317,284	334,313
Head Start Supplemental Assistance	88,178	90,878	90,878
Mobile Science and Math Education Programs.....	7,164	7,164	-
Teacher Professional Development.....	5,044	5,044	7,544
(R)Teacher Information and Professional Education (EA)	-	- ^d	-
Teacher Stipend.....	10,000 ^e	-	-
Adult and Family Literacy	16,310	16,310	22,728
(F)Adult Basic Education-Local	23,500	24,200	24,200
Career and Technical Education	119,138	144,138	149,626
(F)Career and Technical Education Act-Local	49,000	51,000	51,000
Career and Technical Education Equipment Grants.....	15,000	20,000	20,000

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	ACTUAL	AVAILABLE	BUDGET
Authority Rentals and Sinking Fund Requirements.....	217,007	217,007	221,074
Pupil Transportation.....	693,945	702,315	725,837
Nonpublic and Charter School Pupil Transportation.....	72,255	73,396	67,390
Special Education.....	1,386,815	1,486,815	1,526,815
(F)Individuals with Disabilities Education-Local.....	595,612	600,000	600,000
Early Intervention.....	365,995	415,160 ^f	429,725
(F)Individuals with Disabilities Education.....	16,000	16,000	30,000
Tuition for Orphans and Children Placed in Private Homes.....	45,321	45,463	39,752
Payments in Lieu of Taxes.....	173	180	178
Education of Migrant Laborers' Children.....	853	1,024	1,075
PA Chartered Schools for the Deaf and Blind.....	68,833	73,051	79,893
Special Education-Approved Private Schools.....	142,200	148,848	162,264
School Food Services.....	92,500	98,792	109,577
(F)Food and Nutrition-Local.....	1,725,820	1,725,820	1,725,820
(F)COVID-Food and Nutrition Emergency Relief (EA).....	41,525	-	-
(F)COVID-Food and Nutrition-P-EBT Administration (EA).....	1,267	-	-
(F)Local Food for Schools (EA).....	4,808	4,808	-
School Employees' Social Security.....	621,770	644,455	666,511
School Employees' Retirement.....	3,002,000	3,089,000	3,239,000
(F)ESEA-Title I-Local.....	1,685,000	1,685,000	1,685,000
(F)Improving Teacher Quality-Title II-Local.....	100,000	105,000	105,000
(F)Title IV-21st Century Community Learning Centers-Local.....	91,000	91,000	91,000
(F)Title III-Language Instruction for LEP and Immigrant Student.....	32,000	38,000	38,000
(F)Title VI-Rural and Low Income School-Local.....	1,830	1,830	1,830
(F)Student Support and Academic Enrichment-Local.....	102,000	120,000	120,000
(F)America's School Infrastructure Grant.....	1,000	1,000	1,000
(F)TANFBG-Teenage Parenting Education (EA).....	13,784	13,784	13,784
(F)COVID-ESSER Performance Monitoring.....	16,205	-	-
(R)School Environmental Repairs Program.....	-	37,911	-
Subtotal.....	<u>\$ 20,091,080</u>	<u>\$ 21,397,621</u>	<u>\$ 22,192,758</u>
Other Grants and Subsidies:			
Services to Nonpublic Schools.....	\$ 98,969	\$ 101,839	\$ 101,839
Textbooks, Materials, and Equipment for Nonpublic Schools.....	30,106	30,979	30,979
Public Library Subsidy.....	70,470	70,470	70,470
Library Services for the Visually Impaired and Disabled.....	2,567	2,567	2,567
Library Access.....	3,071	3,071	3,071
Job Training and Education Programs.....	39,450	44,120	-
Safe School Initiative.....	22,000 ^g	1,614	1,614

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Trauma-Informed Education	750	750	-
Safe Driving Course	1,099	1,099	1,099
Subtotal.....	\$ 268,482	\$ 256,509	\$ 211,639
Higher Education-Other Grants and Subsidies:			
Community Colleges	\$ 261,640	\$ 277,338	\$ 290,338
Transfer to Community College Capital Fund	54,161	54,161	54,161
Regional Community Colleges Services	2,221	2,221	2,221
Northern PA Regional College	7,280	7,717	7,717
Community Education Councils	2,489	2,489	2,489
Hunger-Free Campus Initiative	1,000	1,000	1,000
Parent Pathways	1,661	1,661	1,661
Sexual Assault Prevention	1,500	1,500	1,500
State-Related University Performance Funding	-	-	60,000
Subtotal.....	\$ 331,952	\$ 348,087	\$ 421,087
State System of Higher Education:			
State Universities	585,618	620,755	661,104
Facility Transition	85,000	-	-
Subtotal.....	\$ 670,618	\$ 620,755	\$ 661,104
Thaddeus Stevens College of Technology:			
Thaddeus Stevens College of Technology	19,838	22,476	23,578
Subtotal.....	\$ 19,838	\$ 22,476	\$ 23,578
The Pennsylvania State University:			
General Support	242,096	242,096	242,096
Pennsylvania College of Technology	29,971	33,971	35,670
Subtotal.....	\$ 272,067	\$ 276,067	\$ 277,766
University of Pittsburgh:			
General Support	151,507	151,507	151,507
Rural Education Outreach	3,346	3,791	3,791
Subtotal.....	\$ 154,853	\$ 155,298	\$ 155,298
Temple University:			
General Support	158,206	158,206	158,206
Subtotal.....	\$ 158,206	\$ 158,206	\$ 158,206
Lincoln University:			
General Support	18,401	20,848	21,890
Subtotal.....	\$ 18,401	\$ 20,848	\$ 21,890
Subtotal - State Funds.....	\$ 17,485,146	\$ 18,740,514	\$ 19,636,692
Subtotal - Federal Funds.....	4,500,351	4,477,442	4,486,634
Subtotal - Restricted.....	-	37,911	-
Total - Grants and Subsidies.....	\$ 21,985,497	\$ 23,255,867	\$ 24,123,326

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
STATE FUNDS.....	\$ 17,590,575	\$ 18,852,170	\$ 19,757,335
FEDERAL FUNDS.....	4,643,642	4,627,961	4,631,488
AUGMENTATIONS.....	7,185	10,392	10,637
RESTRICTED.....	7,331	45,871	8,063
GENERAL FUND TOTAL.....	\$ 22,248,733	\$ 23,536,394	\$ 24,407,523
OTHER FUNDS:			
COMMUNITY COLLEGE CAPITAL FUND:			
Community College Capital.....	\$ - ^h	\$ 11,811 ^h	\$ 1,039 ^h
GOV. CASEY ORGAN AND TISSUE DONATION AWARENESS TRUST FUND:			
Organ Donation Awareness (EA).....	\$ 238	\$ 238	\$ 358
KEYSTONE RECREATION, PARK, AND CONSERVATION FUND:			
Local Libraries Rehabilitation and Development (EA).....	\$ 4,712	\$ 5,124 ⁱ	\$ 5,972
SSHE-Deferred Maintenance (EA).....	21,203	23,059 ^j	26,875
KEYSTONE RECREATION, PARK, AND CONSERVATION FUND TOTAL.....	\$ 25,915	\$ 28,183	\$ 32,847
PROPERTY TAX RELIEF FUND:			
Property Tax Relief Payments (EA).....	\$ 777,200	\$ 931,500	\$ 1,052,400
SCHOOL SAFETY AND SECURITY FUND			
(F)COVID-SFR School-Based MH Training and Pathways to Cert.....	\$ 4,681	\$ -	\$ -
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 17,590,575	\$ 18,852,170	\$ 19,757,335
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	4,643,642	4,627,961	4,631,488
AUGMENTATIONS.....	7,185	10,392	10,637
RESTRICTED.....	7,331	45,871	8,063
OTHER FUNDS.....	808,034	971,732	1,086,644
TOTAL ALL FUNDS.....	\$ 23,056,767	\$ 24,508,126	\$ 25,494,167

^a Funds from the Department of Health for the Menstrual Products Program distributed through the department in accordance with Act 55 of 2024.

^b Not added to avoid double counting: 2023-24 Actual is \$119,000 and 2024-25 Available is \$127,000.

^c In 2023-24, \$100,000,000 was transferred to the Commonwealth Financing Authority and directed for school facilities per Act 34 of 2023.

^d Transfer from Enterprise and Technology not added to avoid double counting. Teacher Information and Professional Education for 2024-25 Available is \$6,000,000.

^e In 2023-24, \$10,000,000 was transferred to a restricted account in the Pennsylvania Higher Education Assistance Agency.

^f Includes recommended supplemental appropriation of \$16,297,000.

^g Per Act 33 of 2023, \$20,700,000 was transferred to the Commission on Crime and Delinquency.

^h General Fund Transfer to Community College Capital Fund not added to avoid double counting. Community College Capital for 2023-24 Actual is \$52,297,337, 2024-25 Available is \$65,972,000, and 2025-26 Budget is \$55,200,000.

ⁱ Includes recommended supplemental executive authorization of \$806,000.

^j Includes recommended supplemental executive authorization of \$3,629,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
EDUCATION SUPPORT SERVICES:							
GENERAL FUND.....	\$ 43,440	\$ 46,970	\$ 50,746	\$ 52,065	\$ 52,065	\$ 52,065	\$ 52,065
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	119,791	126,019	120,354	120,354	120,354	120,354	119,594
AUGMENTATIONS	7,185	10,392	10,637	10,637	10,637	10,637	10,637
RESTRICTED.....	7,331	7,960	8,063	8,063	8,063	8,063	8,063
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 177,747	\$ 191,341	\$ 189,800	\$ 191,119	\$ 191,119	\$ 191,119	\$ 190,359
PREK-12 EDUCATION:							
GENERAL FUND.....	\$ 15,842,608	\$ 17,124,691	\$ 17,908,307	\$ 18,079,132	\$ 18,228,011	\$ 18,357,106	\$ 18,487,225
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	4,515,351	4,493,442	4,502,634	4,488,634	4,488,634	4,488,634	4,488,634
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	37,911	-	-	-	-	-
OTHER FUNDS.....	782,119	943,549	1,053,797	1,053,431	1,053,298	1,052,904	1,052,904
SUBCATEGORY TOTAL....	\$ 21,140,078	\$ 22,599,593	\$ 23,464,738	\$ 23,621,197	\$ 23,769,943	\$ 23,898,644	\$ 24,028,763
LIBRARY SERVICES:							
GENERAL FUND.....	\$ 78,592	\$ 78,772	\$ 79,353	\$ 79,437	\$ 79,437	\$ 79,437	\$ 79,437
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	8,500	8,500	8,500	8,500	8,500	8,500	8,500
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	4,712	5,124	5,972	6,767	7,302	7,826	8,269
SUBCATEGORY TOTAL....	\$ 91,804	\$ 92,396	\$ 93,825	\$ 94,704	\$ 95,239	\$ 95,763	\$ 96,206
HIGHER EDUCATION:							
GENERAL FUND.....	\$ 1,625,935	\$ 1,601,737	\$ 1,718,929	\$ 1,718,929	\$ 1,718,929	\$ 1,718,929	\$ 1,718,929
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	21,203	23,059	26,875	30,453	32,861	35,216	37,211
SUBCATEGORY TOTAL....	\$ 1,647,138	\$ 1,624,796	\$ 1,745,804	\$ 1,749,382	\$ 1,751,790	\$ 1,754,145	\$ 1,756,140

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
ALL PROGRAMS:							
GENERAL FUND.....	\$ 17,590,575	\$ 18,852,170	\$ 19,757,335	\$ 19,929,563	\$ 20,078,442	\$ 20,207,537	\$ 20,337,656
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	4,643,642	4,627,961	4,631,488	4,617,488	4,617,488	4,617,488	4,616,728
AUGMENTATIONS	7,185	10,392	10,637	10,637	10,637	10,637	10,637
RESTRICTED.....	7,331	45,871	8,063	8,063	8,063	8,063	8,063
OTHER FUNDS.....	808,034	971,732	1,086,644	1,090,651	1,093,461	1,095,946	1,098,384
DEPARTMENT TOTAL	<u>\$23,056,767</u>	<u>\$24,508,126</u>	<u>\$25,494,167</u>	<u>\$25,656,402</u>	<u>\$25,808,091</u>	<u>\$25,939,671</u>	<u>\$26,071,468</u>

Program: Education Support Services

Goal: To provide customers with accurate, useful, timely, and cost-effective services that support meaningful programs critical for preparing lifelong learners to become productive citizens.

The Education Support Services program provides operational support to programs within the [Department of Education](#) for the achievement of [departmental and Commonwealth objectives](#). The program seeks to provide robust, cost-effective services and to improve the operational efficiency of the department through enhanced information technology support and improved fiscal applications.

In addition to providing operational support to the executive, budget, communications, and legal offices of the department, this program also provides staff support to the [State Board of Education](#), the [State Board of Higher Education](#), and other administrative boards and commissions. These include boards for private, academic, business, and trade schools and the [Professional Standards and Practices Commission](#).

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations		Information and Technology Improvement	
\$ 2,709	—to continue current program.	\$ 807	—to continue current program.
260	—to implement provisions of Act 135 of 2024.		
\$ 2,969	<i>Appropriation Increase</i>		

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 39,500	\$ 42,804	\$ 45,773	\$ 46,963	\$ 46,963	\$ 46,963	\$ 46,963
Information and Technology Improvement	3,940	4,166	4,973	5,102	5,102	5,102	5,102
TOTAL GENERAL FUND	\$ 43,440	\$ 46,970	\$ 50,746	\$ 52,065	\$ 52,065	\$ 52,065	\$ 52,065

Program: PreK–12 Education

Goal: To prepare all students to graduate high school college-ready and career-ready and to be engaged citizens of the Commonwealth.

Basic Education Funding

Pennsylvania's [public education system](#) serves PreK-12 students at thousands of schools throughout the Commonwealth. Each school district is a local governing unit, elected or appointed pursuant to state statute and local ordinance, and separate from the Commonwealth. Both the Commonwealth and local school districts contribute to the financing of public elementary and secondary education, with state funding provided to the school districts, including federal education funding, to supplement the funds raised locally.

The [Basic Education Funding appropriation](#) is the largest subsidy the Commonwealth provides to local school districts. To increase academic achievement, school districts invest in evidence-based strategies, including high-quality early childhood education, extended time learning, career and technical education, professional development for educators, and personalized learning. PDE supports continuous improvement and high-quality, well-rounded education opportunities for all students through targeted initiatives and provides technical assistance to schools and districts through its statewide system of support. The Commonwealth's intermediate units also provide professional development and technical assistance to school districts.

Early Childhood Learning

High-quality early learning for Pennsylvania's youngest students facilitates their short-term and long-term academic and social success. [Early childhood](#) programs supported through the department appropriations include:

- [Early Intervention \(EI\)](#) programs provide special education to eligible three- to five-year-old children. They are administered by intermediate units, schools, and Elwyn, collectively known as entities designated under Mutually Agreed Upon Written Arrangements (MAWAs). EI services may be directly offered by MAWAs or under contract with other providers.
- [Pre-K Counts](#) provides high-quality early childhood education to income-eligible Pennsylvania children in diverse settings, including school-based programs, [Keystone STARS](#) 3 and 4 child care centers, private academic preschools, and Head Start agencies.
- Pennsylvania's [Head Start Supplemental Assistance Program](#) is based on the federal model of Head Start, providing services to three- and four-year-old children and their families with family incomes up to 130 percent of the federal poverty guidelines. The Head Start model provides comprehensive education, health, nutrition, and parent involvement services.

College and Career-Ready

The Commonwealth strives to help schools create academic programs that are rigorous, results-focused, data informed, and personalized through systems, technology, and other supports. The [State Board of Education](#) offers academic standards in 12 subject areas. The following core standards are benchmark measures that define what students should know and be able to do at specified grade levels beginning in grade three. They include [English Language Arts](#), [Mathematics](#), [Reading and Writing in History and Social Studies](#), and [Reading and Writing in Science and Technology](#). The [Pennsylvania State System of Assessments \(PSSAs\)](#) test students on these core standards. The assessments in English Language Arts and Mathematics are given to students in grades three through eight, and students in grades four and eight are administered the Science assessment.

[Keystone Exams](#) are end-of-course exams in Literature, Algebra I, and Biology aligned to core standards which are given to students to assess academic achievement in high school.

To better support student achievement of college and career standards, students and teachers have access to the [Standards Aligned System](#), a web-based portal which contains standards-aligned curriculum, instructional resources, and assessment information and tools.

Career and Technical Education

[Career and Technical Education \(CTE\)](#) serves secondary students enrolled in approved career and technical education programs of study at high schools, charter schools, and career and technical centers. CTE programs provide rigorous academic coursework to students while delivering skilled, technical education designed in collaboration with workers and employers in high-demand occupations and industries. CTE students can pursue career pathways in which students can earn high-value industry certifications and college credits through various state and local articulation agreements such as dual enrollment with postsecondary providers.

Program: PreK–12 Education, continued

Special Education

[Special Education](#) programs are administered by all school districts and charter schools and may be directly operated by the districts or under contract with other school districts, intermediate units, or other providers. If appropriate public education is not available, individualized education plan teams may determine that an appropriate public education can only be provided by department-approved private schools or other private agencies.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>Recovery Schools</p> <p>\$ 17 —to continue current program.</p> <p>PA Assessment</p> <p>\$ 4,000 —to continue current program.</p> <p>Youth Development Centers-Education</p> <p>\$ 613 —to continue current program.</p> <p>Basic Education Funding</p> <p>\$ 75,000 —Initiative—to continue sustained investment in school district basic education programs.</p> <p>Cyber Charter Transition</p> <p>\$ (100,000) —program elimination.</p> <p>Transfer to Public School Facility Improvement Grant Program</p> <p>\$ 25,000 —Initiative—to provide resources for facility improvement projects in public schools.</p> <p>Ready to Learn Block Grant</p> <p>\$ 526,000 —Initiative—to provide an additional adequacy adjustment for K-12 education.</p> <p>Pre-K Counts</p> <p>\$ 2,029 —to continue current program.</p> <p>15,000 —Initiative—to invest in high-quality early childhood education for 3- and 4-year-olds by increasing the cost per child.</p> <hr/> <p>\$ 17,029 <i>Appropriation Increase</i></p>	<p>Mobile Science and Math Education Programs</p> <p>\$ (7,164) —program elimination.</p> <p>Teacher Professional Development</p> <p>\$ 2,500 —Initiative—for professional development opportunities for educators and school leaders.</p> <p>Adult and Family Literacy</p> <p>\$ 418 —to continue current program.</p> <p>6,000 —Initiative—to increase quality and capacity of education for adult learners.</p> <hr/> <p>\$ 6,418 <i>Appropriation Increase</i></p> <p>Career and Technical Education</p> <p>\$ 5,488 —to continue current program.</p> <p>Authority Rentals and Sinking Fund Requirements</p> <p>\$ 4,067 —to provide reimbursement for existing school construction projects and charter leases to reduce reliance on debt.</p> <p>Pupil Transportation</p> <p>\$ 23,522 —to continue current program.</p> <p>Nonpublic and Charter School Pupil Transportation</p> <p>\$ (6,006) —to continue current program.</p> <p>Special Education</p> <p>\$ 40,000 —Initiative—to provide increased resources for school district special education instruction.</p>
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Program: PreK–12 Education, continued

Program Recommendations, continued:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>Early Intervention</p> <p>\$ 14,565 —to continue to provide services to additional children from ages 3 through 5.</p> <p>Tuition for Orphans and Children Placed in Private Homes</p> <p>\$ (5,711) —to continue current program.</p> <p>Payments in Lieu of Taxes</p> <p>\$ (2) —to continue current program.</p> <p>Education of Migrant Laborers' Children</p> <p>\$ 51 —to continue current program.</p> <p>PA Chartered Schools for the Deaf and Blind</p> <p>\$ 6,842 —to continue current program.</p>	<p>Special Education-Approved Private Schools</p> <p>\$ 13,416 —to continue current program.</p> <p>School Food Services</p> <p>\$ 10,785 —to continue current program.</p> <p>School Employees' Social Security</p> <p>\$ 22,056 —to continue current program.</p> <p>School Employees' Retirement</p> <p>\$ 150,000 —to continue current program.</p> <p>Job Training and Education Programs</p> <p>\$ (44,120) —program elimination.</p> <p>Trauma-Informed Education</p> <p>\$ (750) —program elimination.</p>
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Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Recovery Schools	\$ 275	\$ 275	\$ 292	\$ 292	\$ 292	\$ 292	\$ 292
PA Assessment ...	48,000	48,000	52,000	53,352	53,352	53,352	53,352
Youth Development Centers-Education	11,230	13,747	14,360	14,733	14,733	14,733	14,733
Basic Education Funding	7,872,444	8,157,444	8,232,444	8,232,444	8,232,444	8,232,444	8,232,444
Cyber Charter Transition	-	100,000	-	-	-	-	-
Level-Up Supplement.....	100,000	-	-	-	-	-	-
Dual Enrollment Payments.....	-	7,000	7,000	7,000	7,000	7,000	7,000
Transfer to Public School Facility Improvement Grant Program	-	100,000	125,000	125,000	125,000	125,000	125,000
Ready to Learn Block Grant	295,500	821,500	1,347,500	1,347,500	1,347,500	1,347,500	1,347,500

Program: PreK–12 Education, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
School Safety and Security Transfer-Physical and Mental Hlth.....	50,000	100,000	100,000	100,000	100,000	100,000	100,000
Pre-K Counts	302,284	317,284	334,313	334,313	334,313	334,313	334,313
Head Start Supplemental Assistance	88,178	90,878	90,878	90,878	90,878	90,878	90,878
Mobile Science and Math Education Programs	7,164	7,164	-	-	-	-	-
Teacher Professional Development.....	5,044	5,044	7,544	7,544	7,544	7,544	7,544
Teacher Stipend ..	10,000	-	-	-	-	-	-
Adult and Family Literacy	16,310	16,310	22,728	22,728	22,728	22,728	22,728
Career and Technical Education	119,138	144,138	149,626	149,626	149,626	149,626	149,626
Career and Technical Education Equipment Grants	15,000	20,000	20,000	20,000	20,000	20,000	20,000
Authority Rentals and Sinking Fund Requirements	217,007	217,007	221,074	208,988	198,886	183,989	167,077
Pupil Transportation.....	693,945	702,315	725,837	738,176	750,725	763,488	776,467
Nonpublic and Charter School Pupil Transportation.....	72,255	73,396	67,390	67,390	67,390	67,390	67,390
Special Education	1,386,815	1,486,815	1,526,815	1,526,815	1,526,815	1,526,815	1,526,815
Early Intervention.	365,995	415,160	429,725	429,725	429,725	429,725	429,725
Tuition for Orphans and Children Placed in Private Homes	45,321	45,463	39,752	39,752	39,752	39,752	39,752
Payments in Lieu of Taxes	173	180	178	178	178	178	178
Education of Migrant Laborers' Children	853	1,024	1,075	1,075	1,075	1,075	1,075
PA Chartered Schools for the Deaf and Blind	68,833	73,051	79,893	82,580	82,580	82,580	82,580
Special Education-Approved Private Schools	142,200	148,848	162,264	167,721	167,721	167,721	167,721

Program: PreK–12 Education, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
School Food Services	92,500	98,792	109,577	109,577	109,577	109,577	109,577
School Employees' Social Security	621,770	644,455	666,511	689,172	712,604	736,833	761,885
School Employees' Retirement	3,002,000	3,089,000	3,239,000	3,377,000	3,500,000	3,607,000	3,716,000
Services to Nonpublic Schools	98,969	101,839	101,839	101,839	101,839	101,839	101,839
Textbooks, Materials, and Equipment for Nonpublic Schools	30,106	30,979	30,979	30,979	30,979	30,979	30,979
Job Training and Education Programs	39,450	44,120	-	-	-	-	-
Safe School Initiative	22,000	1,614	1,614	1,656	1,656	1,656	1,656
Trauma-Informed Education	750	750	-	-	-	-	-
Safe Driving Course	1,099	1,099	1,099	1,099	1,099	1,099	1,099
TOTAL GENERAL FUND	\$ 15,842,608	\$ 17,124,691	\$ 17,908,307	\$ 18,079,132	\$ 18,228,011	\$ 18,357,106	\$ 18,487,225

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Improve access to high-quality early learning programs for all Pennsylvania children and families.							
Students in state-funded Head Start Supplemental	6,497	6,458	5,699 ^a	6,574	6,574	6,574	6,574
Students in PA Pre-K Counts programs	25,318	25,178	27,906	30,423	30,459	30,459	30,459
Children participating in Early Intervention	59,960	57,347	59,106	64,195	69,287	72,820	76,320
Increase the number of K-12 students who have demonstrated proficiency in key academic subjects and are on track for postsecondary success.							
Percentage of students proficient or advanced in mathematics	% 49.8	52.0	35.7	38.3	40.2	41.7	43.7
Percentage of students proficient or advanced in English language arts	% 66.1	67.6	54.1	54.5	53.9	56.0	58.0
Percentage of students proficient or advanced in science	% 67.8	69.2	54.4	58.9	59.2	62.6	64.6
Increase collaboration between early childhood, K-12, and postsecondary education as well as business and industry partners to align instruction with Pennsylvania's current and emerging workforce needs and emphasize the value of career and technical skills.							
Students enrolled in PDE-approved career and technical education (CTE) programs of study	68,105	65,536	68,659	70,032	71,433	72,801	75,941

^a Actual year measure data has been updated due to masking and vaccination requirements.

Program: Library Services

Goal: To support, develop, and provide library services for learning and advancement.

Public Library Subsidy

The Commonwealth helps defray the cost of basic operations of Pennsylvania's local public libraries. Nearly two-thirds of the Public Library Subsidy goes directly to libraries and library systems. The other third is split between state resource centers, district library centers, and to support county coordination efforts. This funding also provides every Pennsylvanian with access to the resources of four major research libraries: the [State Library of Pennsylvania](#), the [Carnegie Library of Pittsburgh](#), the [Free Library of Philadelphia](#), and the [libraries of The Pennsylvania State University](#).

Library Access

Pennsylvania is committed to ensuring that all Pennsylvanians can easily access the library resources that exist not only in their own communities but also across the Commonwealth. The interlibrary delivery service makes it affordable for state-supported libraries to participate in a statewide delivery service that moves library materials across the state in a timely and cost-effective way and encourages sharing of materials, saving more than 60 percent in delivery costs. The [Pennsylvania Online World of Electronic Resources \(POWER\) library network](#) provides online magazine and reference materials for Pennsylvania residents to use in the library or remotely.

The statewide electronic library catalog, also known as the [Access Pennsylvania Database](#) program, provides Pennsylvanians online access to library holdings of Pennsylvania schools, public libraries, college and university collections, special libraries, and intermediate unit materials. This is the largest online catalog of its type in North America. As part of the Library Access program, Pennsylvanians have online access to professional reference librarians 24/7 through Pennsylvania's virtual reference service called [Chat with a Librarian](#).

Library Services for Visually Impaired and Disabled

Through the [Library of Accessible Media for Pennsylvanians \(LAMP\)](#), the Carnegie Library of Pittsburgh and the Free Library of Philadelphia provide unique services to persons with visual and physical limitations. In partnership with the National Library Service for the Blind and Physically Handicapped, recorded and Braille materials are available by direct mail or download for residents of all ages who cannot use a traditional book, magazine, or newspaper.

State Library

This appropriation supports the services and operations of the Office of Commonwealth Libraries and is the primary source of funding for the State Library of Pennsylvania. Located in Harrisburg, the State Library provides reference service to all branches of state government, as well as to libraries and Commonwealth residents. An extensive general and legal reference collection, comprehensive collections of Pennsylvania newspapers, Pennsylvania state and U.S. government publications, and several other databases are available. The State Library is home to the [Rare Collections Library](#), which is organized around the Assembly Collection that was purchased beginning in 1745 by Benjamin Franklin when he was Clerk of the Assembly.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	State Library	
\$	581	—to continue current program.

Program: Library Services, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
State Library	\$ 2,484	\$ 2,664	\$ 3,245	\$ 3,329	\$ 3,329	\$ 3,329	\$ 3,329
Public Library Subsidy	70,470	70,470	70,470	70,470	70,470	70,470	70,470
Library Services for the Visually Impaired and Disabled	2,567	2,567	2,567	2,567	2,567	2,567	2,567
Library Access	3,071	3,071	3,071	3,071	3,071	3,071	3,071
TOTAL GENERAL FUND	\$ 78,592	\$ 78,772	\$ 79,353	\$ 79,437	\$ 79,437	\$ 79,437	\$ 79,437

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Meet the critical learning and information needs of Pennsylvania residents by increasing use of POWER Library's online reference resources, especially those for elementary and secondary school students.							
Use of POWER Library online reference resources offered (in thousands)	8,125	7,704	7,596	7,517	8,497	8,500	8,500
Provide supports to meet the critical learning needs of Pennsylvanians by increasing participation in public library programs, especially early literacy programs for young children (birth to pre-k).							
Attendance at public library-based programs (physical or virtual, in thousands)	4,852	5,110	3,097	2,912	3,742	3,800	3,800
Provide supports to help increase residents' access to internet services, especially for the unemployed, minorities, English learners, and low-income communities, etc., by increasing the number of public library internet sessions.							
Internet sessions by the public in public libraries (in thousands)	14,569	6,356	5,243	7,535	10,391	10,000	10,000
Provide supports to help increase access to library materials for individuals with disabilities by increasing the number of recorded or braille items borrowed or downloaded through the library services for Visually Impaired and Disabled program.							
Recorded or braille items borrowed or downloaded through Library Services for Visually Impaired and Disabled program (in thousands)	1,515	1,281	1,229	1,127	1,342	1,400	1,400
Increase awareness of the State Library of Pennsylvania's extensive research resources and services among Commonwealth employees and the public by increasing library use.							
Items accessed from the State Library of Pennsylvania	109,184	182,052	97,766	72,439	194,439	200,000	200,000

Program: Higher Education

Goal: To promote access, affordability, and performance in higher education through strategies to expand opportunity for students and align with employer needs, and to support the Commonwealth's public institutions of higher education in achieving these goals.

[Postsecondary education](#) is an important pathway to ensuring Pennsylvania's success in a knowledge-based, global economy. Pennsylvania's postsecondary education system consists of publicly supported postsecondary institutions, private colleges and universities, specialized associate degree-granting institutions, and out-of-state institutions that are approved to offer coursework for credit in the Commonwealth. Funding for these institutions is through appropriations and state-funded student grant programs administered by the [Pennsylvania Higher Education Assistance Agency \(PHEAA\)](#).

Institutional Support for Pennsylvania's Public Institutions of Higher Education

The [State System of Higher Education](#) distributes funding to its universities through the Office of the Chancellor to each university in accordance with a formula that considers student enrollment, programs, performance measures, and the operational cost of the individual campuses. Although each university has an individual mission, all provide a broad liberal arts curriculum, and most offer master's and doctoral degree programs.

Funding for [Community Colleges](#) comes from sponsoring counties or school districts, student tuition, and the Commonwealth. The colleges offer associate degree and certificate programs in career and technical areas as well as provide students in arts, sciences, and professions with the ability to transfer to four-year institutions. Noncredit workforce development courses provide students with training geared towards immediate entry into the workforce.

Funding for state-related universities provides basic support for postsecondary educational programs. The [Pennsylvania State University](#), the [University of Pittsburgh](#), and [Temple University](#) are major research universities that provide programs up to the doctoral level in varied academic disciplines and professional schools. [Lincoln University](#) provides programs in numerous disciplines at the baccalaureate and master's degree levels.

[Thaddeus Stevens College of Technology](#) provides technical-based associate degrees and certificate programs for qualified students. These programs are provided both on a tuition basis and at no cost for financially disadvantaged students. Thaddeus Stevens is dedicated to growing Pennsylvania's technical workforce and preparing students for high-demand jobs within the Commonwealth.

Decreasing Time and Cost to College Completion

PDE works with local, state, and national partners to improve postsecondary pathways for students and promote on-time degree completion. The department administers a [statewide college credit transfer system](#) that enables students to transfer courses and associate degrees among the participating colleges and universities in Pennsylvania.

Aligning Postsecondary Educational Opportunities with Workforce Needs

To help ensure that Pennsylvanians have access to postsecondary credentials that can accelerate opportunity for individuals and families, postsecondary programs are aligned to the Commonwealth's current and projected economic needs. Pennsylvania focuses on increasing pathways to postsecondary education and training connecting to statewide and regional workforce needs, especially science, technology, engineering, mathematics, and computer science.

Support for Minority Students

PDE and the [United States Department of Education's Office for Civil Rights](#) maintain a cooperative agreement designed to assess and address the continued challenges in providing higher education opportunities for minority students. In addition to operating and capital support for Cheyney and Lincoln Universities, direct support of students is provided through the [Bond-Hill Scholarship](#) program and the [Cheyney University Honors Academy](#) at Cheyney University.

Support Services

The department provides leadership and support services to all sectors of higher education. This budget implements the State Board of Higher Education enacted by Act 69 of 2024. Along with the development and implementation of a strategic plan, the board will lead and coordinate efforts by institutions of higher education in the Commonwealth to meet workforce and economic development needs statewide and improve access and affordability of postsecondary education. The department acts as a liaison with the national accrediting agencies, the State Board of Education, the State Board of Private Licensed Schools, and other governing boards. Additionally, the department awards teaching certificates to those seeking certification in Pennsylvania.

Program: Higher Education, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Community Colleges		Thaddeus Stevens College of Technology	
\$ 13,000	—Initiative—to invest in higher education and improve college access and completion.	\$ 1,102	—Initiative—to invest in higher education and improve college access and completion.
State-Related University Performance Funding		The Pennsylvania State University	
\$ 60,000	—Initiative—for performance funding grants to state-related universities per Act 69 of 2024.	\$ 1,699	Pennsylvania College of Technology —Initiative—to invest in higher education and improve college access and completion.
State System of Higher Education		Lincoln University	
\$ 40,349	—Initiative—to invest in higher education and improve college access and completion.	\$ 1,042	—Initiative—to invest in higher education and improve college access and completion.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Community Colleges.	\$ 261,640	\$ 277,338	\$ 290,338	\$ 290,338	\$ 290,338	\$ 290,338	\$ 290,338
Transfer to Community College Capital Fund	54,161	54,161	54,161	54,161	54,161	54,161	54,161
Regional Community Colleges Services	2,221	2,221	2,221	2,221	2,221	2,221	2,221
Northern PA Regional College	7,280	7,717	7,717	7,717	7,717	7,717	7,717
Community Education Councils ...	2,489	2,489	2,489	2,489	2,489	2,489	2,489
Hunger-Free Campus Initiative	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Parent Pathways.....	1,661	1,661	1,661	1,661	1,661	1,661	1,661
Sexual Assault Prevention.....	1,500	1,500	1,500	1,500	1,500	1,500	1,500
State-Related University Performance Funding	-	-	60,000	60,000	60,000	60,000	60,000
State System of Higher Education	585,618	620,755	661,104	661,104	661,104	661,104	661,104
Facility Transition.....	85,000	-	-	-	-	-	-

Program: Higher Education, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Thaddeus Stevens College of Technology	19,838	22,476	23,578	23,578	23,578	23,578	23,578
The Pennsylvania State University	272,067	276,067	277,766	277,766	277,766	277,766	277,766
University of Pittsburgh.....	154,853	155,298	155,298	155,298	155,298	155,298	155,298
Temple University	158,206	158,206	158,206	158,206	158,206	158,206	158,206
Lincoln University.....	18,401	20,848	21,890	21,890	21,890	21,890	21,890
TOTAL GENERAL FUND	\$ 1,625,935	\$ 1,601,737	\$ 1,718,929	\$ 1,718,929	\$ 1,718,929	\$ 1,718,929	\$ 1,718,929

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase postsecondary access, affordability, and completion through improved alignment between K-12 and higher education in the Commonwealth.							
Percentage of students enrolled in postsecondary education within 16 months of graduating from a Pennsylvania public high school..... %	64.0	61.0	55.0	55.0	55.0	55.0	55.0
Percentage of Pennsylvania high school graduates who earn a degree within six years of graduation	43.1	44.0	44.6	45.1	45.7	43.0	43.0
Increase access to postsecondary educational opportunities aligned with Pennsylvania's workforce needs so that learners of all ages earn valuable postsecondary credentials in a timely manner.							
Percentage of full-time, first-time students at state system and state-related universities earning a degree within 150 percent of normal time..... %	64.0	64.0	59.7	61.2	61.2	60.7	61.1
Percentage of full-time, first-time students at community colleges earning a degree within 150 percent of normal time	22.0	22.0	20.6	20.5	20.7	20.6	20.6
Percentage of Pennsylvania residents with a postsecondary degree or credential	51.4	53.0	54.7	54.7	55.9	52.7	53.6



HIGHER EDUCATION ASSISTANCE AGENCY

The mission of the [Pennsylvania Higher Education Assistance Agency \(PHEAA\)](#) is to provide affordable access to higher education for Pennsylvania students and families.

The agency provides financial aid to postsecondary students in the form of grants, scholarships, loans, and employment opportunities through the coordination of state and federal aid programs. In addition, the agency provides institutional assistance grants to private institutions enrolling students who participate in the Pennsylvania State Grant Program.

Programs and Goals

Financial Assistance to Students: To provide financial assistance to Commonwealth residents in order to promote access to postsecondary education.

Financial Aid to Institutions: To assist independent, postsecondary institutions to maintain enrollments and stabilize their educational costs; thereby, promoting access to institutions in all sectors for Pennsylvania students and assisting at-risk students by providing institutional funds for support services.

Higher Education Assistance Agency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	ACTUAL	AVAILABLE	BUDGET
<u>GENERAL FUND:</u>			
<i>Grants and Subsidies:</i>			
Grants to Students	\$ 347,267	\$ 401,348	\$ 402,003
(A)Grants to Students Supplement	12,000	15,000	15,000
(A)Transfer from SciTech and GI Bill Restricted Account	8,551	-	-
Pennsylvania Internship Program Grants	468	468	468
Ready to Succeed Scholarships	23,939	59,939	59,939
Matching Payments for Student Aid	13,646	13,646	13,646
Institutional Assistance Grants	26,521	26,521	26,521
Higher Education for the Disadvantaged	5,000	7,500	7,500
Higher Education of Blind or Deaf Students	51	51	51
Bond-Hill Scholarships	832	1,832	1,832
Cheyney University Honors Academy	3,980	5,480	5,480
(A)Cheyney University Honors Academy Supplement	500	500	500
Targeted Industry Cluster Scholarship Program	8,652	11,652	11,652
Student Teacher Stipend	-	^a 20,000	40,000
Grow PA Scholarships	-	25,000	25,000
Subtotal - State Funds	\$ 430,356	\$ 573,437	\$ 594,092
Subtotal - Augmentations	21,051	15,500	15,500
Total - Grants and Subsidies	<u>\$ 451,407</u>	<u>\$ 588,937</u>	<u>\$ 609,592</u>
STATE FUNDS	\$ 430,356	\$ 573,437	\$ 594,092
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	21,051	15,500	15,500
GENERAL FUND TOTAL	<u>\$ 451,407</u>	<u>\$ 588,937</u>	<u>\$ 609,592</u>
<u>OTHER FUNDS:</u>			
HIGHER EDUCATION ASSISTANCE FUND:			
(R)Educational Training Vouchers Program	\$ 1,632	\$ 1,485	\$ -
(R)Public Defender and District Attorney Loan Forgiveness	135	183	175
(R)Active Volunteer Tuition and Loan Assistance Program	1,000	1,000	1,000
HIGHER EDUCATION ASSISTANCE FUND TOTAL	<u>\$ 2,767</u>	<u>\$ 2,668</u>	<u>\$ 1,175</u>

Higher Education Assistance Agency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
SCHOOL SAFETY AND SECURITY FUND:			
(F)COVID-SFR School Based MH Internship Grant Program	5,000	-	-
SCHOOL SAFETY AND SECURITY FUND TOTAL.....	\$ 5,000	\$ -	\$ -
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 430,356	\$ 573,437	\$ 594,092
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	21,051	15,500	15,500
RESTRICTED	-	-	-
OTHER FUNDS	7,767	2,668	1,175
TOTAL ALL FUNDS	\$ 459,174	\$ 591,605	\$ 610,767

^a In 2023-24, \$10,000,000 in funding for the program was appropriated in the Pennsylvania Department of Education but transferred to a restricted account in PHEAA.

Higher Education Assistance Agency

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
FINANCIAL ASSISTANCE TO STUDENTS:							
GENERAL FUND.....	\$ 398,835	\$ 539,416	\$ 560,071	\$ 560,071	\$ 560,071	\$ 560,071	\$ 560,071
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	21,051	15,500	15,500	15,500	15,500	15,500	15,500
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	7,767	2,668	1,175	1,175	1,175	1,175	1,175
SUBCATEGORY TOTAL.....	\$ 427,653	\$ 557,584	\$ 576,746	\$ 576,746	\$ 576,746	\$ 576,746	\$ 576,746
FINANCIAL AID TO INSTITUTIONS:							
GENERAL FUND.....	\$ 31,521	\$ 34,021	\$ 34,021	\$ 34,021	\$ 34,021	\$ 34,021	\$ 34,021
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL.....	\$ 31,521	\$ 34,021	\$ 34,021	\$ 34,021	\$ 34,021	\$ 34,021	\$ 34,021
ALL PROGRAMS:							
GENERAL FUND.....	\$ 430,356	\$ 573,437	\$ 594,092	\$ 594,092	\$ 594,092	\$ 594,092	\$ 594,092
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	21,051	15,500	15,500	15,500	15,500	15,500	15,500
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	7,767	2,668	1,175	1,175	1,175	1,175	1,175
DEPARTMENT TOTAL	\$ 459,174	\$ 591,605	\$ 610,767	\$ 610,767	\$ 610,767	\$ 610,767	\$ 610,767

Program: Financial Assistance to Students

Goal: To provide financial assistance to Commonwealth residents in order to promote access to postsecondary education.

[The Pennsylvania Higher Education Assistance Agency \(PHEAA\)](#) offers financial assistance programs to students in the form of grants, scholarships, and work-study awards. All General Fund appropriations are transferred to PHEAA's Higher Education Assistance Fund prior to distribution to students and institutions.

[Grants to Students \(Pennsylvania State Grants\)](#) are funded by an annual appropriation from the General Fund, a portion of PHEAA's business earnings, when available, and interest earnings from the Higher Education Assistance Fund. The PHEAA Board annually determines the distribution of funds to applicants based on criteria including family income, family size, and the cost of attendance at the institution the student will be attending. The objective of this program is to reduce financial barriers and provide greater access to higher education for all Commonwealth residents and, within the limits of the resources available, help to provide freedom of choice between public and private institutions.

The [Ready to Succeed Scholarship](#) program makes postsecondary educational opportunities more affordable to high-achieving students from middle-income Pennsylvania families. Students can pursue two-year and four-year postsecondary degrees at any participating Pennsylvania college, university, or technical school. Matching funds programs, including [Federal Work-Study](#), [State Work-Study](#), and [Partnerships for Access to Higher Education](#) provide funds to match federal funds and work-study awards that students earn through both on- and off-campus job opportunities. Matching funds also leverage private foundation scholarships.

[The Pennsylvania Targeted Industry](#) program provides grants to students enrolled in certificate programs in the energy, health, advanced materials and diversified manufacturing, and agriculture and food production fields. [The Higher Education of Blind or Deaf Students](#) program provides assistance to blind or deaf students who are Pennsylvania residents and are enrolled in an approved institution of higher education.

[The Horace Mann Bond-Leslie Pinckney Hill Scholarship](#) program provides grants to graduates of Lincoln University and Cheyney University of Pennsylvania who enter select graduate and professional programs at Temple University, Lincoln University, the Pennsylvania State University, the University of Pittsburgh, or one of the Pennsylvania State System of Higher Education institutions. [The Cheyney University Honors Academy](#) provides scholarships to attract students to enroll at Cheyney University of Pennsylvania. The Pennsylvania Internship Program provides scholarships to Pennsylvania residents attending Pennsylvania colleges and universities and pursuing an internship through [The Washington Center for Internships and Academic Seminars](#).

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Grants to Students		Student Teacher Stipend	
\$ 655	—to maintain the maximum student aid grant.	\$ 20,000	—Initiative—for stipends for student teachers to increase the educator workforce.

Higher Education Assistance Agency

Program: Financial Assistance to Students, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Grants to Students....	\$ 347,267	\$ 401,348	\$ 402,003	\$ 402,003	\$ 402,003	\$ 402,003	\$ 402,003
Pennsylvania Internship Program Grants	468	468	468	468	468	468	468
Ready to Succeed Scholarships	23,939	59,939	59,939	59,939	59,939	59,939	59,939
Matching Payments for Student Aid	13,646	13,646	13,646	13,646	13,646	13,646	13,646
Higher Education of Blind or Deaf Students.....	51	51	51	51	51	51	51
Bond-Hill Scholarships	832	1,832	1,832	1,832	1,832	1,832	1,832
Cheyney University Honors Academy	3,980	5,480	5,480	5,480	5,480	5,480	5,480
Targeted Industry Cluster Scholarship Program	8,652	11,652	11,652	11,652	11,652	11,652	11,652
Student Teacher Stipend.....	-	20,000	40,000	40,000	40,000	40,000	40,000
Grow PA Scholarships	-	25,000	25,000	25,000	25,000	25,000	25,000
TOTAL GENERAL FUND	\$ 398,835	\$ 539,416	\$ 560,071	\$ 560,071	\$ 560,071	\$ 560,071	\$ 560,071

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase enrollment and graduation rates at Pennsylvania's colleges and universities.							
Applications for PA State Grants	507,062	489,300	469,252	455,005	470,965	447,417	447,417
PA State Grant recipients	132,910	118,723	104,952	107,212	110,306	113,200	113,200
Ready to Succeed Scholarship recipients	3,633	3,436	3,514	12,279	10,784	29,353	29,353
Develop a strong workforce in targeted industries in Pennsylvania through access to financial assistance for postsecondary education.							
PA Targeted Industry program recipients	1,525	1,765	1,864	2,296	2,283	2,940	2,940

Program: Financial Aid to Institutions

Goal: To assist independent, postsecondary institutions to maintain enrollments and stabilize their educational costs; thereby, promoting access to institutions in all sectors for Pennsylvania students and assisting at-risk students by providing institutional funds for support services.

[The Institutional Assistance Grants](#) program provides grants to independent postsecondary institutions that are nonprofit, nondenominational, and nonrecipients of direct state appropriations. The program helps to preserve and develop the diverse system of postsecondary education by allowing Pennsylvania's independent colleges and universities to stabilize their educational costs and maintain enrollments.

[The Higher Education for the Disadvantaged](#) program, more commonly known as the Act 101 program, provides funding to institutions for support services, academic advising, counseling, and tutoring to economically and educationally qualified students.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

All appropriations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Institutional Assistance Grants.....	\$ 26,521	\$ 26,521	\$ 26,521	\$ 26,521	\$ 26,521	\$ 26,521	\$ 26,521
Higher Education for the Disadvantaged....	5,000	7,500	7,500	7,500	7,500	7,500	7,500
TOTAL GENERAL FUND.....	\$ 31,521	\$ 34,021	\$ 34,021	\$ 34,021	\$ 34,021	\$ 34,021	\$ 34,021

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Support programs at institutions through the development and preservation of a planned system of postsecondary education across the Commonwealth (through the Institutional Assistance Grants Program).							
Institutions aided through Institutional Assistance Grants program	88	89	89	89	89	84	84
Support programs at institutions that help economically and educationally underserved students succeed in postsecondary education.							
Institutional programs aided through Act 101 program	33	34	35	35	36	38	38



EMERGENCY MANAGEMENT AGENCY

The mission of the [Pennsylvania Emergency Management Agency \(PEMA\)](#) is to help communities and citizens mitigate against, prepare for, respond to, and recover from emergencies including natural disasters, acts of terrorism, or other human-made disasters. PEMA supports county emergency management agencies by coordinating and engaging the whole community, including federal and state partners, volunteer organizations involved in disasters, private sector business community, and citizens.

The agency develops and maintains a comprehensive plan to enhance the Commonwealth's capabilities to prepare for, respond to, and recover from all hazards that affect the citizens of Pennsylvania. Primarily the plan calls for the protection of life and property both prior to and in the event of natural and other disasters. PEMA, through the [Office of the State Fire Commissioner \(OSFC\)](#), provides grants and loans to fire, ambulance, and rescue companies, and coordinates state fire services. The agency also administers post-disaster aid to affected localities and citizens.

Programs and Goals

Emergency Management: *To focus on continual process improvement to consistently meet or exceed the expectations of the people, communities, and partners we serve in every aspect of emergency management.*

Fire Prevention and Safety: *To minimize the loss of life and property due to fire by developing and maintaining statewide municipal fire and emergency service capability and to promote citizen awareness to support community fire prevention and control efforts.*

Emergency Management Agency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
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GENERAL FUND:

General Government:

General Government Operations	\$ 15,721	\$ 14,786 ^a	\$ 21,912
(F)Civil Preparedness.....	70,000	100,000	100,000
(F)IIJA-State and Local Cybersecurity	15,905	25,000	21,000
(F)Hazardous Materials Planning and Training.....	2,500	2,500	2,500
(F)Domestic Preparedness-First Responders (EA)	100,000	100,000	100,000
(A)Miscellaneous.....	268	116	30
(R)Radiological Emergency Response Planning	1,320	1,100	1,100
(R)Radiation Emergency Response Fund	708	600	600
(R)Radiation Transportation Emergency Response Fund	46	180	180
Subtotal.....	\$ 206,468	\$ 244,282	\$ 247,322
State Fire Commissioner	3,080	4,614 ^b	5,031
(F)Fire Prevention	40	20	20
(F)Firefighters Assistance Program (EA)	500	500	500
(A)Fire and Emergency Medical Services Programs	1,458	1,401	1,401
(A)Arson Fines	2	-	-
(R)Online Training Educator and Reimbursement	341	450	250
(R)Emergency Services Training Center Capital Grants	493	500	500
(R)Career Fire Department Capital Grants	490	500	500
(R)Public Safety Campaign	-	250	250
(R)Bomb Squad Reimbursement	-	500	500
Subtotal.....	\$ 6,404	\$ 8,735	\$ 8,952
Subtotal - State Funds.....	\$ 18,801	\$ 19,400	\$ 26,943
Subtotal - Federal Funds.....	188,945	228,020	224,020
Subtotal - Augmentations.....	1,728	1,517	1,431
Subtotal - Restricted.....	3,398	4,080	3,880
Total - General Government.....	\$ 212,872	\$ 253,017	\$ 256,274

Grants and Subsidies:

Disaster Relief	-	10,000	-
(F)Disaster Relief (EA)	75,000	50,000	50,000
(F)COVID-PA Disaster Relief (EA).....	200,000	800,000	200,000
(F)SCDBG-Disaster Recovery (EA)	4,320	13,587	9,813
Hazard Mitigation	2,000	1,000	-
(F)Hazard Mitigation (EA).....	100,000	80,000	80,000
Emergency Management Assistance Compact	-	4,000	-
State Disaster Assistance	5,000	5,000	5,000
Firefighters Memorial Flags	10	10	10

Emergency Management Agency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Red Cross Extended Care Program	350	350	350
Search and Rescue	250	250	250
Urban Search and Rescue	-	6,000	-
(R)Fire and Emergency Medical Services Grant Program	7,574 °	7,551 °	6,500 °
Subtotal - State Funds	\$ 7,610	\$ 26,610	\$ 5,610
Subtotal - Federal Funds	379,320	943,587	339,813
Subtotal - Restricted	7,574	7,551	6,500
Total - Grants and Subsidies	\$ 394,504	\$ 977,748	\$ 351,923
STATE FUNDS	\$ 26,411	\$ 46,010	\$ 32,553
FEDERAL FUNDS	568,265	1,171,607	563,833
AUGMENTATIONS	1,728	1,517	1,431
RESTRICTED	10,972	11,631	10,380
GENERAL FUND TOTAL	\$ 607,376	\$ 1,230,765	\$ 608,197
<u>OTHER FUNDS:</u>			
FIRE AND EMERGENCY MEDICAL SERVICES LOAN FUND:			
Fire and Emergency Services Loans	\$ 13,651	\$ 15,000	\$ 15,000
HAZARDOUS MATERIAL RESPONSE FUND:			
General Operations	\$ 160	\$ 34	\$ 100
Hazardous Materials Response Team	160	33	100
Grants to Counties	1,120	833	775
Public and Facility Owner Education	160	-	25
HAZARDOUS MATERIAL RESPONSE FUND TOTAL	\$ 1,600	\$ 900	\$ 1,000
PROPERTY TAX RELIEF FUND:			
Transfer to Fire and Emergency Medical Services Grant Pgrm (EA)	\$ 5,000	\$ 5,000	\$ 5,000
Supplemental Grants to Fire Companies (EA)	-	-	30,000
PROPERTY TAX RELIEF FUND TOTAL	\$ 5,000	\$ 5,000	\$ 35,000
STATE GAMING FUND:			
Transfer to Fire and Emergency Medical Services Grant Pgrm (EA)	\$ 25,000	\$ 25,000	\$ 25,000
UNCONVENTIONAL GAS WELL FUND:			
Emergency Response Planning (EA)	\$ 750	\$ 750	\$ 750
First Responders Equipment and Training (EA)	750	750	750
UNCONVENTIONAL GAS WELL FUND TOTAL	\$ 1,500	\$ 1,500	\$ 1,500
911 FUND:			
General Operations (EA)	\$ 6,711	\$ 7,040	\$ 7,861
Emergency Services Grants (EA)	358,862	387,255	385,166
911 FUND TOTAL	\$ 365,573	\$ 394,295	\$ 393,027

Emergency Management Agency

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ 26,411	\$ 46,010	\$ 32,553
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	568,265	1,171,607	563,833
AUGMENTATIONS	1,728	1,517	1,431
RESTRICTED	10,972	11,631	10,380
OTHER FUNDS	412,324	441,695	470,527
TOTAL ALL FUNDS	<u>\$ 1,019,700</u>	<u>\$ 1,672,460</u>	<u>\$ 1,078,724</u>

^a Reflects recommended appropriation reduction of \$1,156,000.

^b Includes recommended supplemental appropriation of \$1,156,000.

^c Not added to the total to avoid double counting: Transfers to (R)Fire and Emergency Medical Services Grant Program from the Property Tax Relief Fund for 2023-24 Actual is \$5,000,000; 2024-25 Available is \$5,000,000; and 2025-26 Budget is \$5,000,000; and from the State Gaming Fund for 2023-24 Actual is \$25,000,000; 2024-25 Available is \$25,000,000; and 2025-26 Budget is \$25,000,000. Balance shown represents the Fireworks Tax transfers within each year.

Emergency Management Agency

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
EMERGENCY MANAGEMENT:							
GENERAL FUND.....	\$ 22,971	\$ 41,036	\$ 27,162	\$ 22,982	\$ 24,482	\$ 25,682	\$ 26,982
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	567,725	1,171,087	563,313	563,313	563,313	542,313	542,313
AUGMENTATIONS	268	116	30	30	30	30	30
RESTRICTED.....	2,074	1,880	1,880	1,880	1,880	1,880	1,880
OTHER FUNDS.....	367,923	395,945	424,777	436,668	275,078	114,066	31,850
SUBCATEGORY TOTAL....	\$ 960,961	\$ 1,610,064	\$ 1,017,162	\$ 1,024,873	\$ 864,783	\$ 683,971	\$ 603,055
FIRE PREVENTION AND SAFETY:							
GENERAL FUND.....	\$ 3,440	\$ 4,974	\$ 5,391	\$ 5,569	\$ 5,569	\$ 5,569	\$ 5,569
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	540	520	520	520	520	520	520
AUGMENTATIONS	1,460	1,401	1,401	1,401	1,401	1,401	1,401
RESTRICTED.....	8,898	9,751	8,500	8,500	8,500	8,500	8,500
OTHER FUNDS.....	44,401	45,750	45,750	45,750	45,750	45,750	45,750
SUBCATEGORY TOTAL....	\$ 58,739	\$ 62,396	\$ 61,562	\$ 61,740	\$ 61,740	\$ 61,740	\$ 61,740
ALL PROGRAMS:							
GENERAL FUND.....	\$ 26,411	\$ 46,010	\$ 32,553	\$ 28,551	\$ 30,051	\$ 31,251	\$ 32,551
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	568,265	1,171,607	563,833	563,833	563,833	542,833	542,833
AUGMENTATIONS	1,728	1,517	1,431	1,431	1,431	1,431	1,431
RESTRICTED.....	10,972	11,631	10,380	10,380	10,380	10,380	10,380
OTHER FUNDS.....	412,324	441,695	470,527	482,418	320,828	159,816	77,600
DEPARTMENT TOTAL	\$ 1,019,700	\$ 1,672,460	\$ 1,078,724	\$ 1,086,613	\$ 926,523	\$ 745,711	\$ 664,795

Program: Emergency Management

Goal: To focus on continual process improvement to consistently meet or exceed the expectations of the people, communities, and partners we serve in every aspect of emergency management.

In 1978, the [Pennsylvania Emergency Services Code](#) created the [Pennsylvania Emergency Management Agency \(PEMA\)](#) from the State Council of Civil Defense. It also expanded the mandate of the agency to include an all-hazards comprehensive emergency management program. Since then, the agency's responsibilities have continued to evolve and today it serves a critical role in coordinating the core emergency management functions of emergency preparedness, response, recovery, and hazard mitigation.

PEMA's mission is accomplished through a systematic approach to threats and hazards that pose the greatest risk to the safety and security of the residents of the Commonwealth, including natural and human-made disasters, acts of terrorism, and other emergencies. The agency has adopted the "[Whole Community](#)" approach to emergency management, which recognizes that it takes all aspects of a community to effectively [prepare for](#), [protect against](#), [respond to](#), [recover from](#), and [mitigate](#) any disaster. At PEMA's core is a comprehensive training and qualification program that develops and maintains skilled emergency management and support personnel at the state, county, and local municipal levels who are responsible for carrying out all aspects of the statewide emergency management program.

PEMA's daily responsibilities include managing programs that promote individual and community preparedness, developing and updating emergency plans and procedures, coordinating training and exercises, maintaining and advancing Next Generation [911 technology](#) across the state, [statewide chemical](#) reporting, hazardous materials preparedness and response, [nuclear power safety](#), hazard mitigation, and private sector integration. Many of the preparedness and mitigation activities involve the administration of several [state and federal grant programs](#). The agency also coordinates the National Flood Insurance Program for the Commonwealth. Daily responsibilities also include the operation of PEMA's Commonwealth Watch and Warning Center which serves as the main incident reporting, information sharing, and public alert and warning point in the state that maintains a statewide 24/7 Common Operating Picture.

During disasters and other emergencies, the agency is responsible for directing and coordinating all available Commonwealth resources needed to support county and local governments in protecting residents and supporting short- and long-term recovery operations. This is accomplished through the [Commonwealth Response Coordination Center](#) which, when activated, serves as the main coordination hub for all emergency operations across all state agencies, levels of government, non-governmental and voluntary agencies, and the private sector. PEMA provides advice and guidance to the Governor related to all emergent situations that may warrant the issuance of a Governor's Proclamation of Disaster Emergency and a request to the President of the United States for a major disaster declaration. Following a presidential disaster declaration, the agency advises the administration of the Individual Assistance and Public Assistance Grant programs as part of short- and long-term recovery operations. PEMA also serves as the main point of contact for the [Federal Emergency Management Agency \(FEMA\)](#) for federal-state business during both steady-state operations as well as during disasters.

In support of response to disasters and other emergencies, the agency wholly, or in conjunction with other state agencies, coordinates a number of statewide specialized response teams such as:

- PA Type 3 All-Hazards Incident Management Team;
- Pennsylvania Helicopter Aquatic Rescue Team;
- Voluntary Rescue Service Recognition;
- Swift Water and Flood Evacuation Teams; and
- In-state [Urban Search and Rescue Response teams](#).

Emergency Management Agency

Program: Emergency Management, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>General Government Operations</p> <p>\$ 7,039 —to continue current program.</p> <p style="padding-left: 20px;">87 —to meet federal infrastructure matching requirements.</p> <p>\$ 7,126 <i>Appropriation Increase</i></p> <p>Disaster Relief</p> <p>\$ (10,000) —nonrecurring program costs.</p>	<p>Hazard Mitigation</p> <p>\$ (1,000) —nonrecurring program costs.</p> <p>Emergency Management Assistance Compact</p> <p>\$ (4,000) —nonrecurring program costs.</p> <p>Urban Search and Rescue</p> <p>\$ (6,000) —program elimination.</p>
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Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 15,721	\$ 14,786	\$ 21,912	\$ 16,232	\$ 16,232	\$ 16,232	\$ 16,232
Disaster Relief	-	10,000	-	-	-	1,200	2,500
Hazard Mitigation.....	2,000	1,000	-	1,500	3,000	3,000	3,000
Emergency Management Assistance Compact	-	4,000	-	-	-	-	-
State Disaster Assistance.....	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Search and Rescue	250	250	250	250	250	250	250
Urban Search and Rescue ...	-	6,000	-	-	-	-	-
TOTAL GENERAL FUND	\$ 22,971	\$ 41,036	\$ 27,162	\$ 22,982	\$ 24,482	\$ 25,682	\$ 26,982

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated

Provide support to local leaders in the five mission areas of prevention, protection, mitigation, response, and recovery.

Percentage of compliant county emergency management coordinators .	%	75	80	85	78	85	85	90
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Improve the preparedness and response capabilities of individuals and communities to all hazards.

Percentage of PEMA staff that are National Incident Management System certified	%	45	71	52	69	75	75	75
Businesses participating in private sector integration program.....		456	345	400	450	470	548	548
Percentage of counties that adopt Hazard Mitigation (HM) plans	%	85	90	90	95	90	90	90

Program: Fire Prevention and Safety

Goal: To minimize the loss of life and property due to fire by developing and maintaining statewide municipal fire and emergency service capability and to promote citizen awareness to support community fire prevention and control efforts.

The [Office of the State Fire Commissioner \(OSFC\)](#) oversees the development and operation of the [State Fire Academy](#), the [Fire and Emergency Medical Services Loan](#) program, the [Fire Company and Emergency Medical Services Grant](#) program, the [Pennsylvania Fire Information Reporting System](#), [Marcellus Shale and Alternative Energy Emergency Response Training](#), a variety of public education and information programs, and the administration of the Firefighters' Memorial Flags program. The State Fire Commissioner is responsible for coordinating federal, state, and private fire safety funds; assisting state agencies in the development of plans related to fire safety; reviewing existing or proposed rules and regulations affecting the safety of Pennsylvanians; and providing a cost-effective fire-loss management system for the Commonwealth.

The State Fire Academy in Lewistown is the catalyst for the delivery of training and certification to the Commonwealth's fire and emergency response community. The [Local Level Training](#) program, a unique system involving the academy, community colleges, and county and local training facilities and organizations, provides a comprehensive curriculum of basic and mid-level fire, rescue, hazardous material, officer development, and fire department management courses to firefighters throughout county and local fire departments. The academy's training facilities and staff support the resident training programs offering mid-level, advanced, and specialty training in fire, rescue, hazardous material, and officer development courses. Each program strives to provide professional development opportunities for the Commonwealth's fire service, state accredited instructors, and employees from other state agencies. Programs of interest and concern are made available to the emergency services providers through the academy's "[Academy on the Road](#)" program.

The Fire and Emergency Medical Services Loan program aids fire and emergency medical services (EMS) companies in the form of low-interest loans for the purpose of establishing or modernizing facilities to house apparatus and equipment; purchasing new or rehabilitating old apparatus; and purchasing protective, communications, and accessory equipment.

The Fire Company and Emergency Medical Services Grant program (FCEMSGP) annually receives transfers from the State Gaming Fund and the Property Tax Relief Fund to provide grants to fire companies and EMS companies to assist in maintaining or improving their capability to provide fire, ambulance, and rescue services. The fireworks tax generates additional funding that is awarded and distributed to EMS companies via the FCEMSGP.

The office is responsible for providing a flag to honor firefighters who have died in the line of duty. OSFC aids fire departments and surviving relatives immediately following such deaths.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND:		PROPERTY TAX RELIEF FUND:	
State Fire Commissioner		Supplemental Grants to Fire Companies (EA)	
\$ 417	—to continue current program.	\$ 30,000	—Initiative—to increase support for fire companies.

Emergency Management Agency

Program: Fire Prevention and Safety, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
State Fire Commissioner	\$ 3,080	\$ 4,614	\$ 5,031	\$ 5,209	\$ 5,209	\$ 5,209	\$ 5,209
Firefighters Memorial Flags ..	10	10	10	10	10	10	10
Red Cross Extended Care Program	350	350	350	350	350	350	350
TOTAL GENERAL FUND	\$ 3,440	\$ 4,974	\$ 5,391	\$ 5,569	\$ 5,569	\$ 5,569	\$ 5,569

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Improve fire department effectiveness and service delivery and promote and enhance the safety of first responders through participation in firefighter certification programs and training opportunities.							
Fire and emergency medical services loans awarded (in thousands).....	\$ 10,894	7,640	8,995	6,127	13,651	15,000	15,000
Fire company grants awarded.....	2,008	1,979	1,691	1,882	1,950	2,000	2,000
Firefighter certifications issued.....	3,126	796	2,588	2,823	3,182	3,200	3,200
Fire casualties	111	129	150	183	172	170	140
Total firefighters trained	2,979	252	1,521	1,425	1,652	1,650	1,650



ENVIRONMENTAL PROTECTION

The mission of the [Department of Environmental Protection \(DEP\)](#) is to protect Pennsylvania's air, land, and water from pollution and to provide for the health and safety of its citizens through a cleaner environment. The department works as a partner with individuals, organizations, governments, and businesses to prevent pollution and restore our natural resources.

Programs and Goals

Environmental Support Services: To provide administrative and technical support for the Commonwealth's environmental protection programs.

Environmental Protection and Management: To ensure DEP's mission is met by enforcing clean air and water standards, managing land protection activities and ensuring waste is handled properly, ensuring safe and healthy communities, and promoting sustainable energy.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
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GENERAL FUND:

General Government:

General Government Operations	\$ 20,221	\$ 30,111	\$ 32,928
(F)IIJA-Assistance for Small and Disadvantaged Communities.....	103,189	103,189	103,189
(F)IIJA-Orphan Well Plugging	105,000	105,000	175,000
(F)IIJA-CWTP-Orphan Well Plugging (EA)	-	1,000	2,000
(F)IIJA-DOE-Energy Programs	22,300	22,300	22,300
(F)IIJA-Electric Grid Resilience	16,250	269,250	269,250
(F)IIJA-Energy Efficiency and Conservation	4,000	4,000	4,000
(F)IIJA-Methane Emissions Reduction Grants	20,000	20,000	20,000
(A)Reimbursement-EDP Services.....	-	-	-
(R)Safe Drinking Water Account	12,339	13,039	14,094
(R)Radiation Protection Fund.....	14,917	16,845	16,400
(R)Clean Water Fund	24,851	29,481	26,990
(R)Solid Waste Abatement Fund.....	2,028	1,339	714
(R)Well Plugging Account	28,701	30,089	35,489
(R)Abandoned Well Plugging	2	190	190
(R)Orphan Well Plugging	255	994	326
(R)Alternative Fuels.....	5,133	7,277	7,186
(R)Industrial Land Recycling	238	661	676
(R)Waste Transportation Safety Account.....	3,837	9,999	8,581
(R)Electronics Material Recycling Account	525	580	602
(R)Natural Resource Damage Settlements.....	-	1,688	1,688
Subtotal.....	\$ 383,786	\$ 667,032	\$ 741,603

Environmental Program Management	39,714	42,510	44,030
(F)IRA-Solar for All	-	156,120	166,120
(F)IRA-CWTP-Solar for All (EA).....	-	-	1,000
(F)Coastal Zone Management	4,700	4,700	4,700
(F)IIJA-Coastal Zone Management.....	8,454	8,454	8,454
(F)IRA-Coastal Zone Management	-	376	376
(F)Construction Management Assistance Grants-Administration	1,400	1,400	1,400
(F)Storm Water Permitting Initiative	2,300	2,300	2,300
(F)Safe Drinking Water Act-Management	7,000	7,000	7,000
(F)Water Pollution Control Grants-Management.....	5,500	5,500	5,500
(F)Air Pollution Control Grants-Management.....	4,200	4,200	4,200
(F)Surface Mine Conservation-Management.....	6,500	6,500	6,500
(F)Wetland Protection Fund	840	840	840
(F)Diagnostic X-ray Equipment Testing	1,300	1,300	1,300
(F)Water Quality Management Planning Grants	1,150	1,150	1,330
(F)IIJA-Water Quality Management Planning Grants.....	1,000	1,000	2,000

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	ACTUAL	AVAILABLE	BUDGET
(F)Small Operators Assistance	300	300	300
(F)Indoor Radon Abatement.....	700	700	950
(F)Non-Point Source Implementation.....	14,800	14,800	14,800
(F)Hydroelectric Power Conservation Fund	51	51	-
(F)Survey Studies.....	6,000	6,000	6,000
(F)National Dam Safety.....	1,500	1,500	1,500
(F)IIJA-National Dam Safety Program	100	100	550
(F)State Energy Program	15,000	15,000	15,000
(F)Surface Mine Conservation	680	680	680
(F)Multipurpose Grants to States and Tribes	600	600	600
(F)Environmental Justice.....	1,000	1,000	1,000
(F)Coal Combustion Residuals Grant	209	209	500
(F)IIJA-Energy Efficiency Revolving Loan Fund	3,700	3,700	3,700
(F)IIJA-Resilient and Efficient Codes Implementation.....	3,000	3,000	3,000
(F)IIJA-Energy Auditor Training Grant	2,000	2,000	2,000
(F)IIJA-Solid Waste Infrastructure for Recycling	1,101	1,101	1,101
(F)IIJA-Environmental Justice Programs.....	10,000	10,000	10,000
(F)IIJA-DOE-Clean Energy Demonstration Projects	150,000	150,000	150,000
(F)IIJA-Advanced Energy Manufacturing	50,000	50,000	50,000
(F)IIJA-Hydroelectricity Development Programs	25,000	25,000	25,000
(F)IRA-Energy Performance-Homes Program	26,000	135,000	135,000
(F)IRA-CWTP-Energy Performance-Homes Program (EA)	-	800	800
(F)IRA-Energy Performance-Electric Appliance.....	26,000	140,000	140,000
(F)IRA-CWTP-Energy Performance-Electric Appliance (EA).....	-	800	588
(F)IRA-Clean Air Act Grant.....	400	30,300	30,300
(F)IRA-DOE-Planning Grants and Other Capacity Bldg.	20,000	65,000	71,000
(F)IRA-CWTP-DOE-Planning Grants and Other Capacity Bldg. (EA)	-	-	2,000
(F)IRA-EPA-Planning Grants and Other Capacity Bldg.	20,000	520,000	520,000
(F)IRA-CWTP-EPA-Planning Grants and Other Capacity Bldg. (EA)	-	-	10,000
(F)IRA-EPA-Green Bank and Energy Financing Initiatives.....	100,000	100,000	100,000
(F)IRA-DOE-Clean Energy Demonstration Projects	150,000	150,000	150,000
(F)IRA-Transmission Siting and Economic Development Program	-	50,000	50,000
(F)IRA-Assistance for Latest and Zero Building Energy Code	-	8,800	8,800
(F)Abandoned Mine Reclamation (EA)	100,000	100,000	100,000
(F)IIJA-Abandoned Mine Reclamation (EA).....	469,904	469,904	714,986

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(F)IIJA-CWTP-Abandoned Mine Reclamation (EA)	-	3,000	500
(F)Abandoned Mine Land Economic Revitalization (EA)	-	28,671	28,671
(F)Homeland Security Initiative (EA)	1,000	1,000	1,000
(F)Building Resilient Infrastructure and Communities (EA)	280	280	280
(F)Nuclear and Chemical Security (EA)	7	-	-
(A)Payments-Department Services	-	-	-
(A)Safe Drinking Water Administration	-	-	-
(A)Water Pollution Control Administration	-	-	-
(A)Vehicle Sales-EPM	13	-	-
(R)Sewage Facilities Program Administration (EA)	652	862	862
(R)Used Tire Pile Remediation (EA)	-	501	501
Subtotal	\$ 1,284,055	\$ 2,334,009	\$ 2,609,019
Chesapeake Bay Agricultural Source Abatement	3,629	3,672	5,863
(F)Chesapeake Bay Pollution Abatement	20,000	20,000	23,000
(F)IIJA-Chesapeake Bay	6,933	6,933	15,933
Subtotal	\$ 30,562	\$ 30,605	\$ 44,796
Environmental Protection Operations	116,450	125,881	132,069
(F)EPA Planning Grant-Administration	8,400	8,400	8,400
(F)Water Pollution Control Grants	8,900	8,900	8,900
(F)Air Pollution Control Grants	6,000	6,800	6,800
(F)Surface Mine Control and Reclamation	13,344	13,344	15,000
(F)Training and Education of Underground Coal Miners	1,700	1,700	1,700
(F)Safe Drinking Water	5,700	5,700	5,700
(F)Oil Pollution Spills Removal	1,000	1,000	1,000
(F)USDA Good Neighbor Authority	200	200	200
(F)IIJA-USDA Good Neighbor Authority	2,000	5,700	18,500
(F)IIJA-NFWF America the Beautiful Challenge	7,500	7,500	-
(F)IIJA-Brownfields	4,000	4,000	6,000
(F)IIJA-10 Percent Drinking Water Set Asides Offset (EA)	7,360	7,360	7,360
(F)IIJA-2 Percent Drinking Water Set Asides Offset (EA)	6,452	6,452	6,452
(F)IIJA-15 Percent Drinking Water Set Asides Offset (EA)	1,857	1,857	1,857
(F)IIJA-DW Set-Aside Emerging Contam. Small or Disadvantage (EA)	400	400	2,800
(F)Technical Assistance to Small Systems (EA)	1,750	1,750	1,750
(F)Assistance to State Programs (EA)	7,000	8,000	8,000
(F)Local Assistance and Source Water Protection (EA)	11,268	11,268	11,268
(F)Hazardous Materials Emergency Preparedness (EA)	55	55	150
(A)Reimbursement-Laboratory Services	10,301	15,930	16,395
(A)Lab Accreditation	1,548	1,580	1,580
(A)Reimbursement-Department Services	-	-	-
(A)PADOT ISTEPA Program	1,306	1,051	1,051

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(A)Clean Air Administration.....	-	-	-
(A)Solid Waste Abatement.....	-	-	-
(A)Safe Drinking Water Administration.....	-	-	-
(A)Water Pollution Control Administration.....	-	-	-
(A)Vehicle Sales-EPO.....	-	100	-
Subtotal.....	\$ 224,491	\$ 244,928	\$ 262,932
Black Fly Control and Research.....	7,712	8,435	9,209
(A)County Contributions.....	1,294	1,250	1,250
Subtotal.....	\$ 9,006	\$ 9,685	\$ 10,459
Vector Borne Disease Management.....	6,285	6,548	7,491
(F)Zika Vector Control Response (EA).....	100	100	100
(A)Tick and Lyme Testing.....	821	700	-
Subtotal.....	\$ 7,206	\$ 7,348	\$ 7,591
Transfer to Well Plugging Account.....	-	6,000	19,026
Environmental Hearing Board.....	2,864	3,041	3,064
Subtotal - State Funds.....	\$ 196,875	\$ 226,198	\$ 253,680
Subtotal - Federal Funds.....	1,636,334	2,942,294	3,310,235
Subtotal - Augmentations.....	15,283	20,611	20,276
Subtotal - Restricted.....	93,478	113,545	114,299
Total - General Government.....	\$ 1,941,970	\$ 3,302,648	\$ 3,698,490
Grants and Subsidies:			
Delaware River Master.....	\$ 38	\$ 38	\$ 38
Susquehanna River Basin Commission.....	740	740	740
Interstate Commission on the Potomac River.....	23	23	23
Delaware River Basin Commission.....	217	217	217
Ohio River Valley Water Sanitation Commission.....	68	68	68
Chesapeake Bay Commission.....	325	370	370
Transfer to Conservation District Fund.....	7,516	7,516	7,516
Interstate Mining Commission.....	15	15	15
(R)Environmental Mitigation Trust Agreement Account.....	11,725	20,000	25,000
(R)Monsanto Settlement.....	-	-	50
(R)PCB Community Fund.....	-	8,000	-
Subtotal - State Funds.....	\$ 8,942	\$ 8,987	\$ 8,987
Subtotal - Restricted.....	11,725	28,000	25,050
Total - Grants and Subsidies.....	\$ 20,667	\$ 36,987	\$ 34,037

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
STATE FUNDS	\$ 205,817	\$ 235,185	\$ 262,667
FEDERAL FUNDS	1,636,334	2,942,294	3,310,235
AUGMENTATIONS	15,283	20,611	20,276
RESTRICTED	105,203	141,545	139,349
GENERAL FUND TOTAL	\$ 1,962,637	\$ 3,339,635	\$ 3,732,527
OTHER FUNDS:			
ACID MINE DRAINAGE ABATEMENT AND TREATMENT FUND:			
Acid Mine Drainage Abatement and Treatment Fund (EA)	\$ -	\$ 1,221	\$ 1,088
(F)Acid Mine Drainage Abatement and Treatment (EA)	9,982	4,008	4,236
(F)I/JA-STREAM Act Set-Aside (EA)	-	6,500	7,150
ACID MINE DRAINAGE ABATEMENT AND TREATMENT FUND TOTAL	\$ 9,982	\$ 11,729	\$ 12,474
CLEAN AIR FUND:			
Major Emission Facilities (EA)	\$ 24,595	\$ 27,073	\$ 28,036
Mobile and Area Facilities (EA)	13,966	14,539	13,647
Western Pennsylvania Oil and Gas Project (EA)	-	1,085	313
CLEAN AIR FUND TOTAL	\$ 38,561	\$ 42,697	\$ 41,996
CLEAN STREAMS FUND:			
Storm Water Management Grants (EA)	\$ -	\$ 2,443	\$ 2,176
Transfer to Acid Mine Drainage Abatement and Treatment Fund (EA)	-	-	-
CLEAN STREAMS FUND TOTAL	\$ -	\$ 2,443	\$ 2,176
COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND:			
General Operations (EA)	\$ 3,666	\$ 3,775	\$ 3,864
Payment of Claims (EA)	5,040	3,040	4,040
COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND TOTAL	\$ 8,706	\$ 6,815	\$ 7,904
COAL LANDS IMPROVEMENT FUND:			
Coal Lands Restoration (EA)	\$ 220	\$ 25	\$ 13
CONSERVATION DISTRICT FUND:			
Conservation District Grants (EA)	\$ 9,875	\$ 10,093	\$ 10,084
ENERGY DEVELOPMENT FUND:			
Energy Development-Administration (EA)	\$ 135	\$ 538	\$ 223
Energy Development Loans/Grants (EA)	1,750	441	-
ENERGY DEVELOPMENT FUND TOTAL	\$ 1,885	\$ 979	\$ 223
ENVIRONMENTAL EDUCATION FUND:			
General Operations (EA)	\$ 1,388	\$ 1,472	\$ 1,421
ENVIRONMENTAL STEWARDSHIP FUND:			
Watershed Protection and Restoration (EA)	\$ 32,193	\$ 32,364 ^k	\$ 32,947

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
HAZARDOUS SITES CLEANUP FUND:			
General Operations (EA).....	\$ 23,378	\$ 23,893	\$ 23,500
Hazardous Sites Cleanup (EA)	9,000	9,000	9,000
Host Municipality Grants (EA)	25	25	25
Small Business Pollution Prevention (EA)	1,000	1,000	1,000
Transfer to Industrial Sites Cleanup Fund (EA)	3,000	3,000	3,000
Transfer to Household Hazardous Waste Account (EA)	1,000	1,000	1,000
(R)Hazardous Sites Cleanup (EA)	15,000	15,000	15,000
HAZARDOUS SITES CLEANUP FUND TOTAL	\$ 52,403	\$ 52,918	\$ 52,525
MINE SAFETY FUND:			
General Operations (EA).....	\$ 96	\$ 51	\$ 51
NON-COAL SURFACE MINING CONSERVATION AND RECLAMATION FUND:			
General Operations (EA).....	\$ 3,200	\$ 3,998	\$ 2,403
NUTRIENT MANAGEMENT FUND:			
Education, Research, and Technical Assistance (EA)	\$ 2,100	\$ 2,713	\$ 2,876
RECYCLING FUND:			
Recycling Coordinator Reimbursement (EA)	\$ 2,200	\$ 2,000	\$ 2,000
Reimbursement for Municipal Inspection (EA)	275	150	150
Reimburse-Host Municipality Permit Applications Review (EA).....	10	10	10
Administration of Recycling Program (EA).....	1,372	1,392	1,356
County Planning Grants (EA).....	1,000	500	500
Municipal Recycling Grants (EA).....	20,000	19,000	19,500
Municipal Recycling Performance Program (EA).....	15,000	18,000	18,000
Public Education/Technical Assistance (EA)	3,392	5,213	4,594
(R)Household Hazardous Waste.....	1,864	1,500	1,500
RECYCLING FUND TOTAL	\$ 45,113	\$ 47,765	\$ 47,610
REMINING FINANCIAL ASSURANCE FUND:			
Remining Financial Assurance (EA).....	\$ 417	\$ 620	\$ 760
STORAGE TANK FUND:			
General Operations (EA).....	\$ 4,788	\$ 5,897	\$ 6,121
(F)Underground Storage Tanks (EA)	1,750	1,750	1,750
(F)Leaking Underground Storage Tanks (EA)	2,990	2,990	2,990
(A)Investment/Closing Cost Reimbursement	4,910	7,000	7,000
STORAGE TANK FUND TOTAL.....	\$ 14,438	\$ 17,637	\$ 17,861

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
SURFACE MINING CONSERVATION & RECLAMATION FUND:			
General Operations (EA).....	\$ 3,652	\$ 3,867	\$ 3,867
UNCONVENTIONAL GAS WELL FUND:			
Transfer to Well Plugging Account (EA).....	\$ 6,000	\$ 6,000	\$ 6,000
UNDERGROUND STORAGE TANK INDEMNIFICATION FUND:			
Environmental Cleanup Program (EA).....	\$ 4,306	\$ 5,080	\$ 5,108
Pollution Prevention Program (EA).....	100	100	100
UNDERGROUND STORAGE TANK INDEMNIFICATION FUND TOTAL	\$ 4,406	\$ 5,180	\$ 5,208
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 205,817	\$ 235,185	\$ 262,667
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	1,636,334	2,942,294	3,310,235
AUGMENTATIONS.....	15,283	20,611	20,276
RESTRICTED.....	105,203	141,545	139,349
OTHER FUNDS.....	234,635	249,366	248,399
TOTAL ALL FUNDS	\$ 2,197,272	\$ 3,589,001	\$ 3,980,926

^a Not added to the total to avoid double counting: 2023-24 Actual is \$9,983,000, 2024-25 Available is \$17,127,000, and 2025-26 Budget is \$15,766,000.

^b Not added to the total to avoid double counting: 2023-24 Actual is \$1,075,684, 2024-25 Available is \$1,087,000, and 2025-26 Budget is \$12,000.

^c Not added to the total to avoid double counting: 2023-24 Actual is \$781,988, 2024-25 Available is \$912,000, and 2025-26 Budget is \$800,000.

^d Not added to the total to avoid double counting: 2023-24 Actual is \$636,157, 2024-25 Available is \$445,000, and 2025-26 Budget is \$650,000.

^e Not added to the total to avoid double counting: 2023-24 Actual is \$5,410,270, 2024-25 Available is \$5,297,000, and 2025-26 Budget is \$0.

^f Not added to the total to avoid double counting: 2023-24 Actual is \$3,860,000, 2024-25 Available is \$3,860,000, and 2025-26 Budget is \$0.

^g Not added to the total to avoid double counting: 2023-24 Actual is \$500,000, 2024-25 Available is \$500,000, and 2025-26 Budget is \$0.

^h Not added to the total to avoid double counting: 2023-24 Actual is \$590,182, 2024-25 Available is \$815,000, and 2025-26 Budget is \$635,000.

ⁱ Not added to the total to avoid double counting: 2023-24 Actual is \$144,369, 2024-25 Available is \$140,000, and 2025-26 Budget is \$140,000.

^j Not added to the total to avoid double counting: 2024-25 Available is \$1,221,000 and 2025-26 Budget is \$1,088,000.

^k Includes recommended supplemental executive authorization of \$5,694,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
ENVIRONMENTAL SUPPORT SERVICES:							
GENERAL FUND.....	\$ 23,085	\$ 33,152	\$ 35,992	\$ 36,981	\$ 36,981	\$ 36,981	\$ 36,981
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	270,739	524,739	595,739	530,739	530,739	530,739	530,739
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	92,826	112,182	112,936	116,677	118,441	120,240	122,072
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL.....	\$ 386,650	\$ 670,073	\$ 744,667	\$ 684,397	\$ 686,161	\$ 687,960	\$ 689,792
ENVIRONMENTAL PROTECTION AND MANAGEMENT:							
GENERAL FUND.....	\$ 182,732	\$ 202,033	\$ 226,675	\$ 232,577	\$ 232,577	\$ 232,577	\$ 232,577
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	1,365,595	2,417,555	2,714,496	2,690,580	2,691,580	2,692,080	2,693,080
AUGMENTATIONS	15,283	20,611	20,276	20,440	20,440	20,440	20,440
RESTRICTED.....	12,377	29,363	26,413	34,313	26,863	26,863	26,863
OTHER FUNDS.....	234,635	249,366	248,399	209,963	205,855	204,646	202,698
SUBCATEGORY TOTAL.....	\$ 1,810,622	\$ 2,918,928	\$ 3,236,259	\$ 3,187,873	\$ 3,177,315	\$ 3,176,606	\$ 3,175,658
ALL PROGRAMS:							
GENERAL FUND.....	\$ 205,817	\$ 235,185	\$ 262,667	\$ 269,558	\$ 269,558	\$ 269,558	\$ 269,558
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	1,636,334	2,942,294	3,310,235	3,221,319	3,222,319	3,222,819	3,223,819
AUGMENTATIONS	15,283	20,611	20,276	20,440	20,440	20,440	20,440
RESTRICTED.....	105,203	141,545	139,349	150,990	145,304	147,103	148,935
OTHER FUNDS.....	234,635	249,366	248,399	209,963	205,855	204,646	202,698
DEPARTMENT TOTAL	\$ 2,197,272	\$ 3,589,001	\$ 3,980,926	\$ 3,872,270	\$ 3,863,476	\$ 3,864,566	\$ 3,865,450

Program: Environmental Support Services

Goal: To provide administrative and technical support for the Commonwealth's environmental protection programs.

The Environmental Support Services program provides for the administrative and technical systems that direct and support the [Department of Environmental Protection's \(DEP\)](#) programs. It includes the executive and administrative offices, the [Office of Chief Counsel](#), information and data processing systems, the [Citizens Advisory Council](#), and the [Environmental Quality Board](#).

The department focuses on reducing and ending paper-driven processes by developing program-specific, custom applications for permitting and inspections. DEP also utilizes off-the-shelf solutions to centralize data and make it accessible to both internal and external stakeholders.

DEP partners with other Commonwealth agencies in the adoption of reusable technologies, including partnerships with the Pennsylvania Department of Community and Economic Development on digitizing the grants systems, and with the Pennsylvania Department of Transportation on developing e-inspections applications.

The [Environmental Hearing Board's](#) purpose is to safeguard the environmental rights for the people of Pennsylvania through appeals of actions taken or instituted by DEP and/or the private sector. It is included here for presentation purposes.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations		Environmental Hearing Board
\$ 2,817 —to continue current program.		\$ 23 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 20,221	\$ 30,111	\$ 32,928	\$ 33,837	\$ 33,837	\$ 33,837	\$ 33,837
Environmental Hearing Board.....	2,864	3,041	3,064	3,144	3,144	3,144	3,144
TOTAL GENERAL FUND	\$ 23,085	\$ 33,152	\$ 35,992	\$ 36,981	\$ 36,981	\$ 36,981	\$ 36,981

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Meet or exceed Permit Decision Guarantee timeframes. Close 100 percent of new permit applications within their designed time frames by fiscal year end.							
Percentage of permits processed on time (active in Permit Decision Guarantee)..... %	94	94	93	94	99	99	100
Total Authorizations Received	39,632	40,698	40,309	42,774	41,213	41,432	41,806
Total Authorizations Disposed	39,928	38,701	41,051	39,865	43,591	41,502	41,653
Responding to critical citizen complaints promptly.							
Percent of Priority 1 environmental complaint responses on time	96	98	92	96	90	95	96

Program: Environmental Protection and Management

Goal: To ensure DEP's mission is met by enforcing clean air and water standards, managing land protection activities and ensuring waste is handled properly, ensuring safe and healthy communities, and promoting sustainable energy.

The Environmental Protection and Management program focuses on achieving DEP's mission to protect Pennsylvania's air, land, and water from pollution and to provide for the health and safety of its citizens.

Permitting and inspection functions are fundamental to most of the department's programs and regulatory oversight. The permit approval process occurs prior to an industrial activity (or during modification), and inspections occur as specified in regulations throughout the life of the permitted activity. Both permits and inspections cover almost every industry and are often a requirement to maintain primacy of certain federal programs.

Confronting climate change and reducing climate pollution

DEP has undertaken efforts to begin to address the increasing threat of climate change. The agency is implementing the [methane reduction strategy](#) which addresses methane and volatile organic compound emissions from the oil and gas sector. The department has implemented new source permitting requirements and is working on rules for existing sources of emissions.

[DEP's energy office](#) undertakes activities to plan, track, implement, and promote energy efficiency, such as advocating for the use of energy-efficient building codes and energy management systems, renewable energy, and alternative fuels. The office is also involved with energy assurance and security, fuel resource, and energy financial market issues. Energy office staff assist, educate, and encourage Pennsylvanians to advance conservation and efficient use of diverse energy resources to provide a healthier environment and greater energy security.

Enforcing Clean Water Standards

DEP regulates thousands of public water systems serving all Pennsylvanians and provides consultative services for private residential water supplies in the state. The department carries out its duties and responsibilities through various [programs and activities](#) related to permitting, monitoring, compliance, enforcement, and technical assistance. DEP implements all aspects of the [federal Safe Drinking Water Act of 1974](#), including [drinking water standards](#), source water protection, operator training and certification, and capability enhancement programs for public water systems to address technical, managerial, and financial issues.

DEP is responsible for monitoring and assessing Pennsylvania's streams and rivers as well as publicly owned lakes. The department protects natural aquatic systems for public use by monitoring and assessing surface water quality, developing water quality standards, managing non-point sources of pollution, protecting coastal zone resources, and regulating mining and oil and gas development. Protection of these waters is carried out through permitting, inspection, and enforcement activities. The department also inspects non-permitted entities and responds to spills and complaints where waters may be affected.

Pennsylvania's [Chesapeake Bay](#) Phase 3 Watershed Implementation Plan (WIP) was developed in consultation with the Departments of Agriculture and Conservation and Natural Resources. The main focus of the Phase 3 WIP is the development and implementation of Countywide Action Plans to address local planning goals for nutrient reduction, while achieving other local priority initiatives for environmental improvement. The department also has the lead in working with the other state and federal partners that comprise the Chesapeake Bay Program Partnership.

DEP provides support to [County Conservation Districts](#), which support the conservation and restoration of the Commonwealth's water resources, and focuses efforts on technical assistance and compliance efforts to ensure that municipal sewage and storm water systems and agricultural operations are reducing nitrogen, phosphorus, and sediment discharges into local waterways. This includes assistance on the development of Countywide Action Plans and a visual dashboard for tracking progress.

Program: Environmental Protection and Management, continued

Enforcing Clean Air Standards

DEP [protects](#) the environment and the health of Pennsylvanians from air pollution by achieving the goals of the [federal Clean Air Act of 1970](#) and the [Pennsylvania Air Pollution Control Act of 1960](#) by developing air quality regulations and the [State Implementation Plan](#) to address ground-level ozone, particulate matter, sulfur and nitrogen oxides, volatile organic compounds, lead, and hazardous air pollutants. The department designs and maintains networks to monitor ambient air quality in Pennsylvania, performs meteorological tracking, and conducts air quality modeling studies to scientifically determine whether air quality goals are achieved. Due to the location of Pennsylvania in the populated northeast corridor, DEP implements regional haze and interstate ozone transport programs.

Managing Land Protection Activities

DEP encourages waste reduction, promotes recycling and reuse of waste products, and protects the public by providing for safe transportation, processing, and disposal of municipal waste, residual waste, and hazardous waste. The department also protects land resources by regulating above-ground and underground tanks that store petroleum and other hazardous substances.

The department oversees the [Land Recycling](#) program to encourage cleanup of contaminated, vacant, or otherwise underutilized properties and return them to productive use. DEP also administers the [Hazardous Sites Cleanup](#) program to remediate threats to human health and the environment from toxic chemicals from abandoned sites or where there is no viable responsible party. The department is a key member of the [Perfluoroalkyl and polyfluoroalkyl substances \(PFAS\) Action Team](#) to address releases of PFAS to drinking water systems and to land.

Restoring and enhancing the quality of watersheds aligns several programs and agency objectives. DEP continues to work with partners to restore land impacted by legacy environmental issues and improve local water quality through the [Land Recycling](#) program, the [Hazardous Sites Cleanup](#) program, and the [Abandoned Mine Land](#) program.

Ensuring Safe and Healthy Communities

DEP's [Office of Environmental Justice](#) works to ensure that all Pennsylvanians, especially in those communities that have historically been disenfranchised, are fully involved in the decisions that affect their environment and that all communities are not disproportionately burdened with environmental hazards.

The department performs a range of licensing and inspection activities to protect residents from exposure to potentially dangerous levels of [radiation](#), such as registering radiation-producing equipment, licensing users of radioactive materials, and inspecting facilities to ensure compliance.

DEP, in cooperation with state and county agencies, [monitors mosquito populations](#), enacts control measures for the mosquitoes that may carry the West Nile Virus, and examines unknown vectors and reservoirs involved in the transmission of the virus.

The department's [emergency response personnel](#) are available in the event of an immediate threat to public health, safety, or the environment. Staff are trained to respond to any incident or accident at Pennsylvania's nuclear power plant reactors. While the department's major focus is the response to spills on land and water, it also has significant involvement with air pollution incidents (fires or industrial or transportation-related releases) and leaking underground storage tanks.

DEP's [flood protection and stream improvement](#) programs protect lives and property through the construction of physical structures such as dams, levees, flood walls, channels, culverts, and bank stabilization works. The department [regulates mining](#) with a goal to minimize impacts to the environment while providing a climate that encourages economic growth, as well as a safe and healthy work environment for miners.

DEP oversees the permitting, inspection, and compliance of conventional and unconventional [oil and gas](#) wells and the construction of pipelines in Pennsylvania. It also responds to complaints from the public regarding water supplies that might be affected by oil and gas operations. In addition, the department oversees the plugging of wells that no longer serve their intended purpose.

Program: Environmental Protection and Management, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	Environmental Program Management		Vector Borne Disease Management
\$ 1,520	—to continue current program.	\$ 943	—to continue current program.
	Chesapeake Bay Agricultural Source Abatement		Transfer to Well Plugging Account
\$ 2,191	—to continue current program.	\$ 5,000	—to replace nonrecurring transfer from the Waste Transportation Safety Account.
	Environmental Protection Operations	<u>8,026</u>	—to continue well plugging activities.
\$ 6,188	—to continue current program.	\$ 13,026	<i>Appropriation Increase</i>
	Black Fly Control and Research		
\$ 774	—to continue current program.		

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Environmental Program Management	\$ 39,714	\$ 42,510	\$ 44,030	\$ 45,430	\$ 45,430	\$ 45,430	\$ 45,430
Chesapeake Bay Agricultural Source Abatement.....	3,629	3,672	5,863	6,220	6,220	6,220	6,220
Environmental Protection Operations	116,450	125,881	132,069	135,780	135,780	135,780	135,780
Black Fly Control and Research.....	7,712	8,435	9,209	9,448	9,448	9,448	9,448
Vector Borne Disease Management	6,285	6,548	7,491	7,686	7,686	7,686	7,686
Transfer to Well Plugging Account.....	-	6,000	19,026	19,026	19,026	19,026	19,026
Delaware River Master	38	38	38	38	38	38	38
Susquehanna River Basin Commission	740	740	740	740	740	740	740
Interstate Commission on the Potomac River	23	23	23	23	23	23	23
Delaware River Basin Commission	217	217	217	217	217	217	217
Ohio River Valley Water Sanitation Commission	68	68	68	68	68	68	68

Environmental Protection

Program: Environmental Protection and Management, continued

Appropriations within this Program, continued:

	(Dollar Amounts in Thousands)						
	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
Chesapeake Bay Commission	325	370	370	370	370	370	370
Transfer to Conservation District Fund	7,516	7,516	7,516	7,516	7,516	7,516	7,516
Interstate Mining Commission	15	15	15	15	15	15	15
TOTAL GENERAL FUND	\$ 182,732	\$ 202,033	\$ 226,675	\$ 232,577	\$ 232,577	\$ 232,577	\$ 232,577

Program Measures:

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Estimated	2025-26 Estimated
Improve the state of the environment.							
Percentage of population in counties monitoring below the 2015 Ambient Ozone Standard	% 76	83	83	95	95	79	79
Tons of municipal solid waste recycled (in millions)	5.3	5.3	6.2	5.4	5.3	5.6	6.0
Ensure that the public's drinking water is safe. Conduct 90 percent of community water system sanitary surveys (full inspections) that are due during each fiscal year.							
Percentage of community water system inspections conducted on time	% 79	74	85	83	90	95	97
Total violations recorded	30,526	31,943	32,976	35,697	37,906	35,526	36,376
Total violations resolved	27,215	23,576	26,741	29,455	31,371	29,189	30,005
Total inspections conducted	89,399	93,641	97,079	106,531	105,025	102,878	104,811
Eliminate health and safety hazards on abandoned mine lands.							
Cumulative acres of abandoned mine land (AML) reclaimed since the inception of the AML program in 1977 ..	33,115	33,589	33,785	34,241	34,538	34,940	35,450



ETHICS COMMISSION

The mission of the [State Ethics Commission](#) is to promote public confidence in state and local government through its enforcement of the [Pennsylvania Public Official and Employee Ethics Act](#) and related legislation.

The responsibilities of the commission include the investigation and adjudication of individuals engaging in conduct in violation of the Ethics Act, as well as rendering advisory opinions to present or former public officials and public employees (or their appointing authorities), regarding such individuals' duties and responsibilities under the Ethics Act. As part of its mission, the commission provides training and educational seminars to public officials and public employees at all levels of government. The commission also annually publishes and enforces compliance with the filing of Statement of Financial Interests forms by public officials and public employees as required by the Ethics Act. The commission has promulgated regulations to aid in executing its duties and responsibilities under the Ethics Act.

In addition to the Pennsylvania Public Official and Employee Ethics Act, the commission also maintains duties and responsibilities under the [Lobbying Disclosure Law](#), which includes issuing advisory rulings and enforcing the filing provisions. Further, the commission has been delegated responsibilities for the [Pennsylvania Race Horse Development and Gaming Act](#), the [Video Gaming Act](#), the [Medical Marijuana Act](#), and [Act 114 of 2016](#) (State Horse Racing Commission).

Programs and Goals

Ethics Enforcement: *To strengthen the faith and confidence of the people in their elected and appointed public officials and public employees through enforcement of the Ethics Act and related legislation.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26
 ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

State Ethics Commission.....	\$ 3,356	\$ 3,730	\$ 3,804
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Program Funding Summary

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26 2026-27 2027-28 2028-29 2029-30
 Actual Available Budget Estimated Estimated Estimated Estimated

ETHICS ENFORCEMENT:

GENERAL FUND.....	\$ 3,356	\$ 3,730	\$ 3,804	\$ 3,903	\$ 3,903	\$ 3,903	\$ 3,903
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
 DEPARTMENT TOTAL	 \$ 3,356	 \$ 3,730	 \$ 3,804	 \$ 3,903	 \$ 3,903	 \$ 3,903	 \$ 3,903

Program: Ethics Enforcement

Goal: To strengthen the faith and confidence of the people in their elected and appointed public officials and public employees through enforcement of the Ethics Act and related legislation.

The [Pennsylvania State Ethics Commission](#) is an independent state agency charged with the responsibility of implementing and enforcing the [Public Official and Employee Ethics Act](#). The Ethics Act applies to public officials and public employees, as well as candidates and nominees for public office. The commission’s responsibilities include the investigation and adjudication of violations of the Ethics Act as well as providing guidance to public officials and public employees regarding their duties and responsibilities under the Ethics Act through issuance of advisory opinions and educational seminars. Lastly, the commission is responsible for enforcing the filing and reporting of Statement of Financial Interests by all public officials and public employees.

In addition to those duties under the Ethics Act, the commission is also charged with responsibilities pursuant to the [Lobbying Disclosure Law](#), including enforcement of the reporting and registration provisions as well as the investigation of actions by lobbyists, principals, and lobbying firms in violation of the law. Similar to its duties under the Ethics Act, the commission is also required to issue advisory opinions under the Lobbying Disclosure Law.

Pursuant to the [Pennsylvania Race Horse Development and Gaming Act](#) and the [Video Gaming Act](#), the commission is vested with responsibilities which include the biennial publication of lists setting forth those officials and positions subject to provisions of the Gaming Act and issuing determinations as to whether particular persons would be subject to various prohibitions under the Gaming Act.

The commission’s duties under Act 16 of 2016, known as the [Medical Marijuana Act](#), are similar to its duties under the Gaming Act. The commission is charged with biennially publishing a list of officials and positions subject to provisions of the Medical Marijuana Act as well as the issuance of determinations as to whether particular persons would be subject to various restrictions under the Medical Marijuana Act.

Lastly, [Act 114 of 2016](#) assigned the commission the additional responsibility of publishing a list of all employment positions within the State Horse Racing Commission whose duties would subject those individuals to “revolving door/post-termination” restrictions as well as, upon request, making a determination as to whether individuals would be subject to such restrictions.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

State Ethics Commission
 \$ 74 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
State Ethics Commission	\$ 3,356	\$ 3,730	\$ 3,804	\$ 3,903	\$ 3,903	\$ 3,903	\$ 3,903



FISH AND BOAT COMMISSION

The mission of the [Pennsylvania Fish and Boat Commission \(PFBC\)](#) is to protect, conserve, and enhance the Commonwealth's aquatic resources and provide fishing and boating opportunities.

Programs and Goals

Recreational Fishing and Boating: To provide recreational fishing and boating opportunities for both Pennsylvanians and out-of-state visitors.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
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OTHER FUNDS:

BOAT FUND:

General Operations (EA).....	\$ 23,663	\$ 25,228	\$ 26,228
(F)Miscellaneous Boat Grants (EA).....	6,225	5,400	5,400
(R)Improvement of Hazardous Dams.....	7,059	10,224	8,730

BOAT FUND TOTAL	\$ 36,947	\$ 40,852	\$ 40,358
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FISH FUND:

General Operations (EA).....	\$ 39,745	\$ 42,000	\$ 44,000
(F)I/JA-Delaware River Basin Conservation Act (EA).....	750	750	750
(F)Miscellaneous Fish Grants (EA).....	12,232	11,363	12,125
(R)Monsanto Settlement	8	7,806	7,516

FISH FUND TOTAL	\$ 52,735	\$ 61,919	\$ 64,391
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STATE GAMING FUND:

Payments in Lieu of Taxes (EA).....	\$ 45	\$ 45	\$ 45
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UNCONVENTIONAL GAS WELL FUND:

Gas Well Fee Administration (EA).....	\$ 1,000	\$ 1,000	\$ 1,000
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DEPARTMENT TOTAL - ALL FUNDS

GENERAL FUND.....	\$ -	\$ -	\$ -
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	-	-	-
AUGMENTATIONS.....	-	-	-
RESTRICTED.....	-	-	-
OTHER FUNDS.....	90,727	103,816	105,794
TOTAL ALL FUNDS	\$ 90,727	\$ 103,816	\$ 105,794

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
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RECREATIONAL FISHING AND BOATING:

GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS.....	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	90,727	103,816	105,794	99,354	99,354	99,354	99,354
DEPARTMENT TOTAL	\$ 90,727	\$ 103,816	\$ 105,794	\$ 99,354	\$ 99,354	\$ 99,354	\$ 99,354

Program: Recreational Fishing and Boating

Goal: To provide recreational fishing and boating opportunities for both Pennsylvanians and out-of-state visitors.

Founded in 1866, the [Pennsylvania Fish and Boat Commission \(PFBC\)](#) is charged with protecting, conserving, and enhancing the Commonwealth's aquatic resources, including waterways, fish, reptile, and amphibian communities; and habitats of game and non-game species. From [stocking waterways](#) and [measuring the health of native animal populations](#) to patrolling lakes and [restoring habitats](#), the commission's employees strive to protect, manage, and restore Pennsylvania's aquatic resources. High-quality streams, clean water, and healthy habitats ensure that the commission can carry out the other part of its mission: providing recreational [fishing](#) and [boating](#) opportunities for both Pennsylvanians and out-of-state visitors.

The PFBC is governed by a [Board of Commissioners](#), whose ten members are appointed by the Governor. [The Boating Advisory Board](#), a group of knowledgeable boaters appointed by the Governor, advises the commission on boating matters.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

BOAT FUND:		FISH FUND:	
General Operations (EA)		General Operations (EA)	
\$ 1,000	—to continue current program.	\$ 2,000	—to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
BOAT FUND:							
General Operations (EA)	\$ 23,663	\$ 25,228	\$ 26,228	\$ 26,910	\$ 26,910	\$ 26,910	\$ 26,910
FISH FUND:							
General Operations (EA)	\$ 39,745	\$ 42,000	\$ 44,000	\$ 45,144	\$ 45,144	\$ 45,144	\$ 45,144

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Promote opportunities for recreational fishing and boating.							
Fishing licenses sold.....	777,087	934,259	865,973	793,663	761,167	765,000	765,000
Actively registered boats.....	301,088	301,236	308,140	298,899	288,216	300,000	300,000
Total pounds of fish stocked and/or distributed	2,109,138	2,241,002	2,234,515	2,131,918	2,141,108	2,150,000	2,150,000



GAME COMMISSION

The mission of the [Pennsylvania Game Commission \(PGC\)](#) is to manage and protect wildlife and their habitats while promoting hunting and trapping for current and future generations.

Programs and Goals

Wildlife Management: *To establish habitats and environments that will sustain wildlife populations for recreational uses and for the perpetuation of species.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26
 ACTUAL AVAILABLE BUDGET

OTHER FUNDS:

GAME FUND:

General Operations (EA).....	\$ 246,093	\$ 232,863	\$ 232,863
(F)Pittman-Robertson Act (EA)	40,000	30,000	30,000
(F)Miscellaneous Wildlife Grants (EA)	2,035	1,137	1,137
(R)Natural Propagation of Wildlife (EA)	9,000	9,000	9,000
Land Acquisition and Development (EA)	5,600	6,000	6,000
(R)Monsanto Settlement	-	200	500

GAME FUND TOTAL.....	\$ 302,728	\$ 279,200	\$ 279,500
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STATE GAMING FUND:

Payments in Lieu of Taxes (EA).....	\$ 9,676	\$ 9,676	\$ 9,676
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DEPARTMENT TOTAL - ALL FUNDS

GENERAL FUND.....	\$ -	\$ -	\$ -
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	-	-	-
AUGMENTATIONS.....	-	-	-
RESTRICTED.....	-	-	-
OTHER FUNDS.....	312,404	288,876	289,176
TOTAL ALL FUNDS	\$ 312,404	\$ 288,876	\$ 289,176

Program Funding Summary

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26 2026-27 2027-28 2028-29 2029-30
 Actual Available Budget Estimated Estimated Estimated Estimated

WILDLIFE MANAGEMENT:

GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS.....	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	312,404	288,876	289,176	277,176	277,176	277,176	277,176
DEPARTMENT TOTAL	\$ 312,404	\$ 288,876	\$ 289,176	\$ 277,176	\$ 277,176	\$ 277,176	\$ 277,176

Program: Wildlife Management

Goal: To establish habitats and environments that will sustain wildlife populations for recreational uses and for the perpetuation of species.

The main responsibility of the [Pennsylvania Game Commission \(PGC\)](#) is the perpetuation of the species of wild birds and mammals found in Pennsylvania. The commission achieves its mission through wildlife research, management of wildlife habitat, operation of programs for endangered and threatened species, and enforcement of the [Game and Wildlife Code](#). [State Game Wardens](#) enforce the provisions of the code and [Title 58 of the Pennsylvania Code](#) to protect the natural balance of the Commonwealth’s wildlife population.

The primary means of ensuring the propagation and preservation of wildlife is properly managing land and wildlife habitats. The commission administers [Pennsylvania State Game Lands](#) (Wildlife Management Areas) and is judiciously acquiring additional lands, including indentures, lands providing access into existing State Game Lands, and sensitive habitats for species of concern. PGC also administers cooperative programs to encourage best management practices and habitat improvement by private landowners. Wildlife habitat assessment techniques are used to develop management plans. These assessments apply to all State Game Lands, [Hunter Access Cooperator properties](#), and other areas actively managed by the commission.

PGC manages and protects [hundreds of species](#) of wild birds and mammals including game animals, such as deer, turkey, grouse, bear, and elk. Species that are not hunted (‘non-game’ or ‘diversity’ species), including [endangered and threatened species](#), are also managed by the commission.

Managing diversity species involves monitoring their population trends, recommending changes to regulatory status, identifying and mitigating threats, improving habitats, and conducting research needed to support their long-term conservation. Collaboration with state, federal, and private partners is critically important to PGC’s mission, given the breadth of species and habitats occurring in the Commonwealth.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

All appropriations are recommended at the current year funding levels.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GAME FUND:							
General Operations (EA)	\$ 246,093	\$ 232,863	\$ 232,863	\$ 220,863	\$ 220,863	\$ 220,863	\$ 220,863
(R)Natural Propagation of Wildlife (EA)	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Land Acquisition and Development (EA)	5,600	6,000	6,000	6,000	6,000	6,000	6,000
TOTAL GAME FUND.....	\$ 260,693	\$ 247,863	\$ 247,863	\$ 235,863	\$ 235,863	\$ 235,863	\$ 235,863

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Ensure the propagation and preservation of wildlife through land and game management.							
Hunting licenses sold.....	860,798	887,211	861,966	848,720	853,484	860,642	860,642
Citations for violation of game laws	6,910	6,810	6,820	7,224	5,907	6,025	6,146



GAMING CONTROL BOARD

The mission of the [Pennsylvania Gaming Control Board \(PGCB\)](#) is to protect the interest of the public by ensuring the integrity of legalized gaming through the strict enforcement of the law and regulations, the licensing of qualified individuals and entities, and fulfilling the objectives of legalized gaming in the Commonwealth to deliver a significant source of revenue, assist the horse racing industry, provide broad economic opportunities, and enhance tourism.

Programs and Goals

Gaming Regulation: *To protect the interest of the public by ensuring the integrity and supporting the objectives of legalized gaming in the Commonwealth to deliver a significant source of revenue, assist the horse racing industry, provide broad economic opportunities, and enhance tourism.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
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OTHER FUNDS:

STATE GAMING FUND:

(R)Administration.....	\$ 44,059	\$ 50,122	\$ 53,323
(R)General Operations.....	8,100	7,100	7,100
Local Law Enforcement Grants (EA).....	1,000	2,000	2,000

STATE GAMING FUND TOTAL.....	\$ 53,159	\$ 59,222	\$ 62,423
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VIDEO GAMING FUND:

(R)Video Gaming Administration.....	\$ 475	\$ 475	\$ 475
(R)Skill Games Administration.....	-	-	6,000
(R)Testing and Certification (EA).....	-	50	50

VIDEO GAMING FUND TOTAL.....	\$ 475	\$ 525	\$ 6,525
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FANTASY CONTEST FUND:

(R)Fantasy Contest Administration.....	\$ 280	\$ 280	\$ 280
(R)Application and Licensure (EA).....	20	60	60

FANTASY CONTEST FUND TOTAL.....	\$ 300	\$ 340	\$ 340
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DEPARTMENT TOTAL - ALL FUNDS

GENERAL FUND.....	\$ -	\$ -	\$ -
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	-	-	-
AUGMENTATIONS.....	-	-	-
RESTRICTED.....	-	-	-
OTHER FUNDS.....	53,934	60,087	69,288
TOTAL ALL FUNDS.....	\$ 53,934	\$ 60,087	\$ 69,288

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
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GAMING REGULATION:

GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS.....	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	53,934	60,087	69,288	89,493	89,493	89,493	89,493

DEPARTMENT TOTAL.....	\$ 53,934	\$ 60,087	\$ 69,288	\$ 89,493	\$ 89,493	\$ 89,493	\$ 89,493
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Program: Gaming Regulation

Goal: To protect the interest of the public by ensuring the integrity and supporting the objectives of legalized gaming in the Commonwealth to deliver a significant source of revenue, assist the horse racing industry, provide broad economic opportunities, and enhance tourism.

To ensure the integrity of gaming throughout the state, employees of the [Pennsylvania Gaming Control Board \(PGCB\)](#) are present all day, every day, in the Commonwealth's casino venues to document and investigate all patron complaints, identify potential regulatory violations, and ensure the proper collection, counting, and recording of gaming revenue in accordance with state law and board regulations.

The Bureau of Investigations and Enforcement ensures the integrity of the Commonwealth's gaming industry and protects Pennsylvanians' interests through enforcement and investigations. The PGCB also operates a gaming lab to test all gaming-related products to certify regulatory compliance for minimum design standards and the 85 percent minimum slot payback mandated by law. To assist problem gamblers in finding help and to heighten awareness of problem gambling, the board maintains an [Office of Compulsive and Problem Gambling](#).

The PGCB promotes and ensures [diversity](#) in all aspects of casino operations and works with the casino industry to maximize employment opportunities for all Pennsylvania residents.

The board regularly monitors and reports the impact casino gaming has on the horse racing industry and establishes and maintains effective relationships with key industry stakeholders.

In addition, the PGCB is tasked with regulatory authority of satellite casinos, sports wagering, fantasy contests, video gaming terminals at truck stops, and interactive gaming pursuant to [Act 42 of 2017](#).

Several state agencies provide support to the board. The Department of Revenue manages a centralized computer system, which monitors the operation of all licensed gaming machines. The Pennsylvania State Police and the Pennsylvania Attorney General provide criminal law enforcement oversight of the gaming industry.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

STATE GAMING FUND:		VIDEO GAMING FUND:	
Administration		Skill Games Administration	
\$ 3,201	–to continue current program.	\$ 6,000	–to administer legalized skill games in the Commonwealth.

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
STATE GAMING FUND:							
(R)Administration	\$ 44,059	\$ 50,122	\$ 53,323	\$ 54,709	\$ 54,709	\$ 54,709	\$ 54,709
(R)General Operations	8,100	7,100	7,100	7,100	7,100	7,100	7,100
Local Law Enforcement Grants (EA)	1,000	2,000	2,000	2,000	2,000	2,000	2,000
TOTAL STATE GAMING FUND	\$ 53,159	\$ 59,222	\$ 62,423	\$ 63,809	\$ 63,809	\$ 63,809	\$ 63,809

Program: Gaming Regulation, continued

Appropriations within this Program, continued:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
VIDEO GAMING FUND:							
(R)Video Gaming Administration	\$ 475	\$ 475	\$ 475	\$ 487	\$ 487	\$ 487	\$ 487
(R)Skill Games Administration	-	-	6,000	24,800	24,800	24,800	24,800
(R)Testing and Certification (EA)	-	50	50	50	50	50	50
TOTAL VIDEO GAMING FUND	\$ 475	\$ 525	\$ 6,525	\$ 25,337	\$ 25,337	\$ 25,337	\$ 25,337
FANTASY CONTEST FUND:							
(R)Fantasy Contest Administration	\$ 280	\$ 280	\$ 280	\$ 287	\$ 287	\$ 287	\$ 287
(R)Application and Licensure (EA)	20	60	60	60	60	60	60
TOTAL FANTASY CONTEST FUND	\$ 300	\$ 340	\$ 340	\$ 347	\$ 347	\$ 347	\$ 347



GENERAL SERVICES

The mission of the [Department of General Services \(DGS\)](#) is to help government operate more efficiently, effectively, and safely to deliver exceptional value for all Pennsylvanians.

Programs and Goals

Facility, Property, and Commodity Management: To deliver customer-focused, timely, and reliable services in purchasing and managing surplus supplies; small and diverse business support; facility and real estate management; vertical design and construction; fleet management; insurance administration; communications, media, and marketing; and Capitol Police protection.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
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GENERAL FUND:

General Government:

General Government Operations	\$ 60,036	\$ 71,212	\$ 79,466
(F)COVID-Epidemiology Lab Surveillance Response PPE (EA)	12,020	-	-
(A)Capital Programs	23,551	27,000	29,080
(A)Shared Services-Procurement	11,269	12,320	13,624
(A)COSTARS Program	2,217	2,700	2,700
(A)Metrology Fees	490	600	600
(A)Contract Administration Fees	318	327	400
(A)E-Verify	17	25	25
(A)Federal Surplus Property	1,297	1,413	1,623
(A)State Surplus Property	1,283	1,200	1,273
(A)Recycling Program	323	100	20
(A)Licenses and Fees	72	263	680
(A)Real Estate Services	3,590	956	1,012
(A)Annex	92	90	90
(A)State Building Use	165	170	170
(A)State Construction Notices	23	25	25
(A)Media Center Reimbursements	315	400	425
(A)Newsroom Services	2	5	5
(A)Employee Liability Self Insurance Program	174	175	175
(A)Administrative Services	93	115	95
(R)Temporary Fleet Vehicles	2,032	1,500	1,500
(R)Emergency Medical Supplies Replenishment	-	400	480
(R)DMVA Readiness Center	-	-	10,000
Subtotal	\$ 119,379	\$ 120,996	\$ 143,468
Capitol Police Operations	16,519	17,567	18,608
(A)Capitol Police Services	1,200	1,200	1,200
Subtotal	\$ 17,719	\$ 18,767	\$ 19,808
Rental, Relocation, and Municipal Charges	27,794	29,981	27,458
(A)Agency Rental Charges-Harristown Rents	4,612	4,800	4,900
(A)Real Estate Lease Reimbursements	27,338	27,249	26,350
Subtotal	\$ 59,744	\$ 62,030	\$ 58,708
Space Optimization and Utilization Improvements	-	-	17,830
Utility Costs	27,272	27,461	24,900
(A)Annex	84	150	90
(A)Energy Management	672	275	675
Subtotal	\$ 28,028	\$ 27,886	\$ 25,665
Excess Insurance Coverage	3,637	3,637	4,200
Transfer to State Insurance Fund	1,500	1,500	1,500

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Capitol Fire Protection	5,000	5,000	5,000
Subtotal - State Funds.....	\$ 141,758	\$ 156,358	\$ 178,962
Subtotal - Federal Funds.....	12,020	-	-
Subtotal - Augmentations.....	79,197	81,558	85,237
Subtotal - Restricted.....	2,032	1,900	11,980
Total - General Government.....	<u>\$ 235,007</u>	<u>\$ 239,816</u>	<u>\$ 276,179</u>
STATE FUNDS.....	141,758	156,358	178,962
FEDERAL FUNDS.....	12,020	-	-
AUGMENTATIONS	79,197	81,558	85,237
RESTRICTED	2,032	1,900	11,980
GENERAL FUND TOTAL	<u>\$ 235,007</u>	<u>\$ 239,816</u>	<u>\$ 276,179</u>
 <u>MOTOR LICENSE FUND:</u>			
<i>General Government:</i>			
Tort Claims Payments	9,000	9,000	9,000
Total - General Government.....	<u>\$ 9,000</u>	<u>\$ 9,000</u>	<u>\$ 9,000</u>
MOTOR LICENSE FUND TOTAL	<u>\$ 9,000</u>	<u>\$ 9,000</u>	<u>\$ 9,000</u>
 DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 141,758	\$ 156,358	\$ 178,962
MOTOR LICENSE FUND.....	9,000	9,000	9,000
LOTTERY FUND	-	-	-
FEDERAL FUNDS.....	12,020	-	-
AUGMENTATIONS	79,197	81,558	85,237
RESTRICTED	2,032	1,900	11,980
OTHER FUNDS	-	-	-
TOTAL ALL FUNDS	<u>\$ 244,007</u>	<u>\$ 248,816</u>	<u>\$ 285,179</u>

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
FACILITY, PROPERTY, AND COMMODITY MANAGEMENT:							
GENERAL FUND.....	\$ 141,758	\$ 156,358	\$ 178,962	\$ 178,888	\$ 178,954	\$ 178,872	\$ 173,953
MOTOR LICENSE FUND ...	9,000	9,000	9,000	9,000	9,000	9,000	9,000
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	12,020	-	-	-	-	-	-
AUGMENTATIONS	79,197	81,558	85,237	84,801	84,801	84,801	84,801
RESTRICTED.....	2,032	1,900	11,980	1,980	1,980	1,980	1,980
OTHER FUNDS.....	-	-	-	-	-	-	-
DEPARTMENT TOTAL	\$ 244,007	\$ 248,816	\$ 285,179	\$ 274,669	\$ 274,735	\$ 274,653	\$ 269,734

Program: Facility, Property, and Commodity Management

Goal: To deliver customer-focused, timely, and reliable services in purchasing and managing surplus supplies; small and diverse business support; facility and real estate management; vertical design and construction; fleet management; insurance administration; communications, media, and marketing; and Capitol Police protection.

The [Department of General Services \(DGS\)](#) provides shared services to support the business operations of all agencies in the Commonwealth of Pennsylvania. With DGS assistance and oversight, its customers procure goods and services, obtain and renovate facilities, operate vehicles efficiently, and create workspaces that are clean, safe, and comfortable. The department also handles insurance claims, collects and distributes surplus property, and provides police and security services for Commonwealth owned or operated facilities. These services benefit not only state agencies, but local governments, nonprofit organizations, and the public.

Property and Asset Management

DGS provides [building management and maintenance services](#) for 20 state-owned office buildings in and around Harrisburg, including the Capitol Complex and Governor's executive residence, as well as for leased buildings. Outside of the Harrisburg area, the department operates the Scranton and Reading state office buildings.

The [Pennsylvania Capitol Police](#) is an accredited law enforcement agency with full arrest powers that investigates all reported crimes within the jurisdiction of state-owned properties and buildings in Harrisburg and Scranton. They maintain a 24/7 presence in Harrisburg, where assistance is also provided to the City of Harrisburg Police Department and other surrounding local law enforcement agencies.

The department facilitates [Act 29 of 1996](#), commonly known as the Guaranteed Energy Savings Act. Through a progressive contracting process, DGS reduces utility costs for owned facilities across the Commonwealth and restructures operation and maintenance costs of high voltage, HVAC, and plumbing equipment located in Harrisburg facilities.

Capital Programs

The Office of Capital Programs is comprised of several bureaus that manage every aspect of planning, design, bidding, and construction of the Commonwealth's non-highway capital projects. Such projects range from dams and sewage treatment plants to buildings such as prisons, offices, and laboratories. These bureaus maximize efficiency, monitor performance, and reduce change order rates, which ultimately increases the number of construction projects completed on time and on budget.

Procurement

DGS [procures](#) contracts for services, information technology, equipment, and supplies for the Commonwealth and establishes procurement policy for all state agencies.

The department also administers the Commonwealth's cooperative purchasing program known as [COSTARS](#), through which more than 9,200 registered and eligible local public procurement units (members) are able to use state contracts under the [Commonwealth Procurement Code](#).

DGS provides [transportation services](#) to all state agencies, managing a fleet of more than 11,000 passenger vehicles. The department manages all maintenance and repairs and works to reduce the overall fleet maintenance cost.

DGS administers both [state](#) and [federal](#) surplus property programs. The department sells property no longer used by Commonwealth agencies, boards, and commissions to the general public through on-site and online auctions. Federal surplus property is donated to state agencies, local municipalities, nonprofit organizations, and law enforcement entities for a nominal service charge.

Diversity, Inclusion, and Small Business Opportunities

DGS implements programs and policies that promote contracting opportunities for [small, diverse, or veteran-owned businesses](#). They assist these businesses in navigating the state contracting process, completing certification requirements, and ensuring contract compliance. The department is also an active partner to other agency programs that provide support services and training to small, diverse businesses.

Program: Facility, Property, and Commodity Management, continued

Administration

DGS provides a wide range of mail, custom print, and design services to agency customers across the enterprise including variable data print-to-mail and mail presort services. The department also hosts an online storefront, [PAPublisher](#), through which agency customers can order personalized products. DGS also provides direct distribution, eliminating an agency's need to print and store large quantities of product.

The department is responsible for the [purchase, sale, and lease](#) of real property and the management of property owned and leased by the Commonwealth. This includes 600 facility leases for the Pennsylvania Liquor Control Board and more than 400 leases on behalf of other Commonwealth agencies, including commercial, office, warehouse, police stations, and hangar space. DGS manages over 19 million square feet of leased and owned space.

The department protects and maintains the financial integrity of the Commonwealth's assets and uses risk treatment strategies to manage the Commonwealth's liability relative to state-operated vehicles, medical professionals, personal property, Commonwealth real estate, and other areas of significant risk. In addition, DGS administers the Commonwealth's [Line of Duty Death Benefits](#) programs and consults with agencies regarding coverage, safety and loss control, and evaluation of planned activities or courses of action for potential loss exposure. When claims occur, the department efficiently investigates, negotiates, settles/denies, and/or subrogates claims.

[Commonwealth Media Services \(CMS\)](#) provides studio and remote broadcast television services, fixed and remote satellite uplinking, web animation and graphics, and marketing campaign strategy and development services, as well as a full range of creative services. CMS services are designed to assist agencies in developing a portfolio of media strategies to communicate program information to customers, and more broadly, to the taxpayers of Pennsylvania. They also provide support for media archiving and the state's cable system infrastructure. As the Commonwealth continues to grow its presence on social media, CMS works closely with agencies to deliver up-to-date content and creative messaging solutions.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND:			Rental, Relocation, and Municipal Charges
	General Government Operations	\$ (2,523)	—to continue current program.
\$ 6,672	—to continue current program.		
1,213	—Initiative—to provide additional resources and equipment to assist Commonwealth agencies with in-house media products and services.	\$ 17,830	Space Optimization and Utilization Improvements
369	—Initiative—to expand and promote contracting opportunities for small and diverse businesses.		—Initiative—to complete renovations and upgrades which will enable the Commonwealth to reduce its real estate footprint.
\$ 8,254	<i>Appropriation Increase</i>	\$ (2,561)	Utility Costs
			—to continue current program.
	Capitol Police Operations		Excess Insurance Coverage
\$ 1,041	—to continue current program.	\$ 563	—to continue current program.

Program: Facility, Property, and Commodity Management, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 60,036	\$ 71,212	\$ 79,466	\$ 82,430	\$ 82,430	\$ 82,430	\$ 82,430
Capitol Police Operations	16,519	17,567	18,608	19,092	19,092	19,092	19,092
Rental, Relocation, and Municipal Charges	27,794	29,981	27,458	24,016	24,232	24,800	22,431
Space Optimization and Utilization Improvements	-	-	17,830	17,750	17,600	16,950	14,400
Utility Costs	27,272	27,461	24,900	24,900	24,900	24,900	24,900
Excess Insurance Coverage Transfer to State Insurance Fund	3,637	3,637	4,200	4,200	4,200	4,200	4,200
Capitol Fire Protection	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Capitol Fire Protection	5,000	5,000	5,000	5,000	5,000	5,000	5,000
TOTAL GENERAL FUND	\$ 141,758	\$ 156,358	\$ 178,962	\$ 178,888	\$ 178,954	\$ 178,872	\$ 173,953
MOTOR LICENSE FUND:							
Tort Claims Payments	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Generate procurement savings for the Commonwealth.							
DGS procurement related savings (in thousands)	\$ 57,996	63,371	105,493	34,768	60,165	55,000	58,000
Increase participation of and opportunity for small diverse businesses and small businesses.							
Percentage of Commonwealth contract spending awarded to small and small diverse businesses	% 17	20	19	21	22	23	23
Reduce energy consumption and associated energy costs in state-owned facilities.							
DGS energy use (in BTU per square foot)	76,090	74,080	70,080	65,562	57,829	59,000	59,000



HEALTH

The mission of the [Department of Health \(DOH\)](#) is to promote healthy behaviors, prevent injury and disease, and to assure the safe delivery of quality health care for all people in Pennsylvania.

To accomplish this mission, the department works collaboratively with public and private community partners to facilitate the development of an effective public health system. The department licenses and regulates a variety of health facilities and provides outreach, education, prevention, and treatment services. Community-based groups receive grants to provide essential services to the Commonwealth's citizens including programs for women and children, nutrition, immunization, diagnosis and treatment of certain blood and communicable diseases, and cancer control and prevention.

Programs and Goals

Health Support Services: To provide effective administration and support systems through which the substantive programs of the health delivery system and the department can be achieved.

Health Research: To develop better basic scientific knowledge of the nature of disease, illness, and the environment, which will improve the use of existing and new health resources.

Preventive Health: To reduce morbidity and mortality through the early detection of disease and health defects and the promotion of sound health practices and remedial care.

Health Treatment Services: To maximize the individual's capacity for independent living through the provision of an array of service and support programs.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
GENERAL FUND:			
General Government:			
General Government Operations	\$ 31,145	\$ 32,048	\$ 34,246
(F)WIC-Administration and Operation	43,268	43,268	43,268
(F)Health Assessment	815	844	674
(F)PHHSBG-Administration and Operation	5,150	5,150	5,150
(F)MCHSBG-Administration and Operation	16,659	16,659	16,659
(F)Adult Blood Lead Epidemiology	14	-	-
(F)EMS for Children	321	321	321
(F)TB-Administration and Operation	2,323	3,520	1,819
(F)Lead-Administration and Operation	1,170	1,170	1,100
(F)AIDS Health Education-Administration and Operation	7,858	5,225	7,068
(F)Primary Care Cooperative Agreements	555	566	510
(F)HIV/AIDS Surveillance	622	660	661
(F)HIV Care-Administration and Operation	665	373	798
(F)Cancer Prevention and Control	8,091	8,091	7,879
(F)Environmental Public Health Tracking	2,678	2,297	2,691
(F)Strengthening Public Health Infrastructure	-	459	-
(F)Special Preparedness Initiatives	485	400	400
(F)State Loan Repayment Program	1,500	1,500	1,300
(F)Public Health Emergency Preparedness and Response (EA)	59,655	59,655	59,655
(F)COVID-Public Health Emergency Preparedness and Response (EA)	808	-	-
(F)COVID-Strengthening Public Health (EA)	4,352	8,000	8,454
(F)COVID-Health Equity (EA)	-	40	-
(F)SUPTRSBG-DDAP Support Services (EA)	124	128	134
(F)Learning Management System (EA)	28	23	26
(F)Food Safety Rapid Response Team (EA)	20	39	20
(F)BioWatch Training (EA)	30	-	-
(A)Miscellaneous	548	108	49
(R)EMS Training Fund	- ^a	- ^a	- ^a
Subtotal	<u>\$ 188,884</u>	<u>\$ 190,544</u>	<u>\$ 192,882</u>
Quality Assurance	29,347	30,738	33,766
(F)Medicare-Health Service Agency Certification	14,100	14,100	14,100
(F)COVID-Medicare-Health Service Agency Certification (EA)	112	-	-
(F)Medicaid Certification	11,300	11,300	11,300
(F)COVID-Medicaid Certification (EA)	81	-	-
(A)Indoor Tanning Regulation Fund	150	117	117

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(A)Temporary HSA Registration Fees.....	255	325	325
(A)Publication Fees.....	-	1	1
(R)Nursing Home Oversight.....	-	634	-
(R)Survey Info System and Nursing Facilities System Upgrades.....	460	310	310
(R)Long-Term Care Infection Prevention and Control (EA).....	39	876	-
Subtotal.....	<u>\$ 55,844</u>	<u>\$ 58,401</u>	<u>\$ 59,919</u>
Long-Term Care Transformation Office.....	-	-	7,500
Health Promotion and Disease Prevention.....	2,321	5,000	5,000
Health Innovation.....	798	798	852
Achieving Better Care-MAP Program.....	3,117	3,117	3,180
(F)Prescription Drug Monitoring.....	20,255	20,255	13,866
(F)State Opioid Response Programs (EA).....	1,033	938	-
Subtotal.....	<u>\$ 24,405</u>	<u>\$ 24,310</u>	<u>\$ 17,046</u>
(F)Cooperative Health Statistics.....	2,442	3,243	3,322
(F)Health Statistics.....	93	98	102
(F)Behavioral Risk Factor Surveillance System.....	755	755	755
(F)COVID-Behavioral Risk Factor Surveillance System (EA).....	12	-	-
(R)County Coroner/Medical Examiner Distribution (EA).....	943	924	924
(R)Vital Statistics Improvement Administration (EA).....	16,446	16,585	18,873
(A)VitalChek Revenue.....	-	2,029	2,029
(A)Reimbursement for Microfilming.....	-	550	550
Subtotal.....	<u>\$ 20,691</u>	<u>\$ 24,184</u>	<u>\$ 26,555</u>
State Laboratory.....	5,143	5,685	6,472
(F)Epidemiology and Laboratory Surveillance and Response.....	7,511	12,011	6,722
(F)COVID-Epidemiology and Laboratory Surveillance and Response (EA).....	32,745	5,700	4,038
(F)Clinical Laboratory Improvement.....	721	799	767
(A)Licensure for Clinical Laboratories.....	2,069	2,197	2,197
(A)Drug Abuse Proficiency.....	692	425	425
(A)Alcohol Proficiency Testing.....	157	92	92
(A)Erythrocyte Protoporphyrin Testing.....	27	16	16
(A)Blood Lead Specimen Testing.....	71	1	1
(A)Blood Lead Testing.....	133	42	42
(A)PA Limited Survey Proficiency Testing.....	2	-	-
Subtotal.....	<u>\$ 49,271</u>	<u>\$ 26,968</u>	<u>\$ 20,772</u>
State Health Care Centers.....	28,086	31,157	33,697
(F)Disease Control Immunization Program.....	16,549	18,090	16,014
(F)COVID-Disease Control Immunization (EA).....	2,196	2,800	2,988

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(F)PHHSBG-Block Program Services	8,055	8,055	8,055
(F)Preventive Health Special Projects	3,223	3,223	2,789
(F)Collaborative Chronic Disease Programs	5,922	5,922	4,422
(F)Sexual Violence Prevention and Education.....	3,743	3,743	1,857
(F)Live Healthy.....	5,086	5,086	4,953
(F)Refugee Health Program (EA).....	364	404	202
(A)Reimbursement for Health Center Services.....	-	1,320	-
(R)E-cigarette Settlement.....	1,840	3,419	3,902
Subtotal.....	\$ 75,064	\$ 83,219	\$ 78,879
Sexually Transmitted Disease Screening and Treatment.....	1,822	1,822	1,994
(F)Survey and Follow-Up-Sexually Transmitted Diseases.....	3,306	4,253	3,783
(F)COVID-Strengthening STD Prevention and Control (EA)	2,759	3,100	2,553
Subtotal.....	\$ 7,887	\$ 9,175	\$ 8,330
Subtotal - State Funds.....	\$ 101,779	\$ 110,365	\$ 126,707
Subtotal - Federal Funds.....	299,554	282,263	261,175
Subtotal - Augmentations.....	4,104	7,223	5,844
Subtotal - Restricted.....	19,728	22,748	24,009
Total - General Government.....	\$ 425,165	\$ 422,599	\$ 417,735
Grants and Subsidies:			
Diabetes Programs	\$ 112	\$ 112	\$ 112
Primary Health Care Practitioner	8,350	8,350	23,350
Community-Based Health Care Subsidy	2,000	2,000	2,000
Newborn Screening	7,092	7,329	7,329
Cancer Screening Services	2,563	2,563	2,563
AIDS Programs and Special Pharmaceutical Services	10,436	10,436	10,436
(F)AIDS Ryan White and HIV Care.....	71,142	76,223	46,337
(F)Housing for Persons with AIDS	4,769	4,796	5,018
(F)AIDS Health Education Program	3,266	1,642	1,642
(R)Ryan White HIV/AIDS Program Rebates	106,521	82,285	157,383
Subtotal.....	\$ 196,134	\$ 175,382	\$ 220,816
Regional Cancer Institutes	2,000	2,000	2,000
School District Health Services.....	34,620	37,620	37,620
Local Health Departments	35,785	36,609	35,854
Local Health-Environmental	2,697	2,697	2,697
Maternal and Child Health Services.....	1,438	1,447	1,447
(F)Women, Infants, and Children	277,910	277,910	277,910
(F)MCHSBG-Program Services	20,833	20,833	20,833

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(F)Teenage Pregnancy Prevention	4,677	4,677	4,677
(F)Abstinence Education	4,605	4,605	3,731
(F)Family Health Special Projects	2,500	3,379	3,929
(F)MCH Lead Poisoning Prevention and Abatement	2,370	2,370	2,400
(F)Screening Newborns	1,567	1,783	1,797
(F)COVID-Screening Newborns (EA).....	80	-	-
(F)Newborn Hearing Screening and Intervention	477	477	337
(F)Traumatic Brain Injury.....	592	592	485
Subtotal.....	\$ 317,049	\$ 318,073	\$ 317,546
Tuberculosis Screening and Treatment	913	921	1,057
(F)Tuberculosis Control Program	600	1,000	1,152
Subtotal.....	\$ 1,513	\$ 1,921	\$ 2,209
Renal Dialysis	6,678	6,678	6,678
Services for Children with Special Needs	1,728	1,728	1,728
Adult Cystic Fibrosis and Other Chronic Respiratory Illness	795	795	795
Cooley's Anemia	106	106	106
Hemophilia	1,017	1,017	1,017
Lupus	106	106	106
Sickle Cell	1,335	1,335	1,335
Regional Poison Control Centers	742	742	742
Trauma Prevention	488	488	488
Epilepsy Support Services	583	583	583
Bio-Technology Research	10,600	11,200	-
Tourette's Syndrome	159	159	159
Amyotrophic Lateral Sclerosis Support Services	1,501	1,501	1,501
Neurodegenerative Disease Research	-	-	5,000
Lyme Disease	3,180	3,180	3,180
(R)Pediatric Cancer Research Fund.....	-	1,000	1,000
Subtotal - State Funds.....	\$ 137,024	\$ 141,702	\$ 149,883
Subtotal - Federal Funds.....	395,388	400,287	370,248
Subtotal - Restricted.....	106,521	83,285	158,383
Total - Grants and Subsidies.....	\$ 638,933	\$ 625,274	\$ 678,514
STATE FUNDS	\$ 238,803	\$ 252,067	\$ 276,590
FEDERAL FUNDS	694,942	682,550	631,423
AUGMENTATIONS	4,104	7,223	5,844
RESTRICTED	126,249	106,033	182,392
GENERAL FUND TOTAL	\$ 1,064,098	\$ 1,047,873	\$ 1,096,249

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
OTHER FUNDS:			
EMERGENCY MEDICAL SERVICES OPERATING FUND:			
Emergency Medical Services	\$ 11,450	\$ 12,242	\$ 18,871
Catastrophic Medical and Rehabilitation	4,100	4,200	5,000
Transfer to EMS Training Fund (EA)	150	150	150
EMERGENCY MEDICAL SERVICES OPERATING FUND TOTAL	\$ 15,700	\$ 16,592	\$ 24,021
GOV. CASEY ORGAN & TISSUE DONATION AWARENESS TRUST FUND:			
General Operations (EA)	\$ 82	\$ 139	\$ 139
Hospital and Other Medical Costs (EA)	95	95	143
Grants to Certified Procurement Organizations (EA)	475	475	715
Project Make-A-Choice (EA)	143	143	215
GOV. CASEY ORGAN & TISSUE DONATION AWARENESS TRUST FUND TOTAL ...	\$ 795	\$ 852	\$ 1,212
MEDICAL MARIJUANA PROGRAM FUND:			
General Operations (EA)	\$ 22,646	\$ 44,718 ^c	\$ 21,996
Patient Financial Hardship Program (EA)	8,493	27,233 ^d	8,248
Medical Marijuana Research (EA)	16,985	21,426 ^e	16,496
MEDICAL MARIJUANA PROGRAM FUND TOTAL	\$ 48,124	\$ 93,377	\$ 46,740
TOBACCO SETTLEMENT FUND:			
Health Research-Health Priorities (EA)	\$ 44,356	\$ 41,975	\$ 39,176
Health Research-National Cancer Institute (EA)	3,520	3,331	3,109
Tobacco Use Prevention and Cessation (EA)	15,841	14,991	13,991
TOBACCO SETTLEMENT FUND TOTAL	\$ 63,717	\$ 60,297	\$ 56,276
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ 238,803	\$ 252,067	\$ 276,590
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	694,942	682,550	631,423
AUGMENTATIONS	4,104	7,223	5,844
RESTRICTED	126,249	106,033	182,392
OTHER FUNDS	128,336	171,118	128,249
TOTAL ALL FUNDS	\$ 1,192,434	\$ 1,218,991	\$ 1,224,498

^a Transfer from Emergency Medical Services Operating Fund not added to avoid double counting: 2023-24 Actual is \$100,000, 2024-25 Available is \$150,000, and 2025-26 Budget is \$150,000.

^b Funds for the Menstrual Products Program distributed through the Pennsylvania Department of Education in accordance with Act 55 of 2024.

^c Includes recommended supplemental executive authorization of \$1,313,000.

^d Includes recommended supplemental executive authorization of \$492,000.

^e This budget proposes to transfer \$46,500,000 to the Tourism Promotion Fund in 2025-26. Note: amount shown includes recommended supplemental executive authorization of \$985,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
HEALTH SUPPORT SERVICES:							
GENERAL FUND.....	\$ 68,752	\$ 71,588	\$ 85,164	\$ 88,269	\$ 88,269	\$ 88,269	\$ 88,269
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	245,049	223,491	209,380	209,380	209,380	196,888	196,888
AUGMENTATIONS	4,104	3,324	3,265	3,265	3,265	3,265	3,265
RESTRICTED.....	499	1,820	310	310	310	310	310
OTHER FUNDS.....	22,796	44,868	22,146	21,471	21,263	21,262	21,262
SUBCATEGORY TOTAL....	\$ 341,200	\$ 345,091	\$ 320,265	\$ 322,695	\$ 322,487	\$ 309,994	\$ 309,994
HEALTH RESEARCH:							
GENERAL FUND.....	\$ 12,712	\$ 13,312	\$ 7,112	\$ 7,112	\$ 7,112	\$ 7,112	\$ 7,112
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	3,302	4,096	4,179	4,179	4,179	4,179	4,179
AUGMENTATIONS	-	2,579	2,579	2,579	2,579	2,579	2,579
RESTRICTED.....	17,389	18,509	20,797	20,797	20,797	20,797	20,797
OTHER FUNDS.....	64,861	66,732	58,781	58,276	58,231	58,232	58,232
SUBCATEGORY TOTAL....	\$ 98,264	\$ 105,228	\$ 93,448	\$ 92,943	\$ 92,898	\$ 92,899	\$ 92,899
PREVENTIVE HEALTH:							
GENERAL FUND.....	\$ 142,684	\$ 152,512	\$ 169,659	\$ 170,573	\$ 170,573	\$ 170,573	\$ 170,573
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	446,591	454,963	417,864	417,864	412,323	412,323	412,323
AUGMENTATIONS	-	1,320	-	-	-	-	-
RESTRICTED.....	108,361	85,704	161,285	86,378	86,978	87,664	88,449
OTHER FUNDS.....	15,841	14,991	13,991	13,991	13,991	13,991	13,991
SUBCATEGORY TOTAL....	\$ 713,477	\$ 709,490	\$ 762,799	\$ 688,806	\$ 683,865	\$ 684,551	\$ 685,336
HEALTH TREATMENT SERVICES:							
GENERAL FUND.....	\$ 14,655	\$ 14,655	\$ 14,655	\$ 14,655	\$ 14,655	\$ 14,655	\$ 14,655
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	24,838	44,527	33,331	32,756	32,662	26,904	26,935
SUBCATEGORY TOTAL....	\$ 39,493	\$ 59,182	\$ 47,986	\$ 47,411	\$ 47,317	\$ 41,559	\$ 41,590

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
ALL PROGRAMS:							
GENERAL FUND.....	\$ 238,803	\$ 252,067	\$ 276,590	\$ 280,609	\$ 280,609	\$ 280,609	\$ 280,609
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	694,942	682,550	631,423	631,423	625,882	613,390	613,390
AUGMENTATIONS	4,104	7,223	5,844	5,844	5,844	5,844	5,844
RESTRICTED.....	126,249	106,033	182,392	107,485	108,085	108,771	109,556
OTHER FUNDS.....	128,336	171,118	128,249	126,494	126,147	120,389	120,420
DEPARTMENT TOTAL	\$ 1,192,434	\$ 1,218,991	\$ 1,224,498	\$ 1,151,855	\$ 1,146,567	\$ 1,129,003	\$ 1,129,819

Program: Health Support Services

Goal: To provide effective administration and support systems through which the substantive programs of the health delivery system and the department can be achieved.

The [Department of Health \(DOH\)](#) conducts identification, surveillance and investigation of health issues, including communicable diseases, environmental conditions, occupational hazards, infection control, and health risk behaviors. It publishes guidelines and recommendations for disease prevention, providing professional consultation and technical support to health care providers, institutions, agencies, county health departments, and municipalities.

The [Prescription Drug Monitoring Program tracks](#) controlled substance prescriptions, ensuring safe prescribing, and facilitating patient treatment.

The department [surveys and inspects](#) health care facilities for compliance with state and federal standards, and occasionally, as a requirement for Medicare and Medicaid. The surveys cover sanitation, fire safety, health, and care standards.

[Act 41 of 2014](#), the Indoor Tanning Regulation Act, mandates registration, safety measures, and staff training for indoor tanning establishments, with the department authorized to conduct inspections.

The [Healthcare-Associated Infection Prevention/Antimicrobial Stewardship Program](#) aids health care facilities in reducing infections through effective identification, reporting, and facility-specific infection control plans. It develops best practices for monitoring, surveillance, and response; maintaining a reporting program benchmarking and performance monitoring.

The [state public health lab](#), operated by the department, supports disease prevention through investigatory, diagnostic, and confirmatory testing. It performs over 200,000 tests each year, including COVID-19, tuberculosis, measles, and botulism. The lab also monitors public health concerns and informs patient care best practices.

The lab is integral to Commonwealth preparedness, overseeing licensing, performance standards, and compliance while monitoring over 10,000 laboratories. DOH administers proficiency testing programs for blood lead, erythrocyte protoporphyrin, alcohol, and drugs of abuse.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations		Long-Term Care Transformation Office	
\$ 1,204	—to continue current program.	\$ 7,500	—Initiative—to provide state resources for the
994	—Initiative—to support the PA Viral Hepatitis Elimination Plan.		Long-Term Care Transformation Office to continue
			to support Pennsylvania's long-term care facilities.
\$ 2,198	<i>Appropriation Increase</i>		
Quality Assurance		Achieving Better Care-MAP Program	
\$ 2,812	—to continue current program.	\$ 63	—to continue current program.
216	—Initiative—to implement Act 109 of 2024.		
\$ 3,028	<i>Appropriation Increase</i>		
		State Laboratory	
		\$ 787	—to continue current program.

Program: Health Support Services, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 31,145	\$ 32,048	\$ 34,246	\$ 35,136	\$ 35,136	\$ 35,136	\$ 35,136
Quality Assurance.....	29,347	30,738	33,766	35,730	35,730	35,730	35,730
Long-Term Care Transformation Office	-	-	7,500	7,500	7,500	7,500	7,500
Achieving Better Care-MAP Program ..	3,117	3,117	3,180	3,263	3,263	3,263	3,263
State Laboratory	5,143	5,685	6,472	6,640	6,640	6,640	6,640
TOTAL GENERAL FUND.....	\$ 68,752	\$ 71,588	\$ 85,164	\$ 88,269	\$ 88,269	\$ 88,269	\$ 88,269

Program: Health Research

Goal: To develop better basic scientific knowledge of the nature of disease, illness, and the environment, which will improve the use of existing and new health resources.

DOH coordinates health data collection, analysis, and dissemination. Annual [health reports](#) and an interactive health [statistics tool](#) are available on the department’s website. The department manages a central repository with over 23.5 million records of [births, deaths, and other vital statistics](#) in the Commonwealth. Operation automation allows public access to Pennsylvania birth records from 1921 to present at central and branch offices. The system processes more than 500,000 requests yearly and aids in detecting fraudulent record usage, child support enforcement, and reporting missing children. Birth and death records, stored digitally or on microfilm, are accessible if needed. Birth certificate requests have increased with enhanced federal requirements for air travel and entry into federal buildings.

Previously, Vital Statistics had a dedicated appropriation, the program is now entirely supported by federal funds as well as revenue from death certificates.

DOH’s Diabetes Programs strive to improve the lives of those with diabetes, reduce disparities, and prevent type 2 diabetes through statewide services, funded by state and federal sources, with outcomes tracked via diverse data sources. DOH’s Regional Cancer Institutes engage in diverse activities, including facilitating cancer screenings, reducing barriers to treatment, providing education, and conducting research.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>Bio-Technology Research</p> <p>\$ (11,200) —program elimination.</p>	<p>Neurodegenerative Disease Research</p> <p>\$ 5,000 —Initiative—to provide research grants related to neurodegenerative illnesses.</p>
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Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Diabetes Programs ...	\$ 112	\$ 112	\$ 112	\$ 112	\$ 112	\$ 112	\$ 112
Regional Cancer Institutes	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Bio-Technology Research	10,600	11,200	-	-	-	-	-
Neurodegenerative Disease Research	-	-	5,000	5,000	5,000	5,000	5,000
TOTAL GENERAL FUND.....	\$ 12,712	\$ 13,312	\$ 7,112	\$ 7,112	\$ 7,112	\$ 7,112	\$ 7,112

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Coordinate the collection and analysis of health statistics and information.							
Drug-related overdose deaths	4,479	5,176	5,356	5,158	4,719	4,483	4,260

Program: Preventive Health

Goal: To reduce morbidity and mortality through the early detection of disease and health defects and the promotion of sound health practices and remedial care.

The department provides public health [services](#) via district offices, [state health centers](#), [county and municipal health departments](#), community-based organizations, and public health clinical providers. These include programs for communicable disease prevention, family health, chronic disease prevention, environmental health, and intervention services. County and municipal health departments deliver individual and environmental public health services funded through department awarded grants and contracts.

Women and Infant Programs

DOH integrates home visiting, Centering Pregnancy, and innovative inter-conception care programs to improve pregnancy outcomes, reduce infant mortality, and support child development.

The department administers a [newborn screening](#) program to minimize health risks and provide follow-up services for abnormal results.

For women's health the department offers the [Breast and Cervical Cancer Early Detection Program](#), providing screenings for breast and cervical cancers. Eligible individuals diagnosed with cancer are referred to the Department of Human Services for treatment programs based on specific criteria.

State health center community health nurses conduct public education and participate in local advisory teams focusing on women's, infants', and children's health and safety.

DOH manages the federally funded Special Supplemental Nutrition Program for [Women, Infants, and Children \(WIC\)](#), serving those at risk due to medical conditions or low income.

The [Maternal Mortality Review Committee \(MMRC\)](#) assesses maternal deaths, aiming to determine preventability related to pregnancy.

Children's Programs

DOH's [immunization program](#) provides vaccines to reduce vaccine-preventable diseases in the Commonwealth. The program supports surveillance, consultation during outbreaks, and educational programs. The initiative assesses childhood immunization levels, conducts childcare and school immunization reporting, and guides school districts to maintain children's health. Local state health centers conduct public and provider education for disease prevention, improving immunization rates, and decreasing disease transmission.

The department addresses [lead poisoning](#) through federally funded activities. The Lead Hazard Control program identifies and eliminates hazards in eligible homes. DOH conducts surveillance of childhood blood lead levels to identify community trends. State health center staff provide parent education and case management for children under 7 with elevated levels. The Childhood Lead Poisoning Prevention program educates families, communities, and contractors, promoting prevention in children under 6 and blood lead testing.

The [School Health](#) program supports health services in elementary and secondary schools, reimbursing districts for nursing and dental services. State health center nurses offer technical assistance during disease investigations in students and staff.

Other Health Promotion and Disease and Injury Prevention Programs

DOH promotes adult immunizations, offering vaccines through health centers, county and municipal health departments, and clinics. The infectious disease surveillance system investigates reported cases, identifying sources and implementing control measures.

The department addresses chronic diseases, conducting programs such as hepatitis C testing and coordinating HIV prevention services.

The [Sexually Transmitted Diseases \(STD\)](#) program aims to prevent STDs and their complications through testing and risk-reduction information.

The [Tuberculosis \(TB\)](#) program focuses on reducing TB incidence, offering outpatient examination, diagnosis, and treatment.

State health centers provide public STD, HIV, and TB testing, alongside community outreach and provider education.

DOH collaborates to transform patient care in [rural health care](#) settings, aiming for improved outcomes and reduced costs.

Program: Preventive Health, continued

The [Tobacco Prevention and Control](#) program combats tobacco-related diseases through community efforts, youth prevention, cessation programs, awareness education, a [Quitline](#), and [Clean Indoor Air Act](#) enforcement.

DOH initiatives tackle tick- and mosquito-transmitted infections through educational programs.

The department also combats the [opioid epidemic](#) with increased naloxone availability and use of the [Opioid Data Dashboard](#).

Federally funded programs address [cancer prevention](#), [oral health](#), [diabetes](#), [heart disease](#), [stroke prevention](#), and [obesity](#). The [Asthma Control Program](#) offers education and triggers identification, while the [Violence and Injury Prevention Program](#) targets intentional and unintentional injuries. DOH funds organizations to address childhood injuries, motor vehicle safety, fall prevention, traumatic brain injury, suicide prevention, and adverse childhood experiences.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>Health Innovation</p> <p>\$ 54 —to continue current program.</p>	<p>Primary Health Care Practitioner</p> <p>\$ 10,000 —Initiative—to expand the program to address workforce shortages in behavioral health.</p>
<p>State Health Care Centers</p> <p>\$ 2,540 —to continue current program.</p>	<p>5,000 —Initiative—to expand the program to address workforce shortages in rural communities.</p>
<p>Sexually Transmitted Disease Screening and Treatment</p> <p>\$ 172 —to continue current program.</p>	<p>\$ 15,000 <i>Appropriation Increase</i></p>
	<p>Local Health Departments</p> <p>\$ (755) —to continue current program.</p>
	<p>Tuberculosis Screening and Treatment</p> <p>\$ 136 —to continue current program.</p>

Program: Preventive Health, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Health Promotion and Disease Prevention.....	\$ 2,321	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Health Innovation.....	798	798	852	874	874	874	874
State Health Care Centers	28,086	31,157	33,697	34,573	34,573	34,573	34,573
Sexually Transmitted Disease Screening and Treatment	1,822	1,822	1,994	2,010	2,010	2,010	2,010
Primary Health Care Practitioner.....	8,350	8,350	23,350	23,350	23,350	23,350	23,350
Community-Based Health Care Subsidy.....	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Newborn Screening	7,092	7,329	7,329	7,329	7,329	7,329	7,329
Cancer Screening Services	2,563	2,563	2,563	2,563	2,563	2,563	2,563
AIDS Programs and Special Pharmaceutical Services	10,436	10,436	10,436	10,436	10,436	10,436	10,436
School District Health Services	34,620	37,620	37,620	37,620	37,620	37,620	37,620
Local Health Departments	35,785	36,609	35,854	35,854	35,854	35,854	35,854
Local Health-Environmental.....	2,697	2,697	2,697	2,697	2,697	2,697	2,697
Maternal and Child Health Services.....	1,438	1,447	1,447	1,447	1,447	1,447	1,447
Tuberculosis Screening and Treatment	913	921	1,057	1,057	1,057	1,057	1,057
Epilepsy Support Services	583	583	583	583	583	583	583
Lyme Disease	3,180	3,180	3,180	3,180	3,180	3,180	3,180
TOTAL GENERAL FUND.....	\$ 142,684	\$ 152,512	\$ 169,659	\$ 170,573	\$ 170,573	\$ 170,573	\$ 170,573

Program: Preventive Health, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Meet and maintain Healthy People 2030 objectives for vaccination rates among school-age children.							
Kindergarten immunization rate for measles, mumps, and rubella (MMR) vaccine..... %	96.4	95.5	95.1	94.0	95.0	95.5	95.5
Percentage of school districts with required school nurse to student ratio .. %	98.3	98.5	99.1	98.9	98.8	98.7	98.7
Ensure that all Pennsylvanians are able to access a range of preventive health and early detection services.							
Percentage of obese adults (Body Mass Index >30)	33.2	32.7	33.0	33.0	33.0	33.0	34.0
Percentage of adults with diabetes..... %	10.8	11.4	11.1	11.2	11.2	11.2	11.2
Neonatal abstinence syndrome (per 1,000 births).....	12.9	13.1	10.9	8.7	6.7	6.7	6.7
Other communicable disease programs and incidences reported.							
Percentage of newly HIV diagnosed individuals linked to care within 30 days %	82.5	82.3	81.3	81.4	85.3	85.5	86.8
Individuals who test HIV negative referred to Pre-exposure Prophylaxis (PrEP) services	3,412.0	2,268.0	2,849.0	3,243.0	2,541.0	2,500.0	2,500.0
Percentage of initiation of TB treatment %	90.2	83.8	89.5	92.5	92.5	93.0	96.0
Percentage of completion of TB treatment..... %	90.2	89.6	90.2	81.7	72.7	95.0	95.0
Percentage of initiation of latent tuberculosis infection (LTBI) for immigrants and refugees	66.7	60.0	57.9	62.5	68.3	87.0	87.0
Percentage of completion of latent tuberculosis infection (LTBI) for immigrants and refugees	68.2	66.7	72.7	82.9	62.5	87.0	87.0
Prevent initiation and reduce use of tobacco products, eliminate nonsmokers' exposure to secondhand smoke, and eliminate tobacco-related health disparities.							
Percentage of adults (age 18+) who smoke	17.0	16.0	14.0	15.0	14.0	13.0	12.0
Percentage of adults (age 18+) who vape	N/A	N/A	3.0	3.0	2.8	2.4	1.0
Percentage of teens who smoke	6.6	N/A ^a	4.2	N/A ^a	3.7	3.5	3.2
Percentage of teens who vape	24.4	N/A ^a	19.2	N/A ^a	18.0	17.5	17.0

^a Data on teens who smoke/vape only available every other year.

Program: Health Treatment Services

Goal: To maximize the individual's capacity for independent living through the provision of an array of service and support programs.

Health Treatment Services

The department coordinates specialized medical services for Commonwealth patients.

The [Chronic Renal Disease Program](#) (CRDP) provides care for eligible adults with end-stage renal disease, assisting with dialysis, transplantation, medications, medical management, inpatient and outpatient services, home dialysis supplies, and transportation.

The Specialty Care program offers services for health conditions including cystic fibrosis, Cooley's anemia, hemophilia, sickle cell, spina bifida, and home ventilator care. Services include client engagement, system functionality, peer supports, mental health screenings, and rehabilitative services. DOH makes referrals to Medical Assistance or the Children's Health Insurance Program to optimize state funds.

DOH leads the Commonwealth's [Emergency Medical Services \(EMS\)](#) system, overseeing planning, coordination, development, and evaluation through regional and statewide councils. DOH provides regulatory oversight and develops treatment protocols.

The [Head Injury Program](#) provides case management and post-acute head injury rehabilitation services through contractual agreements, funded by the Emergency Medical Services Operating Fund.

DOH oversees the Commonwealth's [Medical Marijuana Program](#). Patients with eligible conditions have access to medical marijuana through a safe delivery method. The department provides resources for patients, caregivers, growers/processors, dispensaries, physicians, laboratories, and clinical research.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

All appropriations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Renal Dialysis	\$ 6,678	\$ 6,678	\$ 6,678	\$ 6,678	\$ 6,678	\$ 6,678	\$ 6,678
Services for Children with Special Needs	1,728	1,728	1,728	1,728	1,728	1,728	1,728
Adult Cystic Fibrosis and Other Chronic Respiratory Illness	795	795	795	795	795	795	795
Cooley's Anemia	106	106	106	106	106	106	106
Hemophilia	1,017	1,017	1,017	1,017	1,017	1,017	1,017
Lupus	106	106	106	106	106	106	106
Sickle Cell	1,335	1,335	1,335	1,335	1,335	1,335	1,335
Regional Poison Control Centers	742	742	742	742	742	742	742
Trauma Prevention	488	488	488	488	488	488	488
Tourette's Syndrome	159	159	159	159	159	159	159
Amyotrophic Lateral Sclerosis Support Services	1,501	1,501	1,501	1,501	1,501	1,501	1,501
TOTAL GENERAL FUND	\$ 14,655	\$ 14,655	\$ 14,655	\$ 14,655	\$ 14,655	\$ 14,655	\$ 14,655



HEALTH CARE COST CONTAINMENT COUNCIL

The mission of the [Pennsylvania Health Care Cost Containment Council \(PHC4\)](#) is to empower Pennsylvanians through transparency, providing access to data, research, analysis, and reporting focused on the cost, utilization, and quality of health care delivery in the Commonwealth.

The council collects, analyzes, and reports data about the quality of health care in Pennsylvania for use by purchasers of health care benefits, health care providers, and other stakeholders. The council is governed by a board of directors, representing business, labor, consumers, health care providers, insurers, and state government.

Programs and Goals

Health Care Reporting: *To facilitate the continuing provision of quality, cost effective health services throughout the Commonwealth by providing current data and information to the purchasers, providers, insurers, policymakers, and consumers of health care services.*

Health Care Cost Containment Council

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	ACTUAL	AVAILABLE	BUDGET

GENERAL FUND:

General Government:

Health Care Cost Containment Council.....	\$	3,167	\$	3,167	\$	8,379
(A)Sale of Datasets and Customized Reports		850		950		950
Subtotal - State Funds.....	\$	3,167	\$	3,167	\$	8,379
Subtotal - Augmentations.....		850		950		950
Total - General Government.....	\$	4,017	\$	4,117	\$	9,329
STATE FUNDS	\$	3,167	\$	3,167	\$	8,379
AUGMENTATIONS		850		950		950
GENERAL FUND TOTAL	\$	4,017	\$	4,117	\$	9,329

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated

HEALTH CARE REPORTING:

GENERAL FUND.....	\$	3,167	\$	3,167	\$	8,379	\$	5,519	\$	5,519	\$	5,519	\$	5,519
MOTOR LICENSE FUND ...		-		-		-		-		-		-		-
LOTTERY FUND		-		-		-		-		-		-		-
FEDERAL FUNDS.....		-		-		-		-		-		-		-
AUGMENTATIONS		850		950		950		650		650		650		650
RESTRICTED.....		-		-		-		-		-		-		-
OTHER FUNDS.....		-		-		-		-		-		-		-
DEPARTMENT TOTAL	\$	4,017	\$	4,117	\$	9,329	\$	6,169	\$	6,169	\$	6,169	\$	6,169

Health Care Cost Containment Council

Program: Health Care Reporting

Goal: To facilitate the continuing provision of quality, cost effective health services throughout the Commonwealth by providing current data and information to the purchasers, providers, insurers, policymakers, and consumers of health care services.

The [Pennsylvania Health Care Cost Containment Council \(PHC4\)](#) is an independent state agency established by [Act 89 of 1986](#) and reauthorized most recently by [Act 15 of 2020](#). It is governed by a board that represents health care purchasers (business and labor), consumers, health care providers, insurers, health economists, members of the Pennsylvania General Assembly, and state government.

PHC4 uses advanced statistical and research methodologies, including the use of risk-adjusted data which accounts for the severity of patient illness and other risk factors to produce reports on common illnesses that affect Pennsylvanians. Publicly reported medical costs and outcomes not only help improve patient care, but also help consumers make informed choices about where to seek medical treatment.

Data from inpatient and outpatient records from Pennsylvania hospitals and ambulatory surgery centers are collected by the council each year. The data, which include detailed financial information about hospitals and surgery centers, are verified and shared with the public through [free public reports](#). The council has collected and utilized payment data from Medicare, Medicaid, and commercial health insurance plans to create reports. Updating and expanding an interactive, consumer-friendly online database focused on localized hospitalization data at the county level is also a priority for PHC4.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Health Care Cost Containment Council	
\$ 1,212	—to continue current program.
4,000	—Initiative—to create an All-Payer Claims Database.
\$ 5,212	<i>Appropriation Increase</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Health Care Cost Containment Council	\$ 3,167	\$ 3,167	\$ 8,379	\$ 5,519	\$ 5,519	\$ 5,519	\$ 5,519



HISTORICAL AND MUSEUM COMMISSION

The mission of the [Pennsylvania Historical and Museum Commission \(PHMC\)](#) is to discover, protect, and share Pennsylvania's past, inspiring others to value and use our history in meaningful ways.

Programs and Goals

State History: To manage and safeguard Pennsylvania's historic resources through a comprehensive history, archives, and museum program focused on the preservation, study, and interpretation of all areas of Pennsylvania history, providing exhibits and programs to share this history with learners of all ages.

Museum and Community Assistance: To assure preservation and accessibility of Pennsylvania's rich heritage through representative artifacts, specimens of history, historic documents, buildings, art, and science for all citizens through the support of museums and historical sites within the Commonwealth.

Historical and Museum Commission

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
General Government Operations	\$ 22,417	\$ 24,240	\$ 25,500
(F)Historic Preservation.....	3,150	3,150	3,150
(F)Surface Mining Review.....	180	160	180
(F)Environmental Review.....	380	380	412
(F)American Battlefield Protection Program.....	6,000	6,000	6,000
(F)Appalachian Development.....	100	-	-
(F)National Endowment for the Humanities	49	49	49
(A)State Records Center.....	1,056	1,056	1,056
(A)Key 93 Administrative Costs.....	- ^a	-	-
(R)Rent and Other Income	68	80	80
Subtotal.....	<u>\$ 33,400</u>	<u>\$ 35,115</u>	<u>\$ 36,427</u>
Subtotal - State Funds.....	\$ 22,417	\$ 24,240	\$ 25,500
Subtotal - Federal Funds.....	9,859	9,739	9,791
Subtotal - Augmentations.....	1,056	1,056	1,056
Subtotal - Restricted.....	68	80	80
Total - General Government.....	<u>\$ 33,400</u>	<u>\$ 35,115</u>	<u>\$ 36,427</u>
<i>Grants and Subsidies:</i>			
Cultural and Historical Support.....	\$ 2,000	\$ 4,000	\$ 2,000
STATE FUNDS.....	\$ 24,417	\$ 28,240	\$ 27,500
FEDERAL FUNDS.....	9,859	9,739	9,791
AUGMENTATIONS	1,056	1,056	1,056
RESTRICTED	68	80	80
GENERAL FUND TOTAL	<u>\$ 35,400</u>	<u>\$ 39,115</u>	<u>\$ 38,427</u>
OTHER FUNDS:			
HISTORICAL PRESERVATION FUND:			
General Operations (EA).....	\$ 1,167	\$ 1,342	\$ 1,342
(R)Deaccession of Collections	3	9	9
(R)Mitigation and Special Projects	385	700	700
HISTORICAL PRESERVATION FUND TOTAL.....	<u>\$ 1,555</u>	<u>\$ 2,051</u>	<u>\$ 2,051</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
KEYSTONE RECREATION, PARK, AND CONSERVATION FUND:			
Historic Site Development (EA).....	\$ 15,313	\$ 16,653 ^b	\$ 19,410
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 24,417	\$ 28,240	\$ 27,500
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	9,859	9,739	9,791
AUGMENTATIONS.....	1,056	1,056	1,056
RESTRICTED.....	68	80	80
OTHER FUNDS.....	16,868	18,704	21,461
TOTAL ALL FUNDS.....	\$ 52,268	\$ 57,819	\$ 59,888

^a Not added to avoid double counting: 2023-24 Actual is \$766,000.

^b Includes recommended supplemental executive authorization of \$2,620,000.

Historical and Museum Commission

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
STATE HISTORY:							
GENERAL FUND.....	\$ 22,417	\$ 24,240	\$ 25,500	\$ 26,289	\$ 26,289	\$ 26,289	\$ 26,289
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	9,859	9,739	9,791	9,791	9,791	9,791	9,791
AUGMENTATIONS	1,056	1,056	1,056	1,056	1,056	1,056	1,056
RESTRICTED.....	68	80	80	80	80	80	80
OTHER FUNDS.....	1,555	2,051	2,051	2,051	2,051	2,051	2,051
SUBCATEGORY TOTAL....	\$ 34,955	\$ 37,166	\$ 38,478	\$ 39,267	\$ 39,267	\$ 39,267	\$ 39,267
MUSEUM AND COMMUNITY ASSISTANCE:							
GENERAL FUND.....	\$ 2,000	\$ 4,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	15,313	16,653	19,410	21,994	23,733	25,434	26,875
SUBCATEGORY TOTAL....	\$ 17,313	\$ 20,653	\$ 21,410	\$ 23,994	\$ 25,733	\$ 27,434	\$ 28,875
ALL PROGRAMS:							
GENERAL FUND.....	\$ 24,417	\$ 28,240	\$ 27,500	\$ 28,289	\$ 28,289	\$ 28,289	\$ 28,289
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	9,859	9,739	9,791	9,791	9,791	9,791	9,791
AUGMENTATIONS	1,056	1,056	1,056	1,056	1,056	1,056	1,056
RESTRICTED.....	68	80	80	80	80	80	80
OTHER FUNDS.....	16,868	18,704	21,461	24,045	25,784	27,485	28,926
DEPARTMENT TOTAL	\$ 52,268	\$ 57,819	\$ 59,888	\$ 63,261	\$ 65,000	\$ 66,701	\$ 68,142

Program: State History

Goal: To manage and safeguard Pennsylvania's historic resources through a comprehensive history, archives, and museum program focused on the preservation, study, and interpretation of all areas of Pennsylvania history, providing exhibits and programs to share this history with learners of all ages.

The [Pennsylvania Historical and Museum Commission \(PHMC\)](#) is the Commonwealth's official history agency. The responsibilities of the PHMC are rooted in the Pennsylvania Constitution and are further defined in the [History Code](#) and the [Administrative Code](#). PHMC oversees the State Museum, Archives and Historic Preservation Office, and supports the management of historic sites and museums throughout the Commonwealth.

Executive Direction and Administration

The Executive Direction and Administration program provides general policy and direction for administering the commission's operations and ensuring the direction of each program is focused on meeting the agency's mission and strategic goals. It includes legislative, marketing, public relations, procurement, preservation of historic sites and museums, financial grant administration, fiscal and revenue management, and other support services.

State and Local Records

The State and Local Records program supports the operation of the [State Archives](#) and the [State Records Center](#). The State Archives is responsible for identifying, acquiring, preserving, and providing public access to the valuable and historical records created by government. This responsibility extends to the [preservation of electronic records](#) and to the use of technology to facilitate public access. The State Archives maintains and preserves deeds and other property records, state laws, maps, photographs, official minutes of boards and commissions, reports, and selected case and program files that document the significant activities of Pennsylvania's government. The State Records Center is the official repository for inactive records that must be maintained temporarily by state agencies for administrative, fiscal, or legal purposes.

This program also administers state executive branch and local government records management programs and provides other services to state and local government offices. These services include preparation of records retention schedules, approval of records disposal requests, promulgation of standards for retention of records in different storage media, and providing training and technical assistance to records custodians in order to increase efficiency, lower costs, and protect essential records from catastrophic loss.

Historic Site and Museum Operations

The Historic Site and Museum Operations (HSMO) program supports the operation of [historic sites and museums](#) throughout the Commonwealth that are open to the public, in addition to the [State Museum of Pennsylvania](#). PHMC's historic sites and museums engage and educate visitors using collections and exhibition programs, living history, and other types of tours to explore Pennsylvania's cultural and natural history. The program utilizes public-private partnerships with associate organizations at each site and museum to further provide for the interpretation of these significant properties. Facility development, educational programming, and collections management and conservation of nearly nine million historical artifacts, fine arts objects, and natural history specimens are all part of the activities of HSMO.

In addition, at several additional sites, the HSMO program supports a property management and lease program effected through cooperative agreements with management groups, for-profit, and not-for-profit organizations to operate, maintain, and utilize historic sites, buildings, and agricultural lands under the custody of the commission.

Historic Preservation

PHMC's [State Historic Preservation Office \(SHPO\)](#) administers several federal programs created by the [National Historic Preservation Act of 1966](#), in addition to many state programs authorized under the Pennsylvania History Code. The SHPO's work is guided by federal and state regulations and Pennsylvania's historic preservation plan. This program is responsible for providing information, education, training, and technical assistance to all Pennsylvanians about historic preservation and various incentives to protect, maintain, and reuse historic properties; advising federal and state agencies and local governments in matters of historic preservation; maintaining Pennsylvania's inventory of historic properties; identifying and nominating properties to the [National Register of Historic Places](#); and managing the [Pennsylvania Historical Marker](#) program. This program also administers several [grant programs](#) including the Keystone Historic Preservation grant program; works with property owners on [state](#) and [federal](#) historic tax credits; and partners with other agencies and organizations to promote the architectural and archaeological resources of the Commonwealth.

Historical and Museum Commission

Program: State History, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations

\$ 1,260 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 22,417	\$ 24,240	\$ 25,500	\$ 26,289	\$ 26,289	\$ 26,289	\$ 26,289

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Share permanent museum collections with the public by providing online access.							
Records added online to collections database	8,689	10,166	5,109	7,681	7,539	7,500	7,500
Preserve and make transparent government records through archives digitization and online access.							
Images added to PA Power Library, Ancestry, and other online platforms (in thousands)	497	1,318	1,883	7 ^a	817	50	50
Review impact of state and federally supported projects on historic resources to foster preservation outcomes.							
Environmental reviews completed each year	5,523	6,530	7,471	7,928	8,076	7,000	7,000
Identify and document Pennsylvania's historic resources to ensure consideration in planning and decision making.							
Number of historic resources added to PA's State Historic and Archaeological Resource Exchange (PA-SHARE).....	7,717	2,424	6,662	17,180 ^b	3,270	1,500	1,500
Share Pennsylvania history through exhibits and programs at historic sites and museums.							
Onsite visitation at PHMC-owned sites and museums.	171,369	19,498	137,046	199,670	205,950	250,000	250,000

^a This decrease reflects a delay in scanned images collected during the COVID-19 pandemic.

^b This increase is due to an agency initiative to document underrepresented historic properties in Pennsylvania's Historic Places Inventory.

Program: Museum and Community Assistance

Goal: To assure preservation and accessibility of Pennsylvania’s rich heritage through representative artifacts, specimens of history, historic documents, buildings, art, and science for all citizens through the support of museums and historical sites within the Commonwealth.

Incentives for Historic Preservation

PHMC distributes grant funds to cultural institutions and historic properties across the state. These grants benefit local communities, helping to preserve their heritage, revitalizing neighborhoods, towns and cities, and increasing quality of life for Pennsylvanians. The program is administered by SHPO across three major components: the [Certified Local Government \(CLG\)](#) grant program; the [Cultural and Historical Support](#) grant program; and the [Keystone Recreation, Park, and Conservation Fund](#) program. PHMC also provides special funding opportunities with grants for historic and archival records, various federal grant programs, and administers federal and state historic tax credit programs.

The CLG grant program awards are given to certified local governments to help municipalities with a wide array of heritage preservation activities. CLG grants support cultural resource surveys, national register nominations, historic preservation planning, training, pooling grants, and third-party administration.

The Cultural and Historical Support grant program awards grants to eligible museums and official county historical societies in Pennsylvania. The goal of this program is to strengthen Pennsylvania’s cultural, historical, and museum community by supporting the general operations of eligible museums and official county historical societies that are not supported by other state agency funding programs.

The [Keystone Historic Preservation Planning](#) grants and the [Keystone Historic Preservation Construction](#) grants are available to Pennsylvania nonprofit organizations and public agencies that operate a publicly accessible historic property listed in, or eligible for, the National Register of Historic Places or to organizations that operate a contributing historic property in a listed or eligible National Register Historic District.

The [Historical and Archival Records Care](#) grant program provides funding to improve the preservation and accessibility of historically valuable records to archival institutions across the Commonwealth. The grants are administered on a competitive basis and funding for the awards is for two years.

[State](#) and [federal](#) tax credits are available for the rehabilitation of historic, income-producing buildings that are determined to be “certified historic structures” and where the rehabilitation work complies with the [U.S. Secretary of the Interior’s Standards for Rehabilitation](#).

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Cultural and Historical Support
\$ (2,000) —funding reduction.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Cultural and Historical Support	\$ 2,000	\$ 4,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000

Historical and Museum Commission

Program: Museum and Community Assistance, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Build local government and professional capacity in the history, preservation, and records management fields.							
Trained practitioners and local government officials annually in-person or online.	5,361	4,456	5,895	6,931	5,870	6,000	6,000
Provide assistance needed by state agencies and local governments to serve the public.							
Records or information provided to other governmental entities in order to serve their customers.	9,111	9,027	11,625	12,480	9,760	9,000	9,000
Promote the use of statewide preservation plan at a local level across Pennsylvania to preserve historic resources.							
Partners and citizens engaged in using the statewide historic preservation plan goals and guiding principles.	26,269	27,339	22,469	18,919	29,574	30,000	30,000
Assist communities in preserving local history at museums and historical societies.							
Grants provided to non-profit cultural and historical institutions across the Commonwealth.	153	155	154	161	158	150	150
Provide funding for the preservation of publicly accessible historic buildings.							
Planning and Construction Keystone grants awarded and capital investments in state owned properties (in thousands)	\$ 2,633	2,308	2,634	2,580	2,186	2,000	2,000



HUMAN SERVICES

The mission of the [Department of Human Services \(DHS\)](#) is to assist Pennsylvanians in leading safe, healthy, and productive lives through equitable, trauma-informed, and outcome-focused services while being an accountable steward of Commonwealth resources.

Programs and Goals

Human Services Support: To provide effective administrative and support systems through which the substantive programs of the department can be operated.

Medical Assistance and Health Care Delivery: To support a health care delivery system that provides comprehensive health care services in appropriate settings for the eligible populations.

Long-Term Living: To support a community living system that empowers persons with disabilities and older Pennsylvanians to live with dignity and independence in settings they prefer, to provide meaningful choice of community living services, and to ensure that those services are delivered in a high-quality, cost-effective manner.

Income Maintenance: To promote personal and parental responsibility and encourage economic independence and self-sufficiency through temporary cash assistance, job training, child care for families or individuals, and nutrition support services.

Mental Health and Substance Abuse Services: To maximize the individual's capacity for independent living through the provision of an array of service and support programs.

Intellectual Disabilities/Autism: To support Pennsylvanians with intellectual disabilities or autism and their families to achieve greater independence, choice, and opportunity in their lives.

Human Services: To enhance the social and economic well-being of families and individuals through the provision of an array of service and support programs.

Child Development: To promote opportunities for all Pennsylvania children and families by building systems and providing supports that help ensure access to high-quality child and family services.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	ACTUAL	AVAILABLE	BUDGET

GENERAL FUND:

General Government:

General Government Operations	\$ 128,196	\$ 136,587	\$ 152,389
(F)Medical Assistance-Administration	39,274	44,023	42,639
(F)SNAP-Administration	5,333	6,600	7,223
(F)SSBG-Administration	358	358	-
(F)TANFBG-Administration	11,259	11,268	11,394
(F)CCDFBG-Administration.....	34,455	35,294	38,850
(F)Child Welfare-Title IV-E-Administration	10,916	11,136	12,624
(F)Child Welfare Services-Administration	993	999	1,184
(F)Community-Based Family Resource and Support-Administration	1,739	230	230
(F)Developmental Disabilities-Basic Support.....	4,903	5,099	4,744
(F)Disabled Education-Administration.....	712	1,000	778
(F)Early Head Start Expansion Program.....	14,950	14,950	14,950
(F)MCH-Administration.....	251	251	247
(F)MHSSBG-Administration.....	1,219	1,337	1,353
(F)Refugees and Persons Seeking Asylum-Administration	3,170	6,404	3,872
(F)IIJA-State Digital Equity	-	-	1,000
(A)Child Abuse Reviews.....	7,977	8,568	8,568
(A)Adam Walsh Clearance.....	1,410	1,032	1,032
(A)Miscellaneous.....	1	-	-
Subtotal.....	<u>\$ 267,116</u>	<u>\$ 285,136</u>	<u>\$ 303,077</u>
Information Systems	103,049	112,656	112,656
(F)Medical Assistance-Information Systems	124,920	137,047	151,580
(F)SNAP-Information Systems	32,771	36,061	35,896
(F)TANFBG-Information Systems	16,519	17,403	18,985
(F)Child Welfare-Title IV-E-Information Systems	11,200	14,837	21,554
(F)Child Support Enforcement-Information Systems	7,493	9,751	10,087
(F)CHIP-Information Systems	16,695	16,648	16,713
(F)COVID-CHIP Information Systems (EA).....	96	-	-
(A)COMPASS Support-CHIP	520	520	520
(A)Medical Data Exchange.....	-	13	-
Subtotal.....	<u>\$ 313,263</u>	<u>\$ 344,936</u>	<u>\$ 367,991</u>
County Administration-Statewide	60,509	64,501	74,272
(F)Medical Assistance-Statewide	71,394	75,708	74,176
(F)SNAP-Statewide	44,952	47,607	55,452
(F)COVID-SNAP P-EBT Administration (EA).....	24,205	-	-
(F)TANFBG-Statewide	1,072	1,072	1,072
(F)ARRA-Health Information Technology	4,171	-	-

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(F)Children's Health Insurance Administration.....	3,669	3,607	3,545
(F)COVID-Children's Health Insurance Administration (EA).....	189	-	-
(A)SNAP-Retained Collections.....	1,962	2,129	2,129
(A)eHealth Fees.....	602	540	540
Subtotal.....	<u>\$ 212,725</u>	<u>\$ 195,164</u>	<u>\$ 211,186</u>
County Assistance Offices.....	320,810	355,088	374,483
(F)Medical Assistance-County Assistance Offices.....	235,037	229,731	237,284
(F)SNAP-County Assistance Offices.....	140,971	176,047	172,978
(F)TANFBG-County Assistance Offices.....	46,972	38,472	40,685
(F)CHIP-County Assistance Offices.....	15,000	15,000	18,402
(F)SSBG-County Assistance Offices.....	3,000	3,000	3,000
(F)LIHEABG-Administration.....	36,368	36,368	36,368
(A)FS Bonus Plan-County Assistance Offices.....	-	-	11,000
Subtotal.....	<u>\$ 798,158</u>	<u>\$ 853,706</u>	<u>\$ 894,200</u>
Child Support Enforcement.....	20,152	22,011	19,518
(F)Child Support Enforcement-Title IV-D.....	174,037	178,078	176,501
(A)Title IV-D Incentive Collections.....	2,816	5,694	6,336
(A)State Retained Support Collections.....	1,273	1,269	1,269
Subtotal.....	<u>\$ 198,278</u>	<u>\$ 207,052</u>	<u>\$ 203,624</u>
New Directions.....	22,234	23,401	22,816
(F)TANFBG-New Directions.....	140,351	141,048	141,650
(F)Medical Assistance-New Directions.....	13,589	15,081	15,865
(F)SNAP-New Directions.....	20,408	23,571	23,933
(F)CHIP-New Directions.....	1,000	1,000	1,119
Subtotal.....	<u>\$ 197,582</u>	<u>\$ 204,101</u>	<u>\$ 205,383</u>
Subtotal - State Funds.....	<u>\$ 654,950</u>	<u>\$ 714,244</u>	<u>\$ 756,134</u>
Subtotal - Federal Funds.....	<u>1,315,611</u>	<u>1,356,086</u>	<u>1,397,933</u>
Subtotal - Augmentations.....	<u>16,561</u>	<u>19,765</u>	<u>31,394</u>
Total - General Government.....	<u>\$ 1,987,122</u>	<u>\$ 2,090,095</u>	<u>\$ 2,185,461</u>
Institutional:			
Youth Development Institutions and Forestry Camps.....	\$ 91,255	\$ 146,818	\$ 150,837
(F)SSBG-Basic Institutional Programs.....	10,000	10,000	10,000
(F)Food Nutrition Services.....	650	816	816
(F)COVID-Supply Chain Assistance for Schools (EA).....	24	-	-
(A)Institutional Reimbursements.....	1	10	10
Subtotal.....	<u>\$ 101,930</u>	<u>\$ 157,644</u>	<u>\$ 161,663</u>
Mental Health Services.....	885,567	956,535	988,803
(F)Medical Assistance-Mental Health.....	201,590	217,000	252,748
(F)COVID-Medical Assistance-Mental Health (EA).....	3,443	-	-

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(F)Medicare Services-State Hospitals.....	17,900	17,900	14,500
(F)Homeless Mentally Ill.....	2,496	2,664	2,675
(F)MHSBG-Community Mental Health Services.....	48,229	55,829	55,829
(F)SSBG-Community Mental Health Services.....	10,366	10,366	10,366
(F)Suicide Prevention.....	6,436	2,265	-
(F)Transforming the Crisis Mental Health System.....	14,000	22,855	22,855
(F)Mental Health Data Infrastructure.....	225	225	250
(F)Mental Health-Safe Schools.....	5,000	5,000	5,000
(F)Promoting Integration of Health Care.....	3,500	3,500	3,500
(F)System of Care Expansion.....	7,000	7,000	7,000
(F)Youth Suicide Prevention.....	736	2,000	2,000
(F)Adolescents and Young Adults at High Risk for Psychosis.....	400	621	621
(F)Bioterrorism Hospital Preparedness (EA).....	95	90	45
(A)County IGT.....	64,027	52,296	54,825
(A)Institutional Collections.....	7,139	5,068	6,100
(A)Institutional Reimbursements.....	1,379	1,869	950
Subtotal.....	<u>\$ 1,279,528</u>	<u>\$ 1,363,083</u>	<u>\$ 1,428,067</u>
Intellectual Disabilities-State Centers.....	100,327	114,214	108,713
(F)Medical Assistance-State Centers.....	103,137	122,948	135,023
(F)COVID-Medical Assistance-ID State Centers (EA).....	1,766	-	-
(F)Medicare Services-State Centers.....	183	183	247
(A)Institutional Collections.....	5,938	4,258	5,912
(A)ID/ICF Assessment.....	13,692	9,824	11,635
Subtotal.....	<u>\$ 225,043</u>	<u>\$ 251,427</u>	<u>\$ 261,530</u>
Subtotal - State Funds.....	<u>\$ 1,077,149</u>	<u>\$ 1,217,567</u>	<u>\$ 1,248,353</u>
Subtotal - Federal Funds.....	<u>437,176</u>	<u>481,262</u>	<u>523,475</u>
Subtotal - Augmentations.....	<u>92,176</u>	<u>73,325</u>	<u>79,432</u>
Total - Institutional.....	<u>\$ 1,606,501</u>	<u>\$ 1,772,154</u>	<u>\$ 1,851,260</u>
Grants and Subsidies:			
Cash Grants.....	\$ 16,240	\$ 20,141	\$ 22,716
(F)TANFBG-Cash Grants.....	163,214	163,447	159,588
(F)Other Federal Support-Cash Grants.....	11,553	16,520	17,095
(F)Summer EBT.....	-	151,800 ^a	175,000
(F)LIHEABG-Low-Income Families and Individuals.....	271,041	271,041	231,550
(F)Refugees and Persons Seeking Asylum-Social Services.....	59,888	60,303	60,303
Subtotal.....	<u>\$ 521,936</u>	<u>\$ 683,252</u>	<u>\$ 666,252</u>
Supplemental Grants-Aged, Blind, and Disabled.....	114,011	114,745	114,136
Medical Assistance-Capitation.....	3,594,065	3,628,892^b	4,288,678^d
(F)Medical Assistance-Capitation.....	14,608,866	14,665,247 ^c	16,098,091 ^d

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(F)COVID-Medical Assistance-Capitation (EA).....	217,866	-	-
(A)MCO Assessment.....	1,943,149	1,960,887	2,238,236
(A)Statewide Hospital Assessment.....	929,561	1,236,808	1,269,310
(A)Ambulance IGT.....	-	3,908	-
Subtotal.....	<u>\$ 21,293,507</u>	<u>\$ 21,495,742</u>	<u>\$ 23,894,315</u>
Medical Assistance-Fee-for-Service	697,354	686,639 ^e	646,769
(F)Medical Assistance-Fee-for-Service	2,082,263	2,052,317 ^f	2,010,981
(F)COVID-Medical Assistance-Fee-for-Service (EA).....	29,255	-	-
(A)Hospital Assessment.....	179,048	293,682	251,821
(A)Statewide Hospital Assessment.....	167,714	135,756	132,842
(A)Miscellaneous Outpatient.....	1,965	2,691	2,500
(A)FQHC Alternative Payment Methodology IGT.....	17,267	17,502	17,502
(A)Hospital IGT.....	-	4,000	2,000
Subtotal.....	<u>\$ 3,174,866</u>	<u>\$ 3,192,587</u>	<u>\$ 3,064,415</u>
Payment to Federal Government-Medicare Drug Program	990,294	1,005,413 ^g	1,078,279
Medical Assistance-Workers with Disabilities	66,486	103,859 ^h	123,720
(F)Medical Assistance-Workers with Disabilities.....	70,594	114,766 ⁱ	142,725
(F)COVID-Medical Assistance-Workers with Disabilities (EA).....	929	-	-
Subtotal.....	<u>\$ 138,009</u>	<u>\$ 218,625</u>	<u>\$ 266,445</u>
Medical Assistance-Physician Practice Plans	10,071	10,571	10,571
(F)Medical Assistance-Physician Practice Plans	11,557	12,812	13,324
Subtotal.....	<u>\$ 21,628</u>	<u>\$ 23,383</u>	<u>\$ 23,895</u>
Medical Assistance-Hospital-Based Burn Centers	4,438	4,438	4,438
(F)Medical Assistance-Hospital-Based Burn Centers	5,234	5,444	5,663
Subtotal.....	<u>\$ 9,672</u>	<u>\$ 9,882</u>	<u>\$ 10,101</u>
Medical Assistance-Critical Access Hospitals	14,472	7,944 ^j	- ^d
(F)Medical Assistance-Critical Access Hospitals	20,846	23,414	- ^d
(A)Statewide Hospital Assessment.....	3,200	1,600	-
Subtotal.....	<u>\$ 38,518</u>	<u>\$ 32,958</u>	<u>\$ -</u>
Medical Assistance-Obstetric and Neonatal Services	3,682	10,682	10,682
(F)Medical Assistance-Obstetric and Neonatal Services	7,881	16,785	17,456
(A)Statewide Hospital Assessment.....	3,000	3,000	3,000
Subtotal.....	<u>\$ 14,563</u>	<u>\$ 30,467</u>	<u>\$ 31,138</u>
Medical Assistance-Trauma Centers	8,657	8,657	8,657
(F)Medical Assistance-Trauma Centers.....	10,211	10,620	11,045
Subtotal.....	<u>\$ 18,868</u>	<u>\$ 19,277</u>	<u>\$ 19,702</u>
Medical Assistance-Academic Medical Centers.....	24,682	24,682	24,681
(F)Medical Assistance-Academic Medical Centers.....	29,114	30,277	31,489
Subtotal.....	<u>\$ 53,796</u>	<u>\$ 54,959</u>	<u>\$ 56,170</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Medical Assistance-Transportation	67,485	69,532	74,346
(F)Medical Assistance-Transportation.....	99,255	102,364 ^k	97,376
(F)COVID-Medical Assistance-Transportation (EA).....	365	-	-
Subtotal.....	<u>\$ 167,105</u>	<u>\$ 171,896</u>	<u>\$ 171,722</u>
Expanded Medical Services for Women	8,263	8,263	8,263
(F)TANFBG-Alternatives to Abortion.....	1,000	-	-
Subtotal.....	<u>\$ 9,263</u>	<u>\$ 8,263</u>	<u>\$ 8,263</u>
Patient Safety and Services-Hospitals	-	-	20,000
Children's Health Insurance Program	110,957	106,888 ^l	100,138
(F)Children's Health Insurance Program.....	261,201	352,572	332,061
(F)COVID-Children's Health Insurance Program (EA).....	1,976	-	-
(A)MCO Assessment.....	15,008	16,094	17,821
(A)Vision Services Donations.....	200	-	-
(R)Children's Health Insurance Program	30,730	30,730	30,730
Subtotal.....	<u>\$ 420,072</u>	<u>\$ 506,284</u>	<u>\$ 480,750</u>
Medical Assistance-Long-Term Living	188,374	195,493 ^m	175,576
(F)Medical Assistance-Long-Term Living.....	164,312	191,876 ⁿ	171,259
(F)COVID-Medical Assistance-Long-Term Living (EA).....	1,979	-	-
(F)COVID-SFR Long-Term Living Programs-Beneficiary	-	332,006	-
(A)Attendant Care Patient Fees	286	285	285
(A)Attendant Care Parking Fines	51	51	51
Subtotal.....	<u>\$ 355,002</u>	<u>\$ 719,711</u>	<u>\$ 347,171</u>
Medical Assistance-Community HealthChoices	5,281,872	5,826,618 ^o	6,766,168
(F)Medical Assistance-Community HealthChoices	7,953,676	8,684,301 ^p	9,960,244
(F)COVID-Medical Assistance-Community HealthChoices (EA)	199,239	-	-
(A)County IGT	146,285	114,618	110,848
(A)Nursing Home Assessments	362,515	414,054	414,054
(A)Statewide Hospital Assessment	67,083	65,053	63,656
(A)MCO Assessment.....	55,918	57,937	65,194
(A)Ambulance IGT.....	-	992	-
Subtotal.....	<u>\$ 14,066,588</u>	<u>\$ 15,163,573</u>	<u>\$ 17,380,164</u>
Long-Term Care Managed Care	171,745	180,942 ^q	188,781
(F)Medical Assistance-Long-Term Care Managed Care	213,887	224,021	238,514
(F)COVID-Medical Assistance-Long-Term Care Managed Care (EA).....	3,941	-	-
Subtotal.....	<u>\$ 389,573</u>	<u>\$ 404,963</u>	<u>\$ 427,295</u>
Intellectual Disabilities-Community Base Program	150,970	160,108	167,181
(F)Medical Assistance-Community ID Services	91,346	93,008	92,434
(F)Autism Spectrum Disorder Surveillance Program	675	450	450

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(F)SSBG-Community ID Services	7,451	7,451	5,651
(F)Disability Innovation-Community ID Services (EA).....	568	1,427	992
(F)COVID-Medical Assistance-Community ID Services (EA)	621	-	-
Subtotal.....	<u>\$ 251,631</u>	<u>\$ 262,444</u>	<u>\$ 266,708</u>
Intellectual Disabilities-Intermediate Care Facilities	174,730	192,154	196,645
(F)Medical Assistance-ID/ICF	242,743	279,531	289,464
(F)COVID-Medical Assistance-ID/ICF (EA).....	4,669	-	-
(A)ID Assessment-ID/ICF.....	24,113	24,586	24,586
Subtotal.....	<u>\$ 446,255</u>	<u>\$ 496,271</u>	<u>\$ 510,695</u>
Intellectual Disabilities-Community Waiver Program	2,290,882	2,552,157	2,727,463
(F)Medical Assistance-Community ID Waiver Program.....	2,805,681	3,056,097	3,213,565
(F)COVID-Medical Assistance-Community ID Waiver Program (EA)	51,385	-	-
Transfer to HCBS-Individuals with Intellectual Disabilities (EA)	10,783	-	5,501
(R)HCBS-Individuals with Intellectual Disabilities	-	-	-
Subtotal.....	<u>\$ 5,158,731</u>	<u>\$ 5,608,254</u>	<u>\$ 5,946,529</u>
Autism Intervention and Services.....	31,679	35,174	37,406
(F)Medical Assistance-Autism Intervention Services	43,663	47,514	48,774
(F)COVID-Medical Assistance-Autism Intervention Services (EA)	611	-	-
Subtotal.....	<u>\$ 75,953</u>	<u>\$ 82,688</u>	<u>\$ 86,180</u>
Behavioral Health Services.....	57,149	57,149	57,149
Special Pharmaceutical Services.....	500	500	450
County Child Welfare	1,492,635	1,494,733	1,494,733
(F)Child Welfare Services	40,561	41,326	41,599
(F)Child Welfare-Title IV-E	441,082	456,921	468,581
(F)COVID-Child Welfare-Title IV-E (EA)	2,904	-	-
(F)Medical Assistance-Child Welfare	1,521	3,828	3,828
(F)TANF-BG-Child Welfare	73,508	58,508	58,508
(F)SSBG-Child Welfare.....	12,021	12,021	12,021
(F)Child Welfare Training and Certification	21,750	22,700	23,534
(F)Community-Based Family Resource and Support	143	344	344
(F)Child Abuse Prevention and Treatment.....	12,515	12,515	12,515
(F)Title IV-B-Caseworker Visits.....	1,000	1,000	1,000
(F)Children's Justice Act	1,555	1,555	1,555
(A)Birth Certificate-Mandated Reporter Training.....	953	953	790
Subtotal.....	<u>\$ 2,102,148</u>	<u>\$ 2,106,404</u>	<u>\$ 2,119,008</u>
Community-Based Family Centers	34,558	34,558	34,558
(F)Family Preservation-Family Centers.....	2,691	2,691	2,691
(F)Family Resource and Support-Family Centers.....	1,530	3,039	3,039
(F)Title IV-B-Family Centers.....	5,871	5,871	5,871

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(F)MCH-Early Childhood Home Visiting.....	16,330	16,330	16,330
(F)Early Childhood Comprehensive Systems.....	308	308	308
(F)Preschool Development Grant (EA).....	16,000	21,560	16,000
Subtotal.....	<u>\$ 77,288</u>	<u>\$ 84,357</u>	<u>\$ 78,797</u>
Child Care Services.....	271,859	298,080	299,635
(F)TANFBG-Child Care Services.....	-	-	162,120
(F)CCDFBG-Child Care Services.....	574,534	609,156 ^s	517,128
(F)SSBG-Child Care Services.....	30,977	30,977	30,977
(F)Head Start Collaboration Project.....	225	505	505
Subtotal.....	<u>\$ 877,595</u>	<u>\$ 938,718</u>	<u>\$ 1,010,365</u>
Child Care Assistance.....	123,255	123,255	124,398
(F)TANFBG-Child Care Assistance.....	344,987	193,885	131,808
(F)CCDFBG-Child Care Assistance.....	31,526	71,406	62,685
(F)SNAP-Child Care Assistance.....	4,376	2,685	2,893
(A)Early Childhood Education-PKC PELICAN Expansion.....	2,149	2,149	2,149
Subtotal.....	<u>\$ 506,293</u>	<u>\$ 393,380</u>	<u>\$ 323,933</u>
Child Care Recruitment and Retention.....	-	-	55,000
Nurse Family Partnership.....	14,112	14,042	13,975
(F)Medical Assistance-Nurse Family Partnership.....	3,677	3,763	3,830
(F)COVID-Medical Assistance-Nurse Family Partnership (EA).....	16	-	-
Subtotal.....	<u>\$ 17,805</u>	<u>\$ 17,805</u>	<u>\$ 17,805</u>
Early Intervention.....	185,541	185,250 ^t	201,430
(F)Medical Assistance-Early Intervention.....	87,231	92,668	108,518
(F)COVID-Medical Assistance-Early Intervention (EA).....	1,250	-	-
(F)Education for Children with Disabilities-Early Intervention.....	17,368	24,898	24,898
Subtotal.....	<u>\$ 291,390</u>	<u>\$ 302,816</u>	<u>\$ 334,846</u>
Domestic Violence.....	20,093	22,593	22,593
(F)Family Violence Prevention Services.....	5,000	5,000	5,000
(F)SSBG-Domestic Violence Programs.....	5,705	5,705	5,705
(F)PHHSBG-Domestic Violence (EA).....	100	-	-
(A)Marriage Law Fees.....	833	833	833
Subtotal.....	<u>\$ 31,731</u>	<u>\$ 34,131</u>	<u>\$ 34,131</u>
Rape Crisis.....	11,921	11,921	11,921
(F)SSBG-Rape Crisis.....	1,721	1,721	1,721
Subtotal.....	<u>\$ 13,642</u>	<u>\$ 13,642</u>	<u>\$ 13,642</u>
Breast Cancer Screening.....	1,828	1,828	1,828
(F)SSBG-Family Planning.....	2,000	2,000	2,000
Subtotal.....	<u>\$ 3,828</u>	<u>\$ 3,828</u>	<u>\$ 3,828</u>
Human Services Development Fund.....	13,460	13,460	13,460

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Legal Services	4,161	6,661	6,661
(F)SSBG-Legal Services.....	5,049	5,049	5,049
Subtotal.....	\$ 9,210	\$ 11,710	\$ 11,710
Homeless Assistance	18,496	23,496	23,496
(F)SSBG-Homeless Services.....	4,183	4,183	4,183
(F)COVID-Rental and Utility Assistance (EA).....	500	500	-
Subtotal.....	\$ 23,179	\$ 28,179	\$ 27,679
211 Communications	750	750	750
Health Program Assistance and Services	40,133	32,827	-
Services for the Visually Impaired	4,702	4,702	4,702
Subtotal - State Funds.....	\$ 16,327,345	\$ 17,279,797	\$ 19,167,534
Subtotal - Federal Funds.....	31,522,271	32,682,029	35,161,838
Subtotal - Augmentations.....	3,920,298	4,357,439	4,617,478
Subtotal - Restricted.....	30,730	30,730	30,730
Total - Grants and Subsidies.....	\$ 51,800,644	\$ 54,349,995	\$ 58,977,580
STATE FUNDS.....	\$ 18,059,444	\$ 19,211,608	\$ 21,172,021
FEDERAL FUNDS.....	33,275,058	34,519,377	37,083,246
AUGMENTATIONS.....	4,029,035	4,450,529	4,728,304
RESTRICTED.....	30,730	30,730	30,730
GENERAL FUND TOTAL	\$ 55,394,267	\$ 58,212,244	\$ 63,014,301
LOTTERY FUND:			
<i>Grants and Subsidies:</i>			
Medical Assistance-Transportation Services	\$ 4,000	\$ 4,000	\$ 4,000
Medical Assistance-Community HealthChoices	348,966	373,966	325,000
Total - Grants and Subsidies.....	\$ 352,966	\$ 377,966	\$ 329,000
LOTTERY FUND TOTAL	\$ 352,966	\$ 377,966	\$ 329,000
OTHER FUNDS:			
CHILDREN'S TRUST FUND:			
Children's Trust Fund (EA).....	\$ 1,400	\$ 1,400	\$ 1,400

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
TOBACCO SETTLEMENT FUND:			
Medical Care for Workers with Disabilities (EA).....	\$ 105,609	\$ 99,941	\$ 93,276
(F)Medical Assistance-Workers with Disabilities (EA)	124,633	121,400	117,839
(F)COVID-Medical Assistance-Workers with Disabilities (EA).....	2,441	-	-
Subtotal.....	<u>\$ 232,683</u>	<u>\$ 221,341</u>	<u>\$ 211,115</u>
Uncompensated Care (EA)	28,796	27,250	25,433
(F)Medical Assistance-Uncompensated Care (EA)	33,968	33,427	32,448
Subtotal.....	<u>\$ 62,764</u>	<u>\$ 60,677</u>	<u>\$ 57,881</u>
Medical Assistance-Community HealthChoices.....	150,909	157,647	132,934
TOBACCO SETTLEMENT FUND TOTAL	<u>\$ 446,356</u>	<u>\$ 439,665</u>	<u>\$ 401,930</u>
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 18,059,444	\$ 19,211,608	\$ 21,172,021
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND	352,966	377,966	329,000
FEDERAL FUNDS.....	33,275,058	34,519,377	37,083,246
AUGMENTATIONS	4,029,035	4,450,529	4,728,304
RESTRICTED.....	30,730	30,730	30,730
OTHER FUNDS.....	447,756	441,065	403,330
TOTAL ALL FUNDS	<u>\$ 56,194,989</u>	<u>\$ 59,031,275</u>	<u>\$ 63,746,631</u>

^a Includes recommended supplemental appropriation of \$151,800,000.

^b Includes recommended supplemental appropriation of \$22,093,000.

^c Reflects recommended appropriation reduction of \$1,000,000,000.

^d This budget proposes to transfer funding for Medical Assistance-Critical Access Hospitals to Medical Assistance-Capitation.

^e Includes recommended supplemental appropriation of \$37,662,000.

^f Includes recommended supplemental appropriation of \$14,155,000.

^g Reflects recommended appropriation reduction of \$77,518,000.

^h Includes recommended supplemental appropriation of \$3,311,000.

ⁱ Includes recommended supplemental appropriation of \$5,284,000.

^j Reflects recommended appropriation reduction of \$7,943,000.

^k Includes recommended supplemental appropriation of \$11,314,000.

^l Reflects recommended appropriation reduction of \$8,227,000.

^m Includes recommended supplemental appropriation of \$23,077,000.

ⁿ Includes recommended supplemental appropriation of \$27,168,000.

^o Includes recommended supplemental appropriation of \$271,337,000.

^p Includes recommended supplemental appropriation of \$267,342,000.

^q Reflects recommended appropriation reduction of \$3,392,000.

^r General Fund transfer to HCBS-Individuals with Intellectual Disabilities restricted account not added to avoid double counting: 2023-24 Actual is \$607,000, 2024-25 Available is \$0, and 2025-26 Budget is \$5,501,000.

^s Reflects recommended appropriation reduction of \$49,277,000.

^t Reflects recommended appropriation reduction of \$9,425,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
HUMAN SERVICES SUPPORT:							
GENERAL FUND.....	\$ 231,995	\$ 249,993	\$ 265,795	\$ 272,578	\$ 272,578	\$ 272,578	\$ 272,578
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	339,226	370,696	395,903	400,124	401,338	402,009	400,215
AUGMENTATIONS	9,908	10,133	10,120	10,120	10,120	10,120	10,120
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 581,129	\$ 630,822	\$ 671,818	\$ 682,822	\$ 684,036	\$ 684,707	\$ 682,913
MEDICAL ASSISTANCE AND HEALTH CARE DELIVERY:							
GENERAL FUND.....	\$ 5,600,906	\$ 5,676,460	\$ 6,399,222	\$ 6,535,506	\$ 6,662,184	\$ 6,784,515	\$ 6,914,595
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	4,000	4,000	4,000	4,000	4,000	4,000	4,000
FEDERAL FUNDS.....	17,458,413	17,386,618	18,760,211	19,195,473	19,561,095	19,919,489	20,301,069
AUGMENTATIONS	3,260,112	3,675,928	3,935,032	3,935,032	3,935,032	3,935,032	3,935,032
RESTRICTED.....	30,730	30,730	30,730	30,730	30,730	30,730	30,730
OTHER FUNDS.....	295,447	282,018	268,996	268,996	268,996	268,996	268,996
SUBCATEGORY TOTAL....	\$26,649,608	\$27,055,754	\$29,398,191	\$29,969,737	\$30,462,037	\$30,942,762	\$31,454,422
LONG-TERM LIVING:							
GENERAL FUND.....	\$ 5,641,991	\$ 6,203,053	\$ 7,130,525	\$ 7,268,530	\$ 7,398,901	\$ 7,536,880	\$ 7,677,617
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	348,966	373,966	325,000	335,000	350,000	360,000	370,000
FEDERAL FUNDS.....	8,537,034	9,432,204	10,370,017	10,584,298	10,795,985	11,011,905	11,232,143
AUGMENTATIONS	632,138	652,990	654,088	654,088	654,088	654,088	654,088
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	150,909	157,647	132,934	132,934	132,934	132,934	132,934
SUBCATEGORY TOTAL....	\$15,311,038	\$16,819,860	\$18,612,564	\$18,974,850	\$19,331,908	\$19,695,807	\$20,066,782
INCOME MAINTENANCE:							
GENERAL FUND.....	\$ 553,956	\$ 599,887	\$ 627,941	\$ 638,170	\$ 638,170	\$ 638,170	\$ 638,170
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	1,482,081	1,648,501	1,645,566	1,646,425	1,646,425	1,646,425	1,646,425
AUGMENTATIONS	6,653	9,632	21,274	10,274	10,274	10,274	10,274
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 2,042,690	\$ 2,258,020	\$ 2,294,781	\$ 2,294,869	\$ 2,294,869	\$ 2,294,869	\$ 2,294,869

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES:							
GENERAL FUND.....	\$ 943,216	\$ 1,014,184	\$ 1,046,402	\$ 1,053,997	\$ 1,053,997	\$ 1,053,997	\$ 1,053,997
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	321,416	347,315	377,389	377,389	377,389	377,389	377,389
AUGMENTATIONS	72,545	59,233	61,875	61,875	61,875	61,875	61,875
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 1,337,177	\$ 1,420,732	\$ 1,485,666	\$ 1,493,261	\$ 1,493,261	\$ 1,493,261	\$ 1,493,261
INTELLECTUAL DISABILITIES/AUTISM:							
GENERAL FUND.....	\$ 2,759,371	\$ 3,053,807	\$ 3,242,909	\$ 3,301,137	\$ 3,363,240	\$ 3,426,570	\$ 3,491,148
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	3,354,499	3,608,609	3,786,600	3,861,983	3,934,277	4,008,869	4,085,205
AUGMENTATIONS	43,743	38,668	42,133	42,133	42,133	42,133	42,133
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 6,157,613	\$ 6,701,084	\$ 7,071,642	\$ 7,205,253	\$ 7,339,650	\$ 7,477,572	\$ 7,618,486
HUMAN SERVICES:							
GENERAL FUND.....	\$ 1,698,684	\$ 1,759,039	\$ 1,730,231	\$ 1,734,153	\$ 1,734,153	\$ 1,734,153	\$ 1,734,153
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	643,492	645,692	657,959	657,959	657,959	657,959	657,959
AUGMENTATIONS	1,787	1,796	1,633	1,633	1,633	1,633	1,633
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 2,343,963	\$ 2,406,527	\$ 2,389,823	\$ 2,393,745	\$ 2,393,745	\$ 2,393,745	\$ 2,393,745
CHILD DEVELOPMENT:							
GENERAL FUND.....	\$ 629,325	\$ 655,185	\$ 728,996	\$ 731,694	\$ 731,694	\$ 731,694	\$ 731,694
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	1,138,897	1,079,742	1,089,601	1,073,603	1,073,603	1,073,603	1,073,603
AUGMENTATIONS	2,149	2,149	2,149	2,149	2,149	2,149	2,149
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	1,400	1,400	1,400	1,400	1,400	1,400	1,400
SUBCATEGORY TOTAL....	\$ 1,771,771	\$ 1,738,476	\$ 1,822,146	\$ 1,808,846	\$ 1,808,846	\$ 1,808,846	\$ 1,808,846

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
ALL PROGRAMS:							
GENERAL FUND.....	\$ 18,059,444	\$ 19,211,608	\$ 21,172,021	\$ 21,535,765	\$ 21,854,917	\$ 22,178,557	\$ 22,513,952
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	352,966	377,966	329,000	339,000	354,000	364,000	374,000
FEDERAL FUNDS.....	33,275,058	34,519,377	37,083,246	37,797,254	38,448,071	39,097,648	39,774,008
AUGMENTATIONS	4,029,035	4,450,529	4,728,304	4,717,304	4,717,304	4,717,304	4,717,304
RESTRICTED.....	30,730	30,730	30,730	30,730	30,730	30,730	30,730
OTHER FUNDS.....	447,756	441,065	403,330	403,330	403,330	403,330	403,330
DEPARTMENT TOTAL	<u>\$56,194,989</u>	<u>\$59,031,275</u>	<u>\$63,746,631</u>	<u>\$64,823,383</u>	<u>\$65,808,352</u>	<u>\$66,791,569</u>	<u>\$67,813,324</u>

Program: Human Services Support

Goal: To provide effective administrative and support systems through which the substantive programs of the department can be operated.

The [Department of Human Services \(DHS\)](#) provides support management and the administrative systems necessary to implement, maintain, and monitor critical programs.

Information systems support the management of human services by providing timely and accurate information that enables the integration of numerous client services and tracks individual progress toward self-sufficiency. The continued creation and expansion of web-based applications allows for more online services and efficient maintenance of common client and provider databases, as well as case management systems, for use across programs.

The [Medical Assistance \(MA\) Third-Party Liability](#) program is also included as part of Human Services Support. The program strives to ensure the health, safety, and well-being of Pennsylvanians who are vulnerable due to age or disability by [inspecting, licensing, and otherwise regulating](#) residential settings and other services that support them. Responsibilities include the oversight and administration of the various licensing statutes, regulations, and policy to protect the populations living or receiving services in licensed facilities.

Human Services Support also includes the administration of the [Adult Protective Services](#) program to safeguard the rights and protect the well-being of adults who lack the capacity to protect themselves.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations	
\$ 7,586	—to continue current program.
5,355	—to reflect change in federal earnings.
2,097	—to reallocate department resources to more efficiently administer programs.
764	—to continue Adult Protective Services program.
\$ 15,802	Appropriation Increase

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
GENERAL FUND:							
General Government Operations	\$ 128,196	\$ 136,587	\$ 152,389	\$ 159,172	\$ 159,172	\$ 159,172	\$ 159,172
Information Systems	103,049	112,656	112,656	112,656	112,656	112,656	112,656
211 Communications	750	750	750	750	750	750	750
TOTAL GENERAL FUND	\$ 231,995	\$ 249,993	\$ 265,795	\$ 272,578	\$ 272,578	\$ 272,578	\$ 272,578

Program: Human Services Support, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain services and supports that will improve the cost effectiveness of human services programs.							
Percentage of all applications submitted online through COMPASS ... %	52.4	70.6	65.4	63.8	63.2	63.1	62.9
Percentage of all COMPASS users who are also using the mobile application..... %	32.7	40.8	47.0	47.0	49.0	50.0	50.0
Average number of days to process an application - MA/NH/Waiver.....	12.0	11.6	11.9	12.2	13.4	12.0	12.0
Average number of days to process an application - TANF.....	10.3	15.1	14.0	12.9	14.0	12.0	12.0
Average number of days to process an application - SNAP.....	6.6	6.0	6.2	6.7	6.6	6.0	6.0

Program: Medical Assistance and Health Care Delivery

Goal: To support a health care delivery system that provides comprehensive health care services in appropriate settings for the eligible populations.

Pennsylvania's [MA program](#) provides access to comprehensive physical and behavioral health care services for low-income individuals and families. The [Children's Health Insurance Program \(CHIP\)](#) provides free or low-cost health insurance coverage to uninsured children whose families earn too much to qualify for MA, but who could not afford to purchase private insurance.

Medical Assistance-Capitation

Health care services for most MA recipients are provided through [managed care organizations \(MCOs\)](#) utilizing a per member per month rate for each enrollee. MCOs emphasize outpatient preventive health services and care management as a means of improving health outcomes and controlling costs. The coordinated approach allows enhanced continuity of care, improves recipients' access to primary care and specialized behavioral health programs, provides strengthened oversight of operational standards, and facilitates efficient utilization of limited health care resources.

Pennsylvania's mandatory Medicaid managed care program is known as [HealthChoices](#). The [Physical HealthChoices \(PH\)](#) managed care services for a majority of MA recipients are administered by the Office of Medical Assistance Programs. The program is managed to emphasize quality, access, and value for the funds that are expended. The program is provided through grant agreements with eight risk-based MCOs in five geographic zones. PH-MCO enrollees receive medically necessary physical health services, which include inpatient, outpatient, primary care, pharmaceuticals, home health, dental, and vision services.

[Community HealthChoices \(CHC\)](#) is a mandatory managed care program for individuals age 60 and older, dually eligible for Medicare and Medicaid and for adults age 21 and older with physical disabilities. CHC, which is administered by the Office of Long-Term Living, covers the physical health benefits, and long-term services and supports of the enrolled population. The [Behavioral HealthChoices \(BH\)](#) program, administered by the Office of Mental Health and Substance Abuse Services, is provided through contracts with counties that utilize an independent BH-MCO or through contracts directly with BH-MCOs. Services provided include psychiatric inpatient treatment, partial hospitalization, psychiatric outpatient services, [Early and Periodic Screening, Diagnostic, and Treatment](#) services for children, case management, drug and alcohol detoxification, rehabilitation services, mobile mental health treatment, and peer support services. CHC-MCO's are required to contract with BH-MCOs to offer behavioral health services to their enrollees.

Medical Assistance-Fee-for-Service

MA recipients not participating in PH or CHC programs are in the fee-for-service delivery system, including but not limited to: [Health Insurance Premium Payment](#) eligible members, residents of state institutions, and recipients age 21 and older who are dually eligible for Medicare and Medicaid and receive services through the Office of Developmental Programs. New MA recipients are usually enrolled in fee-for-service for a brief time before choosing an MCO and enrolling in either the PH or CHC programs.

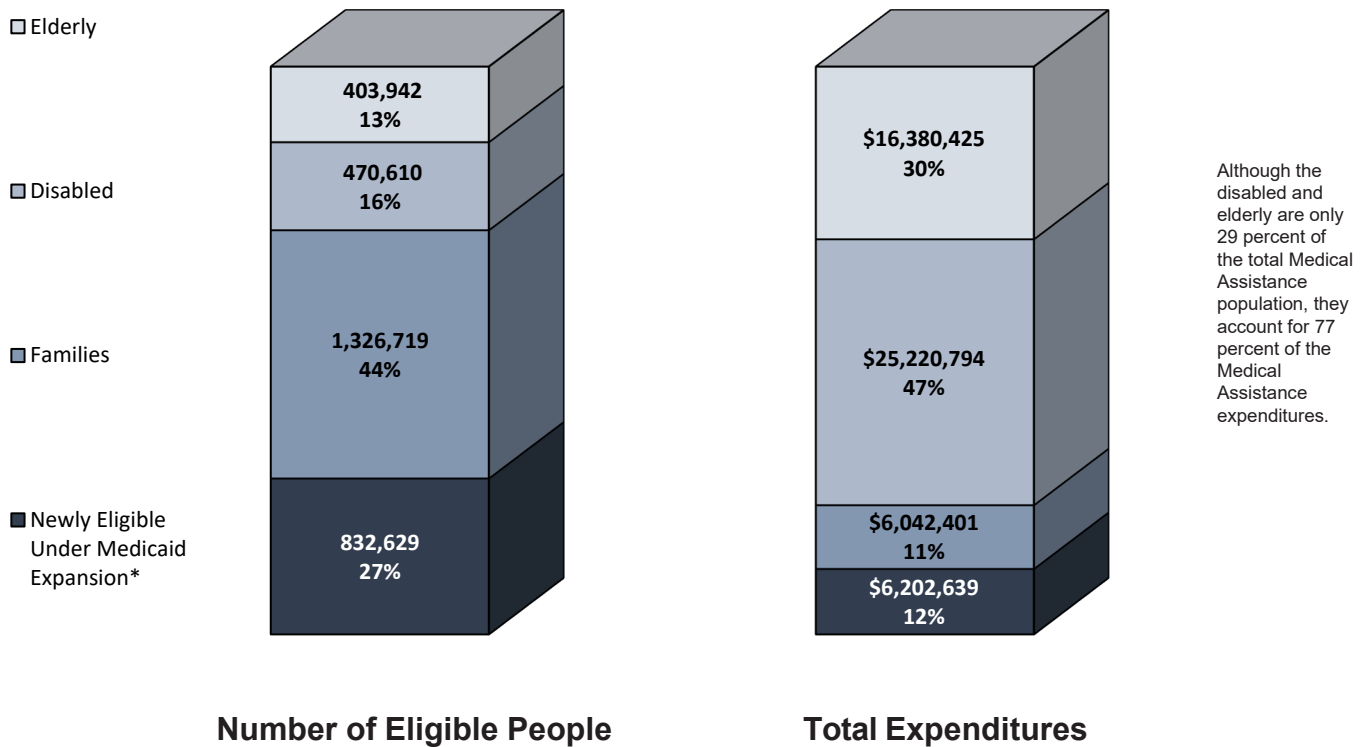
Inpatient and outpatient health care services for the remaining MA recipients are provided through the fee-for-service delivery system. Services are paid in accordance with the pre-established MA Fee Schedule. Additional payments are made to hospitals to partially offset the cost of uncompensated care or extraordinary medical services provided by hospitals to individuals with no, or inadequate, health insurance.

Medical Assistance Transportation Program

The purpose of the [Medical Assistance Transportation Program \(MATP\)](#) is to coordinate and provide efficient and cost-effective non-emergency medical transportation to ensure access to health care services for MA recipients who have no other means of transportation available. MATP provides funding to counties, direct vendors, and a transportation broker in Philadelphia County to provide this service. Each is responsible for providing transportation to and from a medical facility, physician's office, dentist's office, hospital, clinic, pharmacy, or purveyor of medical equipment for the purpose of receiving medical treatment, medical evaluation, or purchasing prescription drugs or medical equipment.

Program: Medical Assistance and Health Care Delivery, continued

2025-26 Medicaid Appropriations and Enrollees by Category of Assistance (Dollar Amounts in Thousands)



* Medicaid expenditures include Medical Assistance-Capitation, Medical Assistance-Fee-for-Service, Payment to Federal Government-Medicare Drug Program, Medical Assistance-Workers with Disabilities, Medical Assistance-Transportation, Medical Assistance-Long-Term Living, Medical Assistance-Community HealthChoices, Long-Term Care Managed Care, Intellectual Disabilities-Intermediate Care Facilities, Intellectual Disabilities-Community Waiver Program, and Autism Intervention and Services.

Expanded Medical Services for Women

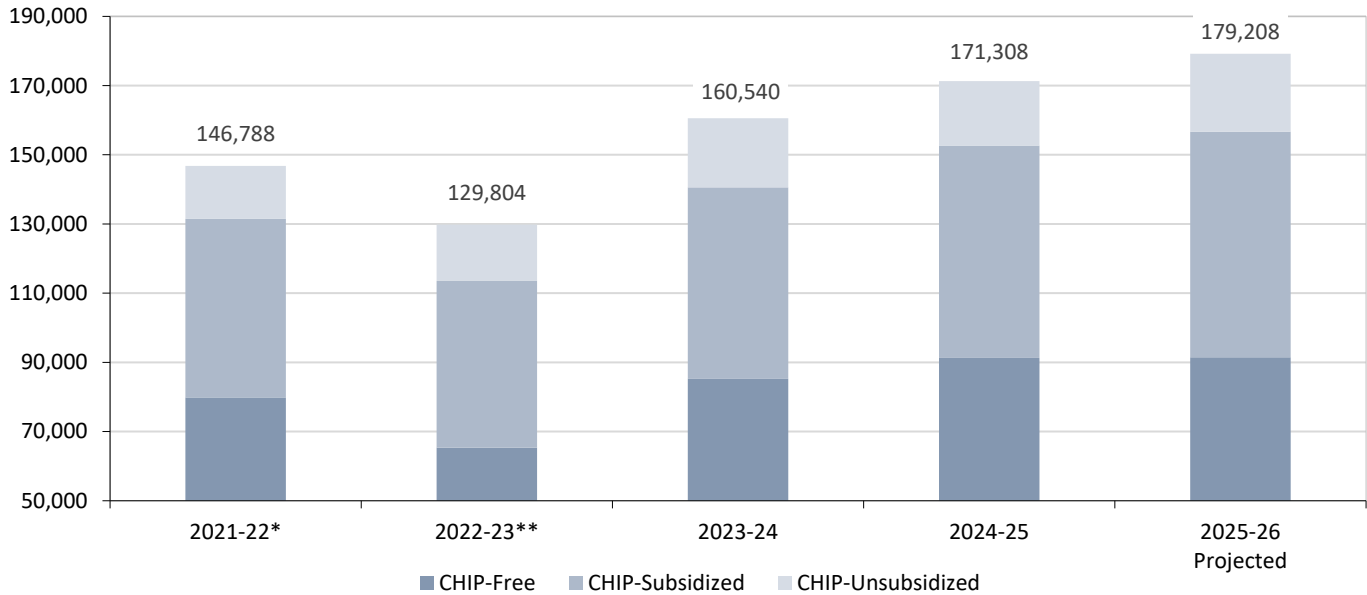
The department provides women’s service programs to dismantle persistent health care barriers. Through a strong commitment to inclusivity, accessibility, and culturally relevant health care, the department is focused on empowering individuals seeking women’s health care services, notably women, pregnant women, and new mothers. The program provides high-quality care available to everyone, regardless of background, identity, or income. Service programs consist of education, screening, testing, and menstrual services that address the needs of women, including pregnant and postpartum women and those seeking sexually transmitted infection testing.

Children’s Health Insurance Program

The [Children’s Health Insurance Program \(CHIP\)](#) provides free or low-cost health insurance coverage to uninsured children whose families earn too much to qualify for MA, but who could not afford to purchase private insurance. Eligible children must be under 19 years of age, a resident of Pennsylvania, and a citizen of the United States, U.S. national, or lawfully residing as determined by the U.S. Citizenship and Immigration Service. CHIP offers a comprehensive package of benefits including well-child visits, immunizations, prescription coverage, emergency care, inpatient services, mental health services, hearing, vision, and dental services. The income eligibility limit for subsidized coverage, with cost-sharing (including co-payments) on a sliding scale, is 314 percent of the federal poverty level with higher income families able to purchase health care coverage at the Commonwealth’s cost.

Program: Medical Assistance and Health Care Delivery, continued

Children’s Health Insurance Children Served



Pennsylvania’s Children’s Health Insurance Program (CHIP) has been a national leader in ensuring that access to free or subsidized health care is available for children of low-income families.

* Enrollment decline in fiscal years 2021-22 and 2022-23 due to children moving to Medical Assistance from COVID-19 impact on parental income.

** In fiscal year 2022-23, the method of data collection changed.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Medical Assistance-Capitation

\$ 94,615	—nonrecurring prior-year savings.	\$ (45,343)	—to reflect change in pharmacy rebates.
919,183	—to reflect change in enrollment and rate increases.	(17,682)	—to reflect impact of the transfer of payments related to the Medical Care for Workers with Disabilities programs.
79,143	—to reflect change in the State Directed Payments.		
18,391	—to maintain home and community-based services following reduction in ARPA enhanced FMAP rate.	(3,053)	—to reflect change in administrative/cash flow adjustments and other requirements.
7,944	—transfer from Medical Assistance-Critical Access Hospitals to reflect a change in payment methodology.	\$ 659,786	<i>Appropriation Increase</i>
(235,448)	—to reflect change in assessment revenue.		
(157,964)	—revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%.		

Program: Medical Assistance and Health Care Delivery, continued

Program Recommendations, continued:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Medical Assistance-Fee-for-Service		Medical Assistance-Critical Access Hospitals	
\$ (39,717)	—nonrecurring prior-year carryover costs.	\$ (7,944)	—transfer to Medical Assistance-Capitation to reflect a change in payment methodology.
(20,050)	—funding reduction.		
(15,526)	—nonrecurring prior-year payments.		
29,371	—to reflect change in assessment revenue.		
14,194	—increase in costs and clients eligible for Medicare Part A and B premiums.	\$ (1)	Medical Assistance-Academic Medical Centers
			—nonrecurring prior-year carryover costs.
(16,624)	—revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%.	\$ 2,090	Medical Assistance-Transportation
(14,110)	—to reflect change in caseload and utilization including prescription drugs.	3,100	—to reflect change in caseload and utilization.
(2,183)	—to reflect change in administrative/cash flow adjustments and other payments.	(376)	—to provide transportation to psychiatric rehabilitation services effective January 1, 2026.
10,000	—Initiative—to maintain access and services for patients in Pennsylvania's rural hospitals.	\$ 4,814	—revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%.
10,000	—Initiative—to maintain access and services for patients and hospitals throughout Pennsylvania.		<i>Appropriation Increase</i>
4,775	—Initiative—to provide reentrants with Medicaid services and continuous eligibility after incarceration.	\$ 20,000	Patient Safety and Services-Hospitals
			—Initiative—to provide patient safety and services in hospitals.
\$ (39,870)	<i>Appropriation Decrease</i>		Children's Health Insurance Program
		\$ 2,046	—to continue current program.
	Payment to Federal Government-Medicare Drug Program	5,558	—to provide for a rate increase.
\$ 4,972	—nonrecurring prior-year savings.	(9,528)	—to reflect change in CHIP premium arrearages.
67,894	—to reflect increase in mandated payback for pharmacy services.	(3,099)	—revision of federal financial participation from a full-year blended rate of 68.39% to 69.07%.
		(1,727)	—to reflect change in assessment revenue.
\$ 72,866	<i>Appropriation Increase</i>	\$ (6,750)	<i>Appropriation Decrease</i>
	Medical Assistance-Workers with Disabilities		
\$ 16,725	—to reflect change in caseload and utilization.		
6,665	—to reflect change in available Tobacco Settlement Funds.		
998	—to reflect impact of Workers with Job Success program.		
(4,527)	—revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%.		
\$ 19,861	<i>Appropriation Increase</i>		

Program: Medical Assistance and Health Care Delivery, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Medical Assistance-Capitation.....	3,594,065	3,628,892	4,288,678	4,374,452	4,461,941	4,551,179	4,642,203
Medical Assistance-Fee-for-Service	697,354	686,639	646,769	669,749	680,858	685,309	695,149
Payment to Federal Government-Medicare Drug Program	990,294	1,005,413	1,078,279	1,099,845	1,121,841	1,144,278	1,167,164
Medical Assistance-Workers with Disabilities.....	66,486	103,859	123,720	126,194	128,718	131,293	133,919
Medical Assistance-Physician Practice Plans.....	10,071	10,571	10,571	10,571	10,571	10,571	10,571
Medical Assistance-Hospital-Based Burn Centers	4,438	4,438	4,438	4,438	4,438	4,438	4,438
Medical Assistance-Critical Access Hospitals	14,472	7,944	-	-	-	-	-
Medical Assistance-Obstetric and Neonatal Services.....	3,682	10,682	10,682	10,682	10,682	10,682	10,682
Medical Assistance-Trauma Centers.....	8,657	8,657	8,657	8,657	8,657	8,657	8,657
Medical Assistance-Academic Medical Centers	24,682	24,682	24,681	24,681	24,681	24,681	24,681
Medical Assistance-Transportation.....	67,485	69,532	74,346	75,833	77,350	78,897	80,475
Expanded Medical Services for Women .	8,263	8,263	8,263	8,263	8,263	8,263	8,263
Patient Safety and Services-Hospitals	-	-	20,000	20,000	20,000	20,000	20,000
Children's Health Insurance Program ...	110,957	106,888	100,138	102,141	104,184	106,267	108,393
TOTAL GENERAL FUND	\$ 5,600,906	\$ 5,676,460	\$ 6,399,222	\$ 6,535,506	\$ 6,662,184	\$ 6,784,515	\$ 6,914,595
LOTTERY FUND:							
Medical Assistance-Transportation Services	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000

Program: Medical Assistance and Health Care Delivery, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain services and supports to eligible Pennsylvanians while helping them to improve their health and well-being.							
<u>Medical Assistance:</u>							
Persons participating in Medical Assistance (monthly average)	2,882	3,186	3,451	3,658	3,308	3,019	3,034
Persons participating in Medical Assistance (monthly average) – Adults (ages 21 and older).....	1,663 ^a	1,867	2,053	2,205	1,970	1,755	1,764
Persons participating in Medical Assistance (monthly average) – Children (under age 21).....	1,219	1,319	1,398	1,453	1,338	1,264	1,270
Newly Medicaid-eligible adults receiving enhanced federal match under the Affordable Care Act (monthly average).....	837	1,025	1,114	1,176	824	830	835
<u>Managed Care:</u>							
Emergency room utilization (per 1,000 member-years)	^a N/A	N/A	N/A	N/A	617.7	617.8	617.3
Inpatient utilization (total discharges per 1,000 member-years)	^a N/A	N/A	N/A	N/A	67.8	69.2	68.7
Children from birth to 15 months visiting a physician 6 or more times in the past year	% 73.5	74.0	65.2	65.3	68.1	68.8	69.3
Persons ages 2 to 20 receiving at least one dental visit in the past year	% 65.8	66.3	54.2	60.5	63.2	61.6	62.1
Persons ages 18 to 75 with diabetes (type 1 and type 2) who had Hemoglobin A1c poor control (>9%) (Note: a lower rate equals better performance)	% 33.7	33.2	38.4	36.1	32.3	31.2	30.7
<u>Transportation Program:</u>							
One-way trips (in thousands).....	6,533	3,945	4,513	4,868	4,502	4,950	5,366
Cost per trip	\$ 19.18	29.39	28.43	29.23	31.76	30.83	31.76
<u>Medical Care for Workers with Disabilities:</u>							
Recipients enrolled in program (monthly average).....	33,631	32,733	31,204	29,891	33,401	36,724	38,764

Program: Medical Assistance and Health Care Delivery, continued

Program Measures, continued:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated	
Enable eligible Pennsylvanians to secure access to quality, affordable health insurance coverage.								
<u>Children's Health Insurance Program:</u>								
Children's Health Insurance Program (CHIP) enrollment (monthly average) ...	187,573	171,179	146,788	129,804 ^a	160,540	171,308	179,208	
Percentage of CHIP-enrolled two years of age with one or more capillary or venous blood tests for lead prior to their second birthday	%	72.7	74.7	67.6	70.0	70.1	73.9	77.6
Percentage of CHIP-enrolled children ages 3 to 19 who received a well-child visit with a primary care physician or an OB/GYN practitioner	%	N/A	63.5	64.3	63.4	65.6	67.1	68.6
Percentage of CHIP-enrolled children ages 2 to 20 attending an annual dental visit.....	^a %	N/A	N/A	N/A	N/A	64.9	67.2	69.6
CHIP-enrolled children ages <1 to 19 utilizing an emergency department (visits per 1,000 member-years)	^a	N/A	N/A	N/A	235.1	240.3	235.7	231.0
CHIP-enrolled children ages <1 to 19 with an acute inpatient discharge (discharges per 1,000 member-years)....	^a	N/A	N/A	N/A	7.7	7.6	7.5	7.4

^a Method of data collection has changed.

Program: Long-Term Living

Goal: To support a community living system that empowers persons with disabilities and older Pennsylvanians to live with dignity and independence in settings they prefer, to provide meaningful choice of community living services, and to ensure that those services are delivered in a high-quality, cost-effective manner.

The Commonwealth's commitment to supporting people with disabilities and older Pennsylvanians is demonstrated through a continuum of services ranging from independent living with the support of home and community-based services to institutional care. The department is responsible for ensuring that services are provided in a consistent and cost-effective manner.

Community HealthChoices

The Commonwealth's goal is to serve more people in their communities. To achieve this, DHS implements a long-term services and supports system called [Community HealthChoices \(CHC\)](#). Under CHC, physical health benefits, home and community-based services, and nursing facility services are delivered by managed care organizations for individuals dually eligible for Medicare and Medicaid and for individuals needing the level of care provided by a nursing facility.

Home and Community-Based Services

The Commonwealth recognizes the value of providing greater independence, choices, and opportunities for individuals with disabilities and older Pennsylvanians by delivering services in the [home and community](#). For qualifying individuals who want to receive services in the community, the department currently administers the [Omnibus Budget and Reconciliation Act \(OBRA\) Waiver](#) program, the [Act 150](#) program, and the [Living Independence for the Elderly \(LIFE\)](#) program, which help individuals live as independently as possible and remain integrated in their communities.

The LIFE program integrates Medicare and Medicaid funding to provide fully coordinated and comprehensive service delivery and oversight to enrollees who are age 55 and older, nursing facility clinically eligible, and reside in an area served by a LIFE provider. The LIFE program includes acute care, long-term care, behavioral health care, physical and specialty care, and dental, eye, and pharmaceutical coverage. A LIFE center serves as a day program and health care hub for its participants by providing transportation to and from the center, in addition to meals, socialization, therapies, and activities.

Nursing Facility Services

Institutional services are provided to eligible persons by [nursing facilities](#) that are certified to participate in the Medicaid program. Nursing facility care is available to Medicaid recipients who are financially eligible and are determined nursing facility clinically eligible through a level of care assessment.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND:

Medical Assistance-Long-Term Living

\$ (30,000)	—funding reduction.	\$ 987	—Initiative—for increased direct care worker wages
7,683	—to continue current program.		in the participant-directed care model.
2,803	—nonrecurring prior-year carryover costs.	\$ (19,917)	<i>Appropriation Decrease</i>
(2,920)	—revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%.		
1,530	—to ensure compliance with federal rulemaking related to nursing facility staffing requirements.		

Program: Long Term Living, continued

Program Recommendations, continued:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Medical Assistance-Community HealthChoices		Long-Term Care Managed Care	
\$ (3,000)	—funding reduction.	\$ 9,712	—to continue current program.
860,814	—to continue current program, including the impact of changes to enrollment and rate increases.	2,272	—to serve 180 additional participants in the LIFE program.
118,224	—to maintain home and community-based services following reduction in ARPA enhanced FMAP rate.	(4,145)	—revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%.
48,966	—to reflect change in available Lottery Funds.	\$ 7,839	<i>Appropriation Increase</i>
26,950	—nonrecurring prior-year carryover costs.		
24,713	—to reflect change in available Tobacco Settlement Funds.		
23	—to reflect change in administrative/cash flow adjustments and other requirements.	\$ (48,966)	
(169,724)	—revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%.		
(1,098)	—to reflect change in other revenue.		
(101)	—to reflect change in pharmacy rebates.		
13,770	—to ensure compliance with federal rulemaking related to nursing facility staffing requirements.		
20,013	—Initiative—for increased direct care worker wages in the participant-directed care model.		
<u>\$ 939,550</u>	<i>Appropriation Increase</i>		

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Medical Assistance-Long-Term Living	\$ 188,374	\$ 195,493	\$ 175,576	\$ 178,514	\$ 182,085	\$ 185,727	\$ 189,441
Medical Assistance-Community HealthChoices	5,281,872	5,826,618	6,766,168	6,897,459	7,020,408	7,150,817	7,283,833
Long-Term Care Managed Care	<u>171,745</u>	<u>180,942</u>	<u>188,781</u>	<u>192,557</u>	<u>196,408</u>	<u>200,336</u>	<u>204,343</u>
TOTAL GENERAL FUND	<u>\$ 5,641,991</u>	<u>\$ 6,203,053</u>	<u>\$ 7,130,525</u>	<u>\$ 7,268,530</u>	<u>\$ 7,398,901</u>	<u>\$ 7,536,880</u>	<u>\$ 7,677,617</u>
LOTTERY FUND:							
Medical Assistance-Community HealthChoices	<u>\$ 348,966</u>	<u>\$ 373,966</u>	<u>\$ 325,000</u>	<u>\$ 335,000</u>	<u>\$ 350,000</u>	<u>\$ 360,000</u>	<u>\$ 370,000</u>

Program: Long Term Living, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain supports and services for older Pennsylvanians and persons with physical disabilities and increase the number of these persons that live in their communities, instead of institutions, through the effective delivery of needed community-based supports.							
Number of Long-Term Living recipients receiving institutional care (monthly average).....	5,311	2,712	2,093	2,045	2,437	3,028	3,119
Community HealthChoices - Recipients receiving institutional care (monthly average).....	49,225	44,662	41,135	40,930	42,753	43,634	45,598
Number of Long-Term Living recipients receiving home and community-based waiver services (OBRA Waiver and Act 150) (monthly average).....	4,124	1,255	1,116	1,031	1,011	1,047	1,047
Community HealthChoices - Recipients receiving home and community-based waiver services (monthly average)	92,698	95,631	104,815	114,603	126,526	136,072	138,793
Percentage of Long-Term Living recipients receiving institutional care (monthly average)..... %	36	33	29	27	27	25	26
Percentage of Long-Term Living and Community HealthChoices recipients receiving services in the community (monthly average)..... %	64	67	71	73	73	75	74
Persons with developmental disabilities served in the OBRA Waiver (monthly average).....	431	383	459	461	505	546	562
Recipients receiving services through the LIFE program (monthly average)....	7,320	7,414	7,572	7,737	7,728	7,957	8,070

Program: Income Maintenance

Goal: To promote personal and parental responsibility and encourage economic independence and self-sufficiency through temporary cash assistance, job training, child care for families or individuals, and nutrition support services.

The broad purpose of public assistance is to provide temporary support to families and individuals in transition from dependency to economic self-sufficiency. Support may include education, job training and placement assistance, child care, transportation, other support services, and cash assistance.

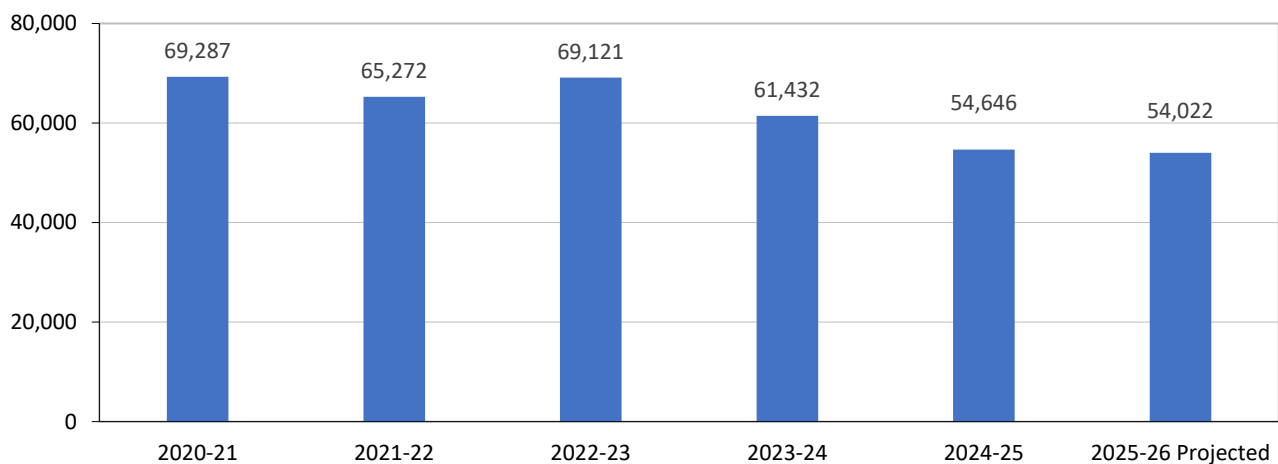
Income Assistance

Caseworkers in county assistance offices review financial and non-financial criteria with applicants of the following programs to determine eligibility for benefits:

- The [Temporary Assistance for Needy Families \(TANF\)](#) program provides state and federal funds for temporary cash support for families in transition to self-sufficiency. TANF cash assistance is provided to people who meet income and resource guidelines and who comply with requirements that are included on their Agreement of Mutual Responsibility. Adults with disabilities, to the extent that substantial gainful employment is not possible, are required to cooperate in applying for federal benefits. Federal regulations place a five-year lifetime limit on TANF cash assistance for most adult recipients and allow a hardship exemption for up to 20 percent of the TANF caseload.
- The [Low-Income Home Energy Assistance Program \(LIHEAP\)](#) is federally funded and assists eligible households by providing funds to offset the burden of high energy costs. LIHEAP also provides funds in heating crisis situations, arranges and pays for emergency deliveries, expedites payments to avoid utility shutoffs, and provides furnace repairs through other agencies.
- The [Supplemental Nutrition Assistance Program \(SNAP\)](#) is federally funded and regulated by the United States Department of Agriculture's Food and Nutrition Service but is administered by the state to assist low-income recipients in buying the food they need to maintain a healthy lifestyle.
- The [Supplemental Security Income \(SSI\)](#) program provides aged, blind, and disabled persons with a monthly payment based on nationally uniform eligibility standards. Pennsylvania follows [federal benefit guidelines](#) for determining monthly benefit rates for both individuals and couples. Pennsylvania contributes a supplemental grant to individual and couple SSI recipients, as well as a special monthly state supplement to SSI-eligible persons in domiciliary care facilities and personal care homes.

The department also administers a [disability advocacy](#) program to assist mentally and physically disabled individuals in establishing their eligibility for federal SSI benefits.

Temporary Assistance for Needy Families (TANF) (Caseload)



Program: Income Maintenance, continued

Employment, Training, and Work Supports

The [Road to Economic Self-Sufficiency through Employment and Training \(RESET\)](#) program, engages and empowers eligible individuals in activities to prepare for the workforce and take ownership of their journey to economic independence.

In order to meet the employment needs of Pennsylvania's diverse assistance population, the department operates multiple programs based on the needs of the participant:

- The [Employment, Advancement, and Retention Network \(EARN\)](#) and [Work Ready](#) programs offer a full array of employment and training services designed to mitigate barriers to help recipients secure and retain employment and advance in their career.
- The [Keystone Education Yields Success \(KEYS\)](#) program is a collaborative program between the department and certain higher education institutions designed to assist TANF recipients and, as funding permits, SNAP recipients in attending a higher education program.
- The [ELECT](#) program helps Pennsylvanians who are age 22 and younger prepare for and obtain a high school diploma, provides financial education, parenting skills, health care and nutrition classes, job readiness training, and more.

Supportive services and special allowances are used to support individuals as they pursue their education, job skills training, or employment goals through an approved employment and training program.

Child Support Enforcement

[Pennsylvania Child Support](#) program services are provided at the county level through cooperative agreements with the county Courts of Common Pleas and the county commissioners. The services include the establishment of paternity; the determination, establishment, and enforcement of a child support financial obligation paid by the noncustodial parent; and the procurement of medical support, including health insurance and/or the reimbursement of the uninsured child's medical expenses.

A designated portion of child support paid on behalf of a child receiving TANF benefits is passed through to the custodial parent and any residual amount is assigned to the department to reimburse cash assistance benefits issued to the child's family.

Federal funding of this program is based on its performance in establishing paternity and court orders for support, as well as collection of the ordered child support.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

County Administration-Statewide		Child Support Enforcement	
\$ 3,935	—to continue current program.	\$ 381	—to continue current program.
5,127	—to reflect change in federal earnings.	<u>(2,874)</u>	—for conclusion of technology refresh project.
737	—to reallocate department resources to more efficiently administer programs.	\$ (2,493)	<i>Appropriation Decrease</i>
(28)	—revision of federal financial participation from a full-year blended rate of 68.39% to 69.07%.	\$ 606	New Directions
<u>\$ 9,771</u>	<i>Appropriation Increase</i>	<u>(1,191)</u>	—to continue current program.
		\$ (585)	—to reflect change in federal earnings.
			<i>Appropriation Decrease</i>
County Assistance Offices		Cash Grants	
\$ 12,602	—to continue current program.		—to continue current program.
8,753	—to account for changes in use of allowable federal earnings.	\$ 2,575	
917	—to reflect change in federal earnings.		Supplemental Grants-Aged, Blind, and Disabled
(2,877)	—to reallocate department resources to more efficiently administer programs.	\$ (609)	—impact of caseload changes.
<u>\$ 19,395</u>	<i>Appropriation Increase</i>		

Program: Income Maintenance, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
County Administration-Statewide	\$ 60,509	\$ 64,501	\$ 74,272	\$ 77,741	\$ 77,741	\$ 77,741	\$ 77,741
County Assistance Offices	320,810	355,088	374,483	381,268	381,268	381,268	381,268
Child Support Enforcement	20,152	22,011	19,518	18,900	18,900	18,900	18,900
New Directions	22,234	23,401	22,816	23,409	23,409	23,409	23,409
Cash Grants	16,240	20,141	22,716	22,716	22,716	22,716	22,716
Supplemental Grants-Aged, Blind, and Disabled	114,011	114,745	114,136	114,136	114,136	114,136	114,136
TOTAL GENERAL FUND	\$ 553,956	\$ 599,887	\$ 627,941	\$ 638,170	\$ 638,170	\$ 638,170	\$ 638,170

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain services and supports to eligible Pennsylvanians while helping them to increase their self-sufficiency and well-being.							
Persons receiving cash assistance (monthly average)..... ^a	86,952	69,403	65,380	69,207	61,475	54,682	54,054
Persons receiving State Supplemental Grants (monthly average)	360,108	352,739	340,950	334,786	331,391	330,046	328,361
Persons receiving SNAP benefits (monthly average in thousands)	1,786	1,822	1,865	1,939	2,016	2,065	2,117
Households receiving energy cash payments	312,141	303,123	329,324	312,169	309,391	309,391	309,391
Households receiving energy crisis payments	114,117	116,639	122,438	135,029	105,565	105,565	105,565
TANF recipients enrolled in employment and training programs (monthly average)	7,686	8,017	9,258	8,959	9,082	9,094	9,100
TANF recipients obtaining employment	36,445	18,641	25,252	36,821	33,426	40,000	40,000

^a Calculated based on the total persons receiving benefits from TANF, State Blind Pensions, and/or General Assistance programs.

Program: Mental Health and Substance Abuse Services

Goal: To maximize the individual's capacity for independent living through the provision of an array of service and support programs.

The [Office of Mental Health and Substance Abuse Services \(OMHSAS\)](#) manages the delivery of community mental health services administered by counties under the [Pennsylvania Mental Health and Intellectual Disability \(MH/ID\) Act](#) and the [Mental Health Procedures Act](#). Medicaid-funded behavioral health services are provided through the state-administered fee-for-service behavioral health system or the [Medicaid Behavioral Health Choices Managed Care](#) program either through county contracts or by direct contract with a behavioral health managed care organization.

OMHSAS provides for an integrated behavioral health system addressing mental health treatment and support services, as well as services for substance use disorders. The objective of these services is to promote individual movement toward recovery. Community mental health funds, behavioral health services funds for both mental health and substance use services, [Act 152 of 1988](#) funds that provide non-hospital residential substance use treatment services, and federal grant funds are distributed to counties, county joiners, and single county authorities to provide behavioral health services.

State Hospitals

Direct mental health treatment services are currently provided through six state-operated hospitals and one restoration (long-term care) center. [State hospitals](#) provide long-term inpatient care for individuals who require intensive treatment, for individuals with criminal charges, for the aging population who require long-term behavioral health care, and for individuals deemed sexually violent predators whose commitment in the Youth Development Center system terminates at age 21. Efforts continue to assess and transfer individuals to community mental health programs, where services are provided in a less restrictive setting through the Community/Hospital Integration Projects Program.

County Mental Health System

The MH/ID Act of 1966 requires county governments to provide an array of [community-based mental health services](#), including unified intake, community consultation and education, support for families caring for members with mental disorders, and community residential programs.

COMMUNITY SERVICES TARGET:	KEY PROVISIONS OF SERVICES INCLUDE:	NON-RESIDENTIAL SERVICES INCLUDE:	COMMUNITY RESIDENTIAL SERVICES INCLUDE:
Adults with serious mental illness	Recovery-oriented treatment	Family-based support	Housing support
Children and adolescents with or at risk of serious emotional disturbance	Community care	Outpatient care	Residential treatment
	Support services enabling individuals to live in the community and lead independent and productive lives	Partial hospitalization	Inpatient care
		Emergency and crisis intervention	Crisis services
		Peer-to-peer support and after care	Mobile therapy

Services are administered by single counties, county joiners, or through contracts with private, nonprofit organizations or agencies. Services, with some exceptions, are funded with state, federal, and/or county matching funds.

Program: Mental Health and Substance Abuse Services, continued

Substance Abuse Services

[Substance use treatment services](#) are provided to individuals with severe addictive disorders (including co-occurring mental health disorders), who are uninsured, who do not have insurance that covers the service needed, or who cannot obtain MA benefits. Services available include the full continuum of treatment, as well as case management services to assist this population with access to, and retention in, treatment to promote recovery.

Expenditures by Facility/Program

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26		2023-24	2024-25	2025-26
	Actual	Available	Budget		Actual	Available	Budget
Clarks Summit State Hospital				Warren State Hospital			
State Funds.....	\$ 33,316	\$ 37,512	\$ 38,938	State Funds	\$ 35,946	\$ 36,998	\$ 39,004
Federal Funds.....	23,814	24,300	24,606	Federal Funds	24,659	25,242	24,893
Augmentations.....	800	859	726	Augmentations.....	1,226	954	1,045
TOTAL	\$ 57,930	\$ 62,671	\$ 64,270	TOTAL	\$ 61,831	\$ 63,194	\$ 64,942
Danville State Hospital				Wernersville State Hospital			
State Funds.....	\$ 28,979	\$ 34,500	\$ 36,701	State Funds	\$ 51,645	\$ 54,189	\$ 53,012
Federal Funds.....	24,470	24,924	24,562	Federal Funds	31,878	32,805	37,385
Augmentations.....	1,050	903	974	Augmentations.....	1,598	1,058	1,515
TOTAL	\$ 54,499	\$ 60,327	\$ 62,237	TOTAL	\$ 85,121	\$ 88,052	\$ 91,912
Norristown State Hospital				Community Programs			
State Funds.....	\$ 87,735	\$ 89,150	\$ 80,991	State Funds	\$ 559,115	\$ 610,277	\$ 649,472
Federal Funds.....	35,140	41,338	54,188	Federal Funds	111,127	124,946	123,051
Augmentations.....	506	696	385	Augmentations.....	64,411	52,646	54,825
TOTAL	\$ 123,381	\$ 131,184	\$ 135,564	TOTAL	\$ 734,653	\$ 787,869	\$ 827,348
South Mountain State Restoration Center				Administration			
State Funds.....	\$ 16,096	\$ 16,262	\$ 18,054	State Funds	\$ 5,000	\$ 5,214	\$ 5,387
Federal Funds.....	15,371	15,412	14,313	Federal Funds	13,569 ^a	13,558	20,000
Augmentations.....	1,987	1,398	1,450	Augmentations.....	-	-	-
TOTAL	\$ 33,454	\$ 33,072	\$ 33,817	TOTAL	\$ 18,569	\$ 18,772	\$ 25,387
Torrance State Hospital							
State Funds.....	\$ 67,735	\$ 72,433	\$ 67,244				
Federal Funds.....	41,388	44,790	54,391				
Augmentations.....	967	719	955				
TOTAL	\$ 110,090	\$ 117,942	\$ 122,590				

^a Budgetary Reserves.

Program: Mental Health and Substance Abuse Services, continued

Facility Populations for the Prior, Current, and Upcoming Year

Facility	Population July 2023	Population July 2024	Projected	Projected	Projected
			Population July 2025	Bed Capacity July 2025	Percentage of Capacity July 2025
Clarks Summit State Hospital	140	159	160	203	78.8%
Danville State Hospital.....	157	143	170	173	98.3%
Norristown State Hospital	349	343	360	375	96.0%
South Mountain State Restoration Center	94	91	100	159	62.9%
Torrance State Hospital	315	260	330	357	92.4%
Warren State Hospital.....	143	138	165	177	93.2%
Wernersville State Hospital.....	262	259	266	266	100.0%
TOTAL	1,460	1,393	1,551	1,710	90.7%

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Mental Health Services			
\$ 18,016	—to continue current program.	\$ 5,750	—Initiative—to expand discharge and diversion programs for individuals with mental illness currently in the criminal justice system.
20,000	—to increase county mental health base services funding.		
5,000	—to backfill prior-year funding for walk-in mental health crisis stabilization centers serving multiple counties.	1,600	—Initiative—to provide community-based services for 20 individuals currently residing in state hospitals.
629	—for increased electricity costs.		
(25,735)	—to reflect change in federal earnings.	\$ 32,268	<i>Appropriation Increase</i>
(2,992)	—to reflect change in augmenting revenue.		
10,000	—Initiative—to provide support to the 988 network for mental health services.	\$ (50)	Special Pharmaceutical Services —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
GENERAL FUND:							
Mental Health Services....	\$ 885,567	\$ 956,535	\$ 988,803	\$ 996,398	\$ 996,398	\$ 996,398	\$ 996,398
Behavioral Health Services	57,149	57,149	57,149	57,149	57,149	57,149	57,149
Special Pharmaceutical Services	500	500	450	450	450	450	450
TOTAL GENERAL FUND	\$ 943,216	\$ 1,014,184	\$ 1,046,402	\$ 1,053,997	\$ 1,053,997	\$ 1,053,997	\$ 1,053,997

Program: Mental Health and Substance Abuse Services, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain services and supports for persons with mental illness to live, work, and contribute to their communities with increased health and independence.							
<u>Community Mental Health Services:</u>							
Persons receiving mental health inpatient and outpatient services from non-Medical Assistance funding (unduplicated)	179,874	160,027	152,623	154,274	157,360	160,507	163,717
Persons receiving services through Medical Assistance expenditures (fee-for-service and HealthChoices) (unduplicated)	585,340	556,216	561,988	564,691	552,052	563,093	574,355
Percentage of patients discharged from a psychiatric inpatient setting who have follow-up service seven days from discharge (ages 21 to 64)	% 63	61	57	53	54	57	58
<u>Substance Use Disorder Services:</u>							
Number of individuals on Medical Assistance with a substance use disorder	271,388	278,302	418,955 ^a	428,899 ^a	405,588 ^a	406,000 ^a	406,000 ^a
Non-hospital detoxification and rehabilitation clients	42,180	39,704	40,645	40,935	39,718	40,512	41,322
Percentage of patients discharged from a substance use disorder hospital setting who have follow-up services seven days from discharge (ages 21 to 64)	% 72	69	66	52	53	56	57
Persons receiving methadone maintenance services	26,483	27,145	26,251	20,279	18,497	18,867	19,244
<u>Behavioral Health:</u>							
Persons receiving services through Medical Assistance expenditures	695,473	663,305	690,046	697,655	685,951	699,670	713,663
Utilization rate of Behavioral Health services	% 23	20	20	21	25	26	26
<u>State Hospitals:</u>							
Total persons served in state hospitals	2,303	2,230	2,190	2,235	2,277	2,252	2,232
Average state cost per person in state hospital population	\$ 259,859	265,098	378,870	383,748	376,629	416,323	457,955
Percentage of adults readmitted to state hospitals within 180 days of discharge	% 4	3	3	2	2	2	2
Percentage of persons in state hospitals with stays longer than two years	% 32	33	34	35	36	35	35

^a Method of data collection has changed to include nicotine addiction.

Program: Intellectual Disabilities/Autism

Goal: To support Pennsylvanians with intellectual disabilities or autism and their families to achieve greater independence, choice, and opportunity in their lives.

The department supports a comprehensive array of services for people with intellectual disabilities and [Autism Spectrum Disorder \(ASD\)](#) including supports to people living in their own home, with family members, in community residential facilities, and in non-residential programs provided through the Medicaid home and community-based waiver programs and the base program. Services are also provided in state operated institutions and private [intermediate care facilities for individuals with an intellectual disability \(ICF/IDs\)](#). In addition to state and federal funding, local funding is provided for the community base program as required by the [MH/ID Act](#).

The intellectual disabilities and ASD programs have evolved from a system of large congregate residential facilities to a flexible and dynamic system of community supports and services tailored to meet the needs of persons living in the community. The trend toward enhancing the natural supports that exist in the family and the community and enabling individuals to participate fully in community life continues to define services.

Services for Individuals with Intellectual Disabilities and Autism-Community Services

The MH/ID Act provides the statutory basis, along with the [Medicaid Consolidated, Person/Family Directed Support, and Community Living Waivers](#) and the Targeted Support Management service in the state plan; to enable people to live in the community, in their own homes, apartments, the homes of family members, life-sharing settings with family or others, or in staffed community homes. The program is designed to assist participants in gaining the greatest level of independence possible, encourage involvement in community life, improve social skills, and provide support to caregivers. All [services](#) are person-centered through the development of an individualized service plan.

Services for Individuals with Autism Spectrum Disorder

In addition to services for people with ASD through the Medicaid Consolidated, Person/Family Directed Support, and Community Living Waivers, the department also provides funding for a four-county managed care program to support the needs of Pennsylvanians living with ASD who may also have an intellectual disability. The [Adult Community Autism Program \(ACAP\)](#) was designed to assist participants in gaining the greatest level of independence possible, encourage involvement in community life, improve social skills, and provide support to caregivers. The department also administers the [Adult Autism Waiver](#) for individuals with ASD age 21 years and older. In addition, the department supports people with ASD of all ages through the [Autism Services, Education, Research, and Training \(ASERT\) Collaborative](#), the development of crisis programs to support individuals in need of acute intervention, family support programs, and training programs to increase provider capacity.

Institutional Services

The department provides institutional-based care funding for people with an intellectual disability. Services are offered through two public [state centers](#) whose primary goal is to develop residents' abilities to function more independently in preparation for living in a less restrictive/more inclusive environment. All facilities are currently certified under standards established by the Centers for Medicare & Medicaid Services. The department also funds services in private ICF/IDs, which includes intensive habilitative services to persons with an intellectual disability.

Program: Intellectual Disabilities, continued

Expenditures by State Center

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26		2023-24	2024-25	2025-26
	Actual	Available	Budget		Actual	Available	Budget
Ebensburg				Selinsgrove			
State Funds.....	\$ 35,800	\$ 42,761	\$ 41,768	State Funds.....	\$ 39,974	\$ 41,656	\$ 41,866
Federal Funds.....	53,521	60,853	63,818	Federal Funds.....	46,437	52,278	64,413
Augmentations.....	8,557	7,198	8,557	Augmentations.....	8,991	6,884	8,990
TOTAL.....	<u>\$ 97,878</u>	<u>\$ 110,812</u>	<u>\$ 114,143</u>	TOTAL.....	<u>\$ 95,402</u>	<u>\$ 100,818</u>	<u>\$ 115,269</u>
Hamburg				White Haven			
State Funds.....	\$ 4,151	\$ 4,306	\$ 4,749	State Funds.....	\$ 7,144	\$ 7,244	\$ 8,999
Federal Funds.....	-	-	-	Federal Funds.....	-	-	-
Augmentations.....	-	-	-	Augmentations.....	-	-	-
TOTAL.....	<u>\$ 4,151</u>	<u>\$ 4,306</u>	<u>\$ 4,749</u>	TOTAL.....	<u>\$ 7,144</u>	<u>\$ 7,244</u>	<u>\$ 8,999</u>
Polk				Non-Facility			
State Funds.....	\$ 12,352	\$ 17,265	\$ 10,300	State Funds.....	\$ 906	\$ 982	\$ 1,031
Federal Funds.....	2,851	-	-	Federal Funds..... ^a	2,277	4,000	7,039
Augmentations.....	2,082	-	-	Augmentations.....	-	-	-
TOTAL.....	<u>\$ 17,285</u>	<u>\$ 17,265</u>	<u>\$ 10,300</u>	TOTAL.....	<u>\$ 3,183</u>	<u>\$ 4,982</u>	<u>\$ 8,070</u>

^a Budgetary reserves.

State Center Population for the Prior, Current, and Upcoming Year

	Population July 2023	Population July 2024	Projected Population July 2025	Projected Bed Capacity July 2025	Projected Percentage Capacity July 2025
State Center					
Ebensburg.....	229	208	208	402	51.7%
Polk.....	27	21	-	-	N/A
Selinsgrove.....	244	227	227	564	40.2%
TOTAL.....	<u>500</u>	<u>456</u>	<u>435</u>	<u>966</u>	<u>45.0%</u>

Program: Intellectual Disabilities, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Intellectual Disabilities-State Centers			Intellectual Disabilities-Community Waiver Program		
\$ (566)	—to continue current program.		\$ 167,562	—to continue current program, including annualization of prior-year expansion.	
(2,711)	—to reflect change in assessment and other revenue.			—to maintain home and community-based services following reduction in ARPA enhanced FMAP rate.	
(2,224)	—revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%.	62,240		—revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%.	
			(54,496)		
\$ (5,501)	<i>Appropriation Decrease</i>			<i>Appropriation Increase</i>	
Intellectual Disabilities-Community Base Program			Transfer to HCBS-Individuals with Intellectual Disabilities (EA)		
\$ 3,972	—to continue current program.		\$ 175,306	—to provide home and community-based services to individuals with intellectual disabilities.	
3,360	—to maintain home and community-based services following reduction in ARPA enhanced FMAP rate.				
(259)	—revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%.	\$ 5,501			
\$ 7,073	<i>Appropriation Increase</i>				
Intellectual Disabilities-Intermediate Care Facilities			Autism Intervention and Services		
\$ 9,348	—to continue current program.	\$ 1,493	—to continue current program.		
(4,857)	—revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%.	1,415	—to maintain home and community-based services following reduction in ARPA enhanced FMAP rate.		
		(676)	—revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%.		
\$ 4,491	<i>Appropriation Increase</i>	\$ 2,232	<i>Appropriation Increase</i>		

Program: Intellectual Disabilities, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Intellectual Disabilities- State Centers	\$ 100,327	\$ 114,214	\$ 108,713	\$ 111,540	\$ 111,540	\$ 111,540	\$ 111,540
Intellectual Disabilities- Community Base Program	150,970	160,108	167,181	168,853	170,541	172,247	173,969
Intellectual Disabilities- Intermediate Care Facilities	174,730	192,154	196,645	200,578	204,589	208,681	212,855
Intellectual Disabilities- Community Waiver Program	2,290,882	2,552,157	2,727,463	2,782,012	2,837,653	2,894,406	2,952,294
Transfer to HCBS- Individuals with Intellectual Disabilities (EA)	10,783	-	5,501	-	-	-	-
Autism Intervention and Services	31,679	35,174	37,406	38,154	38,917	39,696	40,490
TOTAL GENERAL FUND	\$ 2,759,371	\$ 3,053,807	\$ 3,242,909	\$ 3,301,137	\$ 3,363,240	\$ 3,426,570	\$ 3,491,148

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain supports and services for individuals with developmental disabilities and their families, including persons with autism, to participate in their communities more fully by effectively providing needed home and community-based services and supports that will increase their independence and ensure their health and well-being.							
Number of persons receiving autism services	917	912	869	877	873	909	935
Number of persons receiving intellectual disability services	56,954	56,650	57,614	57,602	58,873	59,379	59,379
Persons receiving intellectual disability services during fiscal year: home and community services (Waiver and Base services) (unduplicated)	54,885	54,681	55,048	55,837	57,181	57,188	57,188
Persons receiving Consolidated Waiver services during fiscal year: home and community services (unduplicated)	18,687	18,814	19,036	19,041	19,566	19,569	19,569
Persons receiving Person/Family Directed Supports Waiver services during fiscal year: home and community services (unduplicated)	13,786	13,497	13,434	13,433	13,288	13,303	13,303

Program: Intellectual Disabilities, continued

Program Measures, continued:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Persons receiving Community Living Waiver services during fiscal year: home and community services (unduplicated)	3,772	3,959	5,781	5,782	7,760	7,765	7,765
Persons receiving base services during fiscal year: home and community services (unduplicated).....	22,579	21,241	22,446	22,498	23,303	23,336	23,336
Number of individuals receiving services who reside in a private home (not in a provider-controlled setting)	51,113	40,758	43,500	41,485	42,872	41,009	41,009
<u>Persons receiving residential services (during fiscal year):</u>							
Private intermediate care facilities for persons with intellectual disabilities (ICFs/ID)	1,877	1,775	1,755	1,676	1,625	1,607	1,607
State centers.....	720	678	620	570	473	435	435
Number of people moving from private ICFs/ID and state centers into the community	7	37	34	28	27	25	25
<u>Average cost of individuals served in the community:</u>							
Consolidated Waiver services	\$ 163,187	160,738	191,397	194,442	202,946	217,152	217,152
Community Living Waiver services	\$ 32,405	32,274	43,852	45,433	43,996	43,996	43,996
Person/Family Directed Supports Waiver services	\$ 16,903	15,066	21,514	22,586	21,850	23,598	23,598
Autism services.....	\$ 54,144	56,625	63,307	66,133	65,536	70,123	70,123
<u>Employment of persons receiving intellectual disability services:</u>							
Number of persons receiving intellectual disability services with an employment goal and receiving employment services	5,540	5,663	6,108	6,123	6,137	6,021	6,021
Number of persons receiving intellectual disability services with competitive, integrated employment	6,435	6,687	8,061	8,072	8,079	8,358	8,358

Program: Human Services

Goal: To enhance the social and economic well-being of families and individuals through the provision of an array of service and support programs.

The department operates a variety of programs designed to provide supportive services to people while they overcome an adverse behavior or circumstance that has affected their lives.

Children, Youth, and Families

The department and county governments are jointly responsible for providing quality and effective services to children in need of care and protection. These services are state-supervised and county-administered. Each county is responsible for developing and implementing a program of services designed to treat and prevent child abuse, neglect, exploitation, and to provide services that reduce dependency and delinquency. The county children and youth agencies provide services to families and children to enable children to safely remain in their own homes and communities and develop natural supports and resources to gain self-sufficiency. Policies and procedures have been instituted to protect children from harm and to minimize time in out-of-home placement.

Counties provide services such as in-home services, temporary placement for children who cannot live with their own families, assistance to provide a permanent legal family for children who cannot be returned to their own families, [adoption assistance](#), day treatment services, child protective services, emergency shelter, counseling, and juvenile justice services.

Youth Development Service

Pennsylvania's [juvenile justice system](#) is designed to minimize institutionalization while recognizing confinement in a treatment environment is necessary for certain juveniles who pose a threat to themselves or others. If institutionalization is required, the court may adjudicate youth to either the [Youth Development Center and Youth Forestry Camp \(YDC/YFC\)](#) system or a private facility. Both systems provide residential programming in secure and non-secure settings for juveniles who have been adjudicated delinquent and have demonstrated serious at-risk behaviors. The purpose of the system is to help juveniles develop skills and attitudes that will enable them to become responsible, productive members of society. Included in the YDC/YFC system are specialized treatment services for violent offenders, youth who have been sexually harmed, those with drug and/or alcohol addiction, those with a mental health diagnosis, and those with developmental disabilities.

Facility	Population	Population	Projected	Projected	Projected %
	July 2023	July 2024	Population July 2025	Capacity July 2025	of Capacity July 2025
YFC-Trough Creek.....	34	38	36	36	100.0%
Loysville YDC.....	35	41	50	50	100.0%
South Mountain Secure Treatment Unit.....	23	29	36	36	100.0%
North Central Secure Treatment Unit.....	78	94	80	80	100.0%
North East Secure Treatment Unit.....	24	48	40	40	100.0%
Western Secure Treatment Unit..... ^a	-	34	50	50	100.0%
Southeast Youth Development Center..... ^b	-	-	40	40	100.0%
Youth Served via Equivalent Facilities (contracted).....	16	36	29	29	100.0%
TOTAL.....	210	320	361	361	100.0%

^a Western Secure Treatment Unit opened November 2023.
^b Southeast Youth Development Center opened July 2024.

Education is a major component of the YDC/YFC system. Each program includes both academic and vocational curricula. Educational diagnostic testing precedes all academic placements and is used in the development of Individual Education Plans for each youth.

The [Pennsylvania Academic and Career/Technical Training Alliance](#) provides on-site technical assistance to its affiliated members and works to ensure delinquent youth receive appropriate academic, career, and technical training opportunities at all levels of care throughout the duration of their active involvement within Pennsylvania's juvenile justice system.

Program: Human Services, continued

Family Planning and Breast Cancer Screening

[Family planning](#) clinics provide educational, medical, and social services to address contraceptive or infertility issues. [Breast cancer screening](#) for low-income women is directed toward those at high-risk of developing breast cancer. The target group is new family planning clients, women 35 years and older, and women with a family history of breast cancer.

Legal Services

The department provides low-income individuals [assistance](#) with family, consumer, housing, employment, and other civil legal problems through a contract with a statewide legal aid nonprofit. The emphasis of the services delivered is to provide emergency legal services in situations that threaten the basic needs of individuals. These services do not include political activities or legal services in criminal matters.

Domestic Violence and Rape Crisis

[Domestic violence services](#) are provided through a contract with a statewide coalition, which in turn subcontracts for services at the local level. The services to victims of domestic violence include crisis intervention, counseling, victim advocacy, information and referral, and temporary shelter for victims and their dependent children. Prevention and education programs are provided by local groups to lessen the risk of domestic violence in the community.

[Rape crisis services](#) are also provided through a contract with a statewide coalition, which in turn subcontracts for services at the local level. Rape crisis programs provide crisis intervention services, counseling, victim advocacy, information and referral, and accompaniment through police, medical, and judicial systems. Educational programs are provided to lessen the risk of sexual assault for adults and children in the community.

Homeless Assistance

The [Homeless Assistance Program \(HAP\)](#) is operated through all 67 counties. HAP offers a variety of supportive services to individuals and families experiencing, or are at risk of, homelessness and who can demonstrate that, with HAP intervention, they will be able to meet their basic housing needs. HAP provides case management, emergency shelter, bridge housing, innovative supportive housing, and rental assistance to those in immediate danger of becoming homeless. Counties must meet the HAP objectives of providing homelessness prevention services that assist clients in maintaining affordable housing, helping people experiencing homelessness find refuge and care, and to assist people who are homeless or near homeless in attaining economic self-sufficiency.

Human Services Block Grant

The [Human Services Block Grant](#) was established for the purpose of allocating funds to select county governments to provide locally identified county-based human services to meet the needs of county residents. As part of this program, funding for the following six programs was combined at the local level into a flexible Human Services Block Grant: community mental health services, behavioral health services, intellectual disability community base services, human services development fund, HAP, and [Act 152 of 1988](#) drug and alcohol services. Funding continues to be provided from individual appropriations.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Youth Development Institutions and Forestry Camps			
\$ (5,000)	—for nonrecurring maintenance costs to establish Southeast YDC.	\$ (1,461)	—for reduction in third-party, contracted, secure placements.
(1,500)	—for other nonrecurring costs.	<u>(400)</u>	—for reduction in youth transportation costs.
6,693	—to continue current program.	\$ 4,019	<i>Appropriation Increase</i>
5,645	—to create sufficient capacity for the Commonwealth to accept court-ordered placements of adjudicated male youths.		Health Program Assistance and Services
		\$ (32,827)	—program elimination.
42	—for increased electricity costs.		

Program: Human Services, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Youth Development Institutions and Forestry Camps	\$ 91,255	\$ 146,818	\$ 150,837	\$ 154,759	\$ 154,759	\$ 154,759	\$ 154,759
County Child Welfare	1,492,635	1,494,733	1,494,733	1,494,733	1,494,733	1,494,733	1,494,733
Domestic Violence	20,093	22,593	22,593	22,593	22,593	22,593	22,593
Rape Crisis	11,921	11,921	11,921	11,921	11,921	11,921	11,921
Breast Cancer Screening ..	1,828	1,828	1,828	1,828	1,828	1,828	1,828
Human Services Development Fund	13,460	13,460	13,460	13,460	13,460	13,460	13,460
Legal Services	4,161	6,661	6,661	6,661	6,661	6,661	6,661
Homeless Assistance	18,496	23,496	23,496	23,496	23,496	23,496	23,496
Health Program Assistance and Services..	40,133	32,827	-	-	-	-	-
Services for the Visually Impaired	4,702	4,702	4,702	4,702	4,702	4,702	4,702
TOTAL GENERAL FUND	\$ 1,698,684	\$ 1,759,039	\$ 1,730,231	\$ 1,734,153	\$ 1,734,153	\$ 1,734,153	\$ 1,734,153

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain supports and services that will improve the health, well-being, development, and safety of Pennsylvania's families.							
<u>Youth Development Centers:</u>							
Youth served.....	708	520	540	511	633	675	675
Percentage of youth in work experience	% 47.9	38.5	40.0	47.9	45.7	46.0	46.0
Youth served via equivalent facilities (contracted).....	N/A	N/A	-	28	83	85	85
Average number of youth on waiting list (secure male).....	N/A	N/A	85	146	99	80	70
<u>Family Support Services by Setting:</u>							
Annual number of children receiving child welfare services at home (unduplicated)	181,435	192,594	192,594	173,053	180,150	180,150	180,150

Program: Human Services, continued

Program Measures, continued:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
<u>Out of home placements in:</u>							
Community-based placements	19,237	18,044	16,961	17,616	17,246	16,876	16,876
Group Homes: Community residential programs.....	1,473	1,299	1,181	1,332	1,266	1,200	1,200
Foster care: Community residential programs.....	17,469	16,489	15,495	15,710	15,924	15,925	15,400
Other: Community residential programs	295	256	285	350	318	276	276
Annual recipients of in-state institutional care programs (unduplicated)	1,199	956	848	714	580	450	450
Children in out-of-state programs	366	372	351	343	338	338	338
<u>Additional Family Support Services:</u>							
Percentage of children reunited with parents or primary caregiver within 12 months of placement	% 37.8	37.4	33.7	34.2	34.7	35.2	35.7
Percentage of children not returning to care within 12 months of discharge to parents or primary caregivers	% 80.3	80.6	81.6	86.1	86.4	86.7	87.0
Finalized adoptions	2,277	2,134	1,984	1,993	2,001	2,000	2,000
Children reaching permanency outside of adoption	6,158	5,599	5,947	5,916	5,884	5,885	5,885
Investigations of reported child abuse ..	36,773	34,821	39,889	39,635	40,829	42,000	42,000
Percentage of child abuse investigations substantiated.....	% 12.6	13.7	12.4	11.4	11.7	12.5	12.5
Number of child abuse clearances processed (in thousands)	888	813	813	849	844	850	850
Average number of days to process a child abuse clearance	5	2	3	4	3	5	5
<u>Homeless Assistance:</u>							
Persons receiving homeless services...	73,975	57,206	59,018	64,695	59,355	62,000	62,000
<u>Other Human Services:</u>							
Domestic violence victims served.....	39,793	39,995	41,434	40,511	40,607	56,250	56,250
Rape crisis/sexual assault victims served	24,798	23,134	24,966	23,627	20,343	25,000	25,000
Breast cancer screening clients	38,537	39,717	44,627	47,926	37,516	45,000	45,000
Legal service clients	13,046	15,746	13,365	16,241	16,673	16,500	16,500

Program: Child Development

Goal: To promote opportunities for all Pennsylvania children and families by building systems and providing supports that help ensure access to high-quality child and family services.

The Departments of Human Services and Education promote opportunities for all children and families by helping to ensure access to high-quality early care, education, and family services. The focus on effective prevention strategies and high-quality early care and education programs will help Pennsylvania mitigate the social and educational disparities of young at-risk children that influence their ability to attain economic independence and self-sufficiency as adults. In addition, research consistently shows that the economic and educational benefits of quality early learning programs extend from participating children to their families and communities.

[Keystone STARS](#) remains one of the largest, most comprehensive, quality rating improvement systems in the nation. Keystone STARS expands the reach of high-quality early child care and education in Pennsylvania for at-risk children. This program is designed to increase school readiness, increase future graduation rates of at-risk children, decrease involvement in crime and its associated costs to society, and prepare children for successful, self-sufficient lives.

[Early Childhood Education Professional Development Organizations \(ECE PDO\)](#) work regionally to support the child care workforce. ECE PDOs ensure that credit-bearing courses are available to move professionals through the educational continuum. A strong and competent early childhood education workforce increases the quality of childcare and other early learning programs.

The subsidized child care program, [Child Care Works](#), allows children of families receiving cash assistance through the [Temporary Assistance for Needy Families \(TANF\)](#) program, families formerly receiving TANF, and low-income families to access child care while their parents are attending training or working. Families can select subsidized childcare from various settings including childcare centers, group child-care homes, family child-care homes, or relatives. Early Learning Resource Center agencies determine eligibility for subsidized child-care, offer families a choice of child-care services, provide information and counseling, and support early care and education program quality improvement.

The [Early Intervention](#) program, for children from birth to age three, provides services and support to qualified children with developmental delays or disabilities and their families to maximize the child's development. These services are provided to the child and family in the child's home, community, or early childhood education setting so that the child is well-prepared for school and life success.

The department also provides voluntary, evidence-based home visiting and community-based programs that help parents improve their parenting skills, resulting in healthier pregnancies and improved child health, learning, development, and well-being. These services are provided through a combination of state funds, the federal Title IV-B - Family Center funds, and the federal Maternal, Infant, and Early Childhood Home Visiting grant program through the following five evidence-based models: Early Head Start, Family Check-Up, Healthy Families America, Nurse-Family Partnership Program, and Parents as Teachers.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	Child Care Services		Nurse Family Partnership
\$ 1,555	—Initiative—to provide an increase in the minimum wage to \$15 an hour.	\$ (67)	—revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%.
	Child Care Assistance		Early Intervention
\$ 1,143	—Initiative—to provide an increase in the minimum wage to \$15 an hour.	\$ 7,441 (1,261)	—to continue current program. —revision of federal financial participation from a full-year blended rate of 54.8475% to 55.8175%.
	Child Care Recruitment and Retention	10,000	—Initiative—to provide a rate increase to early intervention providers.
\$ 55,000	—Initiative—to provide licensed Child Care Centers funds for teacher recruitment and retention.	\$ 16,180	<i>Appropriation Increase</i>

Program: Child Development, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Community-Based Family Centers	\$ 34,558	\$ 34,558	\$ 34,558	\$ 34,558	\$ 34,558	\$ 34,558	\$ 34,558
Child Care Services	271,859	298,080	299,635	301,190	301,190	301,190	301,190
Child Care Assistance	123,255	123,255	124,398	125,541	125,541	125,541	125,541
Child Care Recruitment and Retention	-	-	55,000	55,000	55,000	55,000	55,000
Nurse Family Partnership	14,112	14,042	13,975	13,975	13,975	13,975	13,975
Early Intervention	185,541	185,250	201,430	201,430	201,430	201,430	201,430
TOTAL GENERAL FUND	\$ 629,325	\$ 655,185	\$ 728,996	\$ 731,694	\$ 731,694	\$ 731,694	\$ 731,694

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated

Maintain supports and services that will improve the health, well-being, development, and safety of all Pennsylvania's children.

Child Development:

Total children served in subsidized child care during the last month of the fiscal year	107,348	75,392	83,803	92,538	96,432	97,000	97,000
Percentage of children in subsidized child care enrolled in Keystone STARS Level 3 or 4 facilities	% 35.6	41.1	40.8	42.1	46.4	46.4	46.4
Number of regulated facilities	6,985	6,849	6,576	6,461	6,442	6,500	6,500
Percentage of regulated facilities at Keystone STARS Level 3 or 4	% 24.6	22.1	28.1	29.1	31.2	32.0	32.0

Early Intervention:

Children participating in Early Intervention services	44,837	42,360	46,254	48,199	49,263	51,300	54,300
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Evidence-Based Home Visiting Programs:

Number of children served (funded slots) in evidence-based home visiting programs	10,789	10,397	9,873	9,856	10,028	10,000	10,000
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INFRASTRUCTURE INVESTMENT AUTHORITY

The mission of the [Pennsylvania Infrastructure Investment Authority \(PENNVEST\)](#) is to serve the communities and the citizens of Pennsylvania through capital funding for drinking water, sewer, storm water, non-point source pollution prevention, and other related projects that benefit the health, safety, environment, promote economic development, and improve water quality.

The authority administers PENNVEST's program authorized by [Act 16 of 1988](#) that provides an investment pool of capital to rebuild and expand community drinking water systems and municipal sewage treatment facilities in the Commonwealth.

Programs and Goals

PENNVEST: To promote public health and a clean environment and to further economic development in the Commonwealth by providing a financing program, technical assistance, and administrative support for community drinking water systems, municipal sewage treatment facilities, storm water control projects, and various other non-traditional water-related projects.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
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OTHER FUNDS:

CLEAN STREAMS FUND:

Transfer to Clean Water Procurement Program (EA)	\$ -	\$ 7,107	\$ 6,528
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ENVIRONMENTAL STEWARDSHIP FUND:

Storm Water, Water, and Sewer Grants (EA)	\$ 20,400	\$ 20,509 ^a	\$ 20,878
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MARCELLUS LEGACY FUND:

Water and Sewer Projects (EA)	\$ 7,974	\$ 7,536	\$ 10,392
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PENNVEST FUND:

PENNVEST Operations (EA)	\$ 5,934	\$ 6,414	\$ 6,414
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Revenue Bond Loan Pool (EA)	10	10	10
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Grants-Other Revenue Sources (EA)	35,000	35,000	35,000
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(R)Revolving Loans and Administration (EA)	80,000 ^b	100,000 ^b	100,000 ^b
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(R)Growing Greener Grants	- ^c	- ^c	- ^c
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(R)Revolving Loans-Conditional Funds	-	1,000	1,000
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(R)Marcellus Grants (Marcellus Legacy Fund)	- ^d	- ^d	- ^d
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PENNVEST FUND TOTAL	\$ 120,944	\$ 142,424	\$ 142,424
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PENNVEST DRINKING WATER REVOLVING FUND:

Additional Drinking Water Projects Revolving Loans (EA)	\$ 456,000	\$ 512,000	\$ 550,000
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Transfer to Water Pollution Control Revolving Fund (EA)	20,000	20,000	20,000
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(F)Drinking Water Projects Revolving Loan Fund	50,000	43,000	43,000
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(F)IIJA-Drinking Water Projects Revolving Loan Fund	386,304	500,000	500,000
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(F)Loan Program Administration	1,500	1,500	1,500
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(F)IIJA-Loan Program Administration	15,485	15,485	15,485
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(F)Technical Assistance to Small Systems	1,750	1,750	1,750
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(F)IIJA-Technical Assistance to Small Systems	6,452	6,452	6,452
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(F)Assistance to State Programs	7,000	8,000	8,000
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(F)IIJA-Assistance to State Programs	7,360	7,360	7,360
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(F)Local Assistance and Source Water Pollution	11,268	11,268	11,268
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(F)IIJA-Local Assistance and Source Water Pollution	1,857	1,857	1,857
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(F)Infrastructure Improvement Projects	41,039	10,000	10,000
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(F)IIJA-Emerging Contaminants in Small or Disadvantaged Comm	-	37,543	75,084
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(F)IIJA-Emerging Contaminants in Small or Disadvantaged Comm (EA)	41,039	-	-
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(R)Revolving Loans-Conditional Funds	-	1,000	1,000
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PENNVEST DRINKING WATER REVOLVING FUND TOTAL	\$ 1,047,054	\$ 1,177,215	\$ 1,252,756
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PENNVEST WATER POLLUTION CONTROL REVOLVING FUND:

Additional Sewage Projects Revolving Loans (EA)	\$ 360,000	\$ 510,000	\$ 540,000
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Transfer to Drinking Water Revolving Fund (EA)	60,000	100,000	100,000
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(F)Sewage Projects Revolving Loan Fund	113,471	91,000	91,000
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(F)IIJA-Sewage Projects Revolving Loan Fund	165,942	269,000	325,000
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(F)Overflow and Storm Water Grants	4,800	4,800	6,400
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Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(R)Revolving Loans-Conditional Funds	-	1,000	1,000
(R)Clean Water Procurement Program	-	- ^e	- ^e
PENNVEST WATER POLLUTION CONTROL REVOLVING FUND TOTAL	\$ 704,213	\$ 975,800	\$ 1,063,400
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ -	\$ -	\$ -
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	-	-	-
RESTRICTED	-	-	-
OTHER FUNDS	1,900,585	2,330,591	2,496,378
TOTAL ALL FUNDS	\$ 1,900,585	\$ 2,330,591	\$ 2,496,378

^a Includes recommended supplemental executive authorization of \$3,608,000.

^b Includes \$14,199,400 for Water Pollution Control Projects and \$10,267,400 for Drinking Water Projects in 2023-24 Actual, \$24,484,000 for Water Pollution Control Projects and \$18,240,800 for Drinking Water Projects in 2024-25 Available, \$25,983,800 for Water Pollution Control Projects and \$19,503,200 for Drinking Water Projects in 2025-26 Budget.

^c Not added to the total to avoid double counting: 2023-24 Actual is \$12,222,880, 2024-25 Available is \$18,205,000, and 2025-26 Budget is \$20,878,000.

^d Not added to the total to avoid double counting: 2023-24 Actual is \$1,862,744, 2024-25 Available is \$4,000,000, and 2025-26 Budget is \$10,391,836.

^e Not added to the total to avoid double counting: 2024-25 Available is \$7,107,000 and 2025-26 Budget is \$6,528,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
PENNVEST:							
GENERAL FUND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	1,900,585	2,330,591	2,496,378	2,434,278	2,363,429	2,292,189	2,241,793
DEPARTMENT TOTAL	\$ 1,900,585	\$ 2,330,591	\$ 2,496,378	\$ 2,434,278	\$ 2,363,429	\$ 2,292,189	\$ 2,241,793

Program: PENNVEST

Goal: To promote public health and a clean environment and to further economic development in the Commonwealth by providing a financing program, technical assistance, and administrative support for community drinking water systems, municipal sewage treatment facilities, storm water control projects, and various other non-traditional water-related projects.

The [Pennsylvania Infrastructure Investment Authority \(PENNVEST\)](#) program allocates capital to revitalize community infrastructure, including drinking water systems, sewage treatment facilities, [brownfield reclamation](#), and storm water control. These projects are crucial for safeguarding public health, enhancing water quality, and fostering economic development. [Act 16 of 2013](#) enhanced PENNVEST’s capacity to execute agricultural and rural initiatives, aligning it consistently with the state’s [Nonpoint Source Management Plan](#). This empowers the authority to address runoff issues in rural areas, promoting effective control of contaminants and nutrients in streams.

PENNVEST provides financial support through [loans and grants](#) to municipalities, municipal authorities, private entities, and individuals. Homeowners can secure loans for [on-lot septic systems, initial connections to public systems, or to replace existing house sewer laterals](#). Funding also aids farmers, nonprofits, and others to install [best management practices](#), like riparian buffers that reduce nutrient contamination in rivers and streams, particularly in the Chesapeake Bay watershed. The Department of Environmental Protection, in collaboration with PENNVEST, helps system owners [apply for funding](#) and provides [technical assistance](#) on projects.

The [Clean Water State Revolving Fund](#) combines federal and state funds to establish a revolving loan fund for sewage treatment facility construction. The [Drinking Water State Revolving Fund \(DWSRF\)](#) operates similarly for drinking water projects and technical assistance, with proceeds from bond sales going to the DWSRF. Additionally, the authority’s revenue bond pool, supported by loan interest and principal repayments, disburses the funds from PENNVEST revenue bond sales. The Water and Sewer Systems Assistance Bond Fund, related to [Act 64 of 2008](#), holds interest and investment income along with loan repayments, supporting loans and grants.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

All appropriations are recommended at the current year funding levels.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PENNVEST FUND:							
PENNVEST Operations (EA)....	\$ 5,934	\$ 6,414	\$ 6,414	\$ 6,581	\$ 6,581	\$ 6,581	\$ 6,581

Program: PENNVEST, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase the proportion of PENNVEST subsidies allocated to projects that would not occur in the absence of the subsidies.							
Grant equivalent subsidy per household served	\$ 52	80	61	39	143	125	125
Percentage of total project funding allocated to projects that would otherwise have higher financing rates ..	% 27	31	30	28	65	50	50
Increase the number of drinking water and wastewater facilities that comply with safe drinking water requirements, improve system treatment capacity, and improve water quality.							
Population affected by drinking water projects funded in each year.....	2,007,627	1,511,876	670,834	2,205,917	533,232	550,000	550,000
Drinking water projects approved that will maintain or bring customers' water into compliance with Commonwealth drinking water standards.....	14	26	46	20	25	35	35



INSURANCE

The mission of the [Insurance Department](#) is to protect Pennsylvania's insurance consumers through fair and effective regulation of the marketplace.

The department enforces the insurance laws of the Commonwealth, monitors the financial solvency of insurance companies conducting business in Pennsylvania, regulates insurance rates and policy forms, licenses insurance companies and producers to conduct business in the state, and liquidates insolvent insurance companies. The department answers consumer inquiries, responds to consumer complaints, and produces and distributes educational information on insurance.

Programs and Goals

Insurance Industry Regulation: *To serve Pennsylvania's insurance consumers through fair and efficient regulation of the insurance industry.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26
 ACTUAL AVAILABLE BUDGET

GENERAL FUND:

Grants and Subsidies:

(F)Insurance Market Reform	\$ 5,000	\$ -	\$ -
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OTHER FUNDS:

CATASTROPHIC LOSS BENEFITS CONTINUATION FUND:

CAT Administration (EA)	\$ 2,443	\$ 2,451	\$ 2,429
CAT Claims (EA)	6,050	6,050	6,050
Loan to Other Funds (EA)	60,000	-	-

CATASTROPHIC LOSS BENEFITS CONTINUATION FUND TOTAL	\$ 68,493	\$ 8,501	\$ 8,479
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INSURANCE LIQUIDATION FUND:

Liquidation - Administration (EA)	\$ -	\$ 994	\$ 994
Liquidation - Claims (EA)	-	10,000	10,000

INSURANCE LIQUIDATION FUND TOTAL	\$ -	\$ 10,994	\$ 10,994
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INSURANCE REGULATION AND OVERSIGHT FUND:

General Government Operations	\$ 36,071	\$ 39,653	\$ 43,553
(F)Insurance Market Reform	-	5,000	5,000

INSURANCE REGULATION AND OVERSIGHT FUND TOTAL	\$ 36,071	\$ 44,653	\$ 48,553
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MEDICAL CARE AVAILABILITY AND REDUCTION OF ERROR FUND:

General Operations (EA)	\$ 18,923	\$ 19,218	\$ 19,497
Payment of Claims (EA)	242,000	275,100	230,000
Loan Repayment (EA)	-	66,000	-

MEDICAL CARE AVAILABILITY AND REDUCTION OF ERROR FUND TOTAL	\$ 260,923	\$ 360,318	\$ 249,497
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REINSURANCE FUND:

Reinsurance Administration (EA)	\$ 480	\$ 400	\$ 400
Reinsurance-Payments to Entities (EA)	42,000	44,000	44,000
(F)Reinsurance Waiver Pass-Through (EA)	124,250	115,500	121,129

REINSURANCE FUND TOTAL	\$ 166,730	\$ 159,900	\$ 165,529
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UNDERGROUND STORAGE TANK INDEMNIFICATION FUND:

Administration (EA)	\$ 15,555	\$ 17,661	\$ 17,738
Claims (EA)	40,000	38,000	38,000

UNDERGROUND STORAGE TANK INDEMNIFICATION FUND TOTAL	\$ 55,555	\$ 55,661	\$ 55,738
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WORKERS' COMPENSATION SECURITY FUND:

WCS Administration (EA)	\$ 9,011	\$ 9,072	\$ 9,098
WCS Claims (EA)	29,000	57,900	29,000

WORKERS' COMPENSATION SECURITY FUND TOTAL	\$ 38,011	\$ 66,972	\$ 38,098
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Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ -	\$ -	\$ -
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS.....	5,000	-	-
AUGMENTATIONS.....	-	-	-
RESTRICTED.....	-	-	-
OTHER FUNDS.....	625,783	706,999	576,888
TOTAL ALL FUNDS.....	\$ 630,783	\$ 706,999	\$ 576,888

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
INSURANCE INDUSTRY REGULATION:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND.....	-	-	-	-	-	-	-
FEDERAL FUNDS.....	5,000	-	-	-	-	-	-
AUGMENTATIONS.....	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	625,783	706,999	576,888	579,288	579,288	579,288	579,288
DEPARTMENT TOTAL.....	<u>\$ 630,783</u>	<u>\$ 706,999</u>	<u>\$ 576,888</u>	<u>\$ 579,288</u>	<u>\$ 579,288</u>	<u>\$ 579,288</u>	<u>\$ 579,288</u>

Program: Insurance Industry Regulation

Goal: To serve Pennsylvania's insurance consumers through fair and efficient regulation of the insurance industry.

Regulation and Consumer Protection

The [Insurance Department](#) oversees the operation of approximately 1,700 insurance companies and 373,000 insurance producers, bail bondsmen, public adjusters, and physical damage appraisers. The department authorizes the admission of new insurers to the state, tests and licenses insurance producers, registers health insurance navigators and exchange assisters, and reviews and approves approximately 13,000 rate, rule, form, and statistical filings each year. The department analyzes annual and quarterly financial statements and other corporate transactions filed by regulated entities, conducts onsite financial examinations of domestic insurance companies annually, and conducts adjudicatory hearings.

The financial condition of insurers licensed to transact business in Pennsylvania is monitored and regulated through the Insurance Department's examination and financial analysis functions. The insurance commissioner serves as statutory liquidator/receiver for Pennsylvania domestic insurers found to be insolvent by the Commonwealth Court. The department serves consumers by investigating consumer inquiries and complaints, reviewing the conduct of insurance carriers, and enforcing Pennsylvania's insurance laws. The Insurance Department provides the public with insurance information, education, and complaint resolution services. The department has a consumer liaison to lead outreach and education efforts with communities and provide resources for consumers and stakeholders.

The Insurance Department's examination of insurance companies provides an in-depth analysis of the risks facing the companies and the potential effects on consumers. The department analyzes annual market conduct statements and data; conducts investigations of possible insurance law violations by producers, bail bondsmen, public adjusters, and physical damage appraisers; and undertakes onsite market conduct examinations of insurance company records, files, and operations.

Oversight

The Insurance Department:

- Regulates all lines of insurance;
- Shares responsibility for implementing aspects of the federal Patient Protection and Affordable Care Act (ACA);
- Administers and oversees special funds, including:
 - The Medical Care Availability and Reduction of Error Fund (Mcare);
 - The Catastrophic Loss Benefits Continuation Fund (CAT);
 - The Underground Storage Tank Indemnification Fund (USTIF);
 - The Reinsurance Fund; and
 - The Workers' Compensation Security Fund (WCSF).

The department has a significant role in ensuring Pennsylvania's health insurers comply with the private market reform provisions of the federal ACA. Pennsylvania transitioned to a [state-based exchange](#) in 2021. The Insurance Department monitors health insurance company rates in certain markets to protect consumers against unreasonable rate increases and provides consumers information about private insurance options, particularly in the individual market. It administers grant funding provided to the state by the ACA to continue to improve and increase the transparency of the Commonwealth's health insurance rate review process and effectively oversees and enforces the federal Public Health Service Act's provisions on health insurance issuers.

[Mcare](#), established pursuant to [Act 13 of 2002](#), is responsible for payment of losses or damages in excess of basic insurance coverage awarded in medical professional liability actions against participating health care providers.

[CAT](#) provides up to \$1 million in benefits to Pennsylvanians catastrophically injured in motor vehicle accidents between October 1, 1984, and December 31, 1989, after exceeding a threshold of \$100,000 in medical payments. Payments from the fund are projected until 2094.

[USTIF](#) provides reimbursement for remediation to eligible owners and operators of underground storage tanks. In addition to reimbursing eligible tank owners or operators for damages caused by releases from their tanks, the fund also provides similar benefits to tank installers under the Tank Installation Indemnification Program.

The [Reinsurance Fund](#) moderates premiums in the Commonwealth's individual health insurance market and maintains and protects coverage gains in the Commonwealth.

The [Workers' Compensation Security Fund](#) provides administration and payment for compensation provided by the Workers' Compensation Act to individuals who are insured by an insolvent insurer.

Program: Insurance Industry Regulation, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations	
\$ 3,189	—to continue current program.
711	—to continue the implementation of Act 77 of 2024.
\$ 3,900	Appropriation Increase

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
INSURANCE REGULATION AND OVERSIGHT FUND:							
General Government Operations...	<u>\$ 36,071</u>	<u>\$ 39,653</u>	<u>\$ 43,553</u>	<u>\$ 44,685</u>	<u>\$ 44,685</u>	<u>\$ 44,685</u>	<u>\$ 44,685</u>

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated

Support the insurance industry’s need of speed to market for new property and casualty programs and policy changes.

Percentage of forms and rate filings for property, casualty, life, accident, and health programs and policy changes opened, reviewed, and closed within 20 days of submission	%	79	76	76	75	75	75	71
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Reduce Pennsylvania’s uninsured population.

Percentage of population without health insurance	%	5.8	5.4	5.4	5.2	5.3	5.9	5.9
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HEALTH INSURANCE EXCHANGE AUTHORITY

The mission of the [Pennsylvania Health Insurance Exchange Authority \(PHIEA\)](#) is to improve the accessibility and affordability of individual market health coverage for Pennsylvanians.

Programs and Goals

Health Insurance Exchange: To serve Pennsylvania's individual health insurance market customers without disruption, operate a state-based exchange, and support the needs of consumers purchasing health insurance in the individual market while ensuring the stability and affordability of the health and dental offerings available through the Pennsylvania Health Insurance Exchange Authority.

Health Insurance Exchange Authority

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
OTHER FUNDS:			
PENNSYLVANIA HEALTH INSURANCE EXCHANGE FUND:			
General Government Operations (EA)	\$ 40,000	\$ 40,838	\$ 52,322
(F)Transitioning to State-Based Exchange (EA)	24,121	26,041	19,500
Transfer to Reinsurance Fund (EA)	31,260	29,400	44,400
PENNSYLVANIA HEALTH INSURANCE EXCHANGE FUND TOTAL	\$ 95,381	\$ 96,279	\$ 116,222

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
HEALTH INSURANCE EXCHANGE:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS	95,381	96,279	116,222	117,582	117,582	117,582	117,582
DEPARTMENT TOTAL	\$ 95,381	\$ 96,279	\$ 116,222	\$ 117,582	\$ 117,582	\$ 117,582	\$ 117,582

Program: Health Insurance Exchange

Goal: To serve Pennsylvania’s individual health insurance market customers without disruption, operate a state-based exchange, and support the needs of consumers purchasing health insurance in the individual market while ensuring the stability and affordability of the health and dental offerings available through the Pennsylvania Health Insurance Exchange Authority.

The [Pennsylvania Health Insurance Exchange Authority \(PHIEA\)](#) is a state-affiliated entity established by [Act 42 of 2019](#) to create a state-based insurance exchange, reduce costs, and better support the needs of consumers purchasing health insurance in the individual market. PHIEA’s technology platform and customer service operations, called [Pennie™](#), have replaced the federal marketplace for Pennsylvanians enrolling in health and dental coverage. As such, PHIEA plays a critical role in ensuring the stability, affordability, and accessibility of the individual health insurance market for the benefit of hundreds of thousands of Pennsylvanians who rely on the health insurance exchange.

PHIEA serves as an unbiased resource for Pennsylvanians enrolling in individual market health coverage and accessing financial assistance to help pay for premiums. It partners with insurance brokers, carriers, providers, navigators, and consumer advocates to provide a consumer-friendly shopping experience to help residents select the best coverage to suit their needs and budgets. PHIEA is governed by a board of directors made up of gubernatorial and legislative appointees as well as cabinet members.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	General Government Operations (EA)		Transfer to Reinsurance Fund (EA)
\$ 4,943	—to continue current program.	\$ 15,000	—to provide for Reinsurance Program payments.
<u>6,541</u>	—to reflect change in federal earnings.		
11,484	<i>Appropriation Increase</i>		

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PENNSYLVANIA HEALTH INSURANCE EXCHANGE FUND:							
General Government Operations (EA)	\$ 40,000	\$ 40,838	\$ 52,322	\$ 53,682	\$ 53,682	\$ 53,682	\$ 53,682
Transfer to Reinsurance Fund (EA)....	<u>31,260</u>	<u>29,400</u>	<u>44,400</u>	<u>44,400</u>	<u>44,400</u>	<u>44,400</u>	<u>44,400</u>
TOTAL PENNSYLVANIA HEALTH INSURANCE EXCHANGE FUND	<u>\$ 71,260</u>	<u>\$ 70,238</u>	<u>\$ 96,722</u>	<u>\$ 98,082</u>	<u>\$ 98,082</u>	<u>\$ 98,082</u>	<u>\$ 82,300</u>



LABOR AND INDUSTRY

The mission of the [Department of Labor and Industry \(L&I\)](#) is to foster a workforce system that improves the quality of life and promotes economic prosperity; encourages labor-management cooperation; ensures safety, accessibility, independence, and financial stability; and prepares the Commonwealth's workforce for the jobs of today and tomorrow. L&I's diverse team of compassionate, respectful, and hardworking public servants partners with labor and industry to consistently meet their needs in a fair, ethical, fiscally responsible, and responsive manner.

The mission is accomplished through programs that protect the health, welfare, and safety of workers; provide meaningful job training and placement services; stabilize the incomes of injured, disabled, or unemployed workers; and facilitate labor-management cooperation.

Programs and Goals

Community and Occupational Safety and Stability: To further economic development in the Commonwealth by promoting the health, welfare, and safety of employees and acting to maintain continuous production and employment through mediation.

Workers' Compensation and Unemployment Assistance: To further economic development in the Commonwealth by stabilizing the incomes of employees who become injured or unemployed.

Workforce Investment: To provide meaningful job training and placement services in a coordinated role with other Commonwealth agencies, the private sector, and the federal government in order to secure unsubsidized employment for unemployed Pennsylvanians.

Vocational Rehabilitation: To enable eligible persons with disabilities to obtain competitive employment.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	ACTUAL	AVAILABLE	BUDGET

GENERAL FUND:

General Government:

General Government Operations	\$ 15,038	\$ 16,838	\$ 16,838
(F)Disability Determination	155,439	160,147	161,622
(F)Community Service and Corps	15,380	18,463	21,110
(F)WIOA-Administration	9,077	11,000	11,000
(F)IIJA-General Operations (EA)	366	991	678
(F)IIJA-State Digital Equity	-	-	650
(F)IRA-General Operations (EA)	34	92	322
(F)New Hires	1,701	1,701	1,701
(F)DUA Administration Payments (EA)	23	90	-
(A)Interpreter Registry	13	80	80
(R)Vending Machine Proceeds	58	250	250
Subtotal	<u>\$ 197,129</u>	<u>\$ 209,652</u>	<u>\$ 214,251</u>
Occupational and Industrial Safety	3,573	4,457	6,209
(F)Lead Certification and Accreditation	494	494	494
(A)Inspection Fees	10,000	10,000	10,000
(R)Asbestos and Lead Certification (EA)	2,025	2,025	2,025
Subtotal	<u>\$ 16,092</u>	<u>\$ 16,976</u>	<u>\$ 18,728</u>
Subtotal - State Funds	<u>\$ 18,611</u>	<u>\$ 21,295</u>	<u>\$ 23,047</u>
Subtotal - Federal Funds	182,514	192,978	197,577
Subtotal - Augmentations	10,013	10,080	10,080
Subtotal - Restricted	2,083	2,275	2,275
Total - General Government	<u>\$ 213,221</u>	<u>\$ 226,628</u>	<u>\$ 232,979</u>

Grants and Subsidies:

Occupational Disease Payments	\$ 101	\$ 86	\$ 87
Transfer to Vocational Rehabilitation Fund	47,942	48,718	53,718
Supported Employment	397	397	397
Centers for Independent Living	2,634	2,634	3,634
Workers' Compensation Payments	200	200	185
New Choices/New Options	1,000	1,000	1,000
Assistive Technology Financing	1,000	1,000	1,000
Assistive Technology Demonstration and Training	850	850	850
(F)WIOA-Dislocated Workers	94,393	109,000	109,000
(F)WIOA-Youth Employment and Training	68,931	84,000	84,000
(F)WIOA-Adult Employment and Training	49,868	50,000	50,000
(F)WIOA-Statewide Activities	29,384	30,000	30,000
(F)Reed Act-Employment Services	5,000	5,000	5,000

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(F)Reed Act-Unemployment Insurance.....	3,816	3,816	3,500
(F)TANFBG-Youth Employment and Training	25,000	25,000	25,000
(F)Comprehensive Workforce Development (EA).....	2,065	2,561	2,561
Subtotal.....	<u>\$ 278,457</u>	<u>\$ 309,377</u>	<u>\$ 309,061</u>
Industry Partnerships.....	2,813	2,813	7,813
Schools-to-Work	3,500	3,500	3,500
Apprenticeship Training	10,500	12,500	10,000
Subtotal - State Funds.....	\$ 70,937	\$ 73,698	\$ 82,184
Subtotal - Federal Funds.....	278,457	309,377	309,061
Total - Grants and Subsidies.....	<u>\$ 349,394</u>	<u>\$ 383,075</u>	<u>\$ 391,245</u>
STATE FUNDS.....	\$ 89,548	\$ 94,993	\$ 105,231
FEDERAL FUNDS.....	460,971	502,355	506,638
AUGMENTATIONS	10,013	10,080	10,080
RESTRICTED.....	2,083	2,275	2,275
GENERAL FUND TOTAL	<u>\$ 562,615</u>	<u>\$ 609,703</u>	<u>\$ 624,224</u>
OTHER FUNDS:			
ADMINISTRATION FUND:			
Administration of Unemployment Compensation (EA).....	\$ 600	\$ 600	\$ 600
(F)Administration of Unemployment Compensation (EA)	160,000	215,000	171,000
(F)COVID-Administration of Unemployment Compensation (EA).....	4,565	1,071	-
(F)COVID-Pandemic Unemployment Assistance Admin (EA)	6,736	-	-
(F)COVID-Pandemic Emergency Unemployment Comp Admin (EA).....	2,394	-	-
Workforce Development (EA).....	640	640	640
(F)Workforce Development (EA).....	93,219	93,219	93,219
(A)Reimbursements-DHS PACSES Interface.....	50	66	66
ADMINISTRATION FUND TOTAL	<u>\$ 268,204</u>	<u>\$ 310,596</u>	<u>\$ 265,525</u>
SPECIAL ADMINISTRATION FUND:			
Administration of Unemployment (EA).....	\$ 14,000	\$ 14,000	\$ 14,000
EMPLOYMENT FUND FOR THE BLIND:			
General Operations.....	\$ 175	\$ 500	\$ 500
HAZARDOUS MATERIAL RESPONSE FUND:			
(R)Hazardous Material Response Administration	\$ 61	\$ 517	\$ 517
REHABILITATION CENTER FUND:			
General Operations.....	\$ 38,230	\$ 30,000	\$ 30,000

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
STATE WORKERS' INSURANCE FUND:			
State Workers' Insurance Fund	\$ 164,997	\$ 215,020	\$ 215,020
UNEMPLOYMENT COMPENSATION CONTRIBUTION FUND:			
(R)Reemployment Services (EA)	\$ 13,269	\$ 15,000	\$ 15,000
(R)Service and Infrastructure Improvement (EA)	108,268	73,000	104,354 ^a
UNEMPLOYMENT COMPENSATION CONTRIBUTION FUND TOTAL	\$ 121,537	\$ 88,000	\$ 119,354
VOCATIONAL REHABILITATION FUND:			
General Operations (EA)	\$ - ^b	\$ - ^b	\$ - ^b
(F)Vocational Rehabilitation Services (EA)	181,888	188,228	191,756
VOCATIONAL REHABILITATION FUND TOTAL	\$ 181,888	\$ 188,228	\$ 191,756
WORKERS' COMPENSATION ADMINISTRATION FUND:			
Administration of Workers' Compensation	\$ 75,802	\$ 87,302	\$ 75,802
(A)Conference Fees	296	300	300
WORKERS' COMPENSATION ADMINISTRATION FUND TOTAL	\$ 76,098	\$ 87,602	\$ 76,102
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ 89,548	\$ 94,993	\$ 105,231
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	460,971	502,355	506,638
AUGMENTATIONS	10,013	10,080	10,080
RESTRICTED	2,083	2,275	2,275
OTHER FUNDS	865,190	934,463	912,774
TOTAL ALL FUNDS	\$ 1,427,805	\$ 1,544,166	\$ 1,536,998

^a This budget includes a new Service and Infrastructure Improvement reauthorization of \$104,354,000 for 2025-26 to continue Unemployment Compensation program operations.

^b The General Fund transfer to Vocational Rehabilitation Fund not added to avoid double counting. General Operations (EA) for 2023-24 Actual is \$47,942,000, 2024-25 Available is \$48,718,000, and 2025-26 Budget is \$53,718,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
COMMUNITY AND OCCUPATIONAL SAFETY AND STABILITY:							
GENERAL FUND.....	\$ 18,611	\$ 21,295	\$ 23,047	\$ 23,646	\$ 23,646	\$ 23,646	\$ 23,646
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	15,874	18,957	21,604	21,604	21,604	21,604	21,604
AUGMENTATIONS	10,013	10,080	10,080	10,080	10,080	10,080	10,080
RESTRICTED.....	2,025	2,025	2,025	2,025	2,025	2,025	2,025
OTHER FUNDS.....	61	517	517	80	80	80	80
SUBCATEGORY TOTAL....	\$ 46,584	\$ 52,874	\$ 57,273	\$ 57,435	\$ 57,435	\$ 57,435	\$ 57,435
WORKERS' COMPENSATION AND UNEMPLOYMENT ASSISTANCE:							
GENERAL FUND.....	\$ 301	\$ 286	\$ 272	\$ 272	\$ 272	\$ 272	\$ 272
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	164,278	169,053	170,122	170,122	170,122	170,122	170,122
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	537,658	606,293	581,076	559,264	570,616	579,918	590,919
SUBCATEGORY TOTAL....	\$ 702,237	\$ 775,632	\$ 751,470	\$ 729,658	\$ 741,010	\$ 750,312	\$ 761,313
WORKFORCE INVESTMENT:							
GENERAL FUND.....	\$ 17,813	\$ 19,813	\$ 22,313	\$ 22,313	\$ 22,313	\$ 22,313	\$ 22,313
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	280,819	314,345	314,912	315,640	314,262	314,262	314,262
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	107,178	108,925	108,925	108,925	108,925	108,925	108,925
SUBCATEGORY TOTAL....	\$ 405,810	\$ 443,083	\$ 446,150	\$ 446,878	\$ 445,500	\$ 445,500	\$ 445,500
VOCATIONAL REHABILITATION:							
GENERAL FUND.....	\$ 52,823	\$ 53,599	\$ 59,599	\$ 59,599	\$ 59,599	\$ 59,599	\$ 59,599
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	58	250	250	250	250	250	250
OTHER FUNDS.....	220,293	218,728	222,256	222,256	222,256	222,256	222,256
SUBCATEGORY TOTAL....	\$ 273,174	\$ 272,577	\$ 282,105	\$ 282,105	\$ 282,105	\$ 282,105	\$ 282,105

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
ALL PROGRAMS:							
GENERAL FUND.....	\$ 89,548	\$ 94,993	\$ 105,231	\$ 105,830	\$ 105,830	\$ 105,830	\$ 105,830
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	460,971	502,355	506,638	507,366	505,988	505,988	505,988
AUGMENTATIONS	10,013	10,080	10,080	10,080	10,080	10,080	10,080
RESTRICTED.....	2,083	2,275	2,275	2,275	2,275	2,275	2,275
OTHER FUNDS.....	865,190	934,463	912,774	890,525	901,877	911,179	922,180
DEPARTMENT TOTAL	\$ 1,427,805	\$ 1,544,166	\$ 1,536,998	\$ 1,516,076	\$ 1,526,050	\$ 1,535,352	\$ 1,546,353

Program: Community and Occupational Safety and Stability

Goal: To further economic development in the Commonwealth by promoting the health, welfare, and safety of employees and acting to maintain continuous production and employment through mediation.

The [Department of Labor and Industry \(L&I\)](#) administers and enforces a wide range of laws designed to enhance income security, safeguard the health of workers and the general public, protect workers' rights, and promote stable labor relations and labor-management cooperation.

Income Security and Workers' Rights

The department administers and enforces Pennsylvania's [labor laws](#) including the [Minimum Wage Act](#), the [Wage Payment and Collection Law](#), and the [Prevailing Wage Act](#) on publicly paid construction projects. It also enforces the laws protecting certain workers' rights, specifically minors who are employed, seasonal farm laborers, health care workers, and workers misclassified as independent contractors. The department enforces [Act 75 of 2019](#), which prohibits the employment of individuals in the construction industry unauthorized to work in the United States and requires construction industry employers to verify employment eligibility through the federal E-Verify program.

Labor Relations

L&I promotes stable labor relations by mediating public and private disputes pursuant to the Public Employee Relations Act and the National Labor Relations Act. Additionally, the department provides grievance mediation services, assists public and private sector employers and unions in forming and operating labor-management committees, and offers labor-management communications training.

The [Pennsylvania Labor Relations Board](#) enforces and implements Pennsylvania laws which relate to collective bargaining in both the public and private sectors, including the [Pennsylvania Labor Relations Act](#), the [Public Employee Relations Act](#), and [Act 111 of 1968](#) (police and firefighter collective bargaining). The board also selects collective bargaining representatives, prevents unfair practices in the public sector, and helps to resolve collective bargaining disputes by creating arbitration panels and appointing fact finders.

Public Health and Safety

The department enforces and administers a variety of [public safety](#) statutes and regulations which address building construction and accessibility, elevators, boilers, liquefied petroleum gas, flammable and combustible liquids, employee safety with regard to hazardous chemicals, accreditation and certification in lead-based paint and asbestos occupations, and the testing and certification for people charged with enforcing the [Uniform Construction Code](#). Additionally, L&I administers the [Hazardous Material Emergency Planning & Response Act](#) by collecting Tier II hazardous chemical inventory report data, material safety data sheets, and site plans from every Pennsylvania employer.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	Occupational and Industrial Safety
\$ 1,752	—to continue current program.

Program: Community and Occupational Safety and Stability, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 15,038	\$ 16,838	\$ 16,838	\$ 17,276	\$ 17,276	\$ 17,276	\$ 17,276
Occupational and Industrial Safety	3,573	4,457	6,209	6,370	6,370	6,370	6,370
TOTAL GENERAL FUND	\$ 18,611	\$ 21,295	\$ 23,047	\$ 23,646	\$ 23,646	\$ 23,646	\$ 23,646

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase compliance with labor laws.							
Wages collected by Bureau of Labor Law Compliance under Minimum Wage Act, Wage Payment and Collection Law, and Prevailing Wage Act (in millions).....	\$ 5.1	7.7	5.1	5.0	3.0	6.1	6.1

Program: Workers' Compensation and Unemployment Assistance

Goal: To further economic development in the Commonwealth by stabilizing the incomes of employees who become injured or unemployed.

The department provides income and medical services security to qualifying individuals, including workers' compensation, unemployment compensation, occupational disease payments, and Social Security disability payments.

[Workers' compensation](#) insurance provides wage loss benefits and payments for medical services to employees for injuries or diseases sustained while on the job. Occupational disease payments are made under the [Workers' Compensation Act](#) and the [Occupational Disease Act](#), primarily to workers with silicosis and related diseases, commonly referred to as "black lung."

Act 54 of 2024 provides additional state funds from the Service and Infrastructure Improvement Fund for the administration of [unemployment compensation](#). Revenues in the account are derived from a portion of employee unemployment compensation taxes. The funding is intended to support the operations of the unemployment compensation system and maintain adequate service levels during the implementation and initial deployment of technological upgrades.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND:		WORKERS' COMPENSATION ADMINISTRATION FUND:	
Occupational Disease Payments		Administration of Workers' Compensation	
\$ 1	—to continue current program based on payment requirements.	\$ (11,500)	—nonrecurring costs.
Workers' Compensation Payments			
\$ (15)	—to continue current program based on payment requirements.		

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
GENERAL FUND:							
Occupational Disease Payments.....	\$ 101	\$ 86	\$ 87	\$ 87	\$ 87	\$ 87	\$ 87
Workers' Compensation Payments.....	200	200	185	185	185	185	185
TOTAL GENERAL FUND.....	\$ 301	\$ 286	\$ 272	\$ 272	\$ 272	\$ 272	\$ 272
WORKERS' COMPENSATION ADMINISTRATION FUND:							
Administration of Workers' Compensation.....	\$ 75,802	\$ 87,302	\$ 75,802	\$ 77,773	\$ 77,773	\$ 77,773	\$ 77,773

Program: Workers' Compensation and Unemployment Assistance, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated	
Reduce the cost of paying unemployment compensation claims and collecting UC taxes while improving services for claimants and employers.								
Percentage of first payments within two weeks following the first week claims could be paid	%	68 ^a	54 ^a	41 ^a	46	56	75	85
Percentage of eligibility determinations within three weeks of discovering that there was an issue to be investigated...	%	69	12 ^a	46 ^a	40	34	70	80
Reduce the number of Pennsylvania's workplace injury fatalities through increased safety and health training and outreach initiatives.								
Workplace injury fatalities		96	96	80	43	63	65	65
Free workplace safety and health training and outreach events		433	692	733	694	580	625	650
Attendees at workplace safety and health training and outreach events.....		44,870	41,214	34,499	30,233	28,656	27,000	30,000

^a Actual year measure data has been updated to reflect the most current state and national databases.

Program: Workforce Investment

Goal: To provide meaningful job training and placement services in a coordinated role with other Commonwealth agencies, the private sector, and the federal government in order to secure unsubsidized employment for unemployed Pennsylvanians.

L&I oversees [workforce development programs](#) serving job seekers, incumbent workers, and employers as part of a workforce development system delivering a range of employment, training, and labor market information services statewide. The department coordinates with other state agencies and local partners to deliver workforce development services. Programs help individuals (including unemployed individuals and people receiving Temporary Assistance for Needy Families) develop skills, find suitable employment in family-sustaining jobs, and advance along career pathways. The workforce development system also helps employers find and develop the talent they need to grow and thrive.

Workforce Innovation and Opportunity Act

Most workforce development system activities are driven by the federal [Workforce Innovation and Opportunity Act \(WIOA\)](#) of 2014. WIOA helps job seekers and workers access employment, education, training, and support services to succeed in the labor market and match employers with skilled workers they need to compete in the global economy.

Labor Market Information

The [Center for Workforce Information & Analysis](#) disseminates labor market information through diverse products covering employment data, hiring trends, and other economic indicators.

PA CareerLink®

[PA CareerLink®](#) is a one-stop workforce development system that improves services for businesses, job seekers, and other customers by integrating systems and coordinating services.

Industry Partnerships

[Industry Partnerships](#) are cohorts of businesses, from the same industry and in a shared labor market region, that work with economic development, education, workforce development, organized labor, and community organizations to address the overall competitiveness needs of the targeted industry. The connections among partners catalyze the sharing of best practices, improving communications, the sharing of resources, and the collective strengthening of regional economies.

Apprenticeship and Training Office

L&I provides outreach and technical support in accordance with the [Pennsylvania Apprenticeship and Training Act](#) and regulations. The department evaluates employment, education, and economic needs in a specific geographic area to create operational plans. L&I certifies current apprenticeship and training programs, collects data, and maintains records of agreements with the goals of growing the number of Pennsylvania registered apprenticeship opportunities, educating employers and job seekers about the benefits of registered apprenticeships, and expanding apprenticeships into non-traditional areas.

Workforce Development Administration

The department posts grant opportunities focused on supporting training and employment services.

PA Workforce Development Board

The [PA Workforce Development Board](#) is the Governor's private sector policy advisor on building a strong workforce development system aligned with state education and economic development goals. Most of its members are appointed by the Governor and represent a variety of workforce development stakeholders, including business executives, labor officials, education leaders, economic development practitioners, and local elected officials. In addition, five state agency cabinet secretaries and four members of the General Assembly serve on the board.

Program: Workforce Investment, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Industry Partnerships
 \$ 5,000 —Initiative—to address shortages in the nursing profession.

Apprenticeship Training
 \$ (2,500) —funding reduction.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
New Choices/New Options ...	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Industry Partnerships.....	2,813	2,813	7,813	7,813	7,813	7,813	7,813
Schools-to-Work	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Apprenticeship Training	10,500	12,500	10,000	10,000	10,000	10,000	10,000
TOTAL GENERAL FUND	\$ 17,813	\$ 19,813	\$ 22,313	\$ 22,313	\$ 22,313	\$ 22,313	\$ 22,313

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase the number of Pennsylvanians able to obtain, retain, and advance in 21st-century careers, as well as improve the global competitiveness of Pennsylvania's employers.							
Employment rate for youth beneficiaries of Workforce Innovation and Opportunity Act	%	70	64	67	73	75	76
Employment rate for adult beneficiaries of Workforce Innovation and Opportunity Act	%	77	69	71	78	79	80
Active registered apprentices	^a	18,028	18,718	18,706	18,675	19,525	20,500

^a Actual year measure data has been updated to reflect the most current state and national databases.

Program: Vocational Rehabilitation

Goal: To enable eligible persons with disabilities to obtain competitive employment.

L&I assists Pennsylvanians with disabilities to secure and maintain employment and independence. The department’s Vocational Rehabilitation program is both state and federally funded, with every state dollar invested leveraging up to four dollars in federal funds.

Primary emphasis is placed on serving individuals with the most significant disabilities. These individuals generally require extensive, comprehensive, and unique services over an extended period. L&I utilizes a significant portion of funding for [training and supported employment services](#). WIOA requires the department to reserve 15 percent of its federal vocational rehabilitation award for Pre-Employment Transition Services to serve students with disabilities who are eligible or potentially eligible for services to transition from secondary to postsecondary education programs and employment.

L&I’s strategic objectives focus on:

- Employment opportunities for individuals with disabilities through the development of innovative and collaborative programs created in partnership with industries;
- Youth with disabilities successfully completing secondary education and entering the labor market;
- Students with disabilities served by collaborating with local education entities, career and technology centers, families, and other stakeholders;
- Work-based learning experiences for students with disabilities while they are enrolled in secondary education; and
- Comprehensive workforce system enhancements through increased collaboration, physical and programmatic accessibility, and data sharing between workforce partner agencies - Departments of Health, Human Services, and Education.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Transfer to Vocational Rehabilitation Fund
 \$ 5,000 —Initiative—to help maintain services for Pennsylvanians with disabilities seeking employment.

Centers for Independent Living
 \$ 1,000 —Initiative—to provide additional support for state-funded Centers for Independent Living (CILs).

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Transfer to Vocational Rehabilitation Fund.....	\$ 47,942	\$ 48,718	\$ 53,718	\$ 53,718	\$ 53,718	\$ 53,718	\$ 53,718
Supported Employment	397	397	397	397	397	397	397
Centers for Independent Living.....	2,634	2,634	3,634	3,634	3,634	3,634	3,634
Assistive Technology Financing	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Assistive Technology Demonstration and Training.....	850	850	850	850	850	850	850
TOTAL GENERAL FUND	\$ 52,823	\$ 53,599	\$ 59,599	\$ 59,599	\$ 59,599	\$ 59,599	\$ 59,599

Program: Vocational Rehabilitation, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase the employment potential and personal independence of persons with disabilities.							
Individuals receiving financial aid for training	2,737	2,087	1,974	2,787	3,858	3,500	3,500
Students receiving Pre-Employment Transition Services	22,327	14,353	14,284	19,247 ^a	20,795	15,000	15,000
Eligible participants with active plans ...	42,283	34,781	35,584	29,518 ^a	34,163	32,000	32,000
Participants successfully placed into competitive integrated employment	6,953	4,773	5,377	5,654	6,002	6,000	6,000
Persons successfully completing independent living/specialized services	1,292	600	756	878 ^a	954	1,000	1,000

^a Actual year measure data has been updated to reflect the most current state and national databases.



LIQUOR CONTROL BOARD

The mission of the [Pennsylvania Liquor Control Board \(PLCB\)](#) is to responsibly sell wine and spirits as a retailer and wholesaler, regulate Pennsylvania's alcohol industry, promote alcohol education and social responsibility, and maximize financial returns for the benefit of all Pennsylvanians.

The board regulates the manufacture, importation, sale, distribution, and disposition of liquor, alcohol, and malt or brewed beverages in the Commonwealth.

PLCB revenues from licensing fees and the sale of wines and spirits cover the cost of merchandise sold and all operating and administrative expenses, as well as funding for alcohol education, enforcement, and misuse programs. Remaining proceeds from operations are transferred annually to the Commonwealth's General Fund.

Programs and Goals

Liquor Control: *To responsibly sell wine and spirits as a retailer and wholesaler, regulate Pennsylvania's alcohol industry, promote alcohol education and social responsibility, and maximize financial returns for the benefit of all Pennsylvanians.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26
ACTUAL AVAILABLE BUDGET

OTHER FUNDS:

STATE STORES FUND:

General Operations (EA).....	\$ 761,009	\$ 840,232	\$ 800,893
(A)Sale of Automobiles.....	-	20	20
Purchase of Liquor (EA).....	1,706,300	1,757,200	1,792,596
Comptroller Operations (EA).....	6,353	6,650	6,650
Transfer for Wine, Beer, and Spirits Boards (EA).....	-	3,000	3,000
Transfer to the General Fund (EA).....	185,100	185,100	185,100
STATE STORES FUND TOTAL.....	\$ 2,658,762	\$ 2,792,202	\$ 2,788,259

Program Funding Summary

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26 2026-27 2027-28 2028-29 2029-30
Actual Available Budget Estimated Estimated Estimated Estimated

LIQUOR CONTROL:

GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	2,658,762	2,792,202	2,788,259	2,845,107	2,881,676	2,918,976	2,957,022
DEPARTMENT TOTAL	\$ 2,658,762	\$ 2,792,202	\$ 2,788,259	\$ 2,845,107	\$ 2,881,676	\$ 2,918,976	\$ 2,957,022

Program: Liquor Control

Goal: To responsibly sell wine and spirits as a retailer and wholesaler, regulate Pennsylvania's alcohol industry, promote alcohol education and social responsibility, and maximize financial returns for the benefit of all Pennsylvanians.

Retail Sales of Alcohol

The [Pennsylvania Liquor Control Board \(PLCB\)](#) is the primary retailer of wines and spirits in Pennsylvania, operating Fine Wine & Good Spirits stores, including Premium Collection stores, as well as Licensee Service Centers. The board also offers online sales of wine and spirits delivered to consumers' homes or stores of their choice through their website, [FWGS.com](#). The PLCB aims to provide a wide variety of quality wines and spirits at competitive prices that will appeal to a demographically diverse population of Pennsylvanians. If the board does not carry products consumers seek, it strives to make those products available through special orders, whereby the PLCB facilitates sales between wine and spirits suppliers and customers.

Wholesale Distribution of Alcohol to Licensees

As the wholesaler of wine and spirits to thousands of licensees, the board is committed to partnering with licensees in building collaborative relationships, developing innovative delivery and product offerings, and effectively and efficiently coordinating distribution of alcohol in ways that meet wholesale customers' needs.

Licensees can order products through the [Licensee Online Order Portal \(LOOP\)](#), one of the Licensee Service Centers, or from retail stores. Licensees ordering in larger volume can participate in the PLCB's Licensee Delivery program, which offers a trailer drop program and direct delivery to licensee locations from board distribution centers.

The PLCB's Wholesale Operations division also actively manages product needs for the growing number of wine-to-go retailers in Pennsylvania, including hundreds of grocery and convenience stores across the state.

Licensing

The board licenses and regulates retail and wholesale licensees in the Commonwealth, processes applications for various license and permit authorities, and conducts thousands of investigations each year.

While the PLCB is responsible for issuing and renewing liquor licenses, enforcement of liquor laws is the responsibility of the [Pennsylvania State Police Bureau of Liquor Control Enforcement](#). The board can, however, refuse to renew a license, and has limited authority, through the [Licensee Compliance](#) program, to conduct on-site inspections of establishments and immediately suspend a license if a licensee fails to meet certain license requirements. The PLCB also has a nuisance bar program that utilizes partnerships with the local community, law enforcement agencies, and government entities to build evidence when a licensee has abused license privileges for use during the license renewal process. The board continues to offer multiple opportunities for expired restaurant licenses each year to individuals and entities seeking to obtain these licenses.

Alcohol Education

The PLCB [educates](#) the public on the responsible use of alcohol, focusing on three key pillars: delivering no-use and zero tolerance messages to those under the age of 21, encouraging responsible consumption for those over 21, and promoting responsible alcohol service and practices among licensees.

The board educates the public about the dangers of underage and hazardous drinking through a variety of avenues, including a free alcohol education [conference](#), the creation and distribution of a wide range of educational materials, and training and technical assistance for organizations working to reduce issues related to irresponsible consumption.

The PLCB offers funding for [educational grants](#) that enable schools, colleges, community organizations, and law enforcement agencies to combat underage and dangerous drinking. Additionally, the [Responsible Alcohol Management Program \(RAMP\)](#), offers responsible service training to Pennsylvania licensees.

The board also provides an alcohol education and prevention campaign targeting Pennsylvania parents of children ages 8 through 12, called [Know When. Know How](#). The objective of the campaign is to prevent underage drinking by providing parents with the information, tools, and confidence they need to begin having meaningful and effective conversations about alcohol at an early age before trial or use of alcohol begins.

Program: Liquor Control, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>General Operations (EA)</p> <p>\$ (39,339) —to continue current program.</p>	<p>Purchase of Liquor (EA)</p> <p>\$ 35,396 —for inventory costs.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
STATE STORES FUND:							
General Operations (EA) ...	\$ 761,009	\$ 840,232	\$ 800,893	\$ 821,716	\$ 821,716	\$ 821,716	\$ 821,716
Purchase of Liquor (EA)	1,706,300	1,757,200	1,792,596	1,828,448	1,865,017	1,902,317	1,940,363
Comptroller Operations (EA).....	6,353	6,650	6,650	6,823	6,823	6,823	6,823
Transfer for Wine, Beer, and Spirits Boards (EA)	-	3,000	3,000	3,000	3,000	3,000	3,000
Transfer to the General Fund (EA)	185,100	185,100	185,100	185,100	185,100	185,100	185,100
TOTAL STATE STORES FUND	<u>\$2,658,762</u>	<u>\$2,792,182</u>	<u>\$2,788,239</u>	<u>\$2,845,087</u>	<u>\$2,881,656</u>	<u>\$2,918,956</u>	<u>\$2,957,002</u>

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase revenue contributions to the General Fund by maximizing returns.							
Pennsylvania State Liquor Stores.....	598	594	586	586	584	586	587
Gross sales (in thousands, excluding liquor taxes and sales taxes)	\$ 2,077,840	2,237,109	2,427,021	2,537,413	2,521,149	2,739,950	2,794,749
Total contributions from State Stores Fund (in thousands, including liquor taxes, sales taxes, and General Fund transfer)	\$ 703,530	774,460	796,684	813,155	823,096	829,509	854,562
Increase the number of individuals that receive alcohol education to promote moderation and avoidance of abuse among legal consumers, and prevention of purchase and consumption by minors.							
Alcohol education grants awarded.....	50	82	83	97	97	102	86
Alcohol education grant money awarded (in thousands)	\$ 817	1,400	1,388	1,698	1,667	1,701	1,611
Owners/managers receiving Responsible Alcohol Management Program (RAMP) training	5,933	5,577	6,595	6,731	6,643	6,656	7,000
Servers/sellers receiving RAMP training	80,025	70,833	98,851	104,273	108,572	103,899	103,899
Establishments that are RAMP certified	1,713	1,824	1,761	2,229	1,863	1,951	1,951



MILITARY AND VETERANS AFFAIRS

Pennsylvania's [Department of Military and Veterans Affairs \(DMVA\)](#) has a dual mission: to provide quality service to the Commonwealth's veterans and their families, and to oversee and support the members of the [Pennsylvania National Guard \(PNG\)](#).

The department provides resources and assistance to veterans and their families and quality care for aging and disabled veterans.

DMVA prepares the PNG for combat, performing worldwide combat and combat support operations; provides global reach and the projection of United States military power in support of national objectives; and, at the command of the Governor, provides trained personnel to support state and local authorities in times of natural disaster or civil strife.

Programs and Goals

State Military Readiness: To achieve and maintain readiness capability in units of the Pennsylvania National Guard for quick and effective response to state or federal mobilization.

Veterans Homes: To provide nursing and domiciliary care for veterans.

Compensation and Assistance: To provide advisory and financial assistance to eligible Pennsylvania veterans, guard members, and their dependents.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	ACTUAL	AVAILABLE	BUDGET

GENERAL FUND:

General Government:

General Government Operations	\$ 32,990	\$ 36,571	\$ 40,146
(F)Facilities Maintenance	94,000	110,000	115,000
(F)Federal Construction Grants.....	120,000	120,000	80,000
(F)Suicide Mortality Review.....	-	600 ^a	600
(F)Suicide Mortality Review (EA)	-	600	-
(F)State Opioid Response (EA).....	3,500	2,385	-
(A)Utility Reimbursements.....	124	146	146
(A)Housing Fees	91	105	107
(A)IRA Direct Pay Tax Credit Reimbursement.....	-	29	-
(A)Miscellaneous.....	197	101	101
(R)Military Family Relief Assistance.....	69	100	100
(R)State Military Justice	-	1	1
Subtotal.....	<u>\$ 250,971</u>	<u>\$ 270,638</u>	<u>\$ 236,201</u>
Keystone State Challenge Academy.....	2,175	2,175	2,622
Burial Detail Honor Guard.....	187	187	187
American Battle Monuments	50	50	50
Armory Maintenance and Repair.....	2,895	3,145	3,395
Special State Duty	70	70	70
Subtotal - State Funds.....	\$ 38,367	\$ 42,198	\$ 46,470
Subtotal - Federal Funds.....	217,500	233,585	195,600
Subtotal - Augmentations.....	412	381	354
Subtotal - Restricted.....	<u>69</u>	<u>101</u>	<u>101</u>
Total - General Government.....	<u>\$ 256,348</u>	<u>\$ 276,265</u>	<u>\$ 242,525</u>

Institutional:

Veterans Homes.....	\$ 151,169	\$ 161,595	\$ 165,024
(F)Operations and Maintenance	48,913	60,164	72,000
(F)Medical Reimbursements	142	100	100
(F)Enhanced Veterans Reimbursement.....	38,950	38,950	38,950
(F)COVID-Enhanced Veterans Reimbursement (EA).....	4,000	-	-
(A)Residential Fees.....	14,536	14,725	14,800
(A)Aid and Attendance Payments	7,306	7,400	7,470
(A)Pharmaceutical Reimbursements	3,432	2,889	2,651
(A)Estate Collections.....	2,353	2,255	2,100
(A)Physical and Occupational Therapy Reimbursements.....	469	470	470

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(A)Insurance and Third-Party Reimbursements.....	11	14	11
(A)Miscellaneous.....	45	9	9
Subtotal.....	\$ 271,326	\$ 288,571	\$ 303,585
Subtotal - State Funds.....	\$ 151,169	\$ 161,595	\$ 165,024
Subtotal - Federal Funds.....	92,005	99,214	111,050
Subtotal - Augmentations.....	28,152	27,762	27,511
Total - Institutional.....	\$ 271,326	\$ 288,571	\$ 303,585
Grants and Subsidies:			
Education of Veterans Children.....	\$ 135	\$ 320 ^b	\$ 350
Transfer to Educational Assistance Program Fund.....	13,525	13,525	14,525
Blind Veterans Pension.....	222	222	222
Amputee and Paralyzed Veterans Pension.....	3,951	4,173	4,559
National Guard Pension.....	5	5	5
Supplemental Life Insurance Premiums.....	164	164	164
Civil Air Patrol.....	100	100	120
Disabled American Veterans Transportation.....	336	336	336
Veterans Outreach Services.....	4,378	4,802	4,922
Total - Grants and Subsidies.....	\$ 22,816	\$ 23,647	\$ 25,203
STATE FUNDS.....	\$ 212,352	\$ 227,440	\$ 236,697
FEDERAL FUNDS.....	309,505	332,799	306,650
AUGMENTATIONS.....	28,564	28,143	27,865
RESTRICTED.....	69	101	101
GENERAL FUND TOTAL.....	\$ 550,490	\$ 588,483	\$ 571,313
OTHER FUNDS:			
EDUCATIONAL ASSISTANCE PROGRAM FUND:			
National Guard Education (EA).....	\$ 1,295 ^c	\$ 3,415 ^c	\$ 3,183 ^c
(R)Military Family Education (EA).....	-	-	-
EDUCATIONAL ASSISTANCE PROGRAM FUND TOTAL.....	\$ 1,295	\$ 3,415	\$ 3,183
PENNSYLVANIA VETERANS MONUMENTS AND MEMORIAL TRUST FUND:			
Veterans Memorial (EA).....	\$ 95	\$ 95	\$ 95
STATE TREASURY ARMORY FUND:			
Armory Improvements.....	\$ 516	\$ 600	\$ 575
VETERANS TRUST FUND:			
Grants and Assistance (EA).....	\$ 1,555	\$ 1,455	\$ 1,600

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ 212,352	\$ 227,440	\$ 236,697
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	309,505	332,799	306,650
AUGMENTATIONS	28,564	28,143	27,865
RESTRICTED	69	101	101
OTHER FUNDS	3,461	5,565	5,453
TOTAL ALL FUNDS	<u>\$ 553,951</u>	<u>\$ 594,048</u>	<u>\$ 576,766</u>

^a Includes recommended supplemental appropriation of \$600,000.

^b Includes recommended supplemental appropriation of \$125,000.

^c The National Guard Education (EA) for 2023-24 Actual is \$12,250,000; 2024-25 Available is \$13,698,000; and 2025-26 Budget is \$13,830,000. The (R)Military Family Education (EA) for 2023-24 Actual is \$2,570,000; 2024-25 Available is \$3,242,000; and 2025-26 Budget is \$3,878,000. The amount of the General Fund transfer into the Educational Assistance Program Fund is not included to avoid double counting.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
STATE MILITARY READINESS:							
GENERAL FUND.....	\$ 36,192	\$ 40,023	\$ 43,848	\$ 44,907	\$ 44,907	\$ 44,907	\$ 44,907
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	217,500	232,385	195,000	195,000	195,000	195,000	195,000
AUGMENTATIONS	412	381	354	337	320	323	326
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	611	695	670	640	635	316	291
SUBCATEGORY TOTAL....	\$ 254,715	\$ 273,484	\$ 239,872	\$ 240,884	\$ 240,862	\$ 240,546	\$ 240,524
VETERANS HOMES:							
GENERAL FUND.....	\$ 151,169	\$ 161,595	\$ 165,024	\$ 169,315	\$ 169,315	\$ 169,315	\$ 169,315
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	92,005	99,214	111,050	111,050	111,050	111,050	111,050
AUGMENTATIONS	28,152	27,762	27,511	27,511	27,511	27,511	27,511
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 271,326	\$ 288,571	\$ 303,585	\$ 307,876	\$ 307,876	\$ 307,876	\$ 307,876
COMPENSATION AND ASSISTANCE:							
GENERAL FUND.....	\$ 24,991	\$ 25,822	\$ 27,825	\$ 31,026	\$ 32,648	\$ 34,794	\$ 35,445
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	1,200	600	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	69	101	101	101	101	101	101
OTHER FUNDS.....	2,850	4,870	4,783	2,354	1,400	1,400	1,340
SUBCATEGORY TOTAL....	\$ 27,910	\$ 31,993	\$ 33,309	\$ 33,481	\$ 34,149	\$ 36,295	\$ 36,886
ALL PROGRAMS:							
GENERAL FUND.....	\$ 212,352	\$ 227,440	\$ 236,697	\$ 245,248	\$ 246,870	\$ 249,016	\$ 249,667
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	309,505	332,799	306,650	306,050	306,050	306,050	306,050
AUGMENTATIONS	28,564	28,143	27,865	27,848	27,831	27,834	27,837
RESTRICTED.....	69	101	101	101	101	101	101
OTHER FUNDS.....	3,461	5,565	5,453	2,994	2,035	1,716	1,631
DEPARTMENT TOTAL	\$ 553,951	\$ 594,048	\$ 576,766	\$ 582,241	\$ 582,887	\$ 584,717	\$ 585,286

Program: State Military Readiness

Goal: To achieve and maintain readiness capability in units of the Pennsylvania National Guard for quick and effective response to state or federal mobilization.

The [Department of Military and Veterans Affairs \(DMVA\)](#) runs the [State Military Readiness](#) program which provides the administrative, logistical, and training support necessary for the [Pennsylvania National Guard \(PNG\)](#) to maintain requisite readiness capability to serve during emergencies. Such emergencies may result in full or partial mobilization of the PNG for state service in the Commonwealth or federal service anywhere in the world. Costs for military equipment, supplies, and training are funded solely by the federal government. The readiness capability of units is evaluated according to established federal inspection and training standards. Primary efforts are directed toward maintaining the PNG in top readiness condition to perform state and federal missions. The training of personnel is dependent upon the operation, maintenance, and repair of numerous PNG armories and readiness centers, support facilities, Air National Guard bases, and installations. These facilities may also be utilized as mass care centers for disaster victims in addition to providing meeting and recreational facilities for local civic and youth organizations. A statewide communications network provides fast and effective response to state or federal mobilization.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations		Armory Maintenance and Repair	
\$ 3,575	—to continue current program.	\$ 250	—to continue current program while ensuring continued solvency in the State Treasury Armory Fund.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations...	\$ 32,990	\$ 36,571	\$ 40,146	\$ 41,205	\$ 41,205	\$ 41,205	\$ 41,205
Burial Detail Honor Guard.....	187	187	187	187	187	187	187
American Battle Monuments.....	50	50	50	50	50	50	50
Armory Maintenance and Repair ...	2,895	3,145	3,395	3,395	3,395	3,395	3,395
Special State Duty	70	70	70	70	70	70	70
TOTAL GENERAL FUND	\$ 36,192	\$ 40,023	\$ 43,848	\$ 44,907	\$ 44,907	\$ 44,907	\$ 44,907

Military and Veterans Affairs

Program: State Military Readiness, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain the strength and readiness of the Pennsylvania Army National Guard.							
Pennsylvania Army National Guard End Strength Ceiling	13,800	14,655	14,655	14,315	13,260	13,321	13,357
Pennsylvania Army National Guard Assigned	13,863	13,670	13,245	12,960	12,943	13,321	13,587
Percentage of Pennsylvania Army National Guard Current Strength	% 100	93	90	91	98	100	100
Department of Defense personnel receiving training at Fort Indiantown Gap	114,261	103,066	93,177	117,629	135,595	138,310	141,073
Non-Department of Defense personnel receiving training at Fort Indiantown Gap	7,719	4,058	11,287	5,605	7,507	7,880	8,275
Maintain the strength and readiness of the Pennsylvania Air National Guard.							
Pennsylvania Air National Guard End Strength Ceiling	4,126	4,184	4,190	4,114	4,151	4,151	4,151
Pennsylvania Air National Guard Assigned	4,096	4,021	3,951	3,857	3,812	3,950	4,151
Percentage of the Pennsylvania Air National Guard Current Strength	% 99	96	94	94	92	95	100
Maintain a network of readiness centers and Air National Guard bases that provide a professional working environment, ensure cost effectiveness, and establish the National Guard as a good neighbor.							
Percentage of readiness centers and field sites rated adequate to satisfy the mission	% 45	50	46	53	60	58	59

Program: Veterans Homes

Goal: To provide nursing and domiciliary care for veterans.

DMVA provides Pennsylvania veterans with various levels of care at six veterans homes located throughout the Commonwealth. The [Pennsylvania Soldiers and Sailors Home](#) in Erie, the [Hollidaysburg Veterans Home](#) in Duncansville, and the [Southeastern Veterans Center](#) in Spring City provide skilled nursing, dementia/memory care, and domiciliary and personal care. The [Gino J. Merli Veterans Center](#) in Scranton, the [Southwestern Veterans Center](#) in Pittsburgh, and the [Delaware Valley Veterans Home](#) in Philadelphia provide skilled nursing and dementia/memory care.

The United States Department of Veterans Affairs provides financial assistance for care received at the state veterans homes, including a personal needs allowance for residents. DMVA maximizes federal funds and augmentations through participation in the Enhanced Veterans Reimbursement initiative for residents eligible for Medicaid reimbursement, Medicare Part B, Medicare Part D, and PACE/PACENET.

Expenditures by Veterans Home: (Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26		2023-24	2024-25	2025-26
	Actual	Available	Budget		Actual	Available	Budget
Pennsylvania Soldiers and Sailors Home				Southwestern Veterans Center			
State Funds	\$ 19,142	\$ 19,736	\$ 19,834	State Funds	\$ 19,370	\$ 24,648	\$ 22,562
Federal Funds	9,298	10,608	12,188	Federal Funds	14,092	13,623	16,863
Augmentations	3,976	3,618	3,718	Augmentations	3,331	3,213	3,263
TOTAL	\$ 32,416	\$ 33,962	\$ 35,740	TOTAL	\$ 36,793	\$ 41,484	\$ 42,688
Hollidaysburg Veterans Home				Delaware Valley Veterans Home			
State Funds	\$ 33,396	\$ 30,081	\$ 37,273	State Funds	\$ 12,000	\$ 11,832	\$ 16,455
Federal Funds	16,567	20,670	19,623	Federal Funds	16,576	17,837	20,553
Augmentations	6,839	6,724	6,369	Augmentations	4,331	4,370	4,442
TOTAL	\$ 56,802	\$ 57,475	\$ 63,265	TOTAL	\$ 32,907	\$ 34,039	\$ 41,450
Southeastern Veterans Center				Central Veterans Homes Services			
State Funds	\$ 23,076	\$ 26,472	\$ 23,497	State Funds	\$ 23,155	\$ 23,444	\$ 26,180
Federal Funds	17,330	20,961	21,309	Federal Funds	4,079	-	-
Augmentations	5,412	5,496	5,488	Augmentations	-	-	-
TOTAL	\$ 45,818	\$ 52,929	\$ 50,294	TOTAL	\$ 27,234	\$ 23,444	\$ 26,180
Gino J. Merli Veterans Center							
State Funds	\$ 21,030	\$ 25,382	\$ 19,223				
Federal Funds	14,063	15,515	20,514				
Augmentations	4,263	4,341	4,231				
TOTAL	\$ 39,356	\$ 45,238	\$ 43,968				

Program: Veterans Homes, continued

Veterans Home Populations

	Population July 2023	Population July 2024	Projected Population July 2025	Projected Bed Capacity July 2025	Projected % of Capacity July 2025
Veterans Home					
Pennsylvania Soldiers and Sailors Home	150	161	166	207	80.2%
Hollidaysburg Veterans Home	248	251	256	424	60.4%
Southeastern Veterans Center	203	208	218	292	74.7%
Gino J. Merli Veterans Center	161	177	188	196	95.9%
Southwestern Veterans Center.....	142	148	157	236	66.5%
Delaware Valley Veterans Home	156	160	162	171	94.7%
Total	1,060	1,105	1,147	1,526	75.2%

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Veterans Homes
\$ 3,429 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Veterans Homes	<u>\$ 151,169</u>	<u>\$ 161,595</u>	<u>\$ 165,024</u>	<u>\$ 169,315</u>	<u>\$ 169,315</u>	<u>\$ 169,315</u>	<u>\$ 169,315</u>

Program: Compensation and Assistance

Goal: To provide advisory and financial assistance to eligible Pennsylvania veterans, guard members, and their dependents.

- DMVA administers several activities within this program to aid qualified veterans, guard members, and their families.
- [Education of Children of Deceased and Disabled Veterans](#). The program provides financial assistance to children of honorably discharged veterans who have service-connected disabilities and served during a period of war or armed conflict and children of veterans who die or died in service during a period of war or armed conflict.
 - [Educational Assistance — National Guard](#). Tuition grants are provided for certain members of the PNG who enroll in a Pennsylvania institution of higher learning with degree-granting status.
 - [Military Family Education Program](#). PNG members who commit to an additional six years of service can receive ten semesters of higher education benefits for their spouses and children.
 - [Blind Veterans Pension](#). Pensions are provided for Pennsylvania veterans who incurred functional blindness while performing active military service and are rated as blinded through service connection by the U.S. Department of Veterans Affairs (USDVA).
 - [Amputee and Paralyzed Veterans Pension](#). Pensions are provided to Pennsylvania veterans who are rated by the USDVA to have a service-connected loss or loss of use of two or more extremities.
 - [National Guard Pension](#). The program provides compensation for guard members who are injured or disabled or to dependent family members of guard members who die while performing duty in active service to the Commonwealth, or in the performance of other state military duty.
 - [Supplemental Life Insurance Premiums](#). DMVA pays or reimburses the cost not paid by the federal government of group life insurance premiums for eligible soldiers and airmen of the PNG.
 - [Veterans Outreach Services](#). The Veterans Service Organizations program provides grants to veteran service organizations for the improvement of the administration and delivery of services to Pennsylvania veterans.
 - [Disabled Veterans Real Estate Tax Exemption](#). This program provides a real estate tax exemption for any honorably discharged veteran who is determined by the USDVA to be 100 percent permanently disabled and demonstrate financial need.
 - [Military Family Relief Assistance Program](#). The Military Family Relief Assistance Program was created to provide for short-term financial relief to families in need due to deployment of a family member.
 - [Keystone State ChalleNGe Academy](#). The Keystone State ChalleNGe Academy serves young people who are experiencing difficulty in traditional high school through a quasi-military, five-month residential program. Among graduates, the vast majority leave the program with a recognized credential or with credits toward high school graduation.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	Keystone State ChalleNGe Academy		Amputee and Paralyzed Veterans Pension
\$ 447	—to continue current program.	\$ 386	—to continue current program.
	Education of Veterans Children		Civil Air Patrol
\$ 30	—to continue current program.	\$ 20	—to continue current program.
	Transfer to Educational Assistance Program Fund		Veterans Outreach Services
\$ 1,000	—to continue current program.	\$ 120	—to continue current program.

Military and Veterans Affairs

Program: Compensation and Assistance, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
GENERAL FUND:	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Keystone State ChalleNGe Academy	\$ 2,175	\$ 2,175	\$ 2,622	\$ 2,690	\$ 2,690	\$ 2,690	\$ 2,690
Education of Veterans Children	135	320	350	375	401	429	459
Transfer to Educational Assistance Program Fund	13,525	13,525	14,525	17,500	19,000	21,000	21,500
Blind Veterans Pension	222	222	222	222	222	222	222
Amputee and Paralyzed Veterans Pension ..	3,951	4,173	4,559	4,559	4,559	4,559	4,559
National Guard Pension.....	5	5	5	5	5	5	5
Supplemental Life Insurance Premiums	164	164	164	164	164	164	164
Civil Air Patrol	100	100	120	120	120	120	120
Disabled American Veterans Transportation	336	336	336	336	336	336	336
Veterans Outreach Services.....	4,378	4,802	4,922	5,055	5,151	5,269	5,390
TOTAL GENERAL FUND	\$ 24,991	\$ 25,822	\$ 27,825	\$ 31,026	\$ 32,648	\$ 34,794	\$ 35,445

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Improve access and increase the number of eligible veterans and family members who receive federal, state, and local benefits.							
Burial Honors Program services	2,227	3,407	3,424	2,937	3,200	2,989	3,100
Veterans who received benefits in accordance with the Veterans Temporary Assistance (VTA) Program	488	338	414	462	476	490	505
New federal claims for Pennsylvania veterans (compensation and pension claims)	N/A	36,519	38,359	42,285	47,604	49,032	50,503
New claims filed by participants in the Veterans Service Officer Outreach Grant Program (Act 66 of 2007)	N/A	73,284	73,156	73,803	75,134	76,637	78,169
Increase placement and referral opportunities of transitioning service members, veterans, and Pennsylvania reservists for behavioral health, education/training, and career placement services.							
National Guard personnel receiving educational financial aid	1,938	1,880	1,891	2,102	2,180	2,300	2,400
Veterans assisted through Veterans Trust Fund grants.....	15,384	10,922	20,325	17,500	17,500	23,500	23,500
New individuals registered through the Veterans Registry - service in Armed Forces ..	8,655	7,320	5,161	6,765	8,922	11,777	15,546
New individuals registered through the Veterans Registry - no service in Armed Forces.....	290	309	267	255	438	753	1,296
Recipients in the Military Family Education Program	N/A	196	225	268	313	375	450



MILK BOARD

The mission of the [Milk Board](#) is to ensure that Pennsylvania's dairy industry remains viable by providing a regulatory environment that facilitates a safe, adequate supply of wholesome milk, while providing security for its dairy farmers and milk dealers, and protection for the public health and welfare of consumers.

Programs and Goals

Milk Industry Regulation: *To maintain an adequate supply of wholesome fluid milk.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26
 ACTUAL AVAILABLE BUDGET

OTHER FUNDS:

MILK MARKETING FUND:

General Operations \$ 2,840 \$ 2,840 \$ 2,947

Program Funding Summary

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26 2026-27 2027-28 2028-29 2029-30
 Actual Available Budget Estimated Estimated Estimated Estimated

MILK INDUSTRY REGULATION:

GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	2,840	2,840	2,947	3,024	3,024	3,024	3,024
DEPARTMENT TOTAL	\$ 2,840	\$ 2,840	\$ 2,947	\$ 3,024	\$ 3,024	\$ 3,024	\$ 3,024

Program: Milk Industry Regulation

Goal: To maintain an adequate supply of wholesome fluid milk.

The [Milk Board](#) is financed through milk industry licensing fees, permitting fees, and fines. The board supervises, inspects, and regulates the milk industry throughout the Commonwealth, and establishes reasonable trade control and marketing practices. The board formulates policy, holds public hearings, and subsequently issues and enforces general marketing orders, rules, and regulations. The board also handles prosecution and levying of penalties against violators of the [Milk Marketing Law](#), the [Milk Producers' Security Act](#), and [board regulations](#).

The board's major function is to ensure an adequate milk supply by setting minimum prices paid to farmers, minimum prices dealers can charge wholesale and retail customers, and minimum prices stores can charge consumers. Pennsylvania is divided into six milk marketing areas for purposes of establishing minimum wholesale and retail prices. The regulation process is complicated by the existence of federal marketing orders, which are prices established by the federal government that must be paid to producers.

The board generally holds two public hearings each year dealing specifically with Class 1 producer prices; these hearings establish the over-order premium. Additionally, the board holds one hearing each year for each milk marketing area to update costs and minimum prices.

The board has implemented an automated milk accounting and regulatory system. The system values milk based on component pricing by allowing adaptation to changes in the state and federal regulatory environment. [Pricing information](#) collected through the system and from [public hearings](#) is used by the board to establish minimum milk prices.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Operations

\$ 107 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MILK MARKETING FUND:							
General Operations	<u>\$ 2,840</u>	<u>\$ 2,840</u>	<u>\$ 2,947</u>	<u>\$ 3,024</u>	<u>\$ 3,024</u>	<u>\$ 3,024</u>	<u>\$ 3,024</u>

Program Measures:

		2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
		Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain producer payment compliance at or above 99 percent for all payment amounts due to Pennsylvania dairy farmers.								
Percentage of producer payments made adequately and on time	%	99	99	99	99	99	99	99
Audit milk dealers for compliance with milk sales, rules, and regulations.								
Percentage of milk dealers audited for compliance of milk sales, rules, and regulations	%	100	100	100	100	100	100	100



PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

The mission of the [Public School Employees' Retirement System \(PSERS\)](#) is to be a partner with our members to fulfill the promise of a secure retirement.

The system is responsible for administering the Public School Employees' Retirement Fund, the PSERS - Defined Contribution Fund, as well as premium assistance benefits and supplemental retirement allowances for annuitants.

Programs and Goals

Public School Employees' Retirement: To provide retirement benefits to public school employees of the Commonwealth of Pennsylvania.

Public School Employees' Retirement System

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
OTHER FUNDS:			
PUBLIC SCHOOL EMPLOYEES' RETIREMENT FUND:			
Administration.....	\$ 57,489	\$ 61,403	\$ 64,523
Investment Related Expenses.....	34,534	40,682	40,881
(R)Health Insurance Account	1,269	1,285	1,317
PUBLIC SCHOOL EMPLOYEES' RETIREMENT FUND TOTAL.....	\$ 93,292	\$ 103,370	\$ 106,721
PSERS - DEFINED CONTRIBUTION FUND:			
(R)Administration.....	\$ 1,182	\$ 1,282	\$ 1,405
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ -	\$ -	\$ -
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS.....	-	-	-
AUGMENTATIONS	-	-	-
RESTRICTED	-	-	-
OTHER FUNDS.....	94,474	104,652	108,126
TOTAL ALL FUNDS	\$ 94,474	\$ 104,652	\$ 108,126

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
PUBLIC SCHOOL EMPLOYEES' RETIREMENT:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	94,474	104,652	108,126	109,951	109,951	109,951	109,951
DEPARTMENT TOTAL	\$ 94,474	\$ 104,652	\$ 108,126	\$ 109,951	\$ 109,951	\$ 109,951	\$ 109,951

Public School Employees' Retirement System

Program: Public School Employees' Retirement

Goal: To provide retirement benefits to public school employees of the Commonwealth of Pennsylvania.

The [Public School Employees' Retirement System \(PSERS\)](#) was established in 1917 to administer retirement benefits of eligible public school employees. The Public School Employees' Retirement Fund uses contributions from employees and their employers, as well as earnings from investments, to pay for annuities, disability benefits, and administration of the system.

PSERS undergoes an annual independent [actuarial valuation](#) to calculate the assets and liabilities of the pension fund. Based on the actuarial valuation process and legal requirements, PSERS develops the recommended employer contribution rate. Normal retirement for most public school employees is age 60, or at any age with 35 years of service. Retirement is possible after five years of service but is actuarially reduced to the equivalent of the annuity that would have been payable at normal system retirement age.

PSERS' [investment portfolio](#) is diversified to emphasize a long-term investment approach. The system aims to invest its assets to maximize returns based on the level of risk taken and strives to achieve a net-of-fee return that exceeds the [Policy Index](#). The Policy Index is a custom benchmark, based on the PSERS board-established asset allocation structure, that seeks to generate a return that meets the actuarial rate of return assumption.

[Act 5 of 2017](#) implemented a substantial change to PSERS' operations and made significant changes to PSERS' benefit structure for new members. On July 1, 2019, the stand-alone defined benefit plan was discontinued for new members of PSERS but individuals were able to choose one of three retirement plan options for their retirement benefits. The new plan design options include two [hybrid plans](#) consisting of defined benefit and defined contribution components and a stand-alone [defined contribution plan](#).

PSERS is also responsible for the administration of the [Public School Retirees' Health Insurance Account](#) that provides [premium assistance](#) benefits to retirees.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

PUBLIC SCHOOL EMPLOYEES' RETIREMENT FUND:		PSERS - DEFINED CONTRIBUTION FUND:	
Administration		Administration	
\$ 3,120	—to continue current program.	\$ 123	—to continue current program.
Investment Related Expenses			
\$ 199	—to continue current program.		

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PUBLIC SCHOOL EMPLOYEES' RETIREMENT FUND:							
Administration	\$ 57,489	\$ 61,403	\$ 64,523	\$ 66,311	\$ 66,311	\$ 66,311	\$ 66,311
Investment Related Expenses	34,534	40,682	40,881	40,881	40,881	40,881	40,881
TOTAL PUBLIC SCHOOL EMPLOYEES' RETIREMENT FUND	\$ 92,023	\$ 102,085	\$ 105,404	\$ 107,192	\$ 107,192	\$ 107,192	\$ 107,192

Public School Employees' Retirement System

Program: Public School Employees' Retirement, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PSERS - DEFINED CONTRIBUTION FUND:							
(R)Administration	\$ 1,182	\$ 1,282	\$ 1,405	\$ 1,442	\$ 1,442	\$ 1,442	\$ 1,442

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase members' awareness of PSERS benefits.							
Percentage of retiring members attending counseling with PSERS	% 70	60	62	63	64	65	66
Provide timely and accurate retirement benefit payments.							
Retired employees (annuitants), beneficiaries, and survivor annuitants ..	239,614	242,839	246,901	249,724	253,896	256,766	259,718
Pension and Health Care Premium Assistance benefit payments (in billions).....	\$ 7.07	7.27	7.41	7.69	7.71	7.98	8.12



PUBLIC UTILITY COMMISSION

The mission of the [Pennsylvania Public Utility Commission \(PUC\)](#) is to balance the needs of consumers and utilities; ensure safe and reliable utility service at reasonable rates; protect the public interest; educate consumers to make independent and informed utility choices; further economic development; and foster new technologies and competitive markets in an environmentally sound manner.

The commission is comprised of five members appointed by the Governor with Senate confirmation.

Programs and Goals

Regulation of Public Utilities: *To ensure that safe and adequate public utility services are available to the public at fair and reasonable rates.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
(R)General Government Operations	\$ 82,896	\$ 88,386	\$ 95,392
(F)Natural Gas Pipeline Safety.....	4,045	4,200	4,739
(F)Motor Carrier Safety	1,493	2,016	500
(F)IRA-Transmission Siting Program	-	1,500	2,500
Subtotal - Federal Funds.....	5,538	7,716	7,739
Subtotal - Restricted.....	82,896	88,386	95,392
Total - General Government.....	\$ 88,434	\$ 96,102	\$ 103,131
FEDERAL FUNDS.....	5,538	7,716	7,739
RESTRICTED.....	82,896	88,386	95,392
GENERAL FUND TOTAL	\$ 88,434	\$ 96,102	\$ 103,131
OTHER FUNDS:			
MARCELLUS LEGACY FUND:			
Transfer to Highway Bridge Improvement (EA)	\$ 15,948	\$ 15,071	\$ 20,784
Transfer to Environmental Stewardship Fund (EA).....	6,379	6,029	8,313
(R)Transfer to Hazardous Sites Cleanup Fund (EA).....	15,000	15,000	15,000
Transfer to Hazardous Sites Cleanup Fund (EA).....	3,190	3,014	4,157
County Rec Planning, Development, and Rehabilitation (EA)	9,569	9,043	12,470
Transfer to Commonwealth Financing Authority-H2O (EA)	7,974	7,536	10,392
Transfer to Commonwealth Financing Authority (EA).....	12,758	12,057	16,627
MARCELLUS LEGACY FUND TOTAL	\$ 70,818	\$ 67,750	\$ 87,743
UNCONVENTIONAL GAS WELL FUND:			
Gas Well Fee Administration (EA).....	\$ 1,000	\$ 1,000	\$ 1,000
Conservation District Grants (EA)	4,829	4,944	5,053
Transfer to Conservation District Fund (EA)	4,829	4,944	5,053
Transfer to Housing Afford and Rehab Enhancement Fund (EA).....	5,041	5,000	5,000
Host Counties (EA).....	32,647	30,754	43,093
Host Municipalities (EA)	33,514	31,609	44,289
Local Municipalities (EA).....	24,485	23,066	32,320
Transfer to Marcellus Legacy Fund (EA)	63,791	60,286	83,135
UNCONVENTIONAL GAS WELL FUND TOTAL	\$ 170,136	\$ 161,603	\$ 218,943
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ -	\$ -	\$ -
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS.....	5,538	7,716	7,739
AUGMENTATIONS	-	-	-
RESTRICTED.....	82,896	88,386	95,392
OTHER FUNDS.....	240,954	229,353	306,686
TOTAL ALL FUNDS	\$ 329,388	\$ 325,455	\$ 409,817

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
REGULATION OF PUBLIC UTILITIES:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	5,538	7,716	7,739	5,760	5,239	5,239	5,239
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	82,896	88,386	95,392	95,392	95,392	95,392	95,392
OTHER FUNDS.....	240,954	229,353	306,686	275,684	253,998	223,069	211,120
DEPARTMENT TOTAL	<u>\$ 329,388</u>	<u>\$ 325,455</u>	<u>\$ 409,817</u>	<u>\$ 376,836</u>	<u>\$ 354,629</u>	<u>\$ 323,700</u>	<u>\$ 311,751</u>

Program: Regulation of Public Utilities

Goal: To ensure that safe and adequate public utility services are available to the public at fair and reasonable rates.

The [Pennsylvania Public Utility Commission \(PUC\)](#) balances the needs of consumers and utilities to ensure safe and reliable utility service at reasonable rates; protects the public interest; educates consumers to make independent and informed utility choices; furthers economic development; and fosters new technologies and competitive markets in an environmentally sound manner.

The commission oversees over 9,000 entities furnishing a variety of essential services including electricity, natural gas, telephone, water, wastewater collection, and steam heat. Also included are entities furnishing transportation of passengers and property by motor coach, truck, taxicab, and natural gas pipeline operators including those who transport hazardous materials. PUC is empowered to enforce federal pipeline safety laws as they relate to non-public utility gas and hazardous liquids pipeline equipment and facilities within Pennsylvania. The commission is funded by assessments on the regulated entities based upon their operating revenues along with federal grant monies.

The focus of PUC has expanded from the traditional role of approving the cost-based rates and regulating the service of all public utilities to a broader mandate of also enabling and facilitating competitive markets for the electric, natural gas, and telecommunications industries. The commission receives a steady number of rate requests from electric, natural gas, and water companies. PUC approval of mergers and acquisitions is an ongoing process, especially affecting the water and telecommunications industries.

The commission also:

- Collects unconventional gas well impact fees under [Act 13 of 2012](#) and distributes the proceeds to counties and municipalities;
- Ensures Pennsylvania’s seven largest electric distribution companies develop [energy efficiency and conservation](#) plans to reduce the amount of electricity consumed by residential and business consumers;
- Enforces the [statute](#) requiring electric distribution companies and generation suppliers to include electricity generated from alternative energy resources in their sales to retail customers;
- Monitors the [broadband](#) deployment initiatives requiring participating incumbent local exchange carriers to provide access to broadband service to all Pennsylvanians at minimum speed standards for uploads and downloads;
- Ensures that telecommunications services for [eligible low-income consumers and households](#) meet or exceed national standards;
- Reviews petitions authorized under [Act 11 of 2012](#) by jurisdictional water and wastewater, natural gas, and electric utilities to implement a distribution system improvement charge to fund infrastructure upgrades; and
- Provides oversight of transportation services under [Act 164 of 2016](#), including services ranging from traditional taxis and limousines to ride-hailing transportation network companies.

Program Recommendations:

This budget recommends the following change from the restricted account: (Dollar Amounts in Thousands)

General Government Operations
 \$ 7,006 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
(R)General Government Operations...	\$ 82,896	\$ 88,386	\$ 95,392	\$ 95,392	\$ 95,392	\$ 95,392	\$ 95,392

Program: Regulation of Public Utilities, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Maintain safe and reliable utility services at affordable rates for consumers.							
Fixed Utility Audits Conducted - Adjustment Clause Rate and Reconciliation Reviews	384	382	382	387	362	370	370
Fixed Utility Audits Conducted - Management	10	6	6	4	6	9	9
Fixed Utility Audits Conducted - Financial Audits	68	64	86	68	71	82	70
Enforcement/Investigations Audits Conducted - Gas Safety	1,354	1,723	1,680	2,133	3,217	2,382	2,391
Transportation Audits Conducted - Rail Safety	2,053	2,018	2,020	2,025	2,025	2,040	2,045
Transportation Audits Conducted - Motor Safety	8,476	7,919	8,300	8,250	10,778	10,772	10,775



REVENUE

The mission of the [Department of Revenue](#) is to fairly, efficiently, and accurately administer Pennsylvania tax and Lottery programs.

The department collects all tax levies as well as various fees, fines, and other monies due to the Commonwealth. The department also supervises the administration and collection of monies for the first- and second-class county sales tax and various special funds.

The department prepares the official estimates of the tax yield due to the Commonwealth and analyzes the effect on revenues of proposed changes in either the laws or the tax structure of the Commonwealth.

Programs and Goals

Revenue Collection and Administration: To ensure the availability of resources for the Commonwealth's programs through the equitable and efficient administration of Pennsylvania's revenue system.

Community Development and Preservation: To equitably distribute the Public Utility Realty Tax to all reporting local taxing authorities.

Homeowners and Renters Assistance: To increase economic stability by assisting eligible Pennsylvania citizens in maintaining their homes.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
General Government Operations	\$ 157,823	\$ 159,401	\$ 167,885
(A)Departmental Services	- ^a	- ^a	-
(A)Local Sales Tax Administration Fees	8,699	5,136	5,136
(A)Interagency Services	654	761	761
(A)Cigarette Tax Collection	884	894	894
(A)Tax Information.....	612	100	100
(A)Small Games of Chance.....	214	20	20
(A)Miscellaneous.....	1	6	6
(R)Adult Use Cannabis-Administration	-	-	1,500
Technology and Process Modernization.....	22,089	13,993	13,592
Commissions-Inheritance and Realty Transfer Taxes (EA).....	15,500	15,500	15,748
Subtotal - State Funds.....	\$ 195,412	\$ 188,894	\$ 197,225
Subtotal - Augmentations.....	11,064	6,917	6,917
Subtotal - Restricted.....	-	-	1,500
Total - General Government.....	\$ 206,476	\$ 195,811	\$ 205,642
<i>Grants and Subsidies:</i>			
Distribution of Public Utility Realty Tax	\$ 32,970	\$ 32,801	\$ 34,457
STATE FUNDS	\$ 228,382	\$ 221,695	\$ 231,682
AUGMENTATIONS	11,064	6,917	6,917
RESTRICTED	-	-	1,500
GENERAL FUND TOTAL	\$ 239,446	\$ 228,612	\$ 240,099
MOTOR LICENSE FUND:			
<i>General Government:</i>			
Collections-Liquid Fuels Taxes	\$ 23,564	\$ 24,797	\$ 25,596
(F)Federal Fuel Tax Evasion Project (EA)	250	250	250
Subtotal - State Funds.....	\$ 23,564	\$ 24,797	\$ 25,596
Subtotal - Federal Funds.....	250	250	250
Total - General Government.....	\$ 23,814	\$ 25,047	\$ 25,846
<i>Refunds:</i>			
Refunding Liquid Fuels Taxes (EA)	\$ 35,300	\$ 29,715	\$ 30,280
STATE FUNDS	\$ 58,864	\$ 54,512	\$ 55,876
FEDERAL FUNDS	\$ 250	\$ 250	\$ 250
MOTOR LICENSE FUND TOTAL	\$ 59,114	\$ 54,762	\$ 56,126

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
LOTTERY FUND:			
General Government:			
General Operations (EA)	\$ 77,665	\$ 83,701	\$ 83,701
(A)Licenses, Fees, and Assessments	16	163	163
Lottery Advertising (EA)	51,000	55,000	55,000
(A)Responsible Gambling Advertising Campaign	515	515	515
Property Tax and Rent Rebate-General Operations (EA)	24,000	25,000	25,000
On-Line Vendor Commissions (EA).....	76,552	76,213	75,540
Instant Vendor Commissions (EA).....	52,630	52,397	41,967
iLottery Vendor Commissions (EA)	29,300	29,300	32,314
Payment of Prize Money (EA)	552,373	500,151	495,209
Subtotal - State Funds.....	\$ 863,520	821,762	808,731
Subtotal - Augmentations	531	678	678
Total - General Government.....	\$ 864,051	\$ 822,440	\$ 809,409
Grants and Subsidies:			
Property Tax and Rent Rebate for Older Pennsylvanians (EA).....	\$ 207,600	\$ 324,400	\$ 323,700
Subtotal - State Funds.....	\$ 207,600	\$ 324,400	\$ 323,700
Total - Grants and Subsidies.....	\$ 207,600	\$ 324,400	\$ 323,700
STATE FUNDS	\$ 1,071,120	\$ 1,146,162	\$ 1,132,431
AUGMENTATIONS	531	678	678
LOTTERY FUND TOTAL	\$ 1,071,651	\$ 1,146,840	\$ 1,133,109
OTHER FUNDS:			
FANTASY CONTEST FUND:			
(R)Fantasy Contest Operations.....	\$ 418	\$ 418	\$ 418
PA RACE HORSE DEVELOPMENT TRUST FUND:			
(R)Transfer to State Racing Fund-Drug Testing	\$ 10,066	\$ 10,425	\$ 12,405
(R)Transfer to State Racing Fund-Promotion of Racing (EA)	1,983	2,195	1,871
PA RACE HORSE DEVELOPMENT TRUST FUND TOTAL	\$ 12,049	\$ 12,620	\$ 14,276
PROPERTY TAX RELIEF FUND:			
Transfer to Lottery Fund-Property Tax and Rent Rebate (EA)	\$ - ^b	\$ - ^b	\$ - ^b

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
STATE GAMING FUND:			
(R)General Operations	\$ 7,017	\$ 7,122	\$ 8,032
Transfer to Compulsive/Problem Gambling Treatment Fund (EA)	7,543	7,895	7,506
Transfer to Compulsive/Problem Gambling Treatment Fd-D&A (EA)	5,574	6,225	6,236
STATE GAMING FUND TOTAL	\$ 20,134	\$ 21,242	\$ 21,774
STATE RACING FUND:			
Collections-State Racing Fund	\$ 273	\$ 277	\$ 281
VIDEO GAMING FUND:			
(R)Video Gaming Operations	\$ 683	\$ 683	\$ 683
(R)Skill Games Operations	\$ -	\$ -	\$ 9,000
VIDEO GAMING FUND TOTAL	\$ 683	\$ 683	\$ 9,683
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ 228,382	\$ 221,695	\$ 231,682
MOTOR LICENSE FUND	58,864	54,512	55,876
LOTTERY FUND	1,071,120	1,146,162	1,132,431
FEDERAL FUNDS	250	250	250
AUGMENTATIONS	11,595	7,595	7,595
RESTRICTED	-	-	1,500
OTHER FUNDS	33,557	35,240	46,432
TOTAL ALL FUNDS	\$ 1,403,768	\$ 1,465,454	\$ 1,475,766

^a Not added to avoid double counting: 2023-24 Actual is \$19,884,000 and 2024-25 Available is \$20,864,000.

^b Not added to avoid double counting with Lottery Fund Property Tax and Rent Rebate for Older Pennsylvanians: 2023-24 Actual is \$87,200,000, 2024-25 Available is \$202,200,000, and 2025-26 Budget is \$323,700,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
REVENUE COLLECTION AND ADMINISTRATION:							
GENERAL FUND.....	\$ 195,412	\$ 188,894	\$ 197,225	\$ 201,112	\$ 202,135	\$ 203,358	\$ 203,535
MOTOR LICENSE FUND ...	58,864	54,512	55,876	56,542	56,542	56,542	56,542
LOTTERY FUND	863,520	821,762	808,731	807,317	804,871	803,862	798,620
FEDERAL FUNDS.....	250	250	250	250	250	250	250
AUGMENTATIONS	11,595	7,595	7,595	7,595	7,595	7,595	7,595
RESTRICTED.....	-	-	1,500	500	500	500	500
OTHER FUNDS.....	33,557	35,240	46,432	75,392	75,490	75,593	75,701
SUBCATEGORY TOTAL....	\$ 1,163,198	\$ 1,108,253	\$ 1,117,609	\$ 1,148,708	\$ 1,147,383	\$ 1,147,700	\$ 1,142,743
COMMUNITY DEVELOPMENT AND PRESERVATION:							
GENERAL FUND.....	\$ 32,970	\$ 32,801	\$ 34,457	\$ 35,318	\$ 36,201	\$ 37,106	\$ 38,034
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 32,970	\$ 32,801	\$ 34,457	\$ 35,318	\$ 36,201	\$ 37,106	\$ 38,034
HOMEOWNERS AND RENTERS ASSISTANCE:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	207,600	324,400	323,700	324,700	325,200	324,400	324,400
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
SUBCATEGORY TOTAL....	\$ 207,600	\$ 324,400	\$ 323,700	\$ 324,700	\$ 325,200	\$ 324,400	\$ 324,400
ALL PROGRAMS:							
GENERAL FUND.....	\$ 228,382	\$ 221,695	\$ 231,682	\$ 236,430	\$ 238,336	\$ 240,464	\$ 241,569
MOTOR LICENSE FUND ...	58,864	54,512	55,876	56,542	56,542	56,542	56,542
LOTTERY FUND	1,071,120	1,146,162	1,132,431	1,132,017	1,130,071	1,128,262	1,123,020
FEDERAL FUNDS.....	250	250	250	250	250	250	250
AUGMENTATIONS	11,595	7,595	7,595	7,595	7,595	7,595	7,595
RESTRICTED.....	-	-	1,500	500	500	500	500
OTHER FUNDS.....	33,557	35,240	46,432	75,392	75,490	75,593	75,701
DEPARTMENT TOTAL	\$ 1,403,768	\$ 1,465,454	\$ 1,475,766	\$ 1,508,726	\$ 1,508,784	\$ 1,509,206	\$ 1,505,177

Program: Revenue Collection and Administration

Goal: To ensure the availability of resources for the Commonwealth’s programs through the equitable and efficient administration of Pennsylvania’s revenue system.

The [Department of Revenue \(DOR\)](#) administers the Commonwealth’s revenue statutes by assessing and collecting various taxes. Major revenue sources for the General Fund include corporation, personal income, inheritance, sales and use, cigarette, beverage, and realty transfer taxes. Tax revenue is also collected for the first- and second-class county sales taxes and for the Motor License, State Racing, and Gaming Funds.

The department continues to expand the use of technology, permitting quick deposit of funds and an efficient review of a tax return’s accuracy. One such application is the Pennsylvania Tax Hub, or [myPATH](#), a web-based portal system that taxpayers can use to file their tax returns, [pay personal income tax](#), liquid fuels tax, fuels tax, sales tax, corporate tax, employer withholding tax, and apply for a property tax and rent rebate. To ensure fairness in tax administration, DOR audits and verifies tax returns to detect fraud and non-filers. In addition, there is an extensive delinquent tax collection effort that involves automation as well as traditional tax collection methods.

This program is responsible for the administration of the [Pennsylvania Lottery](#). Through a network of private retailers, the Commonwealth sells lottery tickets, the proceeds of which support [programs for older Pennsylvanians](#).

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND:		LOTTERY FUND:	
General Government Operations		On-Line Vendor Commissions (EA)	
\$ 8,484	—to continue current program.	\$ (673)	—based on the latest projection of program requirements.
Technology and Process Modernization		Instant Vendor Commissions (EA)	
\$ (401)	—to complete system upgrades.	\$ (10,430)	—based on the latest projection of program requirements.
Commissions-Inheritance and Realty Transfer Taxes (EA)		iLottery Vendor Commissions (EA)	
\$ 248	—to continue current program.	\$ 3,014	—based on the latest projection of program requirements.
MOTOR LICENSE FUND:		Payment of Prize Money (EA)	
Collections-Liquid Fuels Taxes		—based on the latest projection of program requirements.	
\$ 799	—to continue current program.	\$ (4,942)	
Refunding Liquid Fuels Taxes (EA)			
\$ 565	—based on current estimates.		

Program: Revenue Collection and Administration, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations.....	\$ 157,823	\$ 159,401	\$ 167,885	\$ 172,250	\$ 172,250	\$ 172,250	\$ 172,250
Technology and Process Modernization..	22,089	13,993	13,592	12,435	12,883	13,536	13,537
Commissions-Inheritance and Realty Transfer Taxes (EA)	15,500	15,500	15,748	16,427	17,002	17,572	17,748
TOTAL GENERAL FUND	\$ 195,412	\$ 188,894	\$ 197,225	\$ 201,112	\$ 202,135	\$ 203,358	\$ 203,535
MOTOR LICENSE FUND:							
Collections-Liquid Fuels Taxes.....	\$ 23,564	\$ 24,797	\$ 25,596	\$ 26,262	\$ 26,262	\$ 26,262	\$ 26,262
Refunding Liquid Fuels Taxes (EA)	35,300	29,715	30,280	30,280	30,280	30,280	30,280
TOTAL MOTOR LICENSE FUND	\$ 58,864	\$ 54,512	\$ 55,876	\$ 56,542	\$ 56,542	\$ 56,542	\$ 56,542
LOTTERY FUND:							
General Operations (EA)	\$ 77,665	\$ 83,701	\$ 83,701	\$ 83,701	\$ 83,701	\$ 83,701	\$ 83,701
Lottery Advertising (EA).....	51,000	55,000	55,000	55,000	55,000	55,000	55,000
Property Tax and Rent Rebate-General Operations (EA).....	24,000	25,000	25,000	25,000	25,000	25,000	25,000
On-Line Vendor Commissions (EA).....	76,552	76,213	75,540	74,149	73,654	73,230	72,457
Instant Vendor Commissions (EA).....	52,630	52,397	41,967	41,194	40,919	40,684	40,254
iLottery Vendor Commissions (EA).....	29,300	29,300	32,314	33,946	35,571	38,044	39,163
Payment of Prize Money (EA)	552,373	500,151	495,209	494,327	491,026	488,203	483,045
TOTAL LOTTERY FUND	\$ 863,520	\$ 821,762	\$ 808,731	\$ 807,317	\$ 804,871	\$ 803,862	\$ 798,620

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Continually improve customer service.							
Average wait time of customer phone calls to the Customer Experience Center (in minutes)	9	8	13	13	11	12	12
Continually improve business processes and technology.							
Percentage of returns filed electronically	% 87	87	93	87	89	93	94
Continually improve public confidence.							
Percentage of refunds paid by the required timeframe.....	% 95	89	91	91	91	95	95
Continually improve Lottery sales and net profits.							
Net Lottery profits (in billions)	\$ 1.07	1.24	1.11	1.04	1.14	0.91	0.91

Program: Community Development and Preservation

Goal: To equitably distribute the Public Utility Realty Tax to all reporting local taxing authorities.

An amendment in 1968 to the state constitution exempted public utilities from locally administered property taxes and authorized the collection of a similar statewide tax known as the [Public Utility Realty Tax](#). The proceeds of the tax are distributed to each local taxing authority thereby providing local revenue while ensuring fair treatment for utilities.

The distribution is based on the ratio between the total tax receipts of a local taxing authority and the total tax receipts of all reporting tax authorities. This ratio is then applied to the total amount of taxes that reporting authorities could have collected had they been able to directly tax public utility realty.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Distribution of Public Utility Realty Tax

\$ 1,656 —reflects estimated tax assessments.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Distribution of Public Utility Realty Tax.....	\$ 32,970	\$ 32,801	\$ 34,457	\$ 35,318	\$ 36,201	\$ 37,106	\$ 38,034

Program: Homeowners and Renters Assistance

Goal: To increase economic stability by assisting eligible Pennsylvania citizens in maintaining their homes.

This program allows Pennsylvanians 65 years of age or older, surviving spouses over 50, and permanently disabled people 18 years of age or older who meet household income limits to lead fuller lives by restoring a portion of their income through property tax and rent rebate assistance.

The [Property Tax and Rent Rebate](#) program provides rebates to eligible homeowners and renters. Beginning with claim year 2023, and first being paid in 2024-25, homeowners and renters with household incomes of \$46,520 or less qualify for rebates of \$380 to \$1,000. Additionally, the household income eligibility limits are now indexed to inflation.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Property Tax and Rent Rebate for Older Pennsylvanians (EA)

\$ (700) —based on current estimates for participation.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
LOTTERY FUND:							
Property Tax and Rent Rebate for Older Pennsylvanians (EA).....	\$ 207,600	\$ 324,400	\$ 323,700	\$ 324,700	\$ 325,200	\$ 324,400	\$ 324,400
TOTAL LOTTERY FUND.....	\$ 207,600	\$ 324,400	\$ 323,700	\$ 324,700	\$ 325,200	\$ 324,400	\$ 324,400

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Continually improve business processes and technology.							
Percentage of Property Tax and Rent Rebate claims sent to Treasury with a July 1 payment date.....	%	94 ^a	96	65 ^b	78	93	95

^a The 2019-20 measure year was previously reported as Property Tax and Rent Rebate Claims Paid by July 1 (for applications received by June 1).

^b The 2021-22 measure amount is lower than normal due to delays in information needed to process claims timely.



STATE

The mission of the Pennsylvania [Department of State](#) is to promote the integrity of the electoral process; to provide the initial infrastructure for economic development through corporate organizations and transactions; and to protect the health and safety of the public.

The department encourages the highest standards of ethics and competence in elections, campaign finance, lobbying disclosure, notarization, professional and occupational licensure, charitable solicitation, and the sports of boxing, wrestling, and mixed martial arts. By employing the latest technology, the Department of State delivers exceptional public service remaining a leader in all regulatory and enforcement policies and practices aimed at protecting every resident of the Commonwealth.

Programs and Goals

Consumer Protection: *To protect the consumer from fraudulent solicitation and unqualified professional and occupational practitioners and establishments.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
General Government Operations	\$ 9,275	\$ 10,462	\$ 10,933
(F)Federal Election Reform	11,110	11,110	8,387
(F)Occupational Licensing	1,000	1,000	1,000
(A)Departmental Services	- ^a	- ^a	- ^a
(R)Professional and Occupational Affairs	65,980	72,812	73,093
(R)State Board of Medicine	11,240	11,025	10,191
(R)State Board of Osteopathic Medicine	3,194	3,204	2,553
(R)State Board of Podiatry	442	454	474
(R)State Athletic Commission	908	997	1,396
(R)Bureau of Corporations and Charitable Organizations (EA)	9,364	14,288	14,086
Subtotal	\$ 112,513	\$ 125,352	\$ 122,113
Statewide Uniform Registry of Electors	13,474	20,574	20,698
Voter Registration and Education	546	546	668
Lobbying Disclosure	562	562	917
(R)Lobbying Disclosure	538	698	540
Subtotal	\$ 1,100	\$ 1,260	\$ 1,457
Publishing Constitutional Amendments (EA)	-	1,300	1,300
Electoral College	-	10	-
Subtotal - State Funds	\$ 23,857	\$ 33,454	\$ 34,516
Subtotal - Federal Funds	12,110	12,110	9,387
Subtotal - Restricted	91,666	103,478	102,333
Total - General Government	\$ 127,633	\$ 149,042	\$ 146,236
<i>Grants and Subsidies:</i>			
Voting of Citizens in Military Service	\$ 20	\$ 20	\$ 20
County Election Expenses (EA)	400	1,400	400
Election Code Debt Service	9,256	9,247	9,242
Total - Grants and Subsidies	\$ 9,676	\$ 10,667	\$ 9,662
STATE FUNDS	\$ 33,533	\$ 44,121	\$ 44,178
FEDERAL FUNDS	12,110	12,110	9,387
RESTRICTED	91,666	103,478	102,333
GENERAL FUND TOTAL	\$ 137,309	\$ 159,709	\$ 155,898

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
OTHER FUNDS:			
REAL ESTATE RECOVERY FUND:			
Real Estate Recovery Payments (EA)	\$ 150	\$ 150	\$ 150
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ 33,533	\$ 44,121	\$ 44,178
MOTOR LICENSE FUND	-	-	-
LOTTERY FUND	-	-	-
FEDERAL FUNDS	12,110	12,110	9,387
AUGMENTATIONS	-	-	-
RESTRICTED	91,666	103,478	102,333
OTHER FUNDS	150	150	150
TOTAL ALL FUNDS	\$ 137,459	\$ 159,859	\$ 156,048

^a Not added to avoid double counting: 2023-24 Actual is \$6,702,000, 2024-25 Available is \$7,537,000, and 2025-26 Budget is \$7,923,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
CONSUMER PROTECTION:							
GENERAL FUND	\$ 33,533	\$ 44,121	\$ 44,178	\$ 44,660	\$ 44,653	\$ 44,648	\$ 44,630
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS	12,110	12,110	9,387	9,387	9,387	9,387	9,387
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	91,666	103,478	102,333	101,973	101,973	101,973	101,973
OTHER FUNDS	150	150	150	150	150	150	150
DEPARTMENT TOTAL	\$ 137,459	\$ 159,859	\$ 156,048	\$ 156,170	\$ 156,163	\$ 156,158	\$ 156,140

Program: Consumer Protection

Goal: To protect the consumer from fraudulent solicitation and unqualified professional and occupational practitioners and establishments.

Protection of the Electoral Process

The [Department of State](#) ensures efficiency, uniformity, integrity, and security in the administration of the Election Code. The Pennsylvania Voter Registration Act integrates voter registration into driver's license applications and complies with the National Voter Registration Act. A statewide voter registration database serves as the official registry of all voters in the Commonwealth. The department reviews candidate nomination petitions for compliance with statutory standards and processes them for inclusion on the ballot. As required by the Election Code, committees file campaign expense reports with the Department of State, and the public is provided the opportunity to review the reports. The department tabulates, publishes, and disseminates statistics for both voter registration and all elections. It also serves as the primary repository of the maps and descriptions of over 9,000 election precincts.

The department works with county election officials, election stakeholders, and federal and state security and law enforcement partners to maintain a secure and safe electoral process in Pennsylvania. These partnerships supplement the Commonwealth's ongoing efforts to maintain the security and integrity of the statewide voter registry and other election-related software applications. This also enables the department to connect counties with free or low-cost training opportunities to supplement their own efforts to secure election infrastructure. The Department of State also provides support for online services like [online voter registration](#) and [online ballot request](#).

The department continues to assist counties with a newer generation of voting systems that utilize a [modern and secure](#) platform and that employ a [voter verifiable paper record](#). These systems provide enhanced voter confidence in the electoral process, increased resiliency of our election process, and meaningful auditability of election results.

Protection through Voter Record Accuracy and Integrity

The Department of State also develops and maintains an integrated voter registration database containing all electors in the Commonwealth. The integrated [Statewide Uniform Registry of Electors \(SURE\)](#) database supports the efforts of hundreds of county election officials to process voter registrations and absentee and mail ballot requests. It includes online voter registration and online absentee applications that make applying easier and more convenient while enhancing the accuracy of the voter rolls by reducing the amount of manual data entry. In addition, the database also provides support for county voter list maintenance activities to maintain up-to-date and accurate voter rolls.

Protection of Public Health and Safety through Professional Licensing

The Department of State protects the health and safety of the public from fraudulent and unethical practitioners through the administration of the professional and occupational licensing programs. The 29 licensing boards and commissions, established by statute, ensure that professionals provide high-quality and safe services to the people of the Commonwealth. To accomplish this, these boards and commissions have been authorized to set and enforce standards for both initial licensure and practice.

The [department](#) works with [board and commission members](#), professional occupation stakeholders, and the licensing community to modernize operations and administer licensure in the Commonwealth. The Department of State utilizes the [Pennsylvania Licensing System \(PALS\)](#) and will continue to pursue and implement solutions to modernize the licensing process through the reduction of processing times, increased electronic and automated workflows, and continuous improvement of existing processes and technologies.

Protection through Regulation of Consumer Products and Promotion of Fair Business Practices

The [department](#) maintains the records repository of more than 3 million companies that do business in the Commonwealth and serves as the centralized filing office for [Uniform Commercial Code](#) financing statements. To register a business, online filing is available through [PennFile](#) to ensure expeditious processing of corporate documents. The Department of State also administers the state's charitable solicitation law. It maintains [registration](#) and financial information on over 13,000 charities soliciting in the Commonwealth, as well as more than 450 professional solicitors and fundraising counsels.

Program: Consumer Protection, continued

The [State Athletic Commission](#) monitors and regulates all professional and amateur boxing, kickboxing and mixed martial arts events, professional wrestling contests, and the licensing of all persons who participate in these events. The individual license categories include announcer, agent, boxer, judge, manager, matchmaker, physician, promoter (including those promoting professional wrestling), referee, second, timekeeper, trainer, and athletic agents. The commission is financially self-sufficient and supported solely from relevant license fees.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>General Government Operations</p> <p>\$ 369 —to continue current program.</p> <p>102 —Initiative—to provide technical assistance and support for individuals seeking new licenses in Pennsylvania.</p> <hr/> <p>\$ 471 <i>Appropriation Increase</i></p> <p>Statewide Uniform Registry of Electors</p> <p>\$ 124 —to continue current program.</p> <p>Voter Registration and Education</p> <p>\$ 122 —to continue current program.</p> <p>Lobbying Disclosure</p> <p>\$ 355 —to continue current program.</p> <p>Electoral College</p> <p>\$ (10) —to continue current program.</p> <p>County Election Expenses (EA)</p> <p>\$ (1,000) —nonrecurring recount and special election expenses.</p> <p>Election Code Debt Service</p> <p>\$ (5) —the net effect on principal and interest requirements and other costs relating to debt service.</p>	<p>This budget also recommends the following changes in appropriations and executive authorizations from restricted accounts:</p> <p>Professional and Occupational Affairs</p> <p>\$ 281 —to continue current program.</p> <p>State Board of Medicine</p> <p>\$ (834) —to continue current program.</p> <p>State Board of Osteopathic Medicine</p> <p>\$ (651) —to continue current program.</p> <p>State Board of Podiatry</p> <p>\$ 20 —to continue current program.</p> <p>State Athletic Commission</p> <p>\$ 399 —to continue current program.</p> <p>Bureau of Corporations and Charitable Organizations (EA)</p> <p>\$ (202) —to continue current program.</p>
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Program: Consumer Protection, continued

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations.....	\$ 9,275	\$ 10,462	\$ 10,933	\$ 11,380	\$ 11,380	\$ 11,380	\$ 11,380
Statewide Uniform Registry of Electors	13,474	20,574	20,698	20,698	20,698	20,698	20,698
Voter Registration and Education.....	546	546	668	685	685	685	685
Lobbying Disclosure	562	562	917	941	941	941	941
Publishing Constitutional Amendments (EA).....	-	1,300	1,300	1,300	1,300	1,300	1,300
Electoral College.....	-	10	-	-	-	-	10
Voting of Citizens in Military Service.....	20	20	20	20	20	20	20
County Election Expenses (EA).....	400	1,400	400	400	400	400	400
Election Code Debt Service.....	9,256	9,247	9,242	9,236	9,229	9,224	9,196
TOTAL GENERAL FUND.....	\$ 33,533	\$ 44,121	\$ 44,178	\$ 44,660	\$ 44,653	\$ 44,648	\$ 44,630

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Ensure voter records are accurate and effectively maintained.							
Percentage of voter registration applications submitted by calendar year through the online voter registration process versus through paper submission..... %	60	72	64	66	65	67	60
Percentage of absentee ballot applications submitted by calendar year through the online process versus paper submission..... %	68	45	54	56	40	62	54
Strengthen public safety by increasing compliance in inspections for licensed facilities.							
Inspections and investigations completed	22,948	29,650	35,258	32,373	35,461	37,368	37,400
Modernizing the Charities Registration System allows for an online presence to file transactions.							
Percentage of charities filings online %	10	26	26	50	40	45	80



STATE EMPLOYEES' RETIREMENT SYSTEM

The mission of the [State Employees' Retirement System \(SERS\)](#) is to prepare system members and participants to achieve financial success and security in retirement.

The system is responsible for administering the State Employees' Retirement Fund, the SERS - Defined Contribution Fund, supplemental retirement allowances, and cost-of-living increases for annuitants. The system also administers the Commonwealth's Deferred Compensation Program.

Programs and Goals

State Employees' Retirement: *To provide retirement benefits to employees of the Commonwealth of Pennsylvania.*

State Employees' Retirement System

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	ACTUAL	AVAILABLE	BUDGET

OTHER FUNDS:

STATE EMPLOYEES' RETIREMENT FUND:

Administration.....	\$	35,960	\$	39,795	\$	43,249
Investment Related Expenses.....		9,347		12,042		12,230

STATE EMPLOYEES' RETIREMENT FUND TOTAL.....	\$	45,307	\$	51,837	\$	55,479
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SERS - DEFINED CONTRIBUTION FUND:

(R)Administration.....	\$	5,345	\$	5,979	\$	4,836
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DEPARTMENT TOTAL - ALL FUNDS

GENERAL FUND.....	\$	-	\$	-	\$	-
MOTOR LICENSE FUND.....		-		-		-
LOTTERY FUND.....		-		-		-
FEDERAL FUNDS.....		-		-		-
AUGMENTATIONS.....		-		-		-
RESTRICTED.....		-		-		-
OTHER FUNDS.....		50,652		57,816		60,315
TOTAL ALL FUNDS.....	\$	50,652	\$	57,816	\$	60,315

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated

STATE EMPLOYEES' RETIREMENT:

GENERAL FUND.....	\$	-	\$	-	\$	-	\$	-
MOTOR LICENSE FUND...		-		-		-		-
LOTTERY FUND.....		-		-		-		-
FEDERAL FUNDS.....		-		-		-		-
AUGMENTATIONS.....		-		-		-		-
RESTRICTED.....		-		-		-		-
OTHER FUNDS.....		50,652		60,315		61,710		61,710
DEPARTMENT TOTAL.....	\$	50,652	\$	60,315	\$	61,710	\$	61,710

State Employees' Retirement System

Program: State Employees' Retirement

Goal: To provide retirement benefits to employees of the Commonwealth of Pennsylvania.

The [State Employees' Retirement System \(SERS\)](#) was established in 1923 to administer the Commonwealth's [defined benefit pension plan](#). The State Employees' Retirement Fund is funded by employer and employee contributions and investment earnings, all of which are used solely for payment of pension benefits and administration of the defined benefit plan. SERS undergoes an annual independent [actuarial valuation](#) to calculate the value of system actuarial assets and liabilities, based on the expected employer payroll, and the [employer contribution rates](#).

Most members, depending on when they entered SERS membership, contribute 6.25 percent of pay toward their pension. Their membership class also determines their vesting period and benefit formula, which is based on years of credited service, final average salary, and the annual accrual rate. Normal retirement for most employees is age 60 or at any age with 35 years of service.

[Act 5 of 2017](#) changed the benefit structure for new employees beginning January 1, 2019. New employees can choose one of three retirement plan options: two [hybrid plans](#) containing defined benefit and defined contribution components or a stand-alone [defined contribution plan](#) (similar to a 401(k) plan). The pension component of each hybrid plan features different benefit accrual rates and different employee and employer contribution rates. The defined contribution plan has three-year vesting for employer contributions and immediate vesting for employee contributions.

SERS is also responsible for the administration of the Commonwealth's [Deferred Compensation Program](#) that allows Commonwealth employees to voluntarily defer a portion of their salaries to a retirement savings account.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	STATE EMPLOYEES' RETIREMENT FUND:		SERS - DEFINED CONTRIBUTION FUND:
	Administration		Administration
\$ 3,454	—to continue current program.	\$ (1,143)	—to continue current program.
	Investment Related Expenses		
\$ 188	—to continue current program.		

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
STATE EMPLOYEES' RETIREMENT FUND:							
Administration	\$ 35,960	\$ 39,795	\$ 43,249	\$ 44,518	\$ 44,518	\$ 44,518	\$ 44,518
Investment Related Expenses	9,347	12,042	12,230	12,230	12,230	12,230	12,230
TOTAL STATE EMPLOYEES' RETIREMENT FUND	\$ 45,307	\$ 51,837	\$ 55,479	\$ 56,748	\$ 56,748	\$ 56,748	\$ 56,748
SERS - DEFINED CONTRIBUTION FUND:							
(R)Administration	\$ 5,345	\$ 5,979	\$ 4,836	\$ 4,962	\$ 4,962	\$ 4,962	\$ 4,962

State Employees' Retirement System

Program: State Employees' Retirement, continued

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Provide adequate retirement counseling sessions to members as requested.							
Retirement counseling sessions	4,656	5,081	4,625	4,877	4,852	4,900	4,900
Percentage of members counseled %	100	100	100	100	100	100	100
Maintain a record of the total number of active members.							
Active members	102,850	100,962	97,857	96,395	98,115	100,000	100,000
Percent of active members participating in Lunch and Learn programs..... %	N/A	3	5	7	8	9	9
Maintain a record of the total number of retired employees.							
Retired employees and beneficiaries....	131,570	133,847	135,004	142,512	143,917	145,000	145,000
Maintain a record of total benefit payments.							
Benefit payments (in billions)..... \$	3.57	3.59	3.85	3.86	3.97	3.93	4.00



STATE POLICE

The mission of the [Pennsylvania State Police \(PSP\)](#) is to seek justice, preserve peace, and improve the quality of life for all.

PSP promotes traffic safety, investigates crime, reduces criminal activity, and provides investigative assistance and support services to all law enforcement agencies within the Commonwealth. In addition, the State Police maintains and provides to criminal justice agencies up-to-date law enforcement information, evaluates the competence level of law enforcement within the Commonwealth, and provides prompt, competent service in emergency situations. PSP ensures personal protection and security for the Governor and other persons designated by proper authority and enforces all other state statutes as directed by proper authority.

Programs and Goals

Public Protection and Law Enforcement: To enforce the law and preserve the peace through detection of crime and apprehension of criminals, patrol of highways, and enforcement of the Vehicle and Liquor Codes.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26
 ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

General Government Operations	\$ 958,449	\$ 1,072,441	\$ 1,217,570
(F)Area Computer Crime.....	12,700	19,000	15,455
(F)Homeland Security Grants (EA)	4,470	3,250	4,150
(F)Law Enforcement Preparedness (EA)	7,500	8,900	12,150
(F)Law Enforcement Projects (EA).....	4,300	4,300	4,300
(F)PA State Opioid Response (EA).....	2,279	2,500	1,612
(F)IIJA-Cybersecurity (EA)	1,056	560	560
(A)Turnpike Police Coverage	72,889	64,500	72,000
(A)Delaware River Toll Bridge Police Coverage	2,851	3,000	3,000
(A)Construction Zone Patrolling	6,537	4,200	4,700
(A)Criminal History Record Checks.....	34,402	33,000	35,000
(A)Fingerprint Record Checks.....	2,088	1,875	1,875
(A)Reimbursement for Services	5,521	3,000	3,000
(A)Superload Reimbursements.....	762	750	750
(A)Miscellaneous.....	2,342	1,895	1,896
(R)Federal Property Forfeiture	76	2,925	2,925
(R)State Drug Act Forfeiture.....	1,604	3,000	3,000
(R)State Drug Act Forfeiture-Municipalities.....	-	55	55
(R)State Criminal Enforcement Forfeiture	-	65	65
(R)Crime Lab User Fees	1,093	1,100	1,100
(R)Auto Theft and Insurance Fraud Investigation	2,456	2,650	2,650
(R)Adult Use Cannabis-Enforcement and Expungement.....	-	-	2,250
(R)Vehicle Code Fines	-	4,400	900
Subtotal.....	<u>\$ 1,123,375</u>	<u>\$ 1,237,366</u>	<u>\$ 1,390,963</u>
(F)Office of Homeland Security (EA).....	2,412	2,602	2,681
Statewide Public Safety Radio System.....	8,126	28,506	28,612
(F)Broadband Network Planning.....	4,050	4,050	4,050
(R)Radio Systems Development Project.....	65	216	-
(R)Tower Management	997	800	800
(R)Broadband Middle Mile.....	-	5	5
Subtotal.....	<u>\$ 13,238</u>	<u>\$ 33,577</u>	<u>\$ 33,467</u>
Law Enforcement Information Technology.....	6,899	27,596	29,096
Municipal Police Training	1,708	3,555	3,591
(A)Pre-Employment Testing.....	44	50	50
(A)Retired Law Enforcement Identification.....	30	5	5
Subtotal.....	<u>\$ 1,782</u>	<u>\$ 3,610</u>	<u>\$ 3,646</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Multi-Biometric Identification System	885	885	885 ^a
Gun Checks	5,970	7,582	7,750
(R)Firearm Records Check	373	5,500	5,050
(R)Firearms License Validation System	-	-	500
Subtotal	<u>\$ 6,343</u>	<u>\$ 13,082</u>	<u>\$ 13,300</u>
Patrol Vehicles	-	20,000	20,000
(R)Vehicle Sales and Purchases	-	1,500	1,500
Subtotal	<u>\$ -</u>	<u>\$ 21,500</u>	<u>\$ 21,500</u>
Commercial Vehicle Inspections	-	15,008	15,572
(F)Motor Carrier Safety	-	8,378	8,598
(F)IIJA-Motor Carrier Safety	-	8,500	8,500
(A)Sale of Vehicles	-	35	35
(A)Waste Transportation Safety Enforcement	-	750	750
Subtotal	<u>\$ -</u>	<u>\$ 32,671</u>	<u>\$ 33,455</u>
Subtotal - State Funds	<u>\$ 982,037</u>	<u>\$ 1,175,573</u>	<u>\$ 1,323,076</u>
Subtotal - Federal Funds	<u>38,767</u>	<u>62,040</u>	<u>62,056</u>
Subtotal - Augmentations	<u>127,466</u>	<u>113,060</u>	<u>123,061</u>
Subtotal - Restricted	<u>6,664</u>	<u>22,216</u>	<u>20,800</u>
Total - General Government	<u>\$ 1,154,934</u>	<u>\$ 1,372,889</u>	<u>\$ 1,528,993</u>
Grants and Subsidies:			
Municipal Police Training Grants	\$ -	\$ 5,000	\$ 5,000
STATE FUNDS	\$ 982,037	\$ 1,180,573	\$ 1,328,076
FEDERAL FUNDS	38,767	62,040	62,056
AUGMENTATIONS	127,466	113,060	123,061
RESTRICTED	<u>6,664</u>	<u>22,216</u>	<u>20,800</u>
GENERAL FUND TOTAL	<u>\$ 1,154,934</u>	<u>\$ 1,377,889</u>	<u>\$ 1,533,993</u>
<u>MOTOR LICENSE FUND:</u>			
General Government:			
General Government Operations	\$ 286,546	\$ 250,000	\$ 200,000
Statewide Public Safety Radio System	20,329	-	-
Law Enforcement Information Technology	20,697	-	-
Municipal Police Training	1,708	-	-
Patrol Vehicles	26,000	-	-
(R)Vehicle Sales and Purchases	1,220	-	-
Subtotal	<u>\$ 356,500</u>	<u>\$ 250,000</u>	<u>\$ 200,000</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Commercial Vehicle Inspections	14,720	-	-
(F)Motor Carrier Safety	8,323	-	-
(F)IIJA-Motor Carrier Safety	8,500	-	-
(A)Sale of Vehicles	4	-	-
(A)Waste Transportation Safety Enforcement	750	-	-
Subtotal.....	<u>\$ 32,297</u>	<u>\$ -</u>	<u>\$ -</u>
Subtotal - State Funds.....	\$ 370,000	\$ 250,000	\$ 200,000
Subtotal - Federal Funds.....	16,823	-	-
Subtotal - Augmentations	754	-	-
Subtotal - Restricted.....	1,220	-	-
Total - General Government.....	<u>\$ 388,797</u>	<u>\$ 250,000</u>	<u>\$ 200,000</u>
Grants and Subsidies:			
Municipal Police Training Grants	\$ 5,000	\$ -	\$ -
STATE FUNDS	\$ 375,000	\$ 250,000	\$ 200,000
FEDERAL FUNDS	16,823	-	-
AUGMENTATIONS	754	-	-
RESTRICTED	1,220	-	-
MOTOR LICENSE FUND TOTAL	<u>\$ 393,797</u>	<u>\$ 250,000</u>	<u>\$ 200,000</u>
OTHER FUNDS:			
DNA DETECTION FUND:			
DNA Detection of Offenders (EA).....	\$ 5,242	\$ 5,313	\$ 5,388
STATE GAMING FUND:			
(R)Gaming Enforcement	\$ 37,302	\$ 38,018	\$ 41,857
STATE STORES FUND:			
Liquor Control Enforcement.....	\$ 37,177	\$ 38,915	\$ 40,241
(A)Enforcement Reimbursement.....	-	25	25
(A)Sale of Vehicles.....	75	50	50
STATE STORES FUND TOTAL	<u>\$ 37,252</u>	<u>\$ 38,990</u>	<u>\$ 40,316</u>
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 982,037	\$ 1,180,573	\$ 1,328,076
MOTOR LICENSE FUND	375,000	250,000	200,000
LOTTERY FUND	-	-	-
FEDERAL FUNDS	55,590	62,040	62,056
AUGMENTATIONS	128,220	113,060	123,061
RESTRICTED	7,884	22,216	20,800
OTHER FUNDS.....	79,796	82,321	87,561
TOTAL ALL FUNDS	<u>\$ 1,628,527</u>	<u>\$ 1,710,210</u>	<u>\$ 1,821,554</u>

^a This budget proposes changing Automated Fingerprint Identification System to Multi-Biometric Identification System.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PUBLIC PROTECTION AND LAW ENFORCEMENT:							
GENERAL FUND.....	\$ 982,037	\$ 1,180,573	\$ 1,328,076	\$ 1,423,005	\$ 1,477,605	\$ 1,527,605	\$ 1,577,605
MOTOR LICENSE FUND ...	375,000	250,000	200,000	150,000	100,000	50,000	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	55,590	62,040	62,056	61,134	60,197	59,884	59,884
AUGMENTATIONS	128,220	113,060	123,061	123,061	123,061	123,061	123,061
RESTRICTED.....	7,884	22,216	20,800	15,576	15,100	14,600	14,600
OTHER FUNDS.....	79,796	82,321	87,561	88,307	88,307	88,207	88,107
DEPARTMENT TOTAL	<u>\$ 1,628,527</u>	<u>\$ 1,710,210</u>	<u>\$ 1,821,554</u>	<u>\$ 1,861,083</u>	<u>\$ 1,864,270</u>	<u>\$ 1,863,357</u>	<u>\$ 1,863,257</u>

Program: Public Protection and Law Enforcement

Goal: To enforce the law and preserve the peace through detection of crime and apprehension of criminals, patrol of highways, and enforcement of the Vehicle and Liquor Codes.

Traffic Supervision

Enforcing the Commonwealth's traffic laws is a major responsibility of the [Pennsylvania State Police \(PSP\)](#). PSP has jurisdiction in all political subdivisions within the Commonwealth and routinely [aids](#) municipal, state, and federal law enforcement agencies. The State Police patrols a significant portion of the Commonwealth's roadways while providing various levels of police services and traffic enforcement to municipalities. PSP is also responsible for providing primary police services and traffic enforcement on the Pennsylvania Turnpike and the interstate highway system.

The State Police seeks to reduce commercial motor vehicle crashes, fatalities, and injuries through consistent, uniform, and effective [commercial motor vehicle safety programs](#).

Criminal Law Enforcement and Crime Prevention

Most PSP efforts in criminal law enforcement are performed at the station level and consist of investigations of violent crimes and property crimes. At the statewide level, the State Police conducts investigations into organized crime, terrorism, white-collar crime, public corruption, arson, computer crime, technology crime, special drug and narcotics cases, and criminal personality profiling. PSP troopers, along with local, state, and federal agencies, target major drug-trafficking organizations utilizing a comprehensive strategy that involves intelligence gathering, financial background information, criminal investigation, and asset forfeiture proceedings.

The State Police administers and manages the [Pennsylvania AMBER Alert System](#), a child abduction alert notification system. AMBER Alert utilizes the Emergency Alert System and the Commonwealth's "[AlertPA](#)" website to inform the public of an abduction of a child under the age of 18 whom the police believe to be in danger of serious bodily harm or death.

To reduce the incidence of crime, PSP utilizes resident involvement and educational crime prevention techniques. Initiatives such as Neighborhood Crime Watch, block parents, [Crime Stoppers](#), and business tip programs encourage the reporting of suspicious activity.

The State Police ensures the timely exchange of relevant information pertaining to sexually violent predators and other sexual offenders between public agencies and officials, and releases information regarding offenders to the public as required by [Megan's Law](#).

PSP is responsible for managing the [Pennsylvania Instant Check System \(PICS\)](#). PICS provides instant access to background records on an individual to determine if the person is eligible to acquire a firearm or a license to carry a firearm.

Emergency Assistance

The State Police has primary police jurisdiction in the majority of the Commonwealth's land area. PSP is normally called upon whenever a medium- to large-scale emergency occurs within the Commonwealth. The State Police Watch Center provides situational awareness of emergencies to all levels of the State Police by establishing a standard alert condition procedure. The [Pennsylvania Statewide Radio Network \(PA-STARNet\)](#) is the two-way public safety radio system used by PSP and various other Commonwealth agencies. The [Governor's Office of Homeland Security](#) works with federal agencies, regional task forces, local governments, and the private sector to prevent, protect, and mitigate against acts of terrorism. The office develops and reviews a strategic plan, identifying and reducing the vulnerabilities of critical infrastructure and key resources through a unified outreach campaign and collaborating with the Western Pennsylvania All Hazards Fusion Center, the Pennsylvania Criminal Intelligence Center, and other recognized regional fusion centers.

Liquor Control and Gaming Enforcement

The State Police directs and controls coordinated [enforcement of the Pennsylvania Liquor Code](#) and related sections of the Crimes Code. Operations include conducting covert and overt investigations, assisting municipal police agencies, conducting routine license investigations, and performing establishment audits and border patrols. PSP is also responsible for investigating and prosecuting criminal infractions, conducting various background checks, and providing overall law enforcement services for Pennsylvania's gaming facilities.

Program: Public Protection and Law Enforcement, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND AND MOTOR LICENSE FUND COMBINED:			
General Government Operations			Municipal Police Training
\$	80,307	—to continue current program.	\$
	300	—for programs that build interest in law enforcement careers.	
	14,522	—for cadet class schedule, including 4 new classes beginning in 2025-26, to train 432 new trooper cadets.	\$
	95,129	<i>Appropriation Increase</i>	
			Gun Checks
			\$
			Commercial Vehicle Inspections
			\$
			\$
			\$
			\$

This budget proposes to decrease overall Pennsylvania State Police budget reliance on the Motor License Fund to \$200,000,000 in 2025-26 to assure state match requirements for federal transportation infrastructure funding. Additionally, this budget proposes to further reduce the reliance on the Motor License Fund by \$50,000,000 annually until the support is eliminated in 2029-30.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 958,449	\$ 1,072,441	\$ 1,217,570	\$ 1,311,055	\$ 1,365,655	\$ 1,415,655	\$ 1,465,655
Statewide Public Safety Radio System	8,126	28,506	28,612	29,356	29,356	29,356	29,356
Law Enforcement Information Technology .	6,899	27,596	29,096	29,096	29,096	29,096	29,096
Municipal Police Training	1,708	3,555	3,591	3,684	3,684	3,684	3,684
Multi-Biometric Identification System.....	885	885	885	885	885	885	885
Gun Checks	5,970	7,582	7,750	7,952	7,952	7,952	7,952
Patrol Vehicles	-	20,000	20,000	20,000	20,000	20,000	20,000
Commercial Vehicle Inspections	-	15,008	15,572	15,977	15,977	15,977	15,977
Municipal Police Training Grants	-	5,000	5,000	5,000	5,000	5,000	5,000
TOTAL GENERAL FUND	\$ 982,037	\$ 1,180,573	\$ 1,328,076	\$ 1,423,005	\$ 1,477,605	\$ 1,527,605	\$ 1,577,605

Program: Public Protection and Law Enforcement, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MOTOR LICENSE FUND:							
General Government Operations	286,546	250,000	200,000	150,000	100,000	50,000	-
Statewide Public Safety Radio System	20,329	-	-	-	-	-	-
Law Enforcement Information Technology .	20,697	-	-	-	-	-	-
Municipal Police Training	1,708	-	-	-	-	-	-
Patrol Vehicles	26,000	-	-	-	-	-	-
Commercial Vehicle Inspections	14,720	-	-	-	-	-	-
Municipal Police Training Grants	5,000	-	-	-	-	-	-
TOTAL MOTOR LICENSE FUND	\$ 375,000	\$ 250,000	\$ 200,000	\$ 150,000	\$ 100,000	\$ 50,000	\$ -

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Reduce motor vehicle crashes.							
Motor vehicle crashes	70,457	71,221	75,402	72,244	72,082	70,900	69,700
Reduce fatal motor vehicle crashes.							
Fatal motor vehicle crashes	452	544	551	509	530	520	510
Reduce DUI-related crashes.							
DUI-related crashes	4,658	4,742	4,616	4,294	4,078	4,000	3,900
Reduce violent crime.							
Violent crimes per 100,000 population .	129	116	102	92	84	83	81
Arrests for violent crimes per 100,000 population	91	67	52	49	47	48	49
Percentage of violent crimes cleared (i.e., cases solved and prosecuted or disposed of through other legal means) %	72	68	70	74	80	83	86
Reduce property crime.							
Property crimes per 100,000 population	648	549	588	601	532	520	510
Arrests for property crimes per 100,000 population	213	151	178	206	204	210	210
Percentage of property crimes cleared (i.e., cases solved and prosecuted or disposed of through other legal means) %	36	31	34	38	43	44	46

Program: Public Protection and Law Enforcement, continued

Program Measures, continued:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Achieve and maintain a clearance rate at or above the state and national averages for Crime Index offenses.							
Crime Index offenses per 100,000 population	776	665	689	693	616	610	600
Arrests for Crime Index offenses per 100,000 population	304	218	230	255	251	260	260
Percentage of Crime Index offenses cleared (i.e., cases solved and prosecuted or disposed of through other legal means)	% 42	38	40	43	48	50	51
Increase drug enforcement efforts.							
Drug offenses per 100,000 population..	430	482	343	314	300	300	290
Drug-related arrests per 100,000 population	395	432	299	268	251	260	260
Increase compliance with liquor laws at licensed establishments.							
Liquor law violations	11,248	14,085	9,905	10,083	9,731	9,600	9,400
Ensure intelligence information obtained concerning criminal activity and possible terrorism is shared with law enforcement agencies throughout the Commonwealth.							
Municipal law enforcement agencies receiving information from the Pennsylvania Criminal Intelligence Center	1,156	1,207	1,268	1,288	1,312	1,330	1,360
Intelligence products disseminated by the Pennsylvania Criminal Intelligence Center and the Western Pennsylvania All Hazards Fusion Center	56,743	68,084	61,761	62,688	55,713	56,600	57,600
Ensure the rapid collection and appropriate dissemination of accurate information on emergency situations throughout the Commonwealth.							
State Police Watch Center immediate reports	3,422	2,637	2,703	2,781	2,015	2,050	2,080
Municipal public safety agencies receiving road closure reports from the State Police Watch Center	1,270	1,270	1,286	1,282	1,236	1,236	1,236
Increase the effectiveness of the Pennsylvania Statewide Radio Network (PA-STARNet).							
Percentage of statewide land area covered by PA-STARNet	% 97.3	97.9	97.9	97.9	97.9	97.9	97.9
Percentage of statewide road coverage by PA-STARNet	% 98.3	98.4	98.4	98.4	98.4	98.4	98.4
Increase cadet applications, applicant retention rates, and applicants from traditionally underrepresented groups.							
Cadet applications	7,131	5,928	3,645	2,889	6,970	7,100	7,200
Cadet applications from traditionally underrepresented groups	2,858	2,714	1,632	1,347	3,221	3,280	3,330
Individuals from traditionally underrepresented groups graduating from the State Police Academy	57	12	55	41	43	44	44
Individuals graduating from the State Police Academy	398	51	261	215	205	217	384
Average length of time in months from application date until State Police Academy start date	21	25	22	19	13	13	13



TRANSPORTATION

The mission of the [Department of Transportation \(PennDOT\)](#) is to enhance, connect, and add value to our communities by providing a sustainable, equitable transportation system and quality services for all.

Programs and Goals

Transportation Support Services: To provide an effective administrative system supporting both non-highway and highway transportation programs.

Highways and Bridges: To provide a safe and efficient state-administered highway network through road and bridge improvements, as well as through ongoing maintenance activities including winter traffic services.

Local Highway and Bridge Assistance: To assist local governments in the maintenance and construction of their portion of the total highway and bridge system.

Multimodal Transportation: To support public transportation, intercity bus, intercity rail, rail freight, ports, aviation, and bicycle and pedestrian facilities options that improve the mobility and the quality of life for urban and rural Pennsylvanians and enhance economic activity throughout the Commonwealth.

Driver and Vehicle Services: To minimize traffic accidents attributable to driver error and mechanically defective vehicles and to promote highway safety programs.

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
<u>GENERAL FUND:</u>			
<i>General Government:</i>			
Vehicle Sales Tax Collections	\$ 496	\$ 443	\$ 447
Voter Registration.....	639	759	1,059
Transfer to Aviation Restricted Account.....	1,600	1,600	1,600
Transportation and Multimodal Improvement Projects	161,000	-	-
(R)Child Passenger Restraint Fund	569	300	300
(R)School Bus Safety Grant Program	-	500	500
Subtotal - State Funds.....	\$ 163,735	\$ 2,802	\$ 3,106
Subtotal - Restricted.....	569	800	800
Total - General Government.....	\$ 164,304	\$ 3,602	\$ 3,906
<i>Grants and Subsidies:</i>			
(F)Surface Transportation Assistance.....	\$ 975	\$ 975	\$ 975
(F)FTA-Capital Improvement Grants.....	39,000	39,000	39,000
(F)TEA 21-Access to Jobs	2,000	2,000	-
(F)Surface Transportation-Operating	19,500	19,500	32,500
(F)Surface Transportation Assistance Capital	52,000	52,000	52,000
(F)FTA-Safety Oversight	3,000	3,000	5,000
(F)FTA-Keystone Corridor Equipment and Purchases	70,000	70,000	70,000
(F)FTA-Hybrid Mass Transit Vehicles	30,000	30,000	30,000
(F)FRA-State of Good Repair.....	30,000	30,000	30,000
(F)COVID-FTA-Non-Urbanized Formula (EA).....	3,620	-	-
(F)COVID-FTA-Transit (EA).....	2,805	-	-
(R)Reimbursements to Municipalities-Vehicle Code Fines	5,857	7,000	7,000
Subtotal - Federal Funds.....	252,900	246,475	259,475
Subtotal - Restricted.....	5,857	7,000	7,000
Total - Grants and Subsidies.....	\$ 258,757	\$ 253,475	\$ 266,475
STATE FUNDS.....	\$ 163,735	\$ 2,802	\$ 3,106
FEDERAL FUNDS.....	252,900	246,475	259,475
RESTRICTED	6,426	7,800	7,800
GENERAL FUND TOTAL	\$ 423,061	\$ 257,077	\$ 270,381
 <u>MOTOR LICENSE FUND:</u>			
<i>General Government:</i>			
General Government Operations	\$ 82,399	\$ 85,476	\$ 95,084
(A)Reimbursements	1,157	1,040	1,040
(A)Duplicating Services	134	300	300
(A)IRA Direct Pay Tax Credit Reimbursement.....	-	50	-
(A)Administrative Hearings.....	3	40	40

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Welcome Centers	4,640	4,807	4,845
Subtotal.....	\$ 88,333	\$ 91,713	\$ 101,309
Highway and Safety Improvements	650,000	630,000	630,000
(F)Highway Research, Planning, and Construction	1,725,583 ^a	2,067,384 ^a	2,158,754 ^a
(F)National Electric Vehicle Infrastructure.....	776	10,000	10,000
(F)V2X Data Exchange Vehicle Integration (EA)	-	669	893
(A)Highway Construction Contributions and Reimbursements	14,012	12,081	12,213
(A)Joint Use Leases.....	370	435	415
(A)Reimbursements	31	206	206
(A)Proceeds from Sale of Right-of-Way.....	1,080	197	85
(A)Licensing Fees-Engineering Software.....	120	81	81
Highway Capital Projects (EA)	240,000	300,000	340,000
(R)Highway Capital Projects-Excise Tax (EA)	384,606	371,224	365,614
(R)Bridges-Excise Tax (EA).....	124,997	120,648	118,825
(R)Highway Bridge Projects (EA).....	145,000	145,000	140,000
(F)Federal Aid-Highway Bridge Projects	409,286	593,156	600,000
(F)Federal Disaster Reimbursement-FHWA	16,972	6,844	-
(A)Bridge Construction Contributions.....	2,279	7,570	3,003
(A)Right of Way-State Bridge	-	383	-
(A)Reimbursements from Local Governments	55	50	-
Subtotal.....	\$ 3,715,167	\$ 4,265,928	\$ 4,380,089
Highway Maintenance	1,033,412	1,144,293	1,169,293
(F)Highway Research, Planning, and Construction	56,803	149,845	149,845
(F)Disaster Recovery-FHWA.....	7,297	12,500	12,500
(F)Disaster Recovery-FEMA	585	12,500	12,500
(F)COVID-Reimbursement-FEMA.....	825	-	-
(F)VTO-Electric Construction Vehicles (EA)	-	446	200
(F)FMCSA Innovative Technology Deployment (EA).....	-	300	606
(F)Highway Safety-Maintenance (EA).....	28,540	28,540	28,540
(A)Highway Maintenance Contributions.....	7,361	31,359	23,191
(A)Accident Damage Claims	11,545	1,006	8,000
(A)Sale of Equipment and Supplies	1,497	4,956	5,000
(A)Marcellus Shale Road Damage.....	390	42	700
(A)Heavy Hauling-Bonded Roads	386	69	500
(A)Miscellaneous.....	126	59	100
(R)Highway Maintenance-Excise Tax (EA).....	182,687	176,331	173,667
(R)Highway Maintenance Enhancement (EA)	269,432	259,079	255,886
(R)Expanded Highway and Bridge Maintenance (EA)	365,508	309,941	307,063
(A)Expanded Maintenance Contributions	2,984	10,000	10,000
(R)Automated Work Zone Speed Enforcement (EA)	- ^b	- ^b	- ^b

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Highway Systems Technology and Innovation	16,000	20,000	20,000
(F)Intelligent Transportation System	2,068	2,080	2,080
Reinvestment in Facilities.....	16,500	16,500	16,500
(A)Proceeds from Bond Sales.....	1,123	-	-
Subtotal.....	<u>\$ 2,005,069</u>	<u>\$ 2,179,846</u>	<u>\$ 2,196,171</u>
Driver and Vehicle Services.....	236,055	231,055	276,708
Homeland Security-REAL ID.....	31,308	32,535	- ^c
(F)Motor Carrier Safety Improvement (EA)	4,000	4,000	4,000
(A)Photo ID Program.....	49,061	51,500	51,500
(A)Reimbursements	1,034	1,098	1,098
(A)Postage	633	717	717
(A)Miscellaneous.....	304	328	328
(R)Reimbursements to Other States-AppORTioned Registration	9,439	15,000	15,000
(R)Motorcycle Safety Education.....	5,660	5,000	5,000
(R)CDL-Hazardous Material Fees.....	232	500	500
Subtotal.....	<u>\$ 337,726</u>	<u>\$ 341,733</u>	<u>\$ 354,851</u>
(R)Aviation Operations.....	4,433	4,577	4,751
(F)Aviation Planning (EA).....	900	900	900
(A)Reimbursement-Flight Operations	798	460	460
(A)Airport Inspections and Licensing.....	44	40	40
Subtotal.....	<u>\$ 6,175</u>	<u>\$ 5,977</u>	<u>\$ 6,151</u>
Subtotal - State Funds.....	<u>\$ 2,310,314</u>	<u>\$ 2,464,666</u>	<u>\$ 2,552,430</u>
Subtotal - Federal Funds.....	<u>2,253,635</u>	<u>2,889,164</u>	<u>2,980,818</u>
Subtotal - Augmentations.....	<u>96,527</u>	<u>124,067</u>	<u>119,017</u>
Subtotal - Restricted.....	<u>1,491,994</u>	<u>1,407,300</u>	<u>1,386,306</u>
Total - General Government.....	<u>\$ 6,152,470</u>	<u>\$ 6,885,197</u>	<u>\$ 7,038,571</u>
Grants and Subsidies:			
Local Road Maintenance and Construction.....	\$ 246,195	\$ 243,911	\$ 236,886
Supplemental Local Road Maintenance and Construction	5,000	5,000	5,000
Municipal Roads and Bridges	30,000	30,000	30,000
Maintenance and Construction of County Bridges	5,000	5,000	5,000
Municipal Traffic Signals	40,000	40,000	40,000
Payment to Turnpike Commission (EA)	28,000	28,000	28,000
(R)Toll Roads-Excise Tax (EA)	139,549	132,052	128,802
(R)Local Road Payments-Excise Tax (EA).....	112,449	111,374	109,685
(R)Payments to Municipalities (EA).....	78,776	77,727	76,766
(R)Local Grants for Bridge Projects (EA)	25,000	25,000	25,000

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
(F)Federal Aid-Local Grants for Bridge Projects	17,150	22,500	12,500
(A)Bridge Reimbursements from Local Governments	423	1,100	100
(R)Local Bridge Projects (EA)	26,700	25,250	24,950
(R)County Bridges-Excise Tax (EA).....	16,103	19,280	15,248
(F)Federal Aid-County Bridges.....	11	-	-
(R)Federal Reimbursements-Local Bridge Projects.....	72,086	75,000	75,000
(R)County Bridge Projects-Marcellus Shale (EA)	25,927	15,948	15,071
(R)Annual Maintenance Payments-Highway Transfer (EA).....	19,376	19,376	19,376
(R)Restoration Projects-Highway Transfer (EA)	11,000	11,000	11,000
(R)Fee for Local Use	36,842	30,000	30,000
(R)Red Light Photo Enforcement	13,718	12,000	12,000
(R)Federal Reimbursements-Political Subdivisions	93,530	140,000	140,000
(R)Airport Development.....	5,500	6,000	6,000
(F)Airport Development (EA).....	40,000	50,000	50,000
(R)Real Estate Tax Rebate	250	250	250
Subtotal.....	<u>\$ 1,088,585</u>	<u>\$ 1,125,768</u>	<u>\$ 1,096,634</u>
Subtotal - State Funds.....	<u>\$ 354,195</u>	<u>\$ 351,911</u>	<u>\$ 344,886</u>
Subtotal - Federal Funds.....	<u>57,161</u>	<u>72,500</u>	<u>62,500</u>
Subtotal - Augmentations.....	<u>423</u>	<u>1,100</u>	<u>100</u>
Subtotal - Restricted.....	<u>676,806</u>	<u>700,257</u>	<u>689,148</u>
Total - Grants and Subsidies.....	<u>\$ 1,088,585</u>	<u>\$ 1,125,768</u>	<u>\$ 1,096,634</u>
Refunds:			
Refunding Collected Monies (EA)	\$ 2,500	\$ 2,500	\$ 2,500
Subtotal.....	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>
STATE FUNDS.....	<u>\$ 2,667,009</u>	<u>\$ 2,819,077</u>	<u>\$ 2,899,816</u>
FEDERAL FUNDS.....	<u>2,310,796</u>	<u>2,961,664</u>	<u>3,043,318</u>
AUGMENTATIONS	<u>96,950</u>	<u>125,167</u>	<u>119,117</u>
RESTRICTED	<u>2,168,800</u>	<u>2,107,557</u>	<u>2,075,454</u>
MOTOR LICENSE FUND TOTAL.....	<u>\$ 7,243,555</u>	<u>\$ 8,013,465</u>	<u>\$ 8,137,705</u>
LOTTERY FUND:			
Grants and Subsidies:			
Older Pennsylvanians Shared Rides (EA).....	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ 75,000</u>
Transfer to Public Transportation Trust Fund (EA).....	<u>95,907</u>	<u>95,907</u>	<u>95,907</u>
Total - Grants and Subsidies.....	<u>\$ 170,907</u>	<u>\$ 170,907</u>	<u>\$ 170,907</u>
LOTTERY FUND TOTAL.....	<u>\$ 170,907</u>	<u>\$ 170,907</u>	<u>\$ 170,907</u>

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	ACTUAL	AVAILABLE	BUDGET

OTHER FUNDS:

GOV. CASEY ORGAN AND TISSUE DONATION AWARENESS TRUST FUND:

Reimbursement to Transportation (EA)	\$ 228	\$ 60	\$ -
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HIGHWAY BEAUTIFICATION FUND:

Control of Outdoor Advertising (EA)	\$ 360	\$ 390	\$ 390
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LIQUID FUELS TAX FUND:

Payments to Counties	\$ 20,510	\$ 26,138	\$ 26,559
Auditor General's Audit Costs (EA)	700	700	700

LIQUID FUELS TAX FUND TOTAL	\$ 21,210	\$ 26,838	\$ 27,259
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MOTOR VEHICLE TRANSACTION RECOVERY FUND:

Titling and Registration Fees	\$ 8	\$ 4	\$ 4
Titling and Registration-Sales Tax	22	16	16

MOTOR VEHICLE TRANSACTION RECOVERY FUND TOTAL	\$ 30	\$ 20	\$ 20
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MULTIMODAL TRANSPORTATION FUND:

Aviation Grants (EA)	\$ 7,686	\$ 7,686	\$ 8,216
Rail Freight Grants (EA)	12,806	12,806	13,690
Passenger Rail Grants (EA)	10,246	10,246	10,953
Ports and Waterways Grants (EA)	12,806	12,806	13,690
Bicycle and Pedestrian Facilities Grants (EA)	2,561	2,561	2,738
Statewide Programs Grants (EA)	40,000	40,000	40,000
Multimodal Administration and Oversight (EA)	10,870	10,870	11,414
(A)Reimbursements	12	-	-
Transfer to Commonwealth Financing Authority (EA)	82,737	93,277	80,923

MULTIMODAL TRANSPORTATION FUND TOTAL	\$ 179,724	\$ 190,252	\$ 181,624
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PENNSYLVANIA INFRASTRUCTURE BANK FUND:

Infrastructure Bank Loans (EA)	\$ 30,000	\$ 30,000	\$ 30,000
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PUBLIC TRANSPORTATION ASSISTANCE FUND:

Mass Transit (EA)	\$ 268,160	\$ 266,727	\$ 273,869
Transfer to Public Transportation Trust Fund (EA)	- ^d	- ^d	- ^d

PUBLIC TRANSPORTATION ASSISTANCE FUND TOTAL	\$ 268,160	\$ 266,727	\$ 273,869
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PUBLIC TRANSPORTATION TRUST FUND:

(R)Mass Transit Operating (EA)	\$ 1,044,093 ^e	1,114,093 ^e	1,454,093 ^e
(R)Asset Improvement (EA)	995,000	995,000	660,000
(F)Passenger Rail Capital (EA)	33,000	33,000	33,000
(R)Capital Improvement (EA)	40,000	40,000	25,000
(A)Capital Improvement-Reimbursements	2,286	1,000	1,000
(R)Programs of Statewide Significance (EA)	275,000	286,000	305,000
(A)Programs of Statewide Significance-CNG Capital	-	50	50
(R)Transit Administration and Oversight (EA)	5,000	5,250	5,513

PUBLIC TRANSPORTATION TRUST FUND TOTAL	\$ 2,394,379	\$ 2,474,393	\$ 2,483,656
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Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
UNCONVENTIONAL GAS WELL FUND:			
Rail Freight Assistance (EA)	\$ 1,000	\$ 1,000	\$ 1,000
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ 163,735	\$ 2,802	\$ 3,106
MOTOR LICENSE FUND	2,667,009	2,819,077	2,899,816
LOTTERY FUND	170,907	170,907	170,907
FEDERAL FUNDS	2,563,696	3,208,139	3,302,793
AUGMENTATIONS	96,950	125,167	119,117
RESTRICTED	2,175,226	2,115,357	2,083,254
OTHER FUNDS	2,895,091	2,989,680	2,997,818
TOTAL ALL FUNDS	\$ 10,732,614	\$ 11,431,129	\$ 11,576,811

^a Includes funding above the traditional allotment as authorized under the Federal Infrastructure Investment and Jobs Act: 2023-24 Actual is \$792,384,000, 2024-25 Available is \$837,617,000, and 2025-26 Budget is \$883,754,000. This includes IIJA funds for the Commonwealth Workforce Transformation Program: 2024-25 Available is \$10,000,000 and 2025-26 Budget is \$25,000,000.

^b Not added to avoid double counting: 2023-24 Actual is \$3,292,878, 2024-25 Available is \$4,000,000, and 2025-26 Budget is \$4,000,000.

^c This budget proposes to transfer funding to Driver and Vehicle Services, due to the May 7, 2025 REAL ID implementation.

^d Not added to the total to avoid double counting: 2023-24 Actual is \$25,300,000, 2024-25 Available is \$25,188,000, and 2025-26 Budget is \$25,769,000.

^e Lottery Fund Transfer to Public Transportation Trust Fund not added to the total to avoid double counting: 2023-24 Actual is \$1,140,000,000, 2024-25 Available is \$1,210,000,000, and 2025-26 Budget is \$1,550,000,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Available	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
TRANSPORTATION SUPPORT SERVICES:							
GENERAL FUND.....	\$ 161,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	84,899	87,976	97,584	100,056	100,056	100,056	100,056
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	1,294	1,430	1,380	1,380	1,380	1,380	1,380
RESTRICTED.....	569	800	800	800	800	800	800
OTHER FUNDS.....	8	4	4	4	4	4	4
SUBCATEGORY TOTAL....	\$ 247,770	\$ 90,210	\$ 99,768	\$ 102,240	\$ 102,240	\$ 102,240	\$ 102,240
HIGHWAYS AND BRIDGES:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	1,988,552	2,143,600	2,208,638	2,103,764	2,138,764	2,223,764	2,298,764
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	2,248,735	2,884,264	2,975,918	3,014,652	3,014,316	3,015,219	2,964,219
AUGMENTATIONS	43,359	68,494	63,494	63,494	63,494	63,494	63,494
RESTRICTED.....	1,612,011	1,514,775	1,490,357	1,468,781	1,444,223	1,423,474	1,416,593
OTHER FUNDS.....	30,360	30,390	30,390	30,390	28,390	25,390	22,390
SUBCATEGORY TOTAL....	\$ 5,923,017	\$ 6,641,523	\$ 6,768,797	\$ 6,681,081	\$ 6,689,187	\$ 6,751,341	\$ 6,765,460
LOCAL HIGHWAY AND BRIDGE ASSISTANCE:							
GENERAL FUND.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND ...	326,195	323,911	316,886	313,325	309,426	305,924	303,093
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	17,161	22,500	12,500	12,500	12,500	12,500	12,500
AUGMENTATIONS	423	1,100	100	100	100	100	100
RESTRICTED.....	531,507	561,955	554,096	549,531	539,071	534,912	531,352
OTHER FUNDS.....	21,210	26,838	27,259	26,819	26,424	26,102	25,684
SUBCATEGORY TOTAL....	\$ 896,496	\$ 936,304	\$ 910,841	\$ 902,275	\$ 887,521	\$ 879,538	\$ 872,729
MULTIMODAL TRANSPORTATION:							
GENERAL FUND.....	\$ 1,600	\$ 1,600	\$ 1,600	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	170,907	170,907	170,907	170,907	170,907	170,907	170,907
FEDERAL FUNDS.....	293,800	297,375	310,375	297,375	297,375	297,375	297,375
AUGMENTATIONS	842	500	500	500	500	500	500
RESTRICTED.....	16,040	17,827	18,001	18,125	18,125	18,125	18,125
OTHER FUNDS.....	2,843,491	2,932,432	2,940,149	2,947,116	2,940,761	2,908,830	2,935,224
SUBCATEGORY TOTAL....	\$ 3,326,680	\$ 3,420,641	\$ 3,441,532	\$ 3,436,023	\$ 3,429,668	\$ 3,397,737	\$ 3,424,131

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
DRIVER AND VEHICLE SERVICES:							
GENERAL FUND.....	\$ 1,135	\$ 1,202	\$ 1,506	\$ 1,506	\$ 1,506	\$ 1,506	\$ 1,506
MOTOR LICENSE FUND ...	267,363	263,590	276,708	283,850	283,850	283,850	283,850
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	4,000	4,000	4,000	4,000	4,000	4,000	4,000
AUGMENTATIONS	51,032	53,643	53,643	53,643	53,643	53,643	53,643
RESTRICTED.....	15,099	20,000	20,000	20,000	20,000	20,000	20,000
OTHER FUNDS.....	22	16	16	16	16	16	16
SUBCATEGORY TOTAL....	\$ 338,651	\$ 342,451	\$ 355,873	\$ 363,015	\$ 363,015	\$ 363,015	\$ 363,015
ALL PROGRAMS:							
GENERAL FUND.....	\$ 163,735	\$ 2,802	\$ 3,106	\$ 3,506	\$ 3,506	\$ 3,506	\$ 3,506
MOTOR LICENSE FUND ...	2,667,009	2,819,077	2,899,816	2,800,995	2,832,096	2,913,594	2,985,763
LOTTERY FUND	170,907	170,907	170,907	170,907	170,907	170,907	170,907
FEDERAL FUNDS.....	2,563,696	3,208,139	3,302,793	3,328,527	3,328,191	3,329,094	3,278,094
AUGMENTATIONS	96,950	125,167	119,117	119,117	119,117	119,117	119,117
RESTRICTED.....	2,175,226	2,115,357	2,083,254	2,057,237	2,022,219	1,997,311	1,986,870
OTHER FUNDS.....	2,895,091	2,989,680	2,997,818	3,004,345	2,995,595	2,960,342	2,983,318
DEPARTMENT TOTAL	\$10,732,614	\$11,431,129	\$11,576,811	\$11,484,634	\$11,471,631	\$11,493,871	\$11,527,575

Program: Transportation Support Services

Goal: To provide an effective administrative system supporting both non-highway and highway transportation programs.

The [Department of Transportation \(PennDOT\)](#) develops general guidelines for highway-related activities while directing and coordinating construction, maintenance, and safety functions discussed under the [Highways and Bridges](#) program and the [Driver and Vehicle Services](#) program. Managerial responsibilities include providing support in legal, budgetary, accounting, personnel, procurement, information systems, and public relations matters. PennDOT handles grant allocations to local governments and coordinates highway transfer activities. In addition, the [State Transportation Commission](#) and the Transportation Advisory Committee are funded within this program. This program also provides for refunds of Motor License Fund overpayments associated with operator licenses, vehicle registrations, and safety inspection stickers.

The department also provides direct supervision and oversight of aviation, mass transportation, rail freight, ports and waterways, and bicycle and pedestrian facilities activities, which are shown under the [Multimodal Transportation](#) program.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

MOTOR LICENSE FUND:

General Government Operations

\$ 9,608 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Transportation and Multimodal Improvement Projects	\$ 161,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MOTOR LICENSE FUND:							
General Government Operations...	\$ 82,399	\$ 85,476	\$ 95,084	\$ 97,556	\$ 97,556	\$ 97,556	\$ 97,556
Refunding Collected Monies (EA) ..	2,500	2,500	2,500	2,500	2,500	2,500	2,500
TOTAL MOTOR LICENSE FUND .	\$ 84,899	\$ 87,976	\$ 97,584	\$ 100,056	\$ 100,056	\$ 100,056	\$ 100,056

Program: Highways and Bridges

Goal: To provide a safe and efficient state-administered highway network through road and bridge improvements, as well as through ongoing maintenance activities including winter traffic services.

Highway and Bridge Construction/Reconstruction

PennDOT's [Highway and Bridge Construction/Reconstruction activities](#) support the economic vitality of the Commonwealth and the mobility and quality of life of its residents.

PennDOT is actively involved in planning, facilitating, and making improvements to the transportation system, by liaisons for [Metropolitan and Rural Planning Organizations](#), the [State Transportation Commission](#), and the Transportation Advisory Committee, as well as transportation management associations, the public, and other stakeholders. The products of this collaboration, at a high level, are the [Statewide Transportation Improvement Program](#) and the [Twelve Year Program](#), which include projects highlighted on the [PA Transportation Projects](#) website.

State Highway and Bridge Maintenance

Pennsylvania experiences high volumes of traffic and is subject to inclement weather. Roadway treatments that prolong the useful life of infrastructure range from crack sealing to resurfacing. Bridge activity ranges from deck washing to preventive maintenance of deck surface and structural components. Unscheduled maintenance services must be performed in response to flooding, windstorms, landslides, sinkholes, and similar acts of nature.

A base level of [State Highway and Bridge Maintenance](#) activity is funded by a portion of the unrestricted Motor License Fund. This is supplemented by a dedicated share of the Oil Company Franchise Tax.

The Highway Systems Technology and Innovation appropriation includes costs associated with the department's traffic management centers, operation and maintenance of intelligent transportation equipment, traveler information provided to the public, and other key traffic operations efforts. This also covers costs for 511 services including the [511 PA website](#), the alert service, and a mobile application to communicate with Pennsylvania travelers.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	Welcome Centers		Highway Maintenance
\$ 38	—to continue current program.	\$ 25,000	—to continue current program.
	Highway Capital Projects (EA)		
\$ 40,000	—to continue current program.		

Program: Highways and Bridges, continued

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MOTOR LICENSE FUND:							
Welcome Centers	\$ 4,640	\$ 4,807	\$ 4,845	\$ 4,971	\$ 4,971	\$ 4,971	\$ 4,971
Highway and Safety Improvements	650,000	630,000	630,000	500,000	500,000	560,000	610,000
Highway Capital Projects (EA).....	240,000	300,000	340,000	340,000	350,000	350,000	350,000
Highway Maintenance	1,033,412	1,144,293	1,169,293	1,194,293	1,219,293	1,244,293	1,269,293
Highway Systems Technology and Innovation	16,000	20,000	20,000	20,000	20,000	20,000	20,000
Reinvestment in Facilities ..	16,500	16,500	16,500	16,500	16,500	16,500	16,500
Payment to Turnpike Commission (EA).....	28,000	28,000	28,000	28,000	28,000	28,000	28,000
TOTAL MOTOR LICENSE FUND	\$1,988,552	\$2,143,600	\$2,208,638	\$2,103,764	\$2,138,764	\$2,223,764	\$2,298,764

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Increase the percentage of highway system in good or excellent condition.							
Miles of new highway construction	12	8	16	8 ^a	9 ^a	9 ^a	9 ^a
Miles of Interstate reconstruction or restoration	73	140	110	120 ^a	120 ^a	120 ^a	120 ^a
Miles of Non-Interstate reconstruction or restoration.....	216	190	160	140 ^a	140 ^a	140 ^a	140 ^a
Percentage of Interstate Highway System in good condition..... %	67.1	70.8	65.3	70.0	67.9	67.9	66.3
Percentage of Interstate Highway System in fair condition..... %	32.5	28.5	33.8	29.0	31.2	31.1	32.6
Percentage of Interstate Highway System in poor condition	0.4	0.7	0.9	1.1	0.9	1.0	1.1
Percentage of National Highway System Non-Interstate highways in good condition	36.6	34.5	35.2	31.1	31.6	31.7	30.2
Percentage of National Highway System Non-Interstate highways in fair condition	60.9	62.4	61.7	65.2	65.0	64.7	65.9
Percentage of National Highway System Non-Interstate highways in poor condition	2.5	3.1	3.2	3.8	3.4	3.6	3.9
Percentage of bridges in good condition	33.6	29.8	29.9	29.9	30.4	33.9	33.9
Percentage of bridges in fair condition . %	56.0	64.0	64.6	64.8	63.9	61.3	61.3
Percentage of bridges in poor condition %	10.3	6.0	5.5	5.4	5.6	4.8	4.8

Program: Highways and Bridges, continued

Program Measures, continued:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Poor bridges rehabilitated/replaced	181	119	141	171	149	150	145
Closed bridges	29	28	29	23	31	30	25
Posted bridges	456	437	444	416	432	450	475
Bridge Preservations	191	175	248	271	215	250	250
Continue to maintain miles of highways and bridges.							
Structural restoration	323	109	323	246	250	289	178
Resurfacing.....	2,449	258	1,054	1,945	1,584	1,487	960
Surface repairs	3,369	2,726	4,100	4,370	4,624	4,249	4,344

^a Does not include impact of federal transportation infrastructure funding or additional funding resulting from the reduction of State Police reliance on the Motor License Fund.

Program: Local Highway and Bridge Assistance

Goal: To assist local governments in the maintenance and construction of their portion of the total highway and bridge system.

PennDOT provides several programs to assist municipal and county governments in the maintenance and construction of their roadways (roughly two-thirds of Pennsylvania highways) and bridges. The majority of state funds are distributed by statutory formula, while federal funds are allocated in partnership with the [Metropolitan and Regional Planning Organizations](#).

Dedicated Motor License Fund revenues are received from a portion of the Oil Company Franchise Tax and registration fees of Commonwealth-registered vehicles having a gross weight in excess of 26,000 pounds. For the local program, both municipalities and counties are eligible for grants on bridges greater than 20 feet long owned by these political subdivisions.

The [Highway Transfer Turnback Program](#) is a voluntary program in which the department pays to upgrade a road segment to acceptable standards, transfers ownership to a political subdivision, and provides a yearly subsidy for future maintenance.

There are three programs specifically directed toward county governments. General assistance for highway maintenance and construction and assistance for economically distressed counties with the local share of bridge improvement projects are each funded from a portion of the Oil Company Franchise Tax. A third program for maintenance and construction of county bridges specifies the distribution of an annual appropriation based on each county's percentage of the total county-owned bridge deck area in the state.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Local Road Maintenance and Construction

\$ (7,025) —based on current revenue estimates.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MOTOR LICENSE FUND:							
Local Road Maintenance and Construction.....	\$ 246,195	\$ 243,911	\$ 236,886	\$ 233,325	\$ 229,426	\$ 225,924	\$ 223,093
Supplemental Local Road Maintenance and Construction.....	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Municipal Roads and Bridges.....	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Maintenance and Construction of County Bridges.....	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Municipal Traffic Signals.....	40,000	40,000	40,000	40,000	40,000	40,000	40,000
TOTAL MOTOR LICENSE FUND.....	\$ 326,195	\$ 323,911	\$ 316,886	\$ 313,325	\$ 309,426	\$ 305,924	\$ 303,093

Program: Multimodal Transportation

Goal: To support public transportation, intercity bus, intercity rail, rail freight, ports, aviation, and bicycle and pedestrian facilities options that improve the mobility and the quality of life for urban and rural Pennsylvanians and enhance economic activity throughout the Commonwealth.

Multimodal Transportation provides support primarily for the Commonwealth's non-highway infrastructure that includes public transportation, aviation, bicycle, pedestrian, passenger and freight rail, and ports. Improvements and programs for non-highway transportation are funded through various sources.

Public Transportation

[Public transportation](#) service within Pennsylvania is provided by transit systems. Operating grants to these organizations are determined by a base allocation equal to the prior-year subsidy and supplemental funding distributed on four performance factors, including total passengers, senior passengers, revenue vehicle miles, and revenue vehicle hours.

Asset Improvement provides public transportation capital funding to maintain and improve vehicles, communication equipment, technology, and transit facilities.

Free Transit Services for Seniors

The [Free Transit](#) program provides free rides on participating local fixed route operations to Pennsylvanians who are 65 years of age or older, while the Shared Ride program enables senior citizens 65 years or older to use demand-responsive service at a significant fare discount. Both programs are funded from a portion of the revenues received from the Pennsylvania Lottery.

Intercity Transportation

[Intercity Bus Services](#) support operations on routes where, without state assistance, essential service would be terminated. The operations are funded with state and Federal Transit Administration funds.

[Intercity rail passenger service](#) in Pennsylvania, as distinguished from local or regional commuter service, is provided by Amtrak. PennDOT has contracted with Amtrak to provide service from Harrisburg to Philadelphia (The Keystone) and between Philadelphia and Pittsburgh (The Pennsylvanian).

PennPORTS

Pennsylvania boasts a deep-water port in Philadelphia, a sprawling inland port in Pittsburgh, and a Great Lakes port in Erie with access to the world through the St. Lawrence Seaway. [PennPORTS](#) supports the operation and maintenance of the ports of Erie, Pittsburgh, and Philadelphia as well as strategic planning, policy development, and project oversight.

Rail Freight

The department administers programs to assist railroad owners with infrastructure improvements, acquisition, accelerated maintenance, and new construction. Through the [Rail Freight Assistance Program](#) and the Rail Transportation Assistance Program, grants may be issued to private railroads, companies utilizing rail in their shipping process, and public authorities or municipalities that are conduits for rail activities.

PennDOT also receives annual funding from the Unconventional Gas Well Fund to provide rail freight grants for projects related to or directly benefitting the Commonwealth's Marcellus Shale gas drilling industry.

Aviation

The department provides programs to improve the safety and effectiveness of the Commonwealth's aviation network, including an airport inspection and licensing program. The State Aviation Development Program is used for public use airports to meet safety, security, capacity, environmental, and planning needs. The [Real Estate Tax Reimbursement Program](#) allows for publicly operated airports to receive rebates on real estate taxes for land that is essential for airport public use.

Multimodal Transportation Fund Statewide Program Grants

[Act 89 of 2013](#) established a dedicated [Multimodal Transportation Fund \(MTF\)](#) to stabilize funding for ports and rail freight, increase aviation investments, establish dedicated funding for bicycle and pedestrian improvements, and allow targeted funding for priority investments in any mode. PennDOT provides grants to improve transportation assets that enhance communities, pedestrian safety, and transit revitalization.

Program: Multimodal Transportation, continued

Bicycle and Pedestrian Facilities

The department has developed a [Statewide Active Transportation Plan](#) to outline a vision and overall strategies to implement bicycle and pedestrian projects throughout Pennsylvania. The plan focuses around six themes, including safety, connectivity, partnerships, economic mobility, transportation equity, and public health.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Transfer to Aviation Restricted Account is recommended at the current year funding level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Transfer to Aviation Restricted Account.....	\$ 1,600	\$ 1,600	\$ 1,600	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
LOTTERY FUND:							
Older Pennsylvanians Shared Rides (EA).....	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Transfer to Public Transportation Trust Fund (EA).....	95,907	95,907	95,907	95,907	95,907	95,907	95,907
TOTAL LOTTERY FUND...	\$ 170,907	\$ 170,907	\$ 170,907	\$ 170,907	\$ 170,907	\$ 170,907	\$ 170,907
MULTIMODAL TRANSPORTATION FUND:							
Aviation Grants (EA)	\$ 7,686	\$ 7,686	\$ 8,216	\$ 8,216	\$ 8,627	\$ 8,627	\$ 9,058
Rail Freight Grants (EA)	12,806	12,806	13,690	13,690	14,375	14,375	15,094
Passenger Rail Grants (EA).....	10,246	10,246	10,953	10,953	11,501	11,501	12,076
Ports and Waterways Grants (EA).....	12,806	12,806	13,690	13,690	14,375	14,375	15,094
Bicycle and Pedestrian Facilities Grants (EA).....	2,561	2,561	2,738	2,738	2,875	2,875	3,019
Statewide Programs Grants (EA).....	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Multimodal Administration and Oversight (EA)	10,870	10,870	11,414	11,710	12,015	12,327	12,648
Transfer to Commonwealth Financing Authority (EA)....	82,737	93,277	80,923	80,230	83,840	83,836	87,392
TOTAL MULTIMODAL TRANSPORTATION FUND	\$ 179,712	\$ 190,252	\$ 181,624	\$ 181,227	\$ 187,608	\$ 187,916	\$ 194,381

Program: Multimodal Transportation, continued

Appropriations within this Program, continued:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
PUBLIC TRANSPORTATION ASSISTANCE FUND:							
Mass Transit (EA)	\$ 268,160	\$ 266,727	\$ 273,869	\$ 280,958	\$ 292,932	\$ 310,390	\$ - ^a
PUBLIC TRANSPORTATION TRUST FUND:							
(R)Mass Transit Operating (EA).....	\$ 1,044,093	\$ 1,114,093	\$ 1,454,093	\$ 1,474,093	\$ 1,494,093	\$ 1,504,093	\$ 1,864,093
(R)Asset Improvement (EA)	995,000	995,000	660,000	640,000	620,000	600,000	580,000
(R)Capital Improvement (EA).....	40,000	40,000	25,000	25,000	25,000	25,000	25,000
(R)Programs of Statewide Significance (EA)	275,000	286,000	305,000	305,000	280,000	240,000	230,000
(R)Transit Administration and Oversight (EA)	5,000	5,250	5,513	5,788	6,078	6,381	6,700
TOTAL PUBLIC TRANSPORTATION TRUST FUND	\$ 2,359,093	\$ 2,440,343	\$ 2,449,606	\$ 2,449,881	\$ 2,425,171	\$ 2,375,474	\$ 2,705,793

^a Reflects increased transfer from Public Transportation Assistance Fund to Public Transportation Trust Fund as required by Act 44 of 2007.

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Support public transportation, intercity bus, intercity rail, rail freight, ports, and aviation operations that improve the mobility and quality of life for urban and rural Pennsylvanians and enhance economic activity throughout the Commonwealth.							
Mass Transportation:							
Passengers carried by state-assisted operators (in millions)	299.1	142.6	196.2	231.4	257.2	264.9	272.8
Passengers per vehicle hour	28.9	14.5	19.6	24.9	27.1	27.9	28.7
Older Pennsylvanians Transit:							
Number of free transit trips (in millions)	27.5	17.8	20.5	24.1	24.7	25.4	26.2
Trips on state-assisted shared ride vehicles (in millions).....	3.1	1.6	2.1	2.4	2.8	2.9	3.0
Cost to the Commonwealth per trip:							
Free transit.....	\$ 3.49	5.40	4.68	3.98	3.88	3.77	3.88
State-assisted shared ride vehicles	\$ 23.87	45.74	36.61	21.04	24.45	24.45	25.18
Intercity Transportation:							
Passengers handled on Intercity Buses (in thousands).....	163.7	61.6	132.6	103.7	103.7	104.0	104.0
Passengers handled on Intercity Rails (in thousands).....	1,273.8	402.7	891.7	1,258.6	1,467.2	1,480.0	1,502.0
Subsidy per passenger mile	\$ 0.12	0.30	0.26	0.26	0.25	0.26	0.25
Aviation:							
Runways with a pavement condition index of fair or better.....	% 92	90	90	84	84	80	78

Program: Driver and Vehicle Services

Goal: To minimize traffic accidents attributable to driver error and mechanically defective vehicles and to promote highway safety programs.

[Driver and Vehicle Services](#) processes applications and collects fees for all vehicle registrations, titles, and operator licenses, and oversees operator and vehicular licensing activities such as testing, inspections, financial responsibility, and revocations. This includes [driver's license examinations](#) which certify an individual possesses the knowledge and skills to safely operate passenger and commercial vehicles and motorcycles.

The [Vehicle Safety Inspection Program](#) is intended to minimize traffic accidents due to mechanical failure. The Commonwealth operates an annual [Vehicle Emissions Inspection Program](#) in less than half of Pennsylvania's counties. In the counties not required to participate in the Vehicle Emissions Inspection program, the annual Vehicle Safety Inspection Program incorporates a visual anti-tampering check for the presence of federally required emission control components that were installed on the vehicle by the manufacturer.

Pennsylvania enforcement officials are responsible for the issuance of citations for Vehicle Code violations. In addition to assigning points for driver infractions, the department suspends, revokes, disqualifies, or recalls driver's licenses for many violations, including accumulation of points. Driver's License program areas also administer the [Motor Voter](#) program and the Commonwealth's [Organ Donor Program](#).

PennDOT processes cancellation notices received from insurance companies. Notification of cancellation prompts the department to have registrants revalidate proper insurance coverage for the vehicle.

Driver and Vehicle Services currently has offices statewide offering driver examination and/or photo licensing services and is working with private business to further decentralize its services to improve access. As part of its ongoing efforts to enhance customer service options and provide customers with another convenient option for taking their driver's skills test, PennDOT has authorized a limited number of third-party entities to administer driver's skills testing. This budget continues to include funding to comply with federal homeland security requirements, which allows Pennsylvania residents to obtain an [optional REAL ID compliant driver's license or state identification card](#) that will be accepted for boarding a domestic commercial flight or entering a federal building.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

GENERAL FUND:		MOTOR LICENSE FUND:	
Vehicle Sales Tax Collections		Driver and Vehicle Services	
\$ 4	—to continue current program.	\$ 13,118	—to continue current program.
		32,535	—transferred from Homeland Security - REAL ID.
		\$ 45,653	<i>Appropriation Increase</i>
Voter Registration			
\$ 300	—to continue current program.		
			Homeland Security - REAL ID
		\$ (32,535)	—transferred to Driver and Vehicle Services.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Vehicle Sales Tax Collections	\$ 496	\$ 443	\$ 447	\$ 447	\$ 447	\$ 447	\$ 447
Voter Registration	639	759	1,059	1,059	1,059	1,059	1,059
TOTAL GENERAL FUND	\$ 1,135	\$ 1,202	\$ 1,506	\$ 1,506	\$ 1,506	\$ 1,506	\$ 1,506

Program: Driver and Vehicle Services, continued

Appropriations within this Program, continued:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
MOTOR LICENSE FUND:							
Driver and Vehicle Services.....	\$ 236,055	\$ 231,055	\$ 276,708	\$ 283,850	\$ 283,850	\$ 283,850	\$ 283,850
Homeland Security-REAL ID	31,308	32,535	-	-	-	-	-
TOTAL MOTOR LICENSE FUND .	\$ 267,363	\$ 263,590	\$ 276,708	\$ 283,850	\$ 283,850	\$ 283,850	\$ 283,850

Program Measures:

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Provide exceptional customer service through a customer-focused business approach.							
Online eGov transactions (in millions) ..	12.5	10.6	10.1	9.0	9.4	11.9	11.9
Percentage of service center customers served within 30 minutes..... %	82.0	82.0	80.0	80.0	85.0	90.0	90.0



JUDICIARY

The mission of the [Unified Judicial System of Pennsylvania](#) is to deliver fair, timely, and accessible justice for all.

The court system includes the Supreme Court, Superior Court, Commonwealth Court, Courts of Common Pleas, and community courts.

Programs and Goals

State Judicial System: *To provide the citizens of the Commonwealth with prompt and equitable justice under the law.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26
ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

Supreme Court:

Supreme Court	\$ 19,909	\$ 21,168	\$ 21,634
Justice Expenses	118	118	118
Judicial Center Operations.....	1,155	1,228	1,298
Judicial Council.....	141	141	141
District Court Administrators.....	24,581	26,136	27,718
Interbranch Commission	358	358	403
Court Management Education	78	78	78
Rules Committees	1,595	1,595	1,595
Court Administrator	14,592	15,515	15,515
(F)Court Improvement Project	1,130	1,130	1,130
(F)STOP Violence Against Women (EA).....	273	300	300
Integrated Criminal Justice System	2,372	2,522	3,521
(R)Judicial Computer System.....	48,952	43,417	43,417
Unified Judicial System Security.....	2,002	2,129	2,443
Unified Judicial System Cybersecurity and Disaster Recovery	-	3,490	4,652
Office of Elder Justice in the Courts	499	531	802
(F)Elder Justice Innovation	1,000	1,100	-
Subtotal.....	\$ 118,755	\$ 120,956	\$ 124,765

Superior Court:

Superior Court.....	\$ 36,455	\$ 38,761	\$ 40,731
Judges Expenses	183	183	183
Subtotal.....	\$ 36,638	\$ 38,944	\$ 40,914

Commonwealth Court:

Commonwealth Court.....	\$ 22,896	\$ 24,344	\$ 26,142
Judges Expenses	132	132	132
Subtotal.....	\$ 23,028	\$ 24,476	\$ 26,274

Courts of Common Pleas:

Courts of Common Pleas	\$ 138,172	\$ 146,913	\$ 161,378
Senior Judges.....	4,213	4,480	4,480
Judicial Education.....	1,532	1,532	1,593
Problem-Solving Courts	1,268	1,348	1,348
Subtotal.....	\$ 145,185	\$ 154,273	\$ 168,799

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
Magisterial District Judges:			
Magisterial District Judges.....	\$ 94,308	\$ 100,274	\$ 106,047
Magisterial District Judge Education	878	878	961
Subtotal.....	\$ 95,186	\$ 101,152	\$ 107,008
Philadelphia Courts:			
Municipal Court	\$ 9,475	\$ 10,074	\$ 10,921
Subtotal.....	\$ 9,475	\$ 10,074	\$ 10,921
Judicial Conduct:			
Judicial Ethics Advisory Board	\$ 244	\$ 259	\$ 306
Judicial Conduct Board	2,555	2,555	2,555
Court of Judicial Discipline	618	618	618
Subtotal.....	\$ 3,417	\$ 3,432	\$ 3,479
Subtotal - State Funds	\$ 380,329	\$ 407,360	\$ 437,313
Subtotal - Federal Funds	2,403	2,530	1,430
Subtotal - Restricted	48,952	43,417	43,417
Total - General Government	\$ 431,684	\$ 453,307	\$ 482,160
Grants and Subsidies:			
Reimbursement of County Costs:			
Juror Cost Reimbursement	\$ 1,118	\$ 1,118	\$ 1,118
County Court Reimbursement	23,136	23,136	23,136
Senior Judge Reimbursement	1,375	1,375	1,375
Court Interpreter County Grant.....	2,473	2,629	3,000
Subtotal.....	\$ 28,102	\$ 28,258	\$ 28,629
Total - Grants and Subsidies	\$ 28,102	\$ 28,258	\$ 28,629
STATE FUNDS	\$ 408,431	\$ 435,618	\$ 465,942
FEDERAL FUNDS	2,403	2,530	1,430
RESTRICTED	48,952	43,417	43,417
GENERAL FUND TOTAL	\$ 459,786	\$ 481,565	\$ 510,789

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
STATE JUDICIAL SYSTEM:							
GENERAL FUND.....	\$ 408,431	\$ 435,618	\$ 465,942	\$ 478,643	\$ 485,607	\$ 495,989	\$ 506,611
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	2,403	2,530	1,430	1,430	1,430	1,430	1,430
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	48,952	43,417	43,417	43,417	43,417	43,417	43,417
OTHER FUNDS.....	-	-	-	-	-	-	-
DEPARTMENT TOTAL	<u>\$ 459,786</u>	<u>\$ 481,565</u>	<u>\$ 510,789</u>	<u>\$ 523,490</u>	<u>\$ 530,454</u>	<u>\$ 540,836</u>	<u>\$ 551,458</u>

Program: State Judicial System

Goal: To provide the citizens of the Commonwealth with prompt and equitable justice under the law.

Pennsylvania's [Unified Judicial System](#) is a layered court system consisting of the Supreme Court, Commonwealth Court, Superior Court, Courts of Common Pleas, the magisterial district courts, and Philadelphia Municipal Court. The Judiciary's core mission is the delivery of fair, timely, and accessible justice for all Pennsylvanians.

In counties other than Philadelphia, courts at the first level of the system are presided over by [Magisterial District Judges](#) who have jurisdiction over summary criminal cases, landlord-tenant matters, and other civil actions where the amount claimed does not exceed \$12,000. They also have jurisdiction to issue warrants, hold arraignments and preliminary hearings in all criminal cases, and accept guilty pleas under certain circumstances. In Philadelphia, the [Municipal Court](#) is the initial level of the court system. Its limited jurisdiction is analogous to that of the Magisterial District Judges.

The second level in the court system is the [Courts of Common Pleas](#), which are courts of general trial jurisdiction. They have original jurisdiction over all cases not exclusively assigned to another court. Appellate jurisdiction extends to appeals from final orders of the lower courts and appeals from certain state and most local government agencies.

Appeals from the Courts of Common Pleas are generally handled by one of the two intermediate-level appellate courts: [Commonwealth Court](#) and [Superior Court](#). The Commonwealth Court has jurisdiction over appeals involving government agencies and officials and not-for-profit corporations, as well as original jurisdiction over [Election Code](#) matters and cases involving state officials. The Superior Court has jurisdiction over all direct appeals not within the specific statutory jurisdiction of another appellate court. The [Supreme Court](#) is Pennsylvania's court of last resort and is responsible for administration of the entire Unified Judicial System.

As defined by the state constitution, statute, and court rule, the Court Administrator of Pennsylvania heads the [Administrative Office of Pennsylvania Courts \(AOPC\)](#), the administrative arm of the Supreme Court in the court's oversight responsibility of the Unified Judicial System. At the direction of the Supreme Court, AOPC has undertaken initiatives to assist those in need and educate the public by making court documents and information more accessible. In response, the [Office of Elder Justice in the Courts](#) and the [Office of Children and Families in the Courts](#) work to protect the needs of the most vulnerable. In addition, AOPC is focused on the continued expansion of its [problem-solving courts](#) program, assisting with the treatment and rehabilitation of behaviors and conditions that are often linked to crime and social problems. Through the Judiciary's commitment to continued improvements in language access and interpreter services, individuals who are limited-English proficient, deaf, or hard of hearing can fully participate in court processes, preserving their access to justice.

Pennsylvania's state court system was the second system in the country to go online, and through its [Judicial Computer System \(JCS\)](#) has been among the nation's leaders in using technology to more efficiently administer its courts and broaden public accessibility to court information. The JCS is now an integral part of not only court operations statewide, but also in supplying data for a broad array of state and local government agencies, especially in law enforcement through the Commonwealth's multi-agency [Pennsylvania Justice Network](#).

Program: State Judicial System, continued

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>Supreme Court</p> <p>\$ 466 —to continue current program.</p> <p>Judicial Center Operations</p> <p>\$ 70 —to continue current program.</p> <p>District Court Administrators</p> <p>\$ 1,582 —to continue current program.</p> <p>Interbranch Commission</p> <p>\$ 45 —to continue current program.</p> <p>Integrated Criminal Justice System</p> <p>\$ 999 —to continue current program.</p> <p>Unified Judicial System Security</p> <p>\$ 314 —to continue current program.</p> <p>Unified Judicial System Cybersecurity and Disaster Recovery</p> <p>\$ 1,162 —to continue current program.</p> <p>Office of Elder Justice in the Courts</p> <p>\$ 271 —to continue current program.</p> <p>Superior Court</p> <p>\$ 1,970 —to continue current program.</p>	<p>Commonwealth Court</p> <p>\$ 1,798 —to continue current program.</p> <p>Courts of Common Pleas</p> <p>\$ 14,465 —to continue current program.</p> <p>Judicial Education</p> <p>\$ 61 —to continue current program.</p> <p>Magisterial District Judges</p> <p>\$ 5,773 —to continue current program.</p> <p>Magisterial District Judge Education</p> <p>\$ 83 —to continue current program.</p> <p>Municipal Court</p> <p>\$ 847 —to continue current program.</p> <p>Judicial Ethics Advisory Board</p> <p>\$ 47 —to continue current program.</p> <p>Court Interpreter County Grant</p> <p>\$ 371 —to continue current program.</p>
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Appropriations within this Program:

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Judiciary.....	\$ 408,431	\$ 435,618	\$ 465,942	\$ 478,643	\$ 485,607	\$ 495,989	\$ 506,611



LEGISLATURE

The mission of the [General Assembly of Pennsylvania](#) is to formulate and enact responsible public policy on behalf of the people of the Commonwealth.

The General Assembly is composed of two bodies – the [Senate](#) and the [House of Representatives](#). The legislature convenes at the [Capitol Complex](#) in Harrisburg. Its sessions begin on the first Tuesday of each year unless otherwise convened by proclamation of the Governor.

Programs and Goals

Legislature: *To formulate and enact the public policy of the Commonwealth, to define the functions of state government, to provide revenue for the Commonwealth, and to appropriate money for the operation of state agencies and for other purposes.*

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2023-24 2024-25 2025-26
ACTUAL AVAILABLE BUDGET

GENERAL FUND:

General Government:

Senate:

Senators' Salaries	\$ 9,307	\$ 9,307	\$ 9,307
Employees of Chief Clerk	3,239	3,614	3,614
Salaried Officers and Employees	14,672	16,672	16,672
Incidental Expenses	3,775	3,775	3,775
Expenses-Senators	1,487	1,487	1,487
Legislative Purchasing and Expenses	8,450	8,450	8,450
Committee on Appropriations (R) and (D)	-	-	3,166
Committee on Appropriations (R).....	1,583	1,583	-
Committee on Appropriations (D).....	1,583	1,583	-
Caucus Operations (R) and (D)	-	-	96,676
Caucus Operations (R)	46,919	51,238	-
Caucus Operations (D)	41,607	45,438	-
Subtotal	\$ 132,622	\$ 143,147	\$ 143,147

House of Representatives:

Members' Salaries, Speaker's Extra Compensation	\$ 37,940	\$ 42,230	\$ 42,230
Caucus Operations (R) and (D)	-	-	148,044
Caucus Operations (R)	67,221	71,061	-
Caucus Operations (D)	72,823	76,983	-
Speaker's Office	1,703	1,873	1,873
Bi-Partisan Committee, Chief Clerk, Comptroller, and EMS	14,834	18,510	18,510
Mileage-Representatives, Officers, and Employees	672	672	672
Chief Clerk and Legislative Journal	2,816	2,816	2,816
Contingent Expenses (R) and (D)	-	-	2,118
Speaker	20	20	-
Chief Clerk	2,000	2,000	-
Floor Leader (R).....	7	7	-
Floor Leader (D).....	7	7	-
Whip (R).....	6	6	-
Whip (D).....	6	6	-
Chairman-Caucus (R).....	3	3	-
Chairman-Caucus (D).....	3	3	-
Secretary-Caucus (R).....	3	3	-
Secretary-Caucus (D).....	3	3	-
Chairman-Appropriations Committee (R)	6	6	-

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26
	ACTUAL	AVAILABLE	BUDGET
Chairman-Appropriations Committee (D)	6	6	-
Chairman-Policy Committee (R)	2	2	-
Chairman-Policy Committee (D)	2	2	-
Caucus Administrator (R).....	2	2	-
Caucus Administrator (D).....	2	2	-
Administrator for Staff (R).....	20	20	-
Administrator for Staff (D).....	20	20	-
Incidental Expenses.....	7,569	7,569	7,569
Expenses-Representatives.....	4,251	4,251	4,251
Legislative Purchasing and Expenses.....	11,174	13,000	13,000
Committee on Appropriations (R).....	3,223	3,545	3,545
Committee on Appropriations (D).....	3,223	3,545	3,545
Special Leadership Account (R)	6,045	7,045	7,045
Special Leadership Account (D)	6,045	7,045	7,045
Subtotal	\$ 241,657	\$ 262,263	\$ 262,263
Total - General Government.....	\$ 374,279	\$ 405,410	\$ 405,410
GENERAL FUND TOTAL	\$ 374,279	\$ 405,410	\$ 405,410

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
LEGISLATURE:							
GENERAL FUND.....	\$ 374,279	\$ 405,410	\$ 405,410	\$ 405,410	\$ 405,410	\$ 405,410	\$ 405,410
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED	-	-	-	-	-	-	-
OTHER FUNDS.....	-	-	-	-	-	-	-
DEPARTMENT TOTAL	\$ 374,279	\$ 405,410	\$ 405,410	\$ 405,410	\$ 405,410	\$ 405,410	\$ 405,410

Program: Legislature

Goal: To formulate and enact the public policy of the Commonwealth, to define the functions of state government, to provide revenue for the Commonwealth, and to appropriate money for the operation of state agencies and for other purposes.

This program provides for the operation of the [General Assembly](#), which consists of 253 members; 50 members in the [Senate](#) and 203 members in the [House of Representatives](#).

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

All appropriations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Legislature	<u>\$ 374,279</u>	<u>\$ 405,410</u>	<u>\$ 405,410</u>	<u>\$ 405,410</u>	<u>\$ 405,410</u>	<u>\$ 405,410</u>	<u>\$ 405,410</u>



GOVERNMENT SUPPORT AGENCIES

The mission of the Government Support Agencies is to serve the members of the legislature, legislative committees, the Governor, heads of state agencies, and, in certain cases, citizens of the Commonwealth, by providing research, fiscal and regulatory review, and administrative and operational support.

Programs and Goals

Government Support Agencies: *To provide research, fiscal and regulatory review, and administrative and operational support.*

Government Support Agencies

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2023-24 ACTUAL	2024-25 AVAILABLE	2025-26 BUDGET
GENERAL FUND:			
<i>General Government:</i>			
Legislative Reference Bureau:			
Legislative Reference Bureau-Salaries and Expenses.....	\$ 10,285	\$ 11,000	\$ 11,000
Printing of PA Bulletin and PA Code.....	886	1,100	1,100
Contingent Expenses.....	25	25	25
Subtotal	\$ 11,196	\$ 12,125	\$ 12,125
Miscellaneous and Commissions:			
Legislative Budget and Finance Committee.....	2,020	2,020	2,020
Legislative Data Processing Center	34,255	36,255	36,255
LDP-Information Technology Modernization	2,500	2,500	2,500
Joint State Government Commission	1,701	1,701	1,701
Local Government Commission	1,283	1,283	1,283
Local Government Codes.....	24	24	24
Legislative Audit Advisory Commission.....	285	285	285
Independent Regulatory Review Commission	2,155	2,155	2,155
Capitol Preservation Committee.....	827	827	827
Capitol Restoration	3,157	3,157	3,157
Commission on Sentencing	2,553	2,553	2,553
Center for Rural Pennsylvania.....	1,250	1,250	1,250
Commonwealth Mail Processing Center.....	3,583	3,583	3,583
Independent Fiscal Office.....	2,343	2,343	2,343
Subtotal	\$ 57,936	\$ 59,936	\$ 59,936
Total - General Government.....	\$ 69,132	\$ 72,061	\$ 72,061
GENERAL FUND TOTAL	\$ 69,132	\$ 72,061	\$ 72,061
OTHER FUNDS:			
JUSTICE REINVESTMENT FUND:			
(R)Commission on Sentencing (EA)	\$ 757	\$ 923	\$ -
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND	\$ 69,132	\$ 72,061	\$ 72,061
MOTOR LICENSE FUND.....	-	-	-
LOTTERY FUND.....	-	-	-
FEDERAL FUNDS	-	-	-
AUGMENTATIONS	-	-	-
RESTRICTED	-	-	-
OTHER FUNDS	757	923	-
TOTAL ALL FUNDS	\$ 69,889	\$ 72,984	\$ 72,061

Government Support Agencies

Program Funding Summary

(Dollar Amounts in Thousands)

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GOVERNMENT SUPPORT AGENCIES:							
GENERAL FUND.....	\$ 69,132	\$ 72,061	\$ 72,061	\$ 72,061	\$ 72,061	\$ 72,061	\$ 72,061
MOTOR LICENSE FUND ...	-	-	-	-	-	-	-
LOTTERY FUND	-	-	-	-	-	-	-
FEDERAL FUNDS.....	-	-	-	-	-	-	-
AUGMENTATIONS	-	-	-	-	-	-	-
RESTRICTED.....	-	-	-	-	-	-	-
OTHER FUNDS.....	757	923	-	-	-	-	-
DEPARTMENT TOTAL	<u>\$ 69,889</u>	<u>\$ 72,984</u>	<u>\$ 72,061</u>	<u>\$ 72,061</u>	<u>\$ 72,061</u>	<u>\$ 72,061</u>	<u>\$ 72,061</u>

Government Support Agencies

Program: Government Support Agencies

Goal: To provide research, fiscal and regulatory review, and administrative and operational support.

The following list details government support agencies and their duties:

- The [Legislative Reference Bureau](#) prepares legislative bills and resolutions for introduction in the General Assembly; advises members of the legislature and legislative committees; and, from time to time, prepares proposed codifications of existing general statutes for adoption or rejection by the General Assembly;
- The [Legislative Budget and Finance Committee](#) is a bipartisan, bicameral legislative service agency that conducts studies and makes recommendations aimed at eliminating unnecessary expenditures, promoting economy in the government of the Commonwealth, and ensuring that state funds are being expended in accordance with legislative intent and law;
- The [Legislative Data Processing Center](#) establishes and operates computer systems capable of storing and retrieving all of the financial, factual, procedural, and legal information necessary to serve each of the committees, officers, and agencies of the General Assembly;
- The [Joint State Government Commission](#) serves as the bipartisan and bicameral research agency of the General Assembly;
- The [Local Government Commission](#) is a bipartisan legislative service agency offering research assistance to propose legislation that enables local governments to be more effective and efficient in providing services;
- The [Legislative Audit Advisory Commission](#) plans and performs the audit of the General Assembly's financial transactions;
- The [Independent Regulatory Review Commission](#) reviews Commonwealth agency regulations to ensure that they are in the public interest;
- The [Capitol Preservation Committee](#) works to preserve the art, architecture, and history of the Pennsylvania Capitol Building and Complex;
- The [Commission on Sentencing](#) creates and maintains a consistent and rational statewide sentencing policy through the adoption of guidelines that promote fairer and more uniform sentencing throughout the Commonwealth;
- The [Center for Rural Pennsylvania](#) serves as a resource for rural policy within the General Assembly;
- The Commonwealth Mail Processing Center screens/dispatches correspondence, packages, and parcels; and
- The [Independent Fiscal Office](#) provides nonpartisan budget information and analysis.

Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

All appropriations are recommended at the current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Government Support Agencies....	\$ 69,132	\$ 72,061	\$ 72,061	\$ 72,061	\$ 72,061	\$ 72,061	\$ 72,061



Commonwealth of Pennsylvania

Governor's Executive Budget

CAPITAL BUDGET

Program Summary

This section presents the proposed itemizations and funding sources for the 2025-26 Capital Budget projects including a brief description of each recommended project, its location, and cost components.

Projects are grouped into six categories which are proposed to be funded by a combination of Commonwealth debt obligations, current revenues through new or previous appropriations and authorizations, and funds received from other jurisdictions. Funding source distinctions are noted throughout the section, which itemizes the recommended capital program.

- **Public Improvement Projects** include various types of renovation projects, new buildings, nonstructural improvements, and land acquisition. The Department of General Services administers design and construction for the majority of these projects. However, current revenue projects are generally managed by the departments or, for projects between \$100,000 and \$600,000, through the Job Order Contracting process.
- **Furniture, Fixture, and Equipment Projects** provide for equipping newly completed public improvement projects with original movable furniture, fixtures, and equipment through the Department of General Services. Replacement furniture, fixtures, and equipment for use in existing buildings is purchased through department budgets.
- **Transportation Assistance Projects** include the purchase of rolling stock as well as construction or improvement of facilities operated by mass transportation agencies throughout the Commonwealth; the acquisition, construction, and equipping of rural and intercity common carrier surface transportation systems; and air transportation systems. These projects are administered by the Department of Transportation.
- **Redevelopment Assistance Projects** provide grants for the acquisition and construction of regional economic, cultural, civic, recreational, and historical improvements.
- **Flood Control Projects** include flood control works and improvements to prevent floods and to preserve, control, and regulate the flow of rivers and streams. These projects are administered by the Department of Environmental Protection.
- **Highway Projects** include the design, purchase of rights-of-way, construction, and reconstruction of highways and bridges on the state highway system. These projects are administered by the Department of Transportation.

Unless otherwise noted, these nonrecurring capital investments would not significantly affect the department's future operating budgets nor affect the services provided by the agency. This is because most capital projects involve the renovation or replacement of existing facilities. Consequently, any operating cost impact is derived from such items as efficiencies in energy consumption and necessary maintenance. These items, when viewed in terms of the total department or program budget, generally tend to be negligible.

An exception is when a large-scale project is implemented or a significant increase in the capital base occurs which will dramatically change efficiencies and other components of an operating budget. In this case, the expected change in operating expenses is quantified. Any such exceptions will be noted and will be included in the department's budget or future year estimates based on when the project is expected to be completed, which is usually several years after a capital project itemization has been enacted and authorized.

There are several categories of capital authorizations for which no estimate of operating cost impact is provided. Among these are Redevelopment Assistance, Flood Control, and Transportation Assistance projects undertaken as part of the Public Improvement category. These projects constitute improvements to the property of other entities, primarily local jurisdictions such as cities, boroughs, townships, and universities, among others. Any change in operating costs will therefore be borne by an entity other than the Commonwealth.

Finally, the Highway Projects category also will not provide any statements of operating cost impacts. This is because the bulk of capital spending in this category is for the rehabilitation of the existing highway network rather than the addition of new mileage. As new construction or rehabilitation takes place, high maintenance costs are avoided initially. These avoided maintenance costs are generally shifted to other segments of roadway where repair needs are relatively significant. As a result, the total highway operating budget experiences minimum net change.

Estimated Capital Expenditures State Funds

This table presents summary data on the source and use of funding for currently authorized and proposed capital projects. Detailed information on debt issued for capital projects is contained in the Public Debt section of this budget document.

(Dollar Amounts in Thousands)

	2025-26 Estimated	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
GENERAL OBLIGATION BOND FUNDING:					
Revenues					
Capital Facilities Bonds:					
Public Improvement Projects - Buildings and Structures	\$ 1,100,000	\$ 1,200,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000
Public Improvement Projects - Furniture and Equipment.....	20,000	15,000	15,000	15,000	15,000
Redevelopment Assistance Projects	350,000	350,000	350,000	375,000	375,000
Flood Control Projects	-	-	-	-	-
Transportation Assistance Projects	100,000	175,000	175,000	175,000	175,000
Less: Costs of Issue	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
Miscellaneous Revenue.....	32,000	27,000	27,000	27,000	27,000
Use/(Surplus) of Cash	104,500	74,500	24,500	(25,500)	(25,500)
Total	\$ 1,705,000	\$ 1,840,000	\$ 1,690,000	\$ 1,665,000	\$ 1,665,000
Expenditures					
Capital Facilities Fund:					
Public Improvement Projects - Buildings and Structures	\$ 1,160,000	\$ 1,300,000	\$ 1,150,000	\$ 1,100,000	\$ 1,100,000
Public Improvement Projects - Furniture and Equipment.....	20,000	15,000	15,000	15,000	15,000
Redevelopment Assistance Projects	350,000	350,000	350,000	375,000	375,000
Flood Control Projects	-	-	-	-	-
Transportation Assistance Projects	175,000	175,000	175,000	175,000	175,000
Total General Obligation Bonds.....	\$ 1,705,000	\$ 1,840,000	\$ 1,690,000	\$ 1,665,000	\$ 1,665,000
FROM CURRENT REVENUES:					
General Fund - (R)State Park Resource Restoration	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550
Motor License Fund - Dirt and Gravel Roads ..	1,950	1,950	1,950	1,950	1,950
Motor License Fund - (R)Forestry Bridges - Excise Tax	600	600	600	600	600
Environmental Stewardship Fund - Parks and Forest Facility Rehabilitation.....	400	400	400	400	400
Keystone Recreation, Park, and Conservation Fund - Parks and Forest Facility Rehabilitation ^a	7,425	7,425	7,425	7,425	7,425
Oil and Gas Lease Fund - State Parks and Forests Infrastructure Projects.....	14,990	14,990	14,990	14,990	14,990
Highway Projects - Motor License Fund	2,127,416	1,995,791	1,992,336	2,050,815	2,106,144
Total Current Revenues.....	\$ 2,153,331	\$ 2,021,706	\$ 2,018,251	\$ 2,076,730	\$ 2,132,059
TOTAL ALL FUNDS	\$ 3,858,331	\$ 3,861,706	\$ 3,708,251	\$ 3,741,730	\$ 3,797,059

^a Projects will continue to be evaluated based on available revenues.

^b MLF restricted and unrestricted revenues.

Recommended 2025-26 Project Itemizations

This table provides a summary of proposed project itemizations by department, funding source, and capital category.

(Dollar Amounts in Thousands)

	Capital Facilities Bond Issuances				Current Revenues	
	Public Improvement Projects	Furniture, Fixtures, and Equipment Projects	Transportation Assistance Projects	Flood Control Projects	Public Improvement Projects	Highway Projects
Agriculture	\$ 239,627	\$ -	\$ -	\$ -	\$ -	\$ -
Conservation and Natural Resources... ^a	655,650	16,769	-	-	25,915	-
Corrections	972,904	45,600	-	-	-	-
Education	9,838,304	216,025	-	-	-	-
Emergency Management Agency	106,000	-	-	-	-	-
Environmental Protection	382,010	-	-	9,900	-	-
Executive Offices	14,000	-	-	-	-	-
Fish and Boat Commission	199,400	-	-	-	-	-
General Services.....	495,000	100,000	-	-	-	-
Health.....	30,500	-	-	-	-	-
Historical and Museum Commission	189,500	45,000	-	-	-	-
Human Services.....	1,050,000	35,000	-	-	-	-
Military and Veterans Affairs.....	1,610,400	75,000	-	-	-	-
State Police.....	703,500	100,000	-	-	-	-
Transportation	5,192,821	600	1,686,000	-	-	4,732,673
Total	\$ 21,679,616	\$ 633,994	\$ 1,686,000	\$ 9,900	\$ 25,915	\$ 4,732,673

^a Projects may also be funded by current revenues.

Agriculture

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

	Project Cost
Programs	
Protection and Development of Agricultural Industries.....	\$ 214,627
Horse Racing Regulation	25,000
TOTAL	<u>\$ 239,627</u>
Source of Funds	
Bond Issuances	
Capital Facilities Fund-Public Improvement Projects	<u>\$ 239,627</u>
Program: Protection and Development of Agricultural Industries	
Capital Facilities Fund-Public Improvement Projects	
Building, Infrastructure, and Site Improvements including Land Acquisition	
Animal Diagnostic Laboratory, Pennsylvania State University, Centre County.....	\$ 6,127
Livestock Evaluation Center, Centre County	10,000
Plant Science Facility, Pennsylvania State University, Centre County.....	30,000
Annex, Dauphin County	8,000
Entomology Laboratory, Dauphin County	10,000
Farm Show Complex, Dauphin County.....	35,000
Greenhouse and Nematology Laboratory, Dauphin County.....	10,000
Headquarters, Department of Agriculture, Dauphin County	20,000
Headquarters, Veterinary Laboratory, and Farm Show Complex, Dauphin County.....	10,000
Animal Health Diagnostic Laboratory, County to be determined	75,500
PROGRAM TOTAL	<u>\$ 214,627</u>
Program: Horse Racing Regulation	
Capital Facilities Fund-Public Improvement Projects	
New Bolton Center, Chester County	
Construction of Pennsylvania Equine Toxicology and Research Laboratory on New Bolton Campus of The University of Pennsylvania	\$ 25,000
PROGRAMS TOTAL	<u>\$ 239,627</u>

Conservation and Natural Resources

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

	Project Cost
Program	
Parks and Forest Management.....	\$ 698,334
Source of Funds	
Bond Issuances	
Capital Facilities Fund-Public Improvement Projects	\$ 655,650
Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects.....	16,769
Subtotal General Obligation Bond Issues	<u>\$ 672,419</u>
Current Revenues	
General Fund-(R)State Park Resource Restoration	\$ 550
Motor License Fund-Dirt and Gravel Roads	1,950
Motor License Fund-(R)Forestry Bridges-Excise Tax.....	600
Environmental Stewardship Fund-Parks and Forest Facility Rehabilitation	400
Keystone Recreation, Park, and Conservation Fund-Parks and Forest Facility Rehabilitation.....	7,425
Oil and Gas Lease Fund-State Parks and Forests Infrastructure Projects.....	14,990
Subtotal Current Revenues.....	<u>\$ 25,915</u>
TOTAL	<u>\$ 698,334</u>

Program: Parks and Forest Management

Capital Facilities Fund-Public Improvement Projects

Building, Infrastructure, and Site Improvements

Point State Park, Allegheny County.....	\$ 14,000
Blue Knob State Park, Bedford County	25,000
Delaware Canal State Park, Bucks County	25,000
Gallitzin State Forest, Cambria County.....	12,000
Elk State Forest, Cameron County	5,000
Forest Fire Protection, Centre County	3,750
Penn Nursery, Centre County.....	1,250
Sproul State Forest, Centre County.....	2,500
Big Elk Creek State Park, Chester County	17,500
Moshannon State Forest, Clearfield County.....	2,500
Bald Eagle State Forest, Clinton County	5,625
Forestry Laboratory, Dauphin County.....	35,000
Geologic Survey Headquarters, Dauphin County	30,000
Presque Isle State Park, Erie County	46,250
Cornplanter State Park, Forest County.....	7,000
Michaux State Forest, Franklin County.....	21,500
Buchanan State Forest, Fulton County.....	2,500
Ryerson Station State Park, Greene County	12,500
Yellow Creek State Park, Indiana County.....	7,500
Clear Creek State Forest, Jefferson County.....	1,875
Forest Fire Protection, Luzerne County	5,000
Pinchot State Forest, Luzerne County	16,500
Tiadaghton State Forest, Lycoming County	5,000
Tuscarora State Forest, Mifflin County	5,000
Denton Hill State Park, Potter County.....	18,400
Gallitzin State Forest, Somerset County.....	5,625
Leonard Harrison State Park, Tioga County.....	3,750

Capital Budget

Tioga State Forest, Tioga County	42,500
Vosburg Neck State Park, Wyoming County	17,500
Susquehanna Riverlands State Park, York County	17,500
State Parks, Statewide.....	106,250

Bridge and Related Infrastructure Replacement and Repair

Point State Park, Allegheny County.....	\$ 3,750
Norristown Farm Park, Montgomery County	6,250

Dam Rehabilitation

Moshannon State Forest, Clearfield County.....	\$ 5,000
Parker Dam State Park, Clearfield County	11,250
Pinchot State Forest, Lackawanna County.....	3,125
Memorial Lake State Park, Lebanon County	14,000
Shikellamy State Park, Northumberland County	37,500
Delaware State Forest, Pike County.....	1,250
Kooser State Park, Somerset County.....	6,250
State Parks, Statewide.....	46,000

Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

Point State Park, Allegheny County.....	\$ 819
Delaware Canal State Park, Bucks County	1,000
Big Elk Creek State Park, Chester County	2,000
Forestry Laboratory, Dauphin County.....	3,000
Geologic Survey Headquarters, Dauphin County	2,000
Pinchot State Forest, Luzerne County.....	700
Maurice K. Goddard State Park, Mercer County	750
Denton Hill State Park, Potter County.....	500
Vosburg Neck State Park, Wyoming County.....	2,000
Susquehanna Riverlands State Park, York County	2,000
Training Academy and Range, Statewide	2,000

GENERAL OBLIGATION BOND ISSUES TOTAL	\$ 672,419
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From Current Revenues

General Fund-(R)State Park Resource Restoration

Marsh Creek State Park, Chester County.....	\$ 550
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Motor License Fund-Dirt and Gravel Roads

Prince Gallitzin State Park, Cambria County.....	\$ 1,500
Whipple Dam State Park, Huntingdon County.....	450

Motor License Fund-(R)Forestry Bridges-Excise Tax

Bald Eagle State Forest, Union County	\$ 600
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Environmental Stewardship Fund-Parks and Forest Facility Rehabilitation

Tuscarora State Park, Schuylkill County.....	\$ 400
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Keystone Recreation, Park, and Conservation Fund-Parks and Forest Facility Rehabilitation

Point State Park, Allegheny County.....	\$ 2,000
Hickory Run State Park, Carbon County	600
Black Moshannon State Forest, Clearfield County	2,500
Parker Dam State Park, Clearfield County	1,850
Ohiopyle State Park, Fayette County.....	475

Oil and Gas Lease Fund-State Parks and Forests Infrastructure Projects

Tyler State Park, Bucks County	\$	300
Jennings Environmental Education Center, Butler County		550
Conservation Leadership Training Center, Carbon County		350
Black Moshannon State Park, Centre County		700
White Clay Creek Preserve, Chester County		400
Presque Isle State Park, Erie County		8,600
Little Buffalo State Park, Perry County		590
Denton Hill State Park, Potter County.....		3,500
CURRENT REVENUES TOTAL	\$	25,915
PROGRAM TOTAL	\$	698,334

Corrections

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

Program	Project Cost
Incarcerated Individuals	\$ 1,018,504
Source of Funds	
Bond Issuances ^a	
Capital Facilities Fund-Public Improvement Projects	\$ 972,904
Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects.....	45,600
TOTAL.....	<u>\$ 1,018,504</u>

Program: Incarcerated Individuals

Capital Facilities Fund-Public Improvement Projects

Building, Infrastructure, and Site Improvements including Land Acquisition

Benner State Correctional Institution, Centre County.....	\$ 22,769
Rockview State Correctional Institution, Centre County.....	79,151
Houtzdale State Correctional Institution, Clearfield County.....	25,040
Quehanna Boot Camp, Clearfield County	10,150
Cambridge Springs State Correctional Institution, Crawford County.....	14,629
Camp Hill State Correctional Institution, Cumberland County.....	212,961
Chester State Correctional Institution, Delaware County	15,450
Albion State Correctional Institution, Erie County.....	27,877
Fayette State Correctional Institution, Fayette County	11,625
Forest State Correctional Institution, Forest County.....	42,053
Greene State Correctional Institution, Greene County	23,945
Huntingdon State Correctional Institution, Huntingdon County	18,670
Smithfield State Correctional Institution, Huntingdon County.....	21,726
Pine Grove State Correctional Institution, Indiana County	55,985
Elizabethtown Training Academy, Lancaster County	12,888
Dallas State Correctional Institution, Luzerne County	24,395
Muncy State Correctional Institution, Lycoming County	61,411
Mercer State Correctional Institution, Mercer County.....	14,837
Phoenix State Correctional Institution, Montgomery County.....	14,826
Coal Township State Correctional Institution, Northumberland County	31,543
Frackville State Correctional Institution, Schuylkill County	42,136
Mahanoy State Correctional Institution, Schuylkill County	41,252
Laurel Highlands State Correctional Institution, Somerset County.....	22,471
Somerset State Correctional Institution, Somerset County	30,623
Waymart State Correctional Institution, Wayne County.....	44,318

Graterford State Correctional Institution, Montgomery County

Demolition of facility including code, permit, site, utility, and infrastructure related issues	\$ 50,173
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Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

Benner State Correctional Institution, Centre County.....	\$ 1,050
Rockview State Correctional Institution, Centre County.....	7,500
Quehanna Boot Camp, Clearfield County	1,000
Cambridge Springs State Correctional Institution, Crawford County.....	1,000
Camp Hill State Correctional Institution, Cumberland County.....	15,000
Chester State Correctional Institution, Delaware County	1,000
Forest State Correctional Institution, Forest County.....	1,000

Capital Budget

Pine Grove State Correctional Institution, Indiana County	1,000
Elizabethtown Training Academy, Lancaster County	1,000
Muncy State Correctional Institution, Lycoming County	8,000
Mercer State Correctional Institution, Mercer County	1,000
Phoenix State Correctional Institution, Montgomery County	1,050
Frackville State Correctional Institution, Schuylkill County	500
Mahanoy State Correctional Institution, Schuylkill County	1,500
Waymart State Correctional Institution, Wayne County	4,000
PROGRAM TOTAL	\$ 1,018,504

^a The department may cover the cost of these projects through available budgeted funding within the State Correctional Institutions appropriation.

Education

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

	Project Cost
Program	
Higher Education.....	\$ 10,054,329
Source of Funds	
Bond Issuances	
Capital Facilities Fund-Public Improvement Projects	\$ 9,838,304
Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects.....	216,025
TOTAL	\$ 10,054,329

Program: Higher Education

Capital Facilities Fund-Public Improvement Projects

Building, Infrastructure, and Site Improvements including Land Acquisition

State-Related Universities

University of Pittsburgh, Allegheny County.....	\$ 5,342,000
Pennsylvania State University, Blair County.....	25,000
Pennsylvania State University, Centre County	1,190,700
Pennsylvania State University, Dauphin County	40,000
Pennsylvania State University, Huntingdon County	10,000
Pennsylvania State University, Statewide	60,000
Temple University, Philadelphia County	1,660,000
Lincoln University, Chester County.....	444,854
Thaddeus Stevens College of Technology, Lancaster County.....	332,750

State System of Higher Education

Commonwealth University, Lock Haven, Clinton County	\$ 45,000
Commonwealth University, Bloomsburg, Columbia County	30,000
Commonwealth University, Mansfield, Tioga County	20,000
PennWest University, Clarion, Clarion County	44,000
PennWest University, Edinboro, Erie County	63,000
PennWest University, California, Washington County.....	45,000
Kutztown University, Berks County.....	60,000
Slippery Rock University, Butler County	80,000
West Chester University, Chester County	40,000
Cheyney University, Chester and Delaware Counties.....	33,000
Shippensburg University, Cumberland County.....	45,000
Indiana University, Indiana County	60,000
Millersville University, Lancaster County	53,000
East Stroudsburg University, Monroe County.....	65,000
State System of Higher Education, System wide	50,000

Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

State-Related Universities

Pennsylvania State University, Blair County.....	\$ 2,500
Pennsylvania State University, Centre County	71,050
Pennsylvania State University, Huntingdon County	1,000
Lincoln University, Chester County.....	72,875
Thaddeus Stevens College of Technology, Lancaster County.....	42,500

State System of Higher Education

Commonwealth University, Lock Haven, Clinton County	\$ 3,000
PennWest University, Edinboro, Erie County	1,500
Kutztown University, Berks County.....	5,000

Capital Budget

West Chester University, Chester County	4,000
Cheyney University, Chester and Delaware Counties.....	4,100
Indiana University, Indiana County	6,800
Millersville University, Lancaster County	1,700
PROGRAM TOTAL	<u>\$ 10,054,329</u>

Emergency Management Agency

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

	Project Cost
Program	
Emergency Management.....	\$ 106,000
Source of Funds	
Bond Issuances	
Capital Facilities Fund-Public Improvement Projects	\$ 106,000
Program: Emergency Management	
Capital Facilities Fund-Public Improvement Projects	
Building, Infrastructure, and Site Improvements including Land Acquisition	
Headquarters Building, Dauphin County	\$ 11,000
Special Operations Center, County to be determined	95,000
PROGRAM TOTAL	\$ 106,000

Environmental Protection

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

	Project Cost
Program	
Environmental Protection and Management.....	\$ 391,910
Source of Funds	
Bond Issuances	
Capital Facilities Fund-Public Improvement Projects	\$ 382,010
Capital Facilities Fund-Flood Control Projects.....	9,900
TOTAL.....	<u>\$ 391,910</u>
Program: Environmental Protection and Management	
Capital Facilities Fund-Public Improvement Projects	
Building, Infrastructure, and Site Improvements including Land Acquisition	
New Laboratory, County to be determined.....	\$ 45,500
Flood Protection and Waterway Improvement	
Pitcairn Borough, Allegheny County	\$ 4,000
Streets Run, Allegheny County.....	20,000
Kernsville, Berks County	700
Northern Cambria Borough, Cambria County.....	2,400
Wilmore Borough, Cambria County	3,000
Solomon Run, Cambria County	10,000
Saint Clair Run, Cambria County.....	2,000
Sam's Run, Cambria County.....	7,000
Avery Coal Mine, Centre County	3,700
Thompson Brother Coal Mine, Centre County.....	2,700
Baumgardner Coal Mine, Centre County.....	1,350
Hamilton Mines, Clearfield County.....	600
Sky Haven Mine, Clearfield County	5,600
Stinky Run, Clearfield County.....	6,000
Avery Coal Mine, Clinton County	2,000
Isabella Mine, Fayette County	25,000
Weisner Hollow Slurry Dam, Jefferson County.....	27,200
Hull Creek, Lackawanna County.....	1,000
Roaring Brook, Lackawanna County	11,000
Sulfur Run, Luzerne County.....	6,000
Brown Creek, Luzerne County.....	10,000
Port Allegany Borough, McKean County	25,000
Glenside Area, Montgomery County.....	5,000
Flat Rock Dam, Philadelphia County	19,600
Auburn Dam, Schuylkill County	64,300
Tamaqua Dam, Schuylkill County.....	700
Louder Mine, Washington County.....	3,220
Banning #4 and Euclid Mine, Westmoreland County	22,000
Northmont and Greensburg City, Westmoreland County	5,000
Brush Creek, Westmoreland County	5,000
Reconstruction, Statewide	30,000
Mine Reclamation	
Timothy A. Keck Mine, Clarion County	\$ 1,100
Brockway Clay Mine, Jefferson County	1,480
Twenty First Centuramics Mine, McKean County.....	2,860

Capital Facilities Fund-Flood Control Projects

Dam Rehabilitation

Core Creek Dam, Bucks County	\$	3,300
Thatcher Run and Rainbow Dams, Crawford County.....		1,850
Kintz Creek Dam, Pike County		850
Hamilton Dam, Tioga County.....		3,900
PROGRAM TOTAL	\$	391,910

Executive Offices

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

	Project Cost
Program	
Executive Direction	\$ 14,000
Source of Funds	
Bond Issuances	
Capital Facilities Fund-Public Improvement Projects	\$ 14,000
Program: Executive Direction	
Capital Facilities Fund-Public Improvement Projects	
Commonwealth Technology Center, Dauphin County	
Replacement of building systems mechanical, electrical, and plumbing equipment.....	\$ 14,000
PROGRAM TOTAL	\$ 14,000

Fish and Boat Commission

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

	Project Cost
Program	
Recreational Fishing and Boating	\$ 199,400
Source of Funds	
Bond Issuances	
Capital Facilities Fund-Public Improvement Projects	\$ 199,400 ^a
Program: Recreational Fishing and Boating	
Capital Facilities Fund-Public Improvement Projects	
Hatchery and Fish Collection Facility Upgrades	
Fisheries Area 6 Office, Bucks County	\$ 3,000
Bellefonte State Fish Hatchery, Centre County	5,000
Benner Spring State Fish Hatchery, Centre County	5,000
Pleasant Gap State Fish Hatchery, Centre County	7,500
Tylersville State Fish Hatchery, Clinton County	8,000
Huntsdale State Fish Hatchery, Cumberland County	34,000
Lake Erie State Fish Hatchery, Erie County	25,000
Trout Run Steel Head Collection Facility, Erie County	5,000
Union City State Fish Hatchery, Erie County	2,500
Maintenance Area 1 / Fisheries Area 2 Office, Forest County	3,000
Tionesta State Fish Hatchery, Forest County	5,000
Oswayo City State Fish Hatchery, Potter County	6,500
Fisheries Area 5 Office, Wayne County	3,000
Pleasant Mount State Fish Hatchery, Wayne County	9,500
Bridge Repair, Replacement, and Removal	
Bellefonte State Fish Hatchery, Centre County	\$ 1,600
Benner Spring State Fish Hatchery, Centre County	3,400
Spring Creek Canyon Trail, Centre County	5,500
Minsi Lake, Northampton County	5,200
Pleasant Mount State Fish Hatchery, Wayne County	7,200
Sandy Creek, Venango County	1,500
Dam Rehabilitation	
Kahle Lake, Clarion and Venango Counties	\$ 2,000
Hemlock Lake, Indiana County	2,000
Cloe Lake, Jefferson County	8,500
Fords Lake, Lackawanna County	2,000
Harris Pond, Luzerne County	2,000
High Point Lake, Somerset County	2,000
Hunters Lake, Sullivan County	1,500
Miller Pond, Wayne County	1,500
White Oak Pond, Wayne County	1,500
Marina Use and Access Upgrades	
North East Marina, Erie County	\$ 18,000
Walnut Creek Marina, Erie County	12,000
PROGRAM TOTAL	\$ 199,400

^a The commission may cover the cost of these project itemizations through available budgeted funding within the Fish and Boat Funds.

General Services

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

	Project Cost
Program	
Facility, Property, and Commodity Management.....	\$ 595,000
Source of Funds	
Bond Issuances	
Capital Facilities Fund-Public Improvement Projects	\$ 495,000
Capital Facilities Fund-Fixtures, Furniture and Equipment Projects.....	100,000
TOTAL.....	<u>\$ 595,000</u>
Program: Facility, Property, and Commodity Management	
Capital Facilities Fund-Public Improvement Projects	
Construction of Pedestrian Bridges	
Pedestrian Bridges, Dauphin County.....	\$ 45,000
Building, Infrastructure, and Site Improvements including Land Acquisition	
Warehouse and Fleet Garage, County to be determined	\$ 200,000
Statewide Projects	
Renovations, alterations, construction, site improvements, infrastructure upgrades and land acquisition for Department of General Services owned buildings	\$ 200,000
Solar panel and electric vehicle charging stations at Commonwealth facilities. Includes land acquisition, design, construction, site improvement, and utility work	10,000
Professional services for the development of agency facility strategic master plans and capital planning	40,000
Capital Facilities Fund-Fixtures, Furniture and Equipment Projects	
Statewide Projects	
Furniture, Fixtures and Equipment for space consolidation efforts	\$ 100,000
PROGRAM TOTAL	<u>\$ 595,000</u>

Health

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

	Project Cost
Program	
Health Support Services	\$ 30,500
Source of Funds	
Bond Issuance	
Capital Facilities Fund-Public Improvement Projects	\$ 30,500
Program: Health Support Services	
Capital Facilities Fund-Public Improvement Projects	
New Laboratory, Dauphin County	
Construction, site improvements, infrastructure upgrades, and land acquisition	\$ 30,500
PROGRAM TOTAL	\$ 30,500

Historical and Museum Commission

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

	Project Cost
Program	
State History.....	\$ 234,500
Source of Funds	
Bond Issuances	
Capital Facilities Fund-Public Improvement Projects	\$ 189,500
Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects.....	45,000
TOTAL.....	<u>\$ 234,500</u>
Program: State History	
Capital Facilities Fund-Public Improvement Projects	
Building, Infrastructure, and Site Improvements	
Fort Pitt, Allegheny County	\$ 1,000
Conrad Weiser Homestead, Berks County	5,000
Daniel Boone Homestead, Berks County	10,000
Pennsbury Manor, Bucks County	10,000
Eckley Miners Village, Carbon County.....	10,000
Pennsylvania Military Museum, Centre County	10,000
State Museum of Pennsylvania, Dauphin County	20,000
State Archives, Dauphin County	4,000
Anthracite Heritage Museum, Lackawanna County.....	10,000
Landis Valley Village and Farm Museum, Lancaster County	10,000
Railroad Museum of Pennsylvania, Lancaster County	10,000
Cornwall Iron Furnace, Lebanon County	5,000
Hope Lodge, Montgomery County	3,000
Joseph Priestley House, Northumberland County.....	1,000
Pennsylvania Lumber Museum, Potter County	5,000
Somerset Historical Center, Somerset County	3,000
Drake Well Museum, Venango County.....	10,000
Bushy Run Battlefield, Westmoreland County.....	7,000
Exhibit Upgrades	
Old Economy Village, Beaver County.....	\$ 2,000
Conrad Weiser Homestead, Berks County.....	1,500
State Museum of Pennsylvania, Dauphin County	30,000
Railroad Museum of Pennsylvania, Lancaster County	2,000
Cornwall Iron Furnace, Lebanon County	2,000
Somerset Historical Center, Somerset County	1,000
Bushy Run Battlefield, Westmoreland County.....	2,000
Statewide Historic Sites	
Renovations, alterations, and site upgrades for maintenance, code, and energy improvements.....	\$ 15,000
Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects	
Furniture, Fixtures, and Equipment	
State Museum of Pennsylvania, Dauphin County	\$ 35,000
State Archives, Dauphin County	8,000
Landis Valley Village and Farm Museum, Lancaster County	2,000
PROGRAM TOTAL	<u><u>\$ 234,500</u></u>

Human Services

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

	Project Cost
Programs	
Mental Health and Substance Abuse Services.....	\$ 625,000
Intellectual Disabilities/Autism.....	105,000
Human Services.....	355,000
TOTAL	\$ 1,085,000

Source of Funds

Bond Issuances

Capital Facilities Fund-Public Improvement Projects	\$ 1,050,000
Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects.....	35,000
TOTAL	\$ 1,085,000

Program: Mental Health and Substance Abuse Services

Capital Facilities Fund-Public Improvement Projects

Building, Infrastructure, and Site Improvements including Land Acquisition

Wernersville State Hospital, Berks County	\$ 50,000
South Mountain Restoration Center, Franklin County	50,000
Clarks Summit State Hospital, Lackawanna County	50,000
Norristown State Hospital, Montgomery County	300,000
Danville State Hospital, Montour County	50,000
Warren State Hospital, Warren County.....	50,000
Torrance State Hospital, Westmoreland County	50,000

Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

Norristown State Hospital, Montgomery County	\$ 20,000
Torrance State Hospital, Westmoreland County	5,000
PROGRAM TOTAL	\$ 625,000

Program: Intellectual Disabilities/Autism

Capital Facilities Fund-Public Improvement Projects

Building, Infrastructure, and Site Improvements including Land Acquisition

Ebensburg Center, Cambria County.....	\$ 50,000
Selinsgrove Center, Snyder County.....	50,000

Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

Selinsgrove Center, Snyder County.....	\$ 5,000
PROGRAM TOTAL	\$ 105,000

Program: Human Services

Capital Facilities Fund-Public Improvement Projects

Building, Infrastructure, and Site Improvements including Land Acquisition

Western Secure Treatment Unit, Butler County	\$ 50,000
South Mountain Secure Treatment Unit, Franklin County	50,000
Youth Forestry Camp Trough Creek, Huntingdon County.....	50,000
North East Secure Treatment Unit, Luzerne County	50,000

Capital Budget

South East Youth Development Center, Montgomery County	50,000
North Central Secure Treatment Unit, Montour County.....	50,000
Loysville Youth Development Center, Perry County.....	50,000

Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

South Mountain Secure Treatment Unit, Franklin County	\$	5,000
PROGRAM TOTAL	\$	<u>355,000</u>
PROGRAMS TOTAL	\$	<u>1,085,000</u>

Military and Veterans Affairs

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

	Project Cost
Programs	
State Military Readiness	\$ 1,515,000
Veterans Homes	149,400
Compensation and Assistance	21,000
TOTAL	<u>\$ 1,685,400</u>

Source of Funds

Bond Issuances ^a

Capital Facilities Fund-Public Improvement Projects	\$ 1,610,400
Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects.....	75,000
TOTAL	<u>\$ 1,685,400</u>

Program: State Military Readiness

Capital Facilities Fund-Public Improvement Projects

Building, Infrastructure, and Site Improvements

Gettysburg Readiness Center, Adams County	\$ 20,000
Combined Support Maintenance Shop, Allegheny County	25,000
Pittsburgh Crane Readiness Center, Allegheny County	15,000
Ford City Readiness Center, Armstrong County	15,000
Beaver Falls Readiness Center, Beaver County	10,000
Berks County Readiness Centers, Berks County	10,000
Holidaysburg Readiness Center, Blair County.....	27,000
Bucks County Readiness Centers and Maintenance Facilities, Bucks County.....	77,000
Butler Readiness Center, Butler County	25,000
Cambria County Readiness Centers and Maintenance Facilities, Cambria County	45,000
Lehighon Readiness Center, Carbon County	20,000
Centre County Readiness Centers and Maintenance Facilities, Centre County	32,000
State College Army and Air Readiness Center, Centre County	10,000
Chester County Readiness Centers and Maintenance Facilities, Chester County	40,000
Clearfield Readiness Center, Clearfield County	15,000
Lock Haven Readiness Center, Clinton County	19,000
Crawford County Readiness Centers and Maintenance Facilities, Crawford County	15,000
Carlisle Readiness Center, Cumberland County	15,000
Cumberland County Readiness Centers and Maintenance Facilities, Cumberland County	15,000
Dauphin County Readiness Centers, Dauphin County.....	60,000
Erie Readiness Center, Erie County	70,000
Fayette County Readiness Centers, Fayette County	20,000
Chambersburg Readiness Center, Franklin County	5,000
Indiana Readiness Center, Indiana County	12,000
Carbondale Readiness Center, Lackawanna County.....	15,000
Lackawanna County Readiness Center/Field Maintenance Shop, Lackawanna County.....	15,000
Scranton Maintenance Shop, Lackawanna County.....	10,000
Elizabethtown Readiness Center, Lancaster County	22,000
New Castle Readiness Center, Lawrence County.....	65,000
Fort Indiantown Gap, Lebanon County	140,000
Allentown Readiness Center, Lehigh County	70,000
Luzerne County Readiness Centers, Luzerne County	75,000
Williamsport Readiness Center, Lycoming County.....	15,000
Mercer County Readiness Centers and Maintenance Facilities, Mercer County	45,000
Montgomery County Readiness Centers and Maintenance Facilities, Montgomery County	75,000
Danville Field Maintenance Building, Montour County	5,000

Montour County Readiness Centers and Maintenance Facilities, Montour County	10,000
Easton Readiness Center, Northampton County	20,000
Philadelphia County Readiness Centers, Philadelphia County	30,000
Schuylkill Readiness Center, Schuylkill County	20,000
Friedens Readiness Center, Somerset County	10,000
Washington County Readiness Centers, Washington County	17,000
Honesdale Readiness Center, Wayne County	5,000
Westmoreland County Readiness Centers, Westmoreland County	55,000
York County Readiness Centers, York County	10,000

Acquisition of Land or Facilities for New Readiness Centers

Bedford Readiness Center, Bedford County	\$ 5,000
Cambria Readiness Center, Cambria County	5,000
Lehigh County Readiness Center, Lehigh County	20,000
Luzerne County Readiness Center, Luzerne County	15,000
Central Pennsylvania Readiness Center, County to be determined	10,000
Northeastern Pennsylvania Readiness Center, County to be determined	2,000
Southeastern Pennsylvania Readiness Center, County to be determined	30,000

Fort Indiantown Gap, Lebanon County

Acquisition of Properties for Training and Installation Activities	\$ 8,000
Purchase in-holdings for Joint Land Use Agreements/Army Compatible Use Buffers	8,000

Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

Gettysburg Readiness Center, Adams County	\$ 1,000
Combined Support Maintenance Shop, Allegheny County	1,000
Pittsburgh Crane Readiness Center, Allegheny County	1,000
Ford City Readiness Center, Armstrong County	1,000
Beaver Falls Readiness Center, Beaver County	1,000
Berks County Readiness Centers, Berks County	1,000
Holidaysburg Readiness Center, Blair County	1,000
Bucks County Readiness Centers and Maintenance Facilities, Bucks County	7,000
Butler Readiness Center, Butler County	1,000
Cambria County Readiness Centers and Maintenance Facilities, Cambria County	2,000
Lehighton Readiness Center, Carbon County	1,000
Centre County Readiness Centers and Maintenance Facilities, Centre County	2,000
State College Army and Air Readiness Center, Centre County	1,000
Chester County Readiness Centers and Maintenance Facilities, Chester County	4,000
Clearfield Readiness Center, Clearfield County	1,000
Lock Haven Readiness Center, Clinton County	1,000
Crawford Readiness Center, Crawford County	1,000
Carlisle Readiness Center, Cumberland County	1,000
Cumberland Readiness Center and Maintenance Facilities, Cumberland County	1,000
Dauphin County Readiness Centers, Dauphin County	1,000
Erie Readiness Center, Erie County	1,000
Fayette County Readiness Centers, Fayette County	2,000
Chambersburg Readiness Center, Franklin County	1,000
Indiana Readiness Center, Indiana County	1,000
Carbondale Readiness Center, Lackawanna County	1,000
Lackawanna County Readiness Center/Field Maintenance Shop, Lackawanna County	1,000
Scranton Maintenance Shop, Lackawanna County	1,000
Elizabethtown Readiness Center, Lancaster County	1,000
New Castle Readiness Center, Lawrence County	1,000
Fort Indiantown Gap, Lebanon County	3,000
Allentown Readiness Center, Lehigh County	1,000

Capital Budget

Luzerne County Readiness Centers, Luzerne County	2,000
Williamsport Readiness Center, Lycoming County.....	1,000
Mercer County Readiness Centers and Maintenance Facilities, Mercer County	2,000
Montgomery County Readiness Centers and Maintenance Facilities, Montgomery County	6,000
Danville Field Maintenance Building, Montour County	1,000
Montour Readiness Center and Maintenance Facilities, Montour County	1,000
Easton Readiness Center, Northampton County.....	1,000
Philadelphia County Readiness Centers, Philadelphia County.....	1,000
Schuylkill Readiness Center, Schuylkill County.....	1,000
Friedens Readiness Center, Somerset County	1,000
Washington Readiness Center, Washington County.....	1,000
Honesdale Readiness Center, Wayne County	1,000
Westmoreland County Readiness Centers, Westmoreland County.....	1,000
York County Readiness Centers, York County.....	1,000
PROGRAM TOTAL	\$ 1,515,000

Program: Veterans Homes

Capital Facilities Fund-Public Improvement Projects

Southeastern Veterans Center, Spring City, Chester County

New Community Living Center	\$ 14,400
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Veterans Homes, Statewide

Building, Infrastructure, and Site Improvements including Feasibility Studies	\$ 126,000
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Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

Southeastern Veterans Center, Spring City, Chester County	\$ 1,000
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Veterans Homes, Statewide	8,000
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PROGRAM TOTAL	\$ 149,400
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Program: Compensation and Assistance

Capital Facilities Fund-Public Improvement Projects

Veterans Outreach Centers, Statewide

Provide services in areas that have demonstrated the greatest need.....	\$ 21,000
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PROGRAMS TOTAL	\$ 1,685,400
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^a Project costs reflect estimated state bond funds only. Federal funds will augment as agreed to through a federal letter of commitment.

State Police

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

	Project Cost
Program	
Public Protection and Law Enforcement.....	\$ 803,500
Source of Funds	
Bond Issuances	
Capital Facilities Fund-Public Improvement Projects	\$ 703,500
Capital Facilities Fund-Fixtures, Furniture and Equipment Projects.....	100,000
TOTAL.....	<u>\$ 803,500</u>
Program: Public Protection and Law Enforcement	
Capital Facilities Fund-Public Improvement Projects	
Building, Infrastructure, and Site Improvements including Land Acquisition	
State Police Academy, Dauphin County	\$ 163,000
Regional Forensic Laboratory, County to be determined	90,500
Statewide Projects	450,000
Capital Facilities Fund-Furniture, Fixtures and Equipment Projects	
Furniture, Fixtures and Equipment	
Statewide Projects	\$ 100,000
PROGRAM TOTAL	<u>\$ 803,500</u>

Transportation

(Dollar Amounts in Thousands)

Summary of Recommended Project Itemization Amounts by Program and Source of Funds

	Project Cost
Programs	
Transportation Support Services	\$ 3,000
Highways and Bridges	8,654,294
Multimodal Transportation	2,748,900
Driver and Vehicle Services	205,900
TOTAL	<u>\$ 11,612,094</u>
Source of Funds	
Bond Issuances	
Capital Facilities Fund-Public Improvement Projects	\$ 5,192,821 ^a
Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects	600
Capital Facilities Fund-Transportation Assistance Projects	<u>1,686,000</u>
Subtotal General Obligation Bond Issues	<u>\$ 6,879,421</u>
Current Revenues	
Motor License Fund	<u>\$ 4,732,673 ^b</u>
TOTAL	<u>\$ 11,612,094</u>
Program: Transportation Support Services	
Capital Facilities Fund-Public Improvement Projects	
Building, Infrastructure, and Site Improvements	
Keystone Building, Dauphin County	\$ 3,000
Program: Highways and Bridges	
Capital Facilities Fund-Public Improvement Projects	
Building, Infrastructure, and Site Improvements including Land Acquisition	
Projects include district offices, maintenance facility offices, stockpile facilities, winter material storage buildings, general storage buildings, weigh stations, welcome centers, and roadside rests, as well as a fleet management maintenance facility, a regional traffic management center, a materials testing laboratory, a sign shop, and a parking garage.	
Adams County.....	\$ 25,480
Allegheny County	183,675
Armstrong County	48,050
Beaver County	17,450
Bedford County	18,875
Berks County.....	94,275
Blair County.....	79,835
Bradford County	70,425
Bucks County	102,157
Butler County	29,605
Cambria County	25,425
Cameron County	33,825
Carbon County	90,500
Centre County	13,800
Chester County	56,500
Clarion County	31,238
Clearfield County.....	62,700
Clinton County.....	44,500
Columbia County.....	25,500
Crawford County	21,675

Capital Budget

Cumberland County	39,000
Dauphin County	145,900
Delaware County.....	78,450
Elk County.....	48,500
Erie County	75,638
Fayette County.....	70,000
Forest County.....	17,500
Franklin County	44,685
Fulton County.....	56,025
Greene County.....	77,300
Huntingdon County	21,770
Indiana County	60,203
Jefferson County	40,850
Juniata County	38,250
Lackawanna County.....	67,785
Lancaster County	46,680
Lawrence County	38,275
Lebanon County.....	38,075
Lehigh County	74,475
Luzerne County.....	44,780
Lycoming County	66,625
McKean County.....	35,625
Mercer County.....	50,725
Mifflin County	48,325
Monroe County.....	63,050
Montgomery County.....	172,860
Montour County.....	25,800
Northampton County.....	47,925
Northumberland County	33,425
Perry County	77,000
Philadelphia County	37,000
Pike County.....	71,650
Potter County	14,900
Schuylkill County.....	43,350
Snyder County	58,500
Somerset County	26,500
Sullivan County	36,000
Susquehanna County	65,830
Tioga County.....	49,325
Union County	54,000
Venango County	60,830
Warren County.....	34,425
Washington County.....	46,750
Wayne County.....	21,600
Westmoreland County	17,500
Wyoming County.....	34,040
York County	67,830
Statewide	360,000

Capital Facilities Fund-Furniture, Fixtures, and Equipment Projects

Furniture, Fixtures, and Equipment

Lackawanna County.....	\$	600
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Current Revenues

Motor License Fund

Highway and Bridge Construction and Reconstruction

Adams County.....	\$	14,246
Allegheny County.....		817,687
Beaver County.....		15,952
Bedford County.....		14,855
Berks County.....		66,149
Blair County.....		96,741
Bradford County.....		79,814
Bucks County.....		9,500
Butler County.....		32,474
Cambria County.....		14,469
Cameron County.....		3,607
Carbon County.....		30,006
Centre County.....		1,953
Chester County.....		17,894
Clarion County.....		4,682
Clearfield County.....		13,379
Clinton County.....		26,352
Columbia County.....		26,777
Crawford County.....		2,881
Cumberland County.....		23,023
Dauphin County.....		22,896
Delaware County.....		233,240
Elk County.....		6,728
Erie County.....		16,425
Fayette County.....		49,592
Forest County.....		9,572
Franklin County.....		14,873
Fulton County.....		7,100
Greene County.....		6,500
Indiana County.....		6,860
Jefferson County.....		2,240
Juniata County.....		6,305
Lackawanna County.....		3,069
Lancaster County.....		143,539
Lawrence County.....		27,531
Lebanon County.....		22,119
Lehigh County.....		241,224
Luzerne County.....		411,506
Lycoming County.....		65,099
McKean County.....		23,367
Mercer County.....		90,993
Mifflin County.....		3,650
Monroe County.....		671,661
Montgomery County.....		140,927
Montour County.....		11,115
Northampton County.....		95,350
Northumberland County.....		33,148
Perry County.....		3,856
Philadelphia County.....		202,200
Potter County.....		15,331
Schuylkill County.....		35,029
Snyder County.....		8,599

Somerset County	298,539
Sullivan County	2,685
Tioga County	76,001
Union County	31,535
Venango County	28,050
Warren County	8,096
Washington County	66,848
Wayne County	3,106
Westmoreland County	60,879
York County	212,849
PROGRAM TOTAL	\$ 8,654,294

Program: Multimodal Transportation

Capital Facilities Fund-Public Improvement Projects

Philadelphia Regional Port Authority, Philadelphia County	\$ 1,062,900
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Capital Facilities Fund-Transportation Assistance Projects

Pittsburgh Regional Transit, Allegheny County	\$ 436,000
Southeastern Pennsylvania Transportation Authority, Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties	1,250,000
PROGRAM TOTAL	\$ 2,748,900

Program: Driver and Vehicle Services

Capital Facilities Fund-Public Improvement Projects

Driver Licensing Center Infrastructure and Site Improvements

Allegheny County	\$ 13,400
Cambria County	13,750
Centre County	13,750
Crawford County	13,750
Fayette County	13,750
Green County	13,750
Lawrence County	13,750
Lebanon County	13,750
Mercer County	13,750
Mifflin County	13,750
Schuylkill County	13,750
Snyder County	13,750
Somerset County	13,750
Venango County	13,750
Warren County	13,750
PROGRAM TOTAL	\$ 205,900

PROGRAMS TOTAL	\$ 11,612,094
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^a The department may cover the cost of these project itemizations through available budgeted funding within the Motor License Fund.

^b Motor License Fund includes various dedicated unrestricted, restricted, and augmentation revenues, as well as federal funds.



Commonwealth of Pennsylvania

Governor’s Executive Budget

PUBLIC DEBT

This section presents data on the debt obligations of the Commonwealth. Debt financing is used by the Commonwealth to finance its capital programs, finance voter-approved bond referendums, and fund certain disaster relief programs. Most long-term financing by the Commonwealth is provided by the issuance of general obligation debt. Appropriation-backed debt has been used in limited instances for capital purposes. Data on such debt is included in this presentation only in the calculation of the debt ratios shown.

The Pennsylvania Constitution permits debt to be issued for (i) capital projects in approved capital budgets; (ii) purposes approved by voter referendum; and (iii) response to disasters. The following items are guidelines the Commonwealth follows in executing its capital and other debt financing activities:

- Referenda to authorize additional debt should be submitted to the voters only for critical needs when sufficient other resources are not available.
- The general obligation pledge of the Commonwealth is the preferred source of security for Commonwealth debt.
- A moral obligation pledge of the Commonwealth should not be given beyond those already given.
- Revenue pledges are to be used only by independent agencies and authorities that cannot pledge the Commonwealth’s general obligation.
- Lease revenue debt should be used only when budgetary restraints prohibit current revenue funding for assets that are infrequently obtained and do not meet capital project definitions.
- Debt should be structured to mature within the useful life of the projects being financed.
- All long-term financing should be sold by competitive bid.
- Short-term borrowing should not comprise a majority of outstanding debt.
- Capital projects addressing health, safety, and public protection receive top priority for activation. New construction projects have the lowest priority.
- Highway capital projects should be funded from current revenues of the Motor License Fund.
- In accordance with the [Commonwealth's Debt Policy](#):
 - Debt service paid by the General Fund should be maintained at or below 5 percent of annual revenues.
 - General obligation debt and lease rental debt per capita should be maintained at or below \$1,750 per person.
 - General obligation debt and lease rental debt as a percentage of personal income should be maintained at or below 2 percent.

Five-Year General Obligation Rating History

	Fitch	Moody's	S&P
September-2020	AA-	Aa3	A+
April-2022	AA-	Aa3	A+
September/November-2023	AA	Aa3	A+
October 2024	AA	Aa2	A+

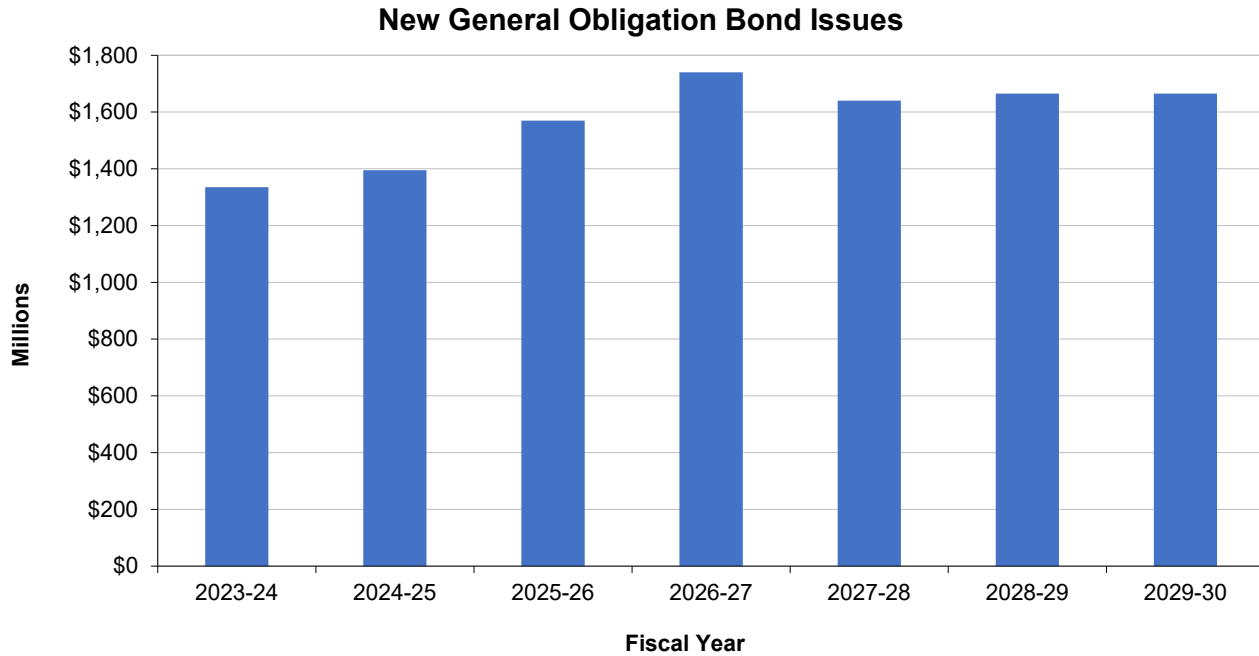
Debt Authorized, Issued, and Outstanding

The following statement reflects the debt of the Commonwealth as of December 31, 2024. The table below does not include bond categories that have zero remaining authorization and that have all such category bonds retired. The constitution permits capital budget debt to be issued without voter approval but subject to a debt limit. Except for debt issued for disaster recovery purposes, all other debt requires voter approval.

	(Dollar Amounts in Thousands)		
	Total Debt Authorized	Total Original Debt Issued	Debt Outstanding
Debt Subject to Constitutional Limit			
Capital Budget	\$ 173,619,920	\$ 32,135,955	\$ 7,848,544
Capital Budget Refunding Bonds Outstanding	-	-	2,982,650
Less: Capital Debt Fund Balance	-	-	(43)
SUBTOTAL	\$ 173,619,920	\$ 32,135,955	\$ 10,831,151
Debt Not Subject to Constitutional Limit - Voter Approved and Disaster			
Disaster Relief	\$ 192,708	\$ 170,800	\$ -
Disaster Relief 1996	110,000	26,000	-
Economic Revitalization.....	190,000	176,000	-
Land and Water Development	500,000	499,700	-
Vietnam Veterans' Compensation	65,000	62,000	-
Volunteer Companies Loan	100,000	50,000	-
Water Facilities - 1981 Referendum	300,000	288,500	-
PENNVEST- 1992 Referendum	350,000	334,000	-
PENNVEST- 2008 Referendum	400,000	400,000	29,845
Local Criminal Justice.....	200,000	197,000	-
Nursing Home Loans	100,000	69,000	-
Water Supply and Wastewater Infrastructure	250,000	250,000	6,235
Growing Greener	625,000	625,000	75,362
Persian Gulf Conflict Veterans' Compensation.....	20,000	7,000	-
Refunding Bonds Outstanding	-	-	453,850
Less: Non-Capital Sinking Fund Balances	-	-	(45,982)
SUBTOTAL	\$ 3,402,708	\$ 3,155,000	\$ 519,310
TOTAL	\$ 177,022,628	\$ 35,290,955	\$ 11,350,461

General Obligation Bond Issues 2023-24 through 2029-30

This table shows the projected amount of general obligation bonds of the Commonwealth to be issued during the prior and current fiscal year and the subsequent five fiscal years based on current projects. Refunding bonds are not included in the data.



	(Dollar Amounts in Thousands)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated	Budget	Estimated	Estimated	Estimated	Estimated
General Obligation Bond Issues							
Capital Budget							
Buildings and Structures.....	\$ 600,000	\$ 900,000	\$ 1,100,000	\$ 1,200,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000
Furniture, Fixtures, and Equipment.....	10,000	20,000	20,000	15,000	15,000	15,000	15,000
Redevelopment Assistance ... ^a	375,000	300,000	350,000	350,000	350,000	375,000	375,000
Transportation Assistance	350,000	175,000	100,000	175,000	175,000	175,000	175,000
Flood Control	-	-	-	-	-	-	-
SUBTOTAL ^b	\$ 1,335,000	\$ 1,395,000	\$ 1,570,000	\$ 1,740,000	\$ 1,640,000	\$ 1,665,000	\$ 1,665,000
Voter Approved and Disaster							
PENNVEST - 1992 & 2008 Referendum.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water and Wastewater Referendum	-	-	-	-	-	-	-
Growing Greener Referendum	-	-	-	-	-	-	-
SUBTOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ^b	\$ 1,335,000	\$ 1,395,000	\$ 1,570,000	\$ 1,740,000	\$ 1,640,000	\$ 1,665,000	\$ 1,665,000

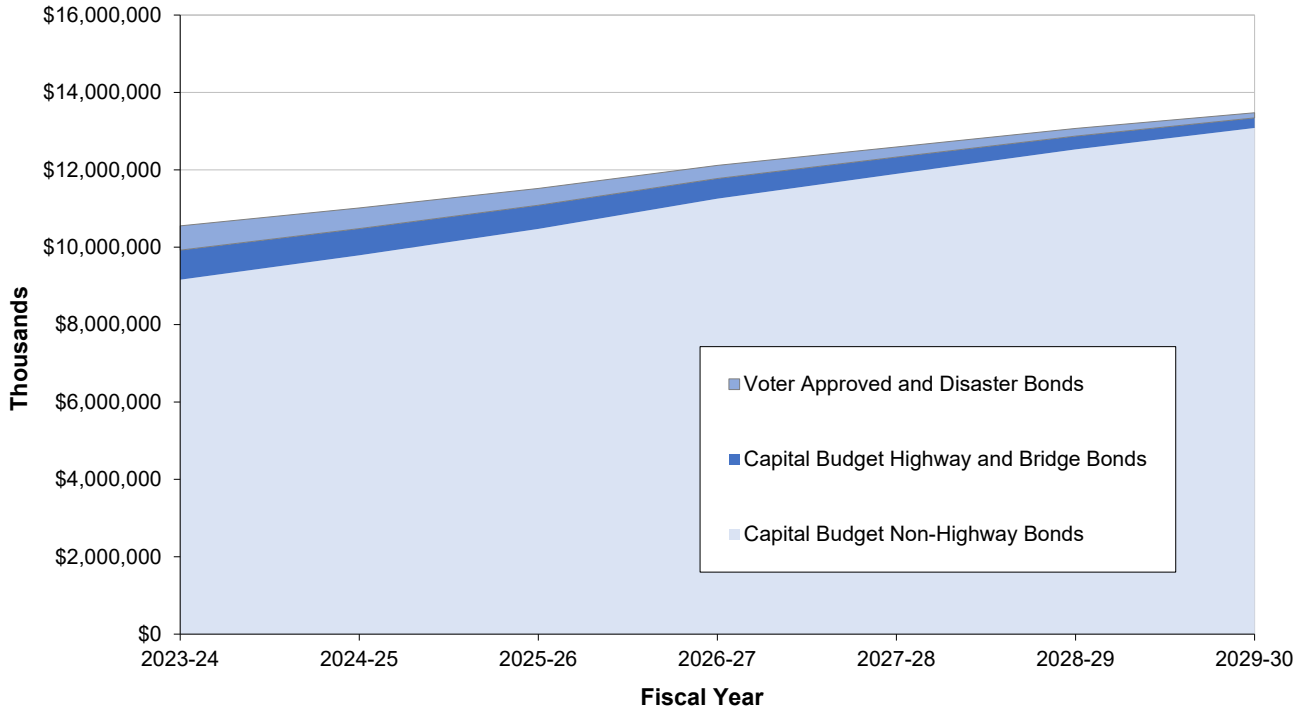
^a Projected issuance amounts presume an increase in the RACP debt ceiling limit by 2027-28.

^b Fiscal year 2024-25 includes \$1.395 billion issuance from October 2024.

General Obligation Debt Outstanding 2023-24 through 2029-30

Outstanding debt of the Commonwealth is projected using the proposed bond issuance contained in this budget and encompasses all general obligation debt. Sinking fund balances are excluded. Only capital budget debt is subject to the constitutional debt limit [Article VIII, Section 7(a)(4)].

Projected Total Debt Outstanding
Fiscal Year End



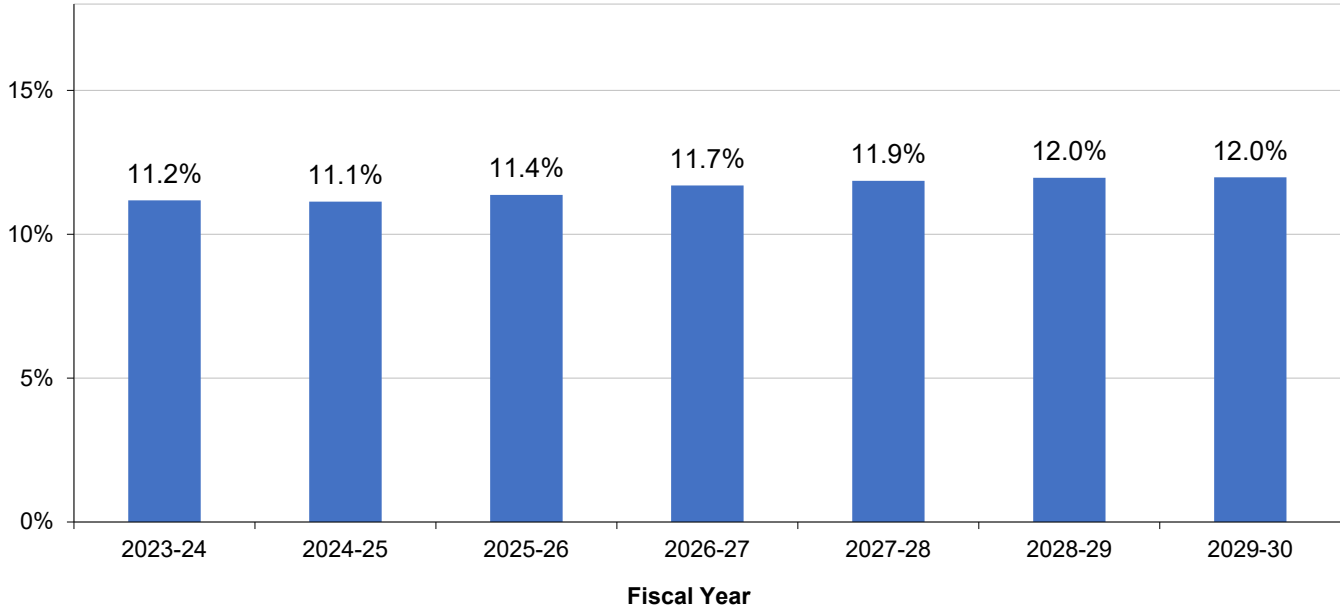
(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Estimated	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
Fiscal Year End Debt Outstanding							
Capital Budget Non-Highway Bonds.....	\$ 9,160,414	\$ 9,792,384	\$ 10,473,550	\$ 11,252,979	\$ 11,895,168	\$ 12,527,086	\$ 13,083,015
Capital Budget Highway and Bridge Bonds	763,507	688,590	610,223	524,265	433,824	346,143	260,610
Voter Approved and Disaster Bonds.....	627,694	533,617	433,918	338,007	259,173	195,231	131,450
TOTAL.....	\$ 10,551,615	\$ 11,014,591	\$ 11,517,691	\$ 12,115,251	\$ 12,588,165	\$ 13,068,460	\$ 13,475,075

Constitutional Debt Limit 2023-24 through 2029-30

The state constitution limits outstanding capital budget debt to 1.75 times the average tax revenues during the previous five fiscal years. Voter approved and disaster relief debt are not subject to the constitutional debt limit. The table and chart below present actual data for one fiscal year and current projections for six fiscal years.

Capital Budget Debt as a Percent of the Debt Limit



(Dollar Amounts in Thousands)

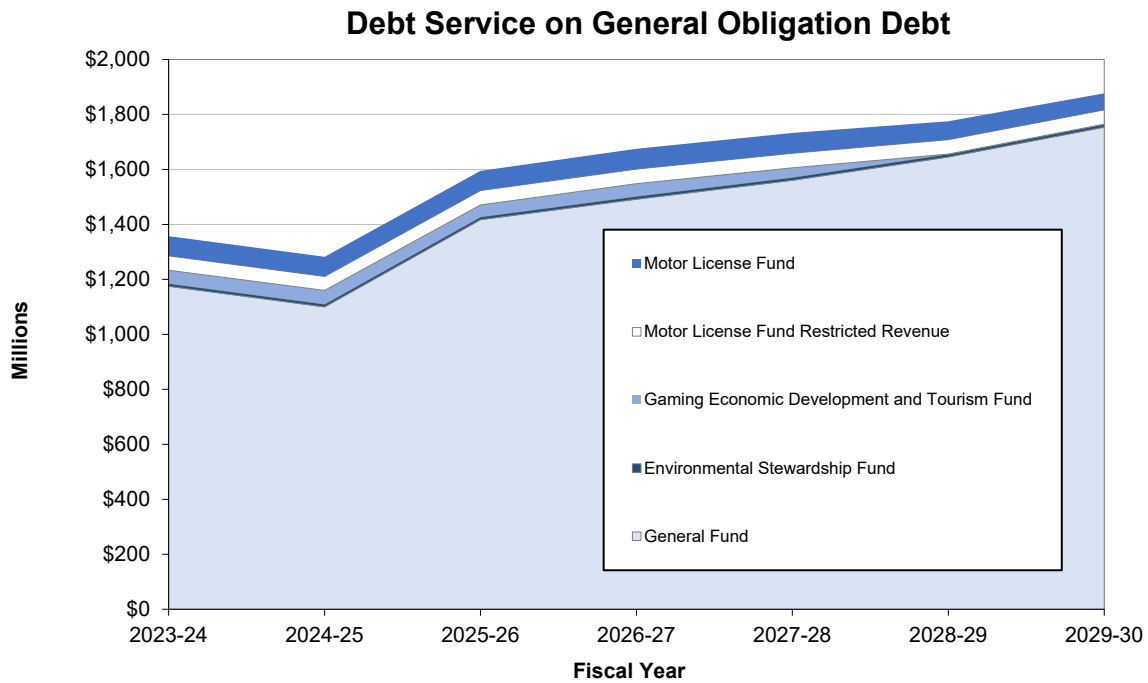
	2023-24 Actual	2024-25 Estimated	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
Debt Limit Projection							
Outstanding Debt Beginning of Fiscal Year..... ^a	\$ 9,510,380	\$ 9,915,767	\$ 10,472,819	\$ 11,075,618	\$ 11,769,089	\$ 12,320,837	\$ 12,865,074
Debt to be Issued..... ^b	2,025,970	1,619,035	1,570,000	1,740,000	1,640,000	1,665,000	1,665,000
Debt to be Retired...	(1,620,583)	(1,061,983)	(967,201)	(1,046,529)	(1,088,252)	(1,120,763)	(1,194,604)
Outstanding Debt End of Fiscal Year ... ^a	<u>\$ 9,915,767</u>	<u>\$ 10,472,819</u>	<u>\$ 11,075,618</u>	<u>\$ 11,769,089</u>	<u>\$ 12,320,837</u>	<u>\$ 12,865,074</u>	<u>\$ 13,335,470</u>
Capital Budget Debt as a percent of Debt Limit.....	11.2%	11.1%	11.4%	11.7%	11.9%	12.0%	12.0%
Calculation of Debt Limit:							
Average Tax Revenues							
Previous Five Years	<u>\$ 50,697,047</u>	<u>\$ 53,749,170</u>	<u>\$ 55,675,651</u>	<u>\$ 57,497,193</u>	<u>\$ 59,380,295</u>	<u>\$ 61,450,253</u>	<u>\$ 63,613,980</u>
Debt Limit (1.75 times revenues)	<u>\$ 88,719,833</u>	<u>\$ 94,061,048</u>	<u>\$ 97,432,389</u>	<u>\$ 100,620,088</u>	<u>\$ 103,915,516</u>	<u>\$ 107,537,942</u>	<u>\$ 111,324,465</u>

^a Actual year amount is net of June 30 Capital Debt Fund balance.

^b Fiscal year 2024-25 includes \$237.1 million refunding of bonds already issued.

Debt Service on General Obligation Debt 2023-24 through 2029-30

This table shows the estimated net debt service payable by the Commonwealth on currently outstanding general obligation bonds and on projected general obligation bond issues.



(Dollar Amounts in Thousands)

	2023-24 Actual	2024-25 Estimated	2025-26 Budget	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated	2029-30 Estimated
General Fund							
Capital Budget Non-Highway	\$ 1,169,619	\$ 1,096,829	\$ 1,413,822	\$ 1,488,435	\$ 1,557,057	\$ 1,642,142	\$ 1,750,582
Voter Approved and Disaster	5,381	3,171	3,178	3,175	3,179	3,177	3,190
SUBTOTAL	\$ 1,175,000^a	\$ 1,100,000^b	\$ 1,417,000	\$ 1,491,610	\$ 1,560,236	\$ 1,645,319	\$ 1,753,772
Environmental Stewardship Fund							
Growing Greener II	\$ 10,217	\$ 9,938	\$ 10,001	\$ 10,637	\$ 10,684	\$ 10,738	\$ 10,791
Gaming Economic Development and Tourism Fund							
Pennsylvania Convention Center	\$ 48,000	\$ 50,000	\$ 44,000	\$ 46,000	\$ 35,087	\$ -	\$ -
Motor License Fund^c							
Capital Budget - Highways	\$ 35,872	\$ 35,920	\$ 35,942	\$ 37,706	\$ 37,832	\$ 37,942	\$ 38,026
Capital Budget	16,477	14,813	16,089	15,165	15,014	14,521	14,159
SUBTOTAL	\$ 52,349	\$ 50,733	\$ 52,031	\$ 52,871	\$ 52,846	\$ 52,463	\$ 52,185
Motor License Fund Restricted Revenue							
Capital Budget - Bridge	\$ 71,903	\$ 71,468	\$ 71,736	\$ 73,882	\$ 74,121	\$ 66,537	\$ 60,180
TOTAL	\$ 1,357,469	\$ 1,282,139	\$ 1,594,768	\$ 1,675,000	\$ 1,732,974	\$ 1,775,057	\$ 1,876,928

^a Fiscal year 2023-24 reflects \$26 million in refunding and other savings.

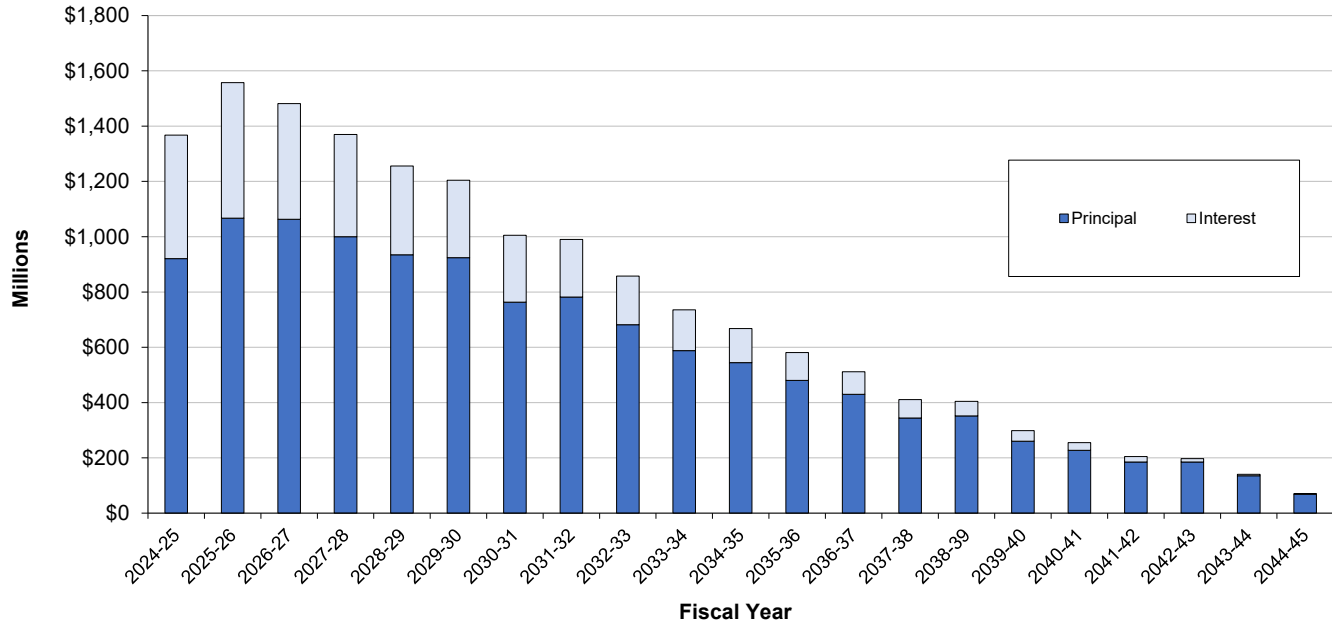
^b Fiscal year 2024-25 reflects \$37 million in refunding and other savings.

^c Build America Bond subsidies transferred to the Motor License Fund (not netted out).

Annual Debt Service on Outstanding General Obligation Bonds Bonds Issued as of December 31, 2024

Fiscal year principal and interest payments on general obligation bonds issued as of the end of calendar year 2024 are shown in the table below. Debt service on projected bond issues is excluded from this data.

**Principal and Interest on Outstanding Bonds
Issued as of December 31, 2024**



(Dollar Amounts in Thousands)

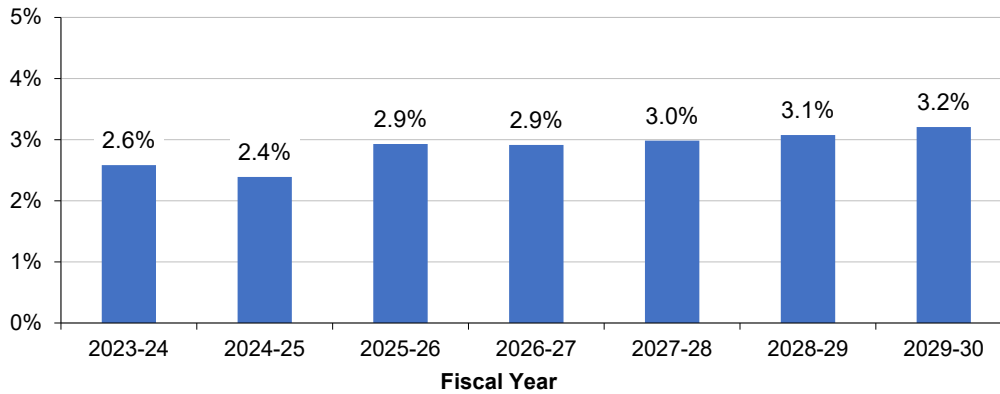
Fiscal Year	Capital Budget (Non-highway)			Capital Budget (Highway)			Voter Approved and Disaster			Grand Total
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	
2024-25	\$ 752,855	\$ 387,717	\$ 1,140,572	\$ 74,553	\$ 32,834	\$ 107,386	\$ 93,473	\$ 26,386	\$ 119,858	\$ 1,367,817
2025-26	888,834	438,967	1,327,801	78,367	29,309	107,676	99,699	21,925	121,624	1,557,101
2026-27	881,071	376,036	1,257,107	85,958	25,629	111,587	95,911	17,026	112,937	1,481,631
2027-28	830,561	335,237	1,165,798	90,441	21,511	111,951	78,834	12,981	91,814	1,369,563
2028-29	783,082	294,793	1,077,875	87,681	16,797	104,478	63,942	9,496	73,438	1,255,792
2029-30	775,071	260,063	1,035,134	85,533	12,672	98,205	63,781	6,931	70,712	1,204,050
2030-31	673,780	227,528	901,308	53,090	9,475	62,565	36,485	4,567	41,052	1,004,925
2031-32	694,411	197,820	892,231	50,763	7,458	58,221	36,651	3,114	39,765	990,216
2032-33	617,480	168,330	785,810	43,443	5,503	48,945	20,638	1,977	22,614	857,370
2033-34	541,589	142,420	684,009	37,222	3,814	41,036	8,889	1,320	10,209	735,254
2034-35	500,469	119,785	620,254	37,109	2,322	39,431	7,053	964	8,017	667,701
2035-36	433,681	98,859	532,540	38,984	1,079	40,063	7,410	694	8,104	580,707
2036-37	424,750	81,490	506,240	-	-	-	4,955	469	5,424	511,665
2037-38	339,525	66,198	405,723	-	-	-	4,485	301	4,786	410,509
2038-39	348,550	52,049	400,599	-	-	-	3,415	135	3,550	404,149
2039-40	258,775	38,145	296,920	-	-	-	1,470	31	1,501	298,422
2040-41	227,005	28,303	255,308	-	-	-	-	-	-	255,308
2041-42	185,000	19,781	204,781	-	-	-	-	-	-	204,781
2042-43	185,000	12,100	197,100	-	-	-	-	-	-	197,100
2043-44	135,000	5,450	140,450	-	-	-	-	-	-	140,450
2044-45	68,750	1,375	70,125	-	-	-	-	-	-	70,125

Trends in Debt Service and Debt Ratios 2023-24 through 2029-30

The charts portray projections for indicators of the cost of projected annual debt service and the burden of projected debt outstanding. Debt service and outstanding debt includes general obligation debt and debt secured by lease rental payments or operating subsidies from various Commonwealth departments.

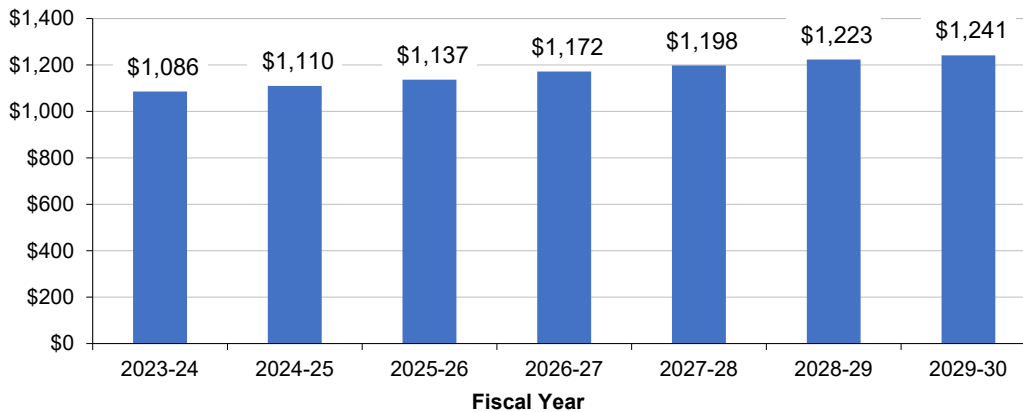
General Fund debt service as a percent of revenues remains below Standard & Poor's criteria of 5 percent for issuers considered to have a "low debt burden."

General Fund Supported Debt Service as a Percent of General Fund Revenue



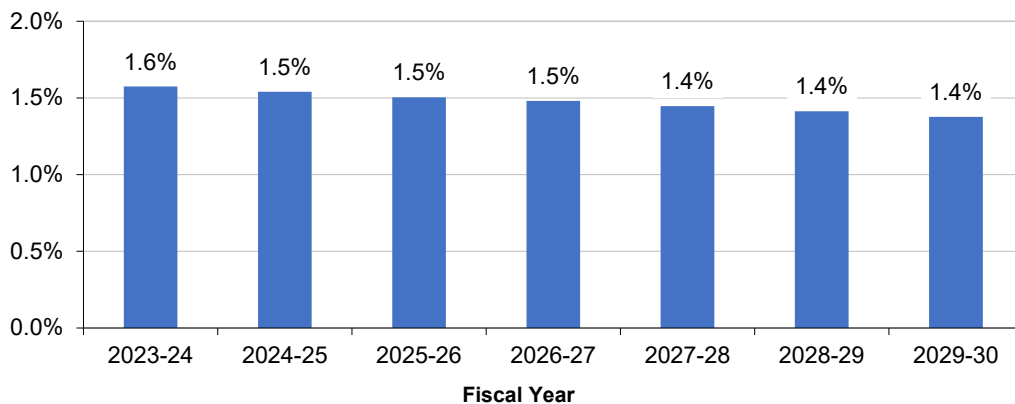
While population growth in the Commonwealth is minimal, per capita debt levels remain relatively low.

General Obligation Bond and Lease Rental Debt Per Capita



Growing personal income keeps the planned bond issuance affordable.

General Obligation Bond and Lease Rental Debt as a Percent of Personal Income



Outstanding Indebtedness of Agencies and Authorities

(Dollar Amounts in Millions)

The indebtedness of the following agencies and authorities is not an obligation of the Commonwealth of Pennsylvania but represents the debt of those agencies and authorities created by the Commonwealth for a public purpose. These obligations are not considered as debt under Article VIII of the Pennsylvania Constitution.

	Bonds and Notes as of 12/31/24
Commonwealth Financing Authority	
Created to promote health, safety, employment, business opportunities, economic activity, and the general welfare of the Commonwealth. Debt service on the bonds is paid from revenues of the authority and sales tax revenue transfers.	\$ 4,063.1
Delaware River Joint Toll Bridge Commission	
Created by Pennsylvania and New Jersey to construct, operate, and maintain bridges crossing the upper Delaware River. Debt service on the bonds is paid from tolls and other revenues of the commission.	614.4
Delaware River Port Authority	
Created by Pennsylvania and New Jersey to control and operate bridges crossing the Delaware River, it may construct or acquire other bridges, tunnels, and other projects for port improvement and development. The authority operates a rapid transit system, which it constructed. Debt service on the bonds is paid from tolls, fares, rents, and other revenue of the authority.	944.7
Pennsylvania Economic Development Financing Authority	
Created to offer pooled bond issues of both taxable and tax-exempt bonds on behalf of local industrial and commercial development authorities for economic development projects. Debt service on the bonds is paid by loan interest and repayments and other authority revenues. A \$500 million taxable bond issuance for the enacted PA SITES program is expected to be issued in the 1 st quarter of 2025 (not included in this amount).	8,697.5
Pennsylvania Higher Education Assistance Agency	
Makes or guarantees student loans for graduate and undergraduate programs to students or parents, lending institutions, or postsecondary institutions. Debt service on the bonds is paid by loan interest and repayments and by other agency revenues.	1,823.7
Pennsylvania Higher Educational Facilities Authority	
Acquires, constructs, improves, and leases (as lessor) college facilities and makes loans to colleges and universities within the Commonwealth. Debt service on the bonds is paid from rentals and from loan repayments collected for the use of the facilities.	5,944.9
Pennsylvania Housing Finance Agency	
Makes construction and permanent mortgage loans to qualified borrowers for the purchase and construction of single and multi-family housing for low and moderate income persons or families. Debt service on the bonds is paid from mortgage loan interest and repayments and further secured by a "moral obligation" of the Commonwealth.	6,160.8
Pennsylvania Infrastructure Investment Authority	
Provides low interest rate loans and grants for constructing new and improving existing water supply and sewage disposal systems. Loans and grants are available to local governments and, in certain circumstances, to private companies. The bonds are secured by principal repayments and interest payments on loans.	65.8
Pennsylvania Turnpike Commission	
Constructs, maintains, and operates the Pennsylvania Turnpike. Debt service on the bonds is paid from tolls and other revenue sources of the commission.	15,778.3
State Public School Building Authority	
Constructs, improves, equips, and makes loans to local school districts for school facilities. Debt service on the bonds is paid from rentals collected for the use of the facilities and from loan repayments.	2,199.2
TOTAL	<u><u>\$ 46,292.4</u></u>



Commonwealth of Pennsylvania

Governor's Executive Budget

OTHER SPECIAL FUNDS

This section provides information and financial data for the more than 150 Other Special Funds contributing revenue to the Commonwealth's operating budget. The funds included here were created to more closely relate specific revenue sources to specific programs or to support particular government programs or activities. This information is presented to demonstrate the magnitude and complexity of the Commonwealth's financial structure as well as provide important details about the various funds. Additional information on Other Special Funds expenditures can be found in each agency's Summary by Fund and Appropriation statement, which is located in Section E.

Other Special Funds

This section contains a brief presentation of all active Commonwealth funds not given an expanded treatment in the other sections of the budget. In a limited number of cases certain expenditures from funds presented in this section are included in other presentations.

Generally, the Commonwealth uses a modified cash basis of accounting for financial reporting where certain revenues are reported when collected and, for certain taxes, when accrued and expenditures are reported when disbursed or committed.

For the funds included in this section, all financial data shown herein is on a calculated cash basis. Receipts include only those items actually received and credited to the funds. Several funds carrying long-term investments show an investment adjustment to reflect the current value of the fund as of June 30. Disbursements are recorded at the time payment requisitions and invoices are posted to the Commonwealth's accounting system and do not include commitments or encumbrances. Please see the Reader's Guide (Page 12) for additional discussion regarding the basis of accounting for financial reporting.

The cash beginning and ending balances reported through this format may differ from the actual cash balance in Treasury and/or the cash general ledger account in the Commonwealth's accounting system due to timing differences, but the calculated cash balances reported provide an accurate reflection of the true cash position of the fund.

The vast majority of the Commonwealth's day-to-day activities are financed from the General Fund. However, over time a large number of other funds have been created to more closely relate specific revenue sources to specific programs or to identify particular government programs or activities. These special funds are categorized into groups to aid in identifying their purpose. The groups are defined as follows:

Governmental Funds: Collectively these funds account for and report activities that are associated with routine, ordinary governmental functions and are financed largely by tax and grant revenues. The group includes the General Fund, Special Revenue Funds, Capital Project Funds, and Debt Service Funds.

- Special Revenue Funds — These funds are used to account for revenues from specific taxes or other earmarked revenue sources, which by law are designated to finance particular functions or activities.
- Capital Project Funds — Bond funds are used to account for the receipt and disbursement of bond sale proceeds that normally finance the construction or acquisition of designated fixed assets.
- Debt Service Funds — These funds account for the accumulation of resources, principally from transfers from other funds, for the payment of general long-term debt principal and interest.

Proprietary Funds: Include Enterprise Funds and Internal Service Funds. Such funds account for and report activities the way a private business or industry would. They include such activities as sale of goods or services, and lending and other financing activities where purchasers or customers pay a charge or a user fee.

- Enterprise Funds — These funds accommodate the operation of public service programs financed wholly or mostly by user charges, or where the periodic determination of net income is deemed appropriate.
- Internal Service Funds — These funds account for the financing of goods or services provided by one department or agency on a cost-reimbursement basis to other departments or agencies within the Commonwealth or to other governmental units.

Fiduciary Funds: These funds are used to account for assets held by the Commonwealth as trustee or agent for individuals, private organizations, and other government units.

The special funds are categorized on the next two pages.

Special Fund Categories

Governmental Funds – Special Revenue Funds

Acid Mine Drainage Abatement and Treatment Fund	Multimodal Transportation Fund
Administration Fund	Municipalities Financial Recovery Revolving Aid Fund
Agricultural College Land Scrip Fund	Non-Coal Surface Mining Conservation and Reclamation Fund
Agricultural Conservation Easement Purchase Fund	Nutrient Management Fund
Anthracite Emergency Bond Fund	Oil and Gas Lease Fund
Automobile Theft Prevention Trust Fund	Patient Safety Trust Fund
Banking Trust Fund	Pennsylvania Gaming Economic Development and Tourism Fund
Ben Franklin Technology Development Authority Fund	Pennsylvania Health Insurance Exchange Fund
Boat Fund	Pennsylvania Historical and Museum Commission Trust Fund
Budget Stabilization Reserve Fund	Pennsylvania Race Horse Development Trust Fund
Capitol Restoration Trust Fund	Pennsylvania Rural Health Redesign Center Fund
Catastrophic Loss Benefits Continuation Fund	Pennsylvania Veterans Monuments and Memorial Trust Fund
Children's Trust Fund	PENNVEST Bond Authorization Fund
Cigarette Fire Safety and Firefighter Protection Act Enforcement Fund	PENNVEST Drinking Water Revolving Fund
Clean Air Fund	PENNVEST Fund
Clean Streams Fund	PENNVEST Water Pollution Control Revolving Fund
Coal Lands Improvement Fund	Pharmaceutical Assistance Fund
Community College Capital Fund	Philadelphia Regional Port Authority Fund
Compulsive and Problem Gambling Treatment Fund	PlanCon Bond Projects Fund
Conrad Weiser Memorial Park Trust Fund	Port of Pittsburgh Commission Fund
Conservation District Fund	Property Tax Relief Fund
County Voting Apparatus Fund	Public Transportation Assistance Fund
DNA Detection Fund	Public Transportation Trust Fund
Educational Assistance Program Fund	Real Estate Recovery Fund
Emergency Medical Services Operating Fund	Recycling Fund
Energy Development Fund	Reinsurance Fund
Environmental Education Fund	Remining Financial Assurance Fund
Environmental Stewardship Fund	School Safety and Security Fund
Fantasy Contest Fund	Self-Insurance Guaranty Fund
Farm Products Show Fund	Special Administration Fund
Fire Insurance Tax Fund	State Gaming Fund
Fish Fund	State Insurance Fund
Game Fund	State Racing Fund
Gov Robert P. Casey Memorial Organ and Tissue Donation Awareness Trust Fund	State Treasury Armory Fund
Growing Greener Bond Fund	Storage Tank Fund
Hazardous Material Response Fund	Substance Abuse Education and Demand Reduction
Hazardous Sites Cleanup Fund	Surface Mining Conservation and Reclamation Fund
Higher Education Assistance Fund	Tobacco Settlement Fund
Highway Beautification Fund	Treasury Initiative Support Fund
HOME Investment Trust Fund	UC-FEMA ONA Lost Wages Fund
Housing Affordability and Rehabilitation Enhancement Fund	Unconventional Gas Well Fund
Industrial Sites Cleanup Fund	Underground Storage Tank Indemnification Fund
Insurance Fraud Prevention Trust Fund	Uninsured Employers Guaranty Fund
Insurance Regulation and Oversight Fund	Video Gaming Fund
Job Training Fund	Vocational Rehabilitation Fund
Justice Reinvestment Fund	Water and Sewer Systems Assistance Bond Fund
Marcellus Legacy Fund	Water Supply and Wastewater Treatment Fund
Medical Care Availability and Reduction of Error Fund	Wild Resources Conservation Fund
Medical Marijuana Program Fund	Workers' Compensation Administration Fund
Milk Marketing Fund	Workers' Compensation Security Fund
Mine Safety Fund	Workers' Compensation Supersedeas Fund
Monetary Penalty Endowments Trust Fund	911 Fund
Motor Vehicle Transaction Recovery Fund	

Special Fund Categories

Governmental Funds – Capital Project Funds

Capital Facilities Fund

Keystone Recreation, Park and Conservation Fund

Governmental Funds – Debt Service Funds

Capital Debt Fund
Growing Greener Bond Sinking Fund
PENNVEST Redemption Fund

Water and Sewer System Assist Bond Sinking Fund
Water Supply and Wastewater Treatment Sinking Fund

Proprietary Funds – Enterprise Funds

Coal and Clay Mine Subsidence Insurance Fund
Employment Fund for the Blind
Fire and Emergency Medical Services Loan Fund
Historical Preservation Fund
Local Government Capital Project Loan Fund
Machinery and Equipment Loan Fund
Minority Business Development Fund
Pennsylvania Infrastructure Bank
Philadelphia Taxicab and Limousine Regulatory Fund
Philadelphia Taxicab Medallion Fund

Rehabilitation Center Fund
Small Business First Fund
State Restaurant Fund
State Stores Fund
State Workers' Insurance Fund
Tuition Account Guaranteed Savings Program Fund
Unemployment Comp Benefit Payment Fund
Unemployment Compensation Contribution Fund
Unemployment Compensation Debt Service Fund
Veterans Trust Fund

Proprietary Funds – Internal Service Funds

Manufacturing Fund

Purchasing Fund

Fiduciary Funds

Achieving a Better Life Experience Fund
Benefit Completion Fund
City Revitalization and Improvement Fund
Deferred Compensation Fund
Deferred Compensation Fund-Short-Term Portfolio
Insurance Liquidation Fund
Liquid Fuels Tax Fund
Liquor License Fund
Local Cigarette Tax Fund
Military Installation Remediation Fund

Municipal Pension Aid Fund
Neighborhood Improvement Zone Fund
Pennsylvania Municipal Retirement Fund
PSERS – Defined Contribution Fund
Public School Employees' Retirement Fund
Rightful Owners' Claims Payment Fund
SERS – Defined Contribution Fund
State Employees' Retirement Fund
Tuition Account Investment Program Fund

Achieving a Better Life Experience Fund

The Achieving a Better Life Experience (ABLE) Fund was created by Act 17 of 2016 to encourage savings accounts for individuals with disabilities. Individuals are eligible for an ABLE account if entitled to Social Security benefits based on blindness or a disability occurring before the age of 26. With the new accounts, people with disabilities will be able to accrue up to \$100,000 in savings without losing access to Social Security and other government benefits. This tax free savings account would cover qualified expenses approved by the United States Secretary of the Treasury including education, housing, and transportation expenses.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 922	\$ 626	\$ 4
Receipts:			
Account Deposits	\$ 51	\$ 52	\$ 52
Transfer from General Fund.....	900	900	1,500
Interest	61	59	30
Total Receipts	<u>1,012</u>	<u>1,011</u>	<u>1,582</u>
Total Funds Available	\$ 1,934	\$ 1,637	\$ 1,586
Disbursements:			
Treasury	\$ 1,308	\$ 1,633	\$ 1,426
Total Disbursements	<u>(1,308)</u>	<u>(1,633)</u>	<u>(1,426)</u>
Cash Balance, Ending	\$ 626	\$ 4	\$ 160

Acid Mine Drainage Abatement and Treatment Fund

Acid Mine Drainage Abatement and Treatment Fund was created in 1992 to receive money authorized by Title IV of the Federal Surface Mining Control and Reclamation Act. This fund receives up to 10 percent of the Commonwealth’s federal Title IV grant for abandoned mine reclamation. Funds are used for acid mine drainage abatement and treatment.

The federal Safeguarding Treatment for the Restoration of Ecosystems from Abandoned Mines (STREAM) Act of 2022 authorizes states to set-aside up to 30 percent of its annual grant for abandoned mine reclamation provided under the Infrastructure Investment and Jobs Act for the treatment and abatement of acid mine drainage, or the prevention, abatement, and control of subsidence or coal mine fires.

In accordance with Act 54 of 2024, the fund receives two percent of receipts deposited to the Clean Streams Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 53,708	\$ 57,887	\$ 193,296
Receipts:			
Federal Receipts	\$ 6,555	\$ -	\$ 7,200
Federal Receipts - IJJA-STREAM Act Set-Aside.....	-	146,907	-
Interest	1,909	3,441	5,788
Transfer from Clean Streams Fund.....	-	1,221	1,088
Investment Income.....	287	896	896
Total Receipts	<u>8,751</u>	<u>152,465</u>	<u>14,972</u>
Total Funds Available	\$ 62,459	\$ 210,352	\$ 208,268
Disbursements:			
Environmental Protection	\$ 4,572	\$ 17,056	\$ 12,474
Total Disbursements.....	<u>(4,572)</u>	<u>(17,056)</u>	<u>(12,474)</u>
Cash Balance, Ending	\$ 57,887	\$ 193,296	\$ 195,794

Administration Fund

This fund was created for the administrative costs associated with the Unemployment Compensation Law and the state system of public employment offices (Office of Employment Security). While the fund can receive funds from any source, the majority of revenue results from monies requisitioned from the Commonwealth's account in the federal Unemployment Trust Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 26,328	\$ 28,471	\$ 29,941
Receipts:			
Federal Funds - Unemployment.....	\$ 140,030	\$ 223,688	\$ 171,000
Federal Funds - COVID - Unemployment.....	21,373	8,655	-
Federal Funds - Workforce.....	38,335	95,959	93,219
Interest.....	1,217	1,470	904
Other.....	(946)	1,507	1,306
Total Receipts.....	200,009	331,279	266,429
Total Funds Available	\$ 226,337	\$ 359,750	\$ 296,370
Disbursements:			
Labor and Industry:			
Unemployment Compensation.....	\$ 158,892	\$ 232,983	\$ 171,600
Workforce Development.....	38,974	96,826	93,925
Total Disbursements.....	(197,866)	(329,809)	(265,525)
Cash Balance, Ending	\$ 28,471	\$ 29,941	\$ 30,845

Agricultural College Land Scrip Fund

This fund was established in 1862 with \$500,000 received from the sale of lands and scrip which was donated to the Commonwealth by an Act of Congress to establish a college for the benefit of Agriculture and the Mechanical Arts. The income derived from the investment of the monies in the fund plus appropriations which may be made from time to time by the General Assembly serve as revenue to the fund. Monies in this fund can be disbursed only for use by the officially designated land grant college (Pennsylvania State University) for the benefit of Agriculture and Mechanical Arts. Act 26 of 2011 established a restricted revenue account in the fund for the Department of Agriculture.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Transfer from General Fund, Interest, Total Receipts); Total Funds Available; Disbursements (Agriculture, Treasury, Total Disbursements); and Cash Balance, Ending.

Agricultural Conservation Easement Purchase Fund

This fund was created by Act 64 of 1988 to implement the referendum approved by the electorate on November 8, 1988. That referendum authorized the Commonwealth to incur indebtedness of \$100 million to be used for farmland preservation through the purchase of agricultural conservation easements. Act 23 of 1992 increased the annual ceiling on easement purchases from bond sales from \$20 to \$25 million. All bonds authorized have been issued.

Act 89 of 2002 changed the annual transfer of Cigarette Tax revenues from the first two thirty-firsts of the Cigarette Tax to \$20,485,000 to be made in two equal payments by July 15th and January 15th. Act 84 of 2016 increased the annual transfer of Cigarette Tax revenues to \$25,485,000. Act 15 of 1999 created a supplemental program for farmland preservation. Beginning in 2005-06 the program receives a set percentage of the Environmental Stewardship Fund for the continued purchase of agricultural easements and is authorized to spend up to 2.5 percent for administrative expenses.

This budget proposes increasing the administrative allowance to 4 percent of funds received from the Environmental Stewardship Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 53,112	\$ 62,718	\$ 60,579
Receipts:			
Transfer of Cigarette Tax	\$ 25,485	\$ 25,485	\$ 25,485
Transfer from Environmental Stewardship Fund.....	12,421	12,807	13,038
Interest	3,395	3,675	1,807
Total Receipts	<u>41,301</u>	<u>41,967</u>	<u>40,330</u>
Total Funds Available	\$ 94,413	\$ 104,685	\$ 100,909
Disbursements:			
Agriculture	\$ 31,695	\$ 44,106	\$ 40,000
Total Disbursements.....	<u>(31,695)</u>	<u>(44,106)</u>	<u>(40,000)</u>
Cash Balance, Ending	\$ 62,718	\$ 60,579	\$ 60,909

Anthracite Emergency Bond Fund

This fund was created by Act 171 of 1986 to provide loans for anthracite underground mine operators who cannot obtain necessary bonding or whose bonding has been cancelled due to insolvency or bankruptcy of the original bonding company. Revenues are provided by a fee for each ton of coal estimated by certain mine operations and payments made by operators in lieu of a bond. Act 173 of 1992 extended the program to anthracite surface mine operators.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Operator Payments, Interest, Total Receipts); Total Funds Available; Disbursements (Environmental Protection, Total Disbursements); and Cash Balance, Ending.

Automobile Theft Prevention Trust Fund

The Automobile Theft Prevention Trust Fund was created by Act 171 of 1994. The purpose of the fund is to finance programs in the Commonwealth to prevent, combat, and reduce automobile theft, as well as, improve and support automobile theft prosecutions. Revenue to the fund consists of assessments on the insurance companies that conduct business in the Commonwealth, interest earnings, and fines and penalties.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 30	\$ 38	\$ 71
Receipts:			
Assessments	\$ 8,500	\$ 8,500	\$ 8,500
Interest	8	34	2
Total Receipts	<u>8,508</u>	<u>8,534</u>	<u>8,502</u>
Total Funds Available	<u>\$ 8,538</u>	<u>\$ 8,572</u>	<u>\$ 8,573</u>
Disbursements:			
Automobile Theft Prevention Authority	\$ 8,500	\$ 8,501	\$ 8,501
Total Disbursements	<u>(8,500)</u>	<u>(8,501)</u>	<u>(8,501)</u>
Cash Balance, Ending	<u>\$ 38</u>	<u>\$ 71</u>	<u>\$ 72</u>

Banking Trust Fund

The Banking Trust Fund is a special revenue fund comprised of monies received from fees, assessments, licenses, fines, and penalties collected or recovered from financial entities under the supervision of the Department of Banking and Securities. It provides for the administration of the Department of Banking and Securities and regulation of the financial services industry. The Institution Resolution restricted account is to be used at the discretion of the Secretary of Banking and Securities in the event of any unexpected trust solvency issues. Act 39 of 2021 amended the Department of Banking and Securities Code to convert the Banking Fund into a trust fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Restricted Cash Balance, Beginning	\$ 29,500	\$ 34,500	\$ 39,500
Institution Resolution:			
Receipts	5,000	5,000	5,000
Disbursements - Banking	-	-	-
Restricted Cash Balance, Ending	\$ 34,500	\$ 39,500	\$ 44,500
 Unrestricted Cash Balance, Beginning	 \$ 45,617	 \$ 58,525	 \$ 64,375
Receipts:			
Licenses and Fees	\$ 34,519	\$ 34,492	\$ 34,198
Fines and Penalties	1,501	900	900
Interest	4,295	4,830	3,255
Total Receipts	<u>40,315</u>	<u>40,222</u>	<u>38,353</u>
Total Funds Available	\$ 85,932	\$ 98,747	\$ 102,728
Disbursements:			
Banking and Securities	\$ 22,407	\$ 29,372	\$ 27,481
Transfer to Institution Resolution Account	5,000	5,000	5,000
Total Disbursements	<u>(27,407)</u>	<u>(34,372)</u>	<u>(32,481)</u>
Unrestricted Cash Balance, Ending	\$ 58,525	\$ 64,375	\$ 70,247
 Total Cash Balance, Beginning	 \$ 75,117	 \$ 93,025	 \$ 103,875
Receipts	45,315	45,222	43,353
Disbursements	(27,407)	(34,372)	(32,481)
Total Cash Balance, Ending	\$ 93,025	\$ 103,875	\$ 114,747

Ben Franklin Technology Development Authority Fund

Act 38 of 2001 created the Ben Franklin Technology Development Authority Fund. This fund merges the activities of the Ben Franklin Partnership and the Pennsylvania Technology Investment Authority (PTIA) under one authority. The Ben Franklin component assists small and medium sized technology, research, and start-up companies to do applied research and development projects and to develop and introduce new products and processes. PTIA provides high-tech financing to small and medium-sized businesses; stimulates the adoption and expansion of electronic commerce; and coordinates and expands university-based research and development in high-tech fields. Revenue to the fund includes annual transfers from the General Fund, loan repayments, tax credit sale proceeds, and interest earnings.

The Ben Franklin Centers support the Commonwealth's technology strategy by building on regional strengths, capitalizing on new opportunities, and addressing the specific needs of our diverse communities.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Restricted Cash Balance, Beginning	\$ 17,454	\$ 10,538	\$ 13,538
Receipts	585	5,000	5,000
Disbursements - Community and Economic Development	(7,501)	(2,000)	(2,000)
Restricted Cash Balance, Ending	<u>\$ 10,538</u>	<u>\$ 13,538</u>	<u>\$ 16,538</u>
Unrestricted Cash Balance, Beginning	\$ 3,346	\$ 5,042	\$ 6,210
Receipts:			
Transfer from General Fund	\$ 17,000	\$ 17,000	\$ 17,000
Interest on Loans	173	500	1,500
Interest	1,397	1,328	657
Other	87	40	40
Total Receipts	<u>18,657</u>	<u>18,868</u>	<u>19,197</u>
Total Funds Available	<u>\$ 22,003</u>	<u>\$ 23,910</u>	<u>\$ 25,407</u>
Disbursements:			
Community and Economic Development	\$ 16,961	\$ 17,700	\$ 17,500 ^a
Total Disbursements	<u>(16,961)</u>	<u>(17,700)</u>	<u>(17,500)</u>
Unrestricted Cash Balance, Ending	<u>\$ 5,042</u>	<u>\$ 6,210</u>	<u>\$ 7,907</u>
Total Cash Balance, Beginning	\$ 20,800	\$ 15,580	\$ 19,748
Receipts	19,242	23,868	24,197
Disbursements	(24,462)	(19,700)	(19,500)
Total Cash Balance, Ending	<u>\$ 15,580</u>	<u>\$ 19,748</u>	<u>\$ 24,445</u>

^a This budget proposal reflects a change in the administrative allowance of the appropriation to 6 percent.

Benefit Completion Fund

This fund was created in 2003 to accumulate reserves for the payment of pensions to eligible former state employees with a statutory benefit entitlement under the State Employees' Retirement Code that exceeds the limits of Section 415(b) of the Internal Revenue Code (IRC). Reserves in this fund are disbursed to members of the retirement system in accordance with the provision of IRC Section 415(m).

The fund receives revenue from employer contributions and interest income. Employer contributions are an actuarially determined percentage of payroll sufficient to fund the benefit payments of the forthcoming calendar year and the on-going expenses to administer the plan. Management of the fund and payment of benefits is overseen by the State Employees' Retirement Board.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 4,715	\$ 10,421	\$ 10,352
Receipts:			
Employer Contributions	\$ 7,928	\$ 3,584	\$ 3,620
Interest	376	596	303
Total Receipts	<u>8,304</u>	<u>4,180</u>	<u>3,923</u>
Total Funds Available	\$ 13,019	\$ 14,601	\$ 14,275
Disbursements:			
State Employees' Retirement System.....	\$ 2,598	\$ 4,249	\$ 4,262
Total Disbursements	<u>(2,598)</u>	<u>(4,249)</u>	<u>(4,262)</u>
Cash Balance, Ending	\$ 10,421	\$ 10,352	\$ 10,013

Boat Fund

The Boat Fund is a special revenue fund composed of monies from boating license fees, fines, penalties, federal contributions, and other sources and from liquid fuel taxes transferred from the Motor License and Liquid Fuels Tax Funds. This fund provides for the administration and enforcement of programs relating to boats and boating activities.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Restricted Cash Balance, Beginning	\$ 38,980	\$ 37,921	\$ 33,697
Transfer from Motor License Fund	6,000	6,000	6,000
Disbursements - Fish and Boat Commission	(7,059)	(10,224)	(8,730)
Restricted Cash Balance, Ending	\$ 37,921	\$ 33,697	\$ 30,967
Unrestricted Cash Balance, Beginning	\$ 39,165	\$ 39,234	\$ 27,453
Receipts:			
Licenses and Fees	9,111	9,622	9,622
Fines and Penalties	196	205	205
Transfer from Motor License Fund	7,602	6,500	7,500
Transfer from Liquid Fuels Tax Fund	116	110	116
Federal Receipts	4,313	5,400	5,400
Interest	3,521	3,214	1,674
Other	27	58	58
Total Receipts	24,886	25,109	24,575
Total Funds Available	64,051	64,343	52,028
Disbursements:			
Fish and Boat Commission	24,817	36,890	31,628
Total Disbursements	(24,817)	(36,890)	(31,628)
Unrestricted Cash Balance, Ending	\$ 39,234	\$ 27,453	\$ 20,400
Total Cash Balance, Beginning	\$ 78,145	\$ 77,155	\$ 61,150
Receipts	30,886	31,109	30,575
Disbursements	(31,876)	(47,114)	(40,358)
Total Cash Balance, Ending	\$ 77,155	\$ 61,150	\$ 51,367

Budget Stabilization Reserve Fund

This fund was created on July 15, 2002 by Act 91 of 2002 to replace the Tax Stabilization Reserve Fund. The fund provides financial assistance to minimize future revenue shortfalls and deficits, and promote greater continuity and predictability in the funding of vital government services. It minimizes the need to increase taxes to balance the budget of the Commonwealth during periods of economic distress. Act 91 provides revenue through an annual transfer of 25 percent of the General Fund fiscal year end surplus. If the ending balance would equal or exceed 6 percent of actual General Fund revenues for the fiscal year in which the surplus occurs, the General Fund transfer would be reduced to 10 percent.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 5,128,620	\$ 6,374,068	\$ 7,490,568
Receipts:			
Transfer from General Fund.....	\$ 898,319	\$ 736,899	\$ 321,542
Investment Income.....	347,129	379,601	208,221
Total Receipts.....	<u>1,245,448</u>	<u>1,116,500</u>	<u>529,763</u>
Total Funds Available	\$ 6,374,068	\$ 7,490,568	\$ 8,020,331
Disbursements:			
Transfer to General Fund.....	\$ -	\$ -	\$ 1,606,055
Total Disbursements.....	<u>-</u>	<u>-</u>	<u>(1,606,055)</u>
Cash Balance, Ending	\$ 6,374,068	\$ 7,490,568	\$ 6,414,276

Capital Debt Fund

Principal and interest payments on bonds issued for purposes of capital budget projects are paid from this fund. Annual appropriations from various funds for payment of interest and principal due on general obligation bonds are the primary sources of revenue. Funds in excess of interest and principal falling due in any one particular fiscal year may be used by the Board of Finance and Revenue to retire any other general obligation bonds issued to provide revenue to the Capital Facilities Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 7,199	\$ 8,154	\$ 2,963
Receipts:			
Transfer from Other Funds.....	\$ 1,341,871	\$ 1,347,030 ^a	\$ 1,581,589
Refunding Bond Maturing Escrow Funds.....	1,807,529	506,307	-
Build America Bond Federal Subsidies.....	7,227	1,903	1,714
Interest on Securities.....	751	580	10
Total Receipts.....	3,157,378	1,855,820	1,583,313
Total Funds Available	\$ 3,164,577	\$ 1,863,974	\$ 1,586,276
Disbursements:			
Treasury.....	\$ 1,348,894	\$ 1,354,704	\$ 1,583,179
Refunding Bond Maturing Escrow Funds.....	1,807,529	506,307	-
Total Disbursements.....	(3,156,423)	(1,861,011)	(1,583,179)
Cash Balance, Ending	\$ 8,154	\$ 2,963	\$ 3,097

^a Includes \$52,000,000 from the Pennvest Redemption Fund.

Capital Facilities Fund

This fund is used to meet the financial costs of capital projects authorized by capital budget acts. Revenue for this fund comes principally from the sale of general obligation debt and interest earnings. Debt issued for this fund is subject to a debt limit equal to one and three quarter times the average of annual tax revenues in the preceding five fiscal years. This fund has at least one account for each category of capital projects. Interest earned on investment or deposit of monies in the fund is credited to the account in the fund to which such invested or deposited money was originally credited.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 317,321	\$ 783,706	\$ 759,009
Receipts:			
Sale of Bonds	\$ 1,335,000	\$ 1,395,000	\$ 1,570,000
Costs of Issue	(1,057)	(1,000)	(1,500)
Premium on Sale of Bonds.....	143,364	132,139	-
Cash Management Loan	200,000	-	-
Interest on Securities.....	38,661	53,000	32,000
Other	23,918	60,000	-
Total Receipts	<u>1,739,886</u>	<u>1,639,139</u>	<u>1,600,500</u>
Total Funds Available	\$ 2,057,207	\$ 2,422,845	\$ 2,359,509
Disbursements:			
Community and Economic Development	\$ 241,589	\$ 390,000	\$ 325,163
General Services	636,629 ^a	1,041,000 ^a	1,150,920
Transportation	163,337	185,000	175,000
Treasury	883	-	-
Cash Management Loan Repayment.....	200,000	-	-
Administration:			
Executive Offices-Redevelopment Assistance Consultant Administration	8,313	16,000	20,000
Executive Offices-Redevelopment Assistance Operations.....	-	4,836	4,837
General Services-Capital Programs	22,750	27,000	29,080
Total Disbursements	<u>(1,273,501)</u>	<u>(1,663,836)</u>	<u>(1,705,000)</u>
Cash Balance, Ending	\$ 783,706	\$ 759,009	\$ 654,509

^a Includes funding received from agency Letters of Commitment (LOCs).

Capitol Restoration Trust Fund

This fund was created by Act 327 of 1982 to finance the maintenance, restoration, preservation and rehabilitation of artifacts, documents, and other historical objects or resources located within and around or associated with the State Capitol Building, and the acquisition of artifacts, documents, and other historical objects or resources, which contribute to the historical significance of the State Capitol Building. This fund is administered by the Capitol Preservation Committee. Revenue is derived from gifts, donations, and legacies of money from individuals, organizations, public or private corporations, and from the sale of commemorative medals and other items of a similar nature which promote the historic preservation and restoration of the State Capitol Building.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Contribution and Sales, Interest, Total Receipts); Total Funds Available; Disbursements (Capitol Preservation Committee, Total Disbursements); and Cash Balance, Ending.

Catastrophic Loss Benefits Continuation Fund

This fund was established by Act 24 of 1989 to replace the Catastrophic Loss Trust Fund. The purpose of the Catastrophic Loss Benefits Continuation Fund (CAT Fund) is to pay all medical claims owed by the Catastrophic Loss Trust Fund. Monies in the former Catastrophic Loss Trust Fund were transferred to this fund effective July 1, 1989.

Act 13 of 2002 established the Medical Care Availability and Reduction of Error (Mcare) Fund and mandated that all surcharges levied and collected under the CAT Fund be remitted to the Mcare Fund beginning in January 2004. Act 50 of 2009 redirected the surcharge to the General Fund for 2009-10 and 2010-11. Act 26 of 2011 redirected the surcharge to the General Fund for 2011-12 and for each fiscal year thereafter.

This fund will continue to pay claimants from its balance and interest earnings until no further obligations exist. The most recent actuarial report estimates final expenditure in 2094.

No obligation or expense of, or claim against, the fund constitutes a debt of the Commonwealth or a charge against the General Fund or the Motor License Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 73,531	\$ 18,710	\$ 78,643
Receipts:			
Interest	\$ 1,462	\$ 738	\$ 2,255
Other	9,186	1,800	500
Medical Care Availability and Reduction of Error Fund Loan Repayment	-	66,000	-
Total Receipts	<u>10,648</u>	<u>68,538</u>	<u>2,755</u>
Total Funds Available	\$ 84,179	\$ 87,248	\$ 81,398
Disbursements:			
Insurance:			
Administration	\$ 1,615	\$ 2,556	\$ 2,429
Claims	3,854	6,049	6,050
Loan to Medical Care Availability and Reduction of Error Fund	60,000	-	-
Total Disbursements	<u>(65,469)</u>	<u>(8,605)</u>	<u>(8,479)</u>
Cash Balance, Ending	\$ 18,710	\$ 78,643	\$ 72,919

Children’s Trust Fund

Act 151 of 1988 created the Children’s Trust Fund. Revenue is generated by a \$10 surcharge on marriage licenses and divorce applications. State taxpayers may also choose to allocate all or a portion of their state tax return to the fund. Expenditures are for community-based programs and services for child abuse and neglect prevention. Act 112 of 2022 allows a person renewing a driver’s license, identification card, or vehicle registration electronically through the Department of Transportation to make an optional contribution of \$5 to the fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 1,149	\$ 1,376	\$ 1,429
Receipts:			
Marriage/Divorce Surcharge	\$ 1,003	\$ 1,228	\$ 1,228
Children's Trust Fund Donations	310	317	317
Act 151	3	-	3
Interest	62	70	45
Total Receipts	<u>1,378</u>	<u>1,615</u>	<u>1,593</u>
Total Funds Available	\$ 2,527	\$ 2,991	\$ 3,022
Disbursements:			
Human Services	\$ 1,151	\$ 1,562	\$ 1,400
Total Disbursements	<u>(1,151)</u>	<u>(1,562)</u>	<u>(1,400)</u>
Cash Balance, Ending	\$ 1,376	\$ 1,429	\$ 1,622

Cigarette Fire Safety and Firefighter Protection Act Enforcement Fund

Act 42 of 2008 provides for cigarette fire safety, for certification of compliance by manufacturers, for package markings, and for enforcement and penalties. Certification fees are collected by the Department of Revenue at a rate of \$1,000 per brand family and \$500 for each additional listing within a brand family. Penalties are charged for specified violations. The Attorney General's Office enforces the Act. Pursuant to the enabling legislation, fund money may only be appropriated by the General Assembly to the Department of Revenue and the Office of Attorney General for the purpose of processing, testing, enforcement, and oversight activities related to this act.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 286	\$ 337	\$ 276
Receipts:			
Fees	\$ 74	\$ 19	\$ 19
Interest	17	18	8
Total Receipts	91	37	27
Total Funds Available	\$ 377	\$ 374	\$ 303
Disbursements:			
Attorney General	\$ 40	\$ 98	\$ 50
Total Disbursements	(40)	(98)	(50)
Cash Balance, Ending	\$ 337	\$ 276	\$ 253

City Revitalization and Improvement Fund

The City Revitalization and Improvement Fund is a fiduciary fund established by Act 52 of 2013, which authorizes City Revitalization and Improvement Zones to provide economic development and job creation in cities with populations greater than 30,000. Each zone is comprised of parcels designated by the contracting authority constructing facilities in the zone. Bonds are issued by the contracting authority, and state and local taxes collected within a zone are used for program efforts and to repay debt service. Initially, two zones and one pilot zone were authorized. Beginning in 2016, up to two additional zones within cities may be approved each calendar year.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 8	\$ 26	\$ -
Receipts:			
State Tax Share	\$ 16,997	\$ 15,213	\$ 17,000
Local Tax Share	500	728	-
Interest	18	-	-
Total Receipts	<u>17,515</u>	<u>15,941</u>	<u>17,000</u>
Total Funds Available	\$ 17,523	\$ 15,967	\$ 17,000
Disbursements:			
Treasury	\$ 17,497	\$ 15,967	\$ 17,000
Total Disbursements	<u>(17,497)</u>	<u>(15,967)</u>	<u>(17,000)</u>
Cash Balance, Ending	\$ 26	\$ -	\$ -

Clean Air Fund

The Clean Air Fund was created to meet the provisions of Act 787 of 1959, as amended by Act 95 of 1992, to finance the attainment of air quality standards, the administration of the rules and regulations promulgated under these acts, the reduction of interstate air pollution transport, and a program to assist businesses in meeting emission standards. Fines, civil penalties, and fees from air pollution emitters, as well as appropriations from the General Assembly, federal or local governments and interest earnings are deposited in this fund.

This budget provides for evaluation of emissions, including identification and quantification of potentially hazardous chemical compounds, from two unconventional well sites during the entire phase of operations.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 45,621	\$ 41,015	\$ 26,204
Receipts:			
Fines and Penalties.....	\$ 11,494	\$ 4,918	\$ 3,725
Fees	18,514	24,220	27,440
Interest	2,266	1,847	634
Other	356	401	413
Total Receipts	<u>32,630</u>	<u>31,386</u>	<u>32,212</u>
Total Funds Available	\$ 78,251	\$ 72,401	\$ 58,416
Disbursements:			
Environmental Protection	\$ 37,236	\$ 46,197	\$ 41,996 ^a
Total Disbursements	<u>(37,236)</u>	<u>(46,197)</u>	<u>(41,996)</u>
Cash Balance, Ending	\$ 41,015	\$ 26,204	\$ 16,420

^a This number does not include fees generated from the Regional Greenhouse Gas Initiative (RGGI). Pennsylvania is prevented from collecting RGGI fees while an appeal regarding the legality of the Commonwealth's participation in RGGI is before the Pennsylvania Supreme Court. This section will be updated following a resolution of that appeal or once the General Assembly has passed an alternative cap and invest program.

Clean Streams Fund

Act 54 of 2022 established the Clean Streams Fund to receive monies appropriated to the fund for COVID relief as well as other transfers or monies received. Act 54 of 2024 modified the fund’s distributions as follows: 71.5 percent to the Clean Streams Fund for the State Conservation Commission, 12 percent to the Pennsylvania Infrastructure Investment Authority to implement the Pennsylvania Clean Water Procurement Program, 10 percent to the Nutrient Management Fund, 4 percent to the Clean Streams Fund for the Department of Environmental Protection for grants and reimbursements to municipalities and counties, 0.5 percent to the Department of Conservation and Natural Resources for the Keystone Tree restricted account, and 2 percent to the Acid Mine Drainage Abatement and Treatment Fund. Act 56 of 2024 transfers \$50 million annually of Personal Income Tax proceeds to the fund.

Act 54 of 2024 transferred all unconsumed balances appropriated from the COVID State Fiscal Recovery restricted account to the Department of Corrections.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 143,761	\$ 111,816	\$ 4,400
Receipts:			
Transfer of Personal Income Tax.....	\$ -	\$ 50,000	\$ 50,000
Federal Funds - COVID-SFR - Transfer to Corrections	-	(7,089)	-
Interest	6,703	4,400	66
Total Receipts	<u>6,703</u>	<u>47,311</u>	<u>50,066</u>
Total Funds Available	\$ 150,464	\$ 159,127	\$ 54,466
Disbursements:			
Agriculture:			
Agriculture Conservation Assistance Program - COVID-SFR	\$ 38,648	\$ 90,727	\$ -
Agriculture Conservation Assistance Program	-	43,498	38,896
Transfer to Nutrient Management Fund.....	-	6,107	5,440
Conservation and Natural Resources:			
Transfer to Keystone Tree Account.....	-	693	272
Environmental Protection:			
Storm Water Management Grants - COVID-SFR.....	-	2,931	-
Storm Water Management Grants.....	-	2,443	2,176
Transfer to Acid Mine Drainage Abatement and Treatment Fund.....	-	1,221	1,088
Infrastructure Investment Authority:			
Transfer to Clean Water Procurement Program.....	-	7,107	6,528
Total Disbursements	<u>(38,648)</u>	<u>(154,727)</u>	<u>(54,400)</u>
Cash Balance, Ending	\$ 111,816	\$ 4,400	\$ 66

Coal and Clay Mine Subsidence Insurance Fund

Coal and Clay Mine Subsidence Insurance Fund was created by Act 484 of 1961 to provide insurance to homeowners in mining areas against damages resulting from subsidence. Revenue is derived from premiums paid by policyholders for subsidence insurance. Act 155 of 2002 updated this insurance program by further defining and establishing coverage by insurance providers and requiring the Department of Environmental Protection to prepare an annual report on the program and insurance sales. Disbursements are used to cover the payment of insurance claims and commissions to insurance agents who forward insurance applications as outlined in Act 155. A sufficient balance in the fund must be maintained to provide adequate protection for the solvency of the fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 139,112	\$ 142,096	\$ 145,831
Receipts:			
Premiums Collected	\$ 4,585	\$ 4,777	\$ 5,400
Interest	5,661	5,976	4,366
Total Receipts	<u>10,246</u>	<u>10,753</u>	<u>9,766</u>
Total Funds Available	\$ 149,358	\$ 152,849	\$ 155,597
Disbursements:			
Environmental Protection	\$ 7,262	\$ 7,018	\$ 7,904
Total Disbursements	<u>(7,262)</u>	<u>(7,018)</u>	<u>(7,904)</u>
Cash Balance, Ending	\$ 142,096 ^a	\$ 145,831 ^a	\$ 147,693 ^a

^a Includes the following reserves for reinsurance and catastrophes: 2023-24 Actual is \$137,886,000, 2024-25 Available is \$132,000,000, and 2025-26 Estimated is \$132,000,000.

Coal Lands Improvement Fund

This fund was created by Act 117 of 1965 to finance the restoration of land acquired by the Commonwealth through eminent domain or amicable methods which has been defaced by open pit or strip mining and has been declared a health hazard. Initially, the fund was provided a \$1 million appropriation, but subsequent revenue is derived from the sale of restored land and interest on investments.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 976	\$ 968	\$ 991
Receipts:			
Interest	\$ 52	\$ 51	\$ 30
Total Receipts	<u>52</u>	<u>51</u>	<u>30</u>
Total Funds Available	\$ 1,028	\$ 1,019	\$ 1,021
Disbursements:			
Environmental Protection	\$ 60	\$ 28	\$ 13
Total Disbursements	<u>(60)</u>	<u>(28)</u>	<u>(13)</u>
Cash Balance, Ending	\$ 968	\$ 991	\$ 1,008

Community College Capital Fund

This fund was established by Act 46 of 2005. Fund revenue consists of an appropriation from the General Fund for transfer to the Community College Capital Fund. Monies in this fund can be disbursed only for payment of the Commonwealth's annual share of approved capital debt service and lease payments to Pennsylvania's community colleges.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 9,271	\$ 12,160	\$ 1,803
Receipts:			
Transfer from General Fund.....	\$ 54,161	\$ 54,161	\$ 54,161
Interest	1,025	1,454	39
Total Receipts	<u>55,186</u>	<u>55,615</u>	<u>54,200</u>
Total Funds Available	\$ 64,457	\$ 67,775	\$ 56,003
Disbursements:			
Education	\$ 52,297	\$ 65,972	\$ 55,200
Total Disbursements	<u>(52,297)</u>	<u>(65,972)</u>	<u>(55,200)</u>
Cash Balance, Ending	\$ 12,160	\$ 1,803	\$ 803

Compulsive and Problem Gambling Treatment Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, established the Compulsive and Problem Gambling Treatment Fund to support a compulsive and problem gambling program. This program provides public education, awareness, and training regarding both the problem of compulsive and problem gambling and its treatment and prevention. Act 1 of 2010 amended the funding for this program by increasing revenues provided based on the greater of \$2 million or .002 multiplied by the gross terminal revenue of all active and operating gaming entities. It also provides for an annual \$3 million transfer to the Compulsive and Problem Gambling Treatment Fund for substance use disorder treatment services, including compulsive and problem gambling. Act 42 of 2017 expanded gaming to include a new category of slot machine licenses, fantasy contest and sports wagering, video, and interactive gaming. The act amends program funding to include .002 multiplied by the various gaming revenues, as specified, for either compulsive and problem gambling related programs or for substance use disorder treatment services.

This budget proposes to replace the .002 multiplier for video gaming to an annual \$1 million transfer.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Restricted Cash Balance, Beginning	\$ 16,196	\$ 22,194	\$ 24,285
Compulsive and Problem Gambling Treatment Programs:			
Receipts:			
Transfer from State Gaming Fund.....	\$ 7,543	\$ 7,461	\$ 7,506
Transfer of iGaming Tax.....	919	1,107	1,194
Transfer of Sports Wagering Tax	984	972	1,024
Transfer from Video Gaming Fund.....	82	86	1,000
Total Receipts	<u>9,528</u>	<u>9,626</u>	<u>10,724</u>
Total Funds Available.....	\$ 25,724	\$ 31,820	\$ 35,009
Disbursements:			
Compulsive and Problem Gambling Treatment	\$ 3,530	\$ 7,535	\$ 8,275
Total Disbursements.....	<u>(3,530)</u>	<u>(7,535)</u>	<u>(8,275)</u>
Restricted Cash Balance, Ending	\$ 22,194	\$ 24,285	\$ 26,734
Unrestricted Cash Balance, Beginning	\$ 8,403	\$ 8,746	\$ 5,444
Drug and Alcohol Programs:			
Receipts:			
Transfer from State Gaming Fund - Drug and Alcohol.....	\$ 5,574	\$ 6,173	\$ 6,236
Transfer of iGaming Tax.....	919	1,107	1,194
Transfer of Sports Wagering Tax	984	972	1,024
Transfer of Fantasy Contest Tax.....	42	39	36
Interest	1,892	1,987	1,465
Total Receipts	<u>9,411</u>	<u>10,278</u>	<u>9,955</u>
Total Funds Available.....	\$ 17,814	\$ 19,024	\$ 15,399
Disbursements:			
Drug and Alcohol Programs	\$ 9,068	\$ 13,580	\$ 9,354
Total Disbursements.....	<u>(9,068)</u>	<u>(13,580)</u>	<u>(9,354)</u>
Unrestricted Cash Balance, Ending	\$ 8,746	\$ 5,444	\$ 6,045
Total Cash Balance, Beginning	\$ 24,599	\$ 30,940	\$ 29,729
Receipts	18,939	19,904	20,679
Disbursements	(12,598)	(21,115)	(17,629)
Total Cash Balance, Ending	\$ 30,940	\$ 29,729	\$ 32,779

Conrad Weiser Memorial Park Trust Fund

This fund was created to provide for control, management, supervision, restoration, and improvement of the Conrad Weiser Memorial Park, Berks County. Source of revenue for the fund is interest from the \$20,000 perpetual endowment created by the estate of Colonel Conrad Weiser.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Interest, Total Receipts); Total Funds Available; Disbursements (Historical and Museum Commission, Total Disbursements); and Cash Balance, Ending.

Conservation District Fund

Act 110 of 2006 created the Conservation District Fund to assist local conservation districts in the conservation of soil, water, and natural resources. Revenue may be provided from state appropriations, federal appropriations, interest earnings, and other funds available to the State Conservation Commission. Act 13 of 2012 provided for the collection and distribution of unconventional gas well impact fees, including transfers to conservation districts from the Public Utility Commission. Of these conservation district transfers, 50 percent is distributed directly by the Public Utility Commission in equal payments to all county conservation districts. The remaining 50 percent is deposited into the fund to provide additional conservation district support. The Conservation Districts are delegated legal authority for permitting, inspections, and enforcement for many state water programs to assist the Commonwealth in meeting its regulatory obligations.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 9,333	\$ 10,289	\$ 8,516
Receipts:			
Transfer from General Fund.....	\$ 10,185	\$ 10,185	\$ 10,185
Transfer from Unconventional Gas Well Fund.....	4,829	4,944	5,053
Interest.....	621	708	257
Total Receipts	<u>15,635</u>	<u>15,837</u>	<u>15,495</u>
Total Funds Available	\$ 24,968	\$ 26,126	\$ 24,011
Disbursements:			
Environmental Protection.....	\$ 9,871	\$ 11,495	\$ 10,084
Agriculture.....	4,808	6,115	5,173
Total Disbursements	<u>(14,679)</u>	<u>(17,610)</u>	<u>(15,257)</u>
Cash Balance, Ending	\$ 10,289	\$ 8,516	\$ 8,754

County Voting Apparatus Fund

The County Voting Apparatus Fund was established in accordance with Act 77 of 2019 to account for the deposit of proceeds for the county voting machine bonds. The legislation authorizes the Pennsylvania Economic Development Financing Authority (PEDFA) to issue bonds on behalf of the Department of State for up to \$90 million to provide funding for counties to replace voting systems. Debt service payments would be subject to annual appropriations by the General Assembly. While county applications for grant funds have expired, eligible reimbursement payments of up to 60 percent of the costs incurred in securing voting systems will continue be made to counties throughout the grant award period.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 17,210	\$ 16,754	\$ 9,244
Receipts:			
Interest	\$ 935	\$ 918	\$ 262
Total Receipts	<u>935</u>	<u>918</u>	<u>262</u>
Total Funds Available	\$ 18,145	\$ 17,672	\$ 9,506
Disbursements:			
State:			
County Voting Apparatus Reimbursements	\$ 1,391	\$ 8,428	\$ 1,139
Total Disbursements	<u>(1,391)</u>	<u>(8,428)</u>	<u>(1,139)</u>
Cash Balance, Ending	\$ 16,754	\$ 9,244	\$ 8,367

Deferred Compensation Fund

Act 81 of 1987 established the Commonwealth Deferred Compensation Program (DCP). The DCP enables Commonwealth employees to voluntarily defer a portion of their compensation into a supplemental retirement savings plan. The State Employees' Retirement System (SERS) is responsible for administration of the DCP.

Contributions to the DCP began in 1988. The DCP is funded primarily from participant fees and interest as detailed in the footnote below. Participant contributions, together with the returns they earn less expenses, are available to formerly eligible employees for distribution when they meet requirements such as retirement. Cash balance is a reflection of uninvested funds at a point in time.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 46,061	\$ 43,457	\$ 46,357
Receipts:			
Employee Contributions	\$ 267,495	\$ 264,943	\$ 271,567
Sale or Purchase of Securities	127,526	97,004	99,429
Interest	2,239 ^a	2,310 ^a	1,409 ^a
Total Receipts	397,260	364,257	372,405
Total Funds Available	\$ 443,321	\$ 407,714	\$ 418,762
Disbursements:			
Benefits and Rollovers	\$ 395,209	\$ 355,466	\$ 364,353
Fees and Expenses.....	4,655	5,891	6,038
Total Disbursements.....	(399,864)	(361,357)	(370,391)
Cash Balance, Ending	\$ 43,457	\$ 46,357	\$ 48,371

^a Includes interest earned on funds controlled by SERS and the Treasury Department.

Deferred Compensation Fund - Short-Term Portfolio

Act 81 of 1987 established the Commonwealth Deferred Compensation Program (DCP) and Act 2017-5 established the State Employees' Defined Contribution Plan (DC). In both of these plans, Pennsylvania Treasury Department's Short-Term Money Market Fund is one of the available funds for employees to choose as an investment option. In order to maintain the identity of these investments separately, the Deferred Compensation Fund – Short Term Portfolio was established.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 107,658	\$ 126,489	\$ 146,053
Receipts:			
Transfers from Deferred Compensation Fund	\$ 47,020	\$ 48,196	\$ 49,401
Interest	6,356	6,777	4,609
Total Receipts	<u>53,376</u>	<u>54,973</u>	<u>54,010</u>
Total Funds Available	\$ 161,034	\$ 181,462	\$ 200,063
Disbursements:			
State Employees' Retirement System.....	\$ 34,545	\$ 35,409	\$ 36,294
Total Disbursements	<u>(34,545)</u>	<u>(35,409)</u>	<u>(36,294)</u>
Cash Balance, Ending	\$ 126,489	\$ 146,053	\$ 163,769

DNA Detection Fund

The DNA Detection Fund was created by Act 14 of Special Session One of 1995 to account for the collection and processing of Deoxyribonucleic Acid (DNA) samples by State Police from individuals convicted, adjudicated delinquent, or granted accelerated rehabilitation disposition for a felony sex offense or other specified offense. Revenues are derived from mandatory fees which are assessed on sexual offenders. Expenditures are made to establish and maintain a DNA database and DNA bank. Act 57 of 2002 reestablished this fund as well as the State DNA Database and State DNA Data Bank. Additional requirements provide for testing and the imposition of related costs on certain offenders, while further defining the apportionment of liability and damages against defendants.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 4,431	\$ 3,939	\$ 2,511
Receipts:			
Assessments	\$ 3,695	\$ 3,700	\$ 3,700
Interest	229	221	50
Total Receipts	<u>3,924</u>	<u>3,921</u>	<u>3,750</u>
Total Funds Available	\$ 8,355	\$ 7,860	\$ 6,261
Disbursements:			
State Police	\$ 4,416	\$ 5,349	\$ 5,388
Total Disbursements	<u>(4,416)</u>	<u>(5,349)</u>	<u>(5,388)</u>
Cash Balance, Ending	\$ 3,939	\$ 2,511	\$ 873

Educational Assistance Program Fund

The Educational Assistance Program Fund was established in Act 212 of 2004 to fund the Educational Assistance Program for members of the National Guard. Act 78 of 2014 added the Medical and Health Officer Incentive Program to this fund. Act 32 of 2019 established the National Guard Family Education Program and created a restricted revenue account in the Educational Assistance Program Fund for the Department of Military and Veterans Affairs.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 6,520	\$ 6,710	\$ 4,093
Receipts:			
Transfer from General Fund.....	\$ 13,525	\$ 13,525	\$ 14,525
Interest	788	806	76
Total Receipts	14,313	14,331	14,601
Total Funds Available	\$ 20,833	\$ 21,041	\$ 18,694
Disbursements:			
Military and Veterans Affairs:			
National Guard Education.....	\$ 12,174	\$ 13,705	\$ 13,830
Military Family Education.....	1,949	3,243	3,878
Total Disbursements	(14,123)	(16,948)	(17,708)
Cash Balance, Ending	\$ 6,710	\$ 4,093	\$ 986

Emergency Medical Services Operating Fund

The Emergency Medical Services Operating Fund was created by the Emergency Medical Services Act, Act 45 of 1985, to assist in activities relating to the prevention and reduction of premature death and disability in the Commonwealth; to provide assistance, coordination, and support for the development and maintenance of the comprehensive emergency medical services system; to determine qualifications, eligibility, and certification of emergency medical services personnel; and to fund ambulance services. Revenue is derived from fines levied on all moving traffic violations and fees imposed on persons admitted to programs for Accelerated Rehabilitative Disposition (ARD) related to driving under the influence of drugs and/or alcohol. These fines are in addition to other fines imposed at the discretion of the court. This statement includes both the Emergency Medical and Catastrophic Medical and Rehabilitation components of the Act.

Act 93 of 2020 increased the fee imposed for ARD from \$25 to \$50 and the moving traffic violation fine from \$10 to \$20. Additionally, Act 74 of 2022 authorized a \$1 million annual transfer of consumer fireworks tax revenue to the fund for training emergency medical services personnel. Act 104 of 2022 established the EMS Training Fund and authorized a minimum transfer of \$50,000 each to three institutions of higher education selected to operate pilot programs with high school students with the intent to increase the number of individuals capable of becoming EMS providers.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 19,949	\$ 23,797	\$ 22,806
Receipts:			
Fines.....	\$ 15,602	\$ 16,201	\$ 16,201
Transfer of Consumer Fireworks Tax.....	1,000	1,000	1,000
Interest.....	1,125	1,221	586
Total Receipts.....	<u>17,727</u>	<u>18,422</u>	<u>17,787</u>
Total Funds Available	\$ 37,676	\$ 42,219	\$ 40,593
Disbursements:			
Health.....	\$ 13,729	\$ 19,263	\$ 23,871
Transfer to EMS Training Fund.....	150	150	150
Total Disbursements.....	<u>(13,879)</u>	<u>(19,413)</u>	<u>(24,021)</u>
Cash Balance, Ending	\$ 23,797	\$ 22,806	\$ 16,572

Employment Fund for the Blind

This fund was created in 1967 to make loans to persons who are blind to purchase equipment, stock, merchandise, and accessories necessary to put into operation vending or refreshment stands or other suitable business enterprises in suitable locations to be leased or arranged for by state agencies. Act 15 of 1999 transferred the authority to administer the fund from the Department of Human Services to the Department of Labor and Industry.

Monies credited to this fund include: (1) repayment of money advanced to persons who are blind for the purchase of equipment, stock, merchandise, and accessories; (2) rental fees paid by persons who are blind for leasing equipment and accessories purchased, owned, installed, and maintained by the Department of Labor and Industry; (3) a percentage of the profits from vending machines in state buildings where a restaurant or cafeteria is operated by the Department of General Services; and (4) any grants or contributions from the federal government.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 2,523	\$ 2,889	\$ 2,863
Receipts:			
Vending Stand Equipment Rentals	\$ 139	\$ 100	\$ 100
Vending Machine Receipts.....	216	160	160
Interest	144	154	84
Other	228	60	60
Total Receipts	727	474	404
Total Funds Available	\$ 3,250	\$ 3,363	\$ 3,267
Disbursements:			
Labor and Industry	\$ 361	\$ 500	\$ 500
Total Disbursements.....	(361)	(500)	(500)
Cash Balance, Ending	\$ 2,889	\$ 2,863	\$ 2,767

Energy Development Fund

The Energy Development Fund was created by Act 280 of 1982. The fund provides the vehicle to accomplish the purposes of the Pennsylvania Energy Development Authority (PEDA) including the sale of bonds. Activities of the fund include preparation of the energy development plan, payment of administrative costs, the making of grants and loans for limited research intended to make the greatest possible contributions to energy conservation and development, and the establishment of reserves in respect to loans guaranteed or bonds issued by the authority. The fund is supported by loan repayments and interest earnings. Under statute, if the PEDA determines that funds held for the credit of the fund are more than the amount needed to carry out the purposes of the enabling law, then the authority must transfer the excess money to the General Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 2,840	\$ 2,342	\$ 1,340
Receipts:			
Interest	\$ 107	\$ 96	\$ 37
Investment Income	147	20	-
Total Receipts	254	116	37
Total Funds Available	\$ 3,094	\$ 2,458	\$ 1,377
Disbursements:			
Environmental Protection	\$ 752	\$ 1,118	\$ 223
Total Disbursements	(752)	(1,118)	(223)
Cash Balance, Ending	\$ 2,342	\$ 1,340	\$ 1,154

Environmental Education Fund

The Environmental Education Fund was authorized by Act 24 of 1993 to provide environmental education programs and to provide grants to schools and other organizations. Funding is from the transfer of 5 percent of fines and penalties deposited in the special funds and restricted revenue accounts which are administered by the Department of Environmental Protection. Act 18 of 1995 requires that not less than 25 percent of the annual receipts of this fund shall be provided to the Department of Conservation and Natural Resources.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 2,811	\$ 2,788	\$ 1,827
Receipts:			
Transfers from Other Funds.....	\$ 1,008	\$ 1,250	\$ 720
Interest.....	167	172	39
Total Receipts.....	<u>1,175</u>	<u>1,422</u>	<u>759</u>
Total Funds Available	<u>\$ 3,986</u>	<u>\$ 4,210</u>	<u>\$ 2,586</u>
Disbursements:			
Conservation and Natural Resources.....	\$ 182	\$ 319	\$ 356
Environmental Protection.....	1,016	2,064	1,421
Total Disbursements.....	<u>(1,198)</u>	<u>(2,383)</u>	<u>(1,777)</u>
Cash Balance, Ending	<u>\$ 2,788</u>	<u>\$ 1,827</u>	<u>\$ 809</u>

Environmental Stewardship Fund

The Environmental Stewardship Fund is a special revenue fund composed of monies from certain landfill fees. The fund provides for farmland preservation projects, open space protection, abandoned mine reclamation, watershed protection and restoration, water and sewer infrastructure, and the improvement and conservation of Commonwealth and community parks and recreational facilities. The fund originally received revenue from a 25 cents per ton, or 25 cents per three cubic yards, fee for all solid waste received at a landfill in the Commonwealth. Act 90 of 2002 added an additional \$4 per ton disposal fee for all solid waste disposed at any municipal waste landfill. For 2002-03, the first \$50 million received from this fee was deposited into this fund. In 2003-04, and thereafter, all revenue from these fees is deposited in this fund. The fund is also used to fund debt service for the Growing Greener program. Act 13 of 2012 authorized an annual transfer from the Marcellus Legacy Fund into the Environmental Stewardship Fund, and Act 54 of 2022 modified this transfer. The dollars and interest generated by this fund are specifically designated for implementing the programs found in 27 Pa.C.S., Chapter 61.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 154,296	\$ 145,334	\$ -
Receipts:			
Licenses and Fees	\$ 72,858	\$ 73,745	\$ 74,611
Transfer from Marcellus Legacy Fund.....	6,379	6,029	8,313
Personal Income Tax	10,538	9,944	10,001
Interest	6,521	6,755	5,170
Total Receipts	96,296	96,473	98,095
Total Funds Available	\$ 250,592	\$ 241,807	\$ 98,095
Disbursements:			
Treasury:			
Debt Service for Growing Greener	\$ 10,217	\$ 9,938	\$ 10,001
Agriculture:			
Agricultural Conservation Easement Program.....	12,739	12,807	13,038
Conservation and Natural Resources:			
Parks and Forest Facility Rehabilitation	10,807	48,180	13,902
Community Conservation Grants.....	8,426	19,890	7,004
Natural Diversity Conservation Grants	287	1,471	325
Environmental Protection:			
Watershed Protection and Restoration.....	41,373	125,848	32,947
Infrastructure Investment Authority:			
Storm Water, Water and Sewer Grants	21,409	23,673	20,878
Total Disbursements.....	(105,258)	(241,807)	(98,095)
Cash Balance, Ending	\$ 145,334	\$ -	\$ -

Fantasy Contest Fund

As a result of Act 42 of 2017, the Fantasy Contest Fund was administratively established to receive all assessments from licensees for the administration and enforcement of fantasy contests provided by the Gaming Control Board and Department of Revenue.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 1,551	\$ 1,664	\$ 1,285
Receipts:			
Licensee Deposit Accts	\$ 270	\$ 252	\$ 244
Fantasy Contest Application Fees	98	60	60
Interest	86	87	32
Total Receipts	<u>454</u>	<u>399</u>	<u>336</u>
Total Funds Available	\$ 2,005	\$ 2,063	\$ 1,621
Disbursements:			
Gaming Control Board:			
Application and Licensure.....	\$ 29	\$ 60	\$ 60
Administrative Appropriations:			
Gaming Control Board	266	288	280
Revenue	46	430	418
Total Disbursements	<u>(341)</u>	<u>(778)</u>	<u>(758)</u>
Cash Balance, Ending	\$ 1,664	\$ 1,285	\$ 863

Farm Products Show Fund

The Farm Products Show Fund is a special revenue fund composed of monies received from the leasing of space to exhibitors and from rental, entry fees, and other monies received or collected by the Farm Products Show Commission. It also includes a transfer from the General Fund. The fund is used for salaries and expenses of the Farm Products Show Commission, for the maintenance of the Farm Show Building, and for prizes and premiums.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 6,913	\$ 6,812	\$ 5,797
Receipts:			
Transfer from General Fund.....	\$ 5,000	\$ 5,000	\$ 5,000
Rentals	3,147	3,760	3,873
Parking	2,412	2,823	2,908
Exhibit Fees.....	373	618	637
Service Charges.....	780	876	902
Concession.....	1,862	2,117	2,181
Interest	370	446	152
Other	539	618	637
Total Receipts	14,483	16,258	16,290
Total Funds Available	\$ 21,396	\$ 23,070	\$ 22,087
Disbursements:			
Agriculture	\$ 14,584	\$ 17,273	\$ 17,636
Total Disbursements.....	(14,584)	(17,273)	(17,636)
Cash Balance, Ending	\$ 6,812	\$ 5,797	\$ 4,451

Fire and Emergency Medical Services Loan Fund

Bond referenda in 1975, 1981, 1990, and 2002 authorized a total of \$100 million of bonds to be issued for acquisition and replacement of volunteer fire, ambulance, and rescue company equipment and facilities. Act 208 of 1976 established a revolving loan fund known as the Volunteer Companies Loan Fund. Loans provided for under these bond issues are administered by the Office of the State Fire Commissioner. In addition to bond proceeds, revenues include loan repayments and penalty charges. To increase program participation and accessibility, Act 129 of 2013 modified loan amounts, loan periods, and the number of loans allowed for emergency service providers. Act 91 of 2020 changed the name of the Volunteer Fire Company, Ambulance Service and Rescue Squad Assistance program to the Fire and Emergency Medical Services Loan Program and the name of the Volunteer Companies Loan Fund to the Fire and Emergency Medical Services Loan Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 58,981	\$ 59,021	\$ 52,246
Receipts:			
Loan Principal and Interest Repayments	\$ 11,047	\$ 13,636	\$ 13,000
Interest	2,644	2,614	1,548
Total Receipts	<u>13,691</u>	<u>16,250</u>	<u>14,548</u>
Total Funds Available	\$ 72,672	\$ 75,271	\$ 66,794
Disbursements:			
Office of State Fire Commissioner	\$ 13,651	\$ 23,025	\$ 15,000
Total Disbursements	<u>(13,651)</u>	<u>(23,025)</u>	<u>(15,000)</u>
Cash Balance, Ending	\$ 59,021	\$ 52,246	\$ 51,794

Fire Insurance Tax Fund

This fund was created by Act 205 of 1984 and is administered by the Auditor General. Prior to 2022-23, the revenue for the Fire Insurance Tax Fund results from the 2 percent tax paid upon premiums received from foreign (out-of-state) fire insurance companies on business done within the Commonwealth. Act 53 of 2022 requires the greater of 8.5 percent of all insurance premiums tax collections or \$85 million per fiscal year to be transferred to the fund beginning in 2022-23. The funds are distributed based on the population and market value of real estate of each municipality. In addition, the distribution formula provides for differential payment for paid and volunteer firefighters. The amount to be distributed based on paid firefighters is transferred to the Municipal Pension Aid Fund for payment. This money must be paid by the local governmental organization into the relief, pension, or retirement fund of the recognized firefighting organization serving the city, town, township, or borough.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 85,229	\$ 86,150	\$ 85,065
Receipts:			
Insurance Premiums Tax	\$ 85,885	\$ 85,400	\$ 85,400
Total Receipts	85,885	85,400	85,400
Total Funds Available	\$ 171,114	\$ 171,550	\$ 170,465
Disbursements:			
Auditor General:			
Transfer to Municipal Pension Aid Fund	\$ 17,401	\$ 17,835	\$ 17,835
Aid to Local Jurisdictions	67,563	68,650	67,565
Total Disbursements	(84,964)	(86,485)	(85,400)
Cash Balance, Ending	\$ 86,150	\$ 85,065	\$ 85,065

Fish Fund

The Fish Fund is a special revenue fund composed of monies from fishing license fees, fines, penalties, federal contributions, and other sources. It provides for the administration and enforcement of the fish laws and the protection and propagation of aquatic life.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Restricted Cash Balance, Beginning	\$ 37,858	\$ 49,441	\$ 36,153
Receipts	17,882	2,541	2,541
Disbursements - Fish and Boat Commission	(6,299)	(15,829)	(12,979)
Restricted Cash Balance, Ending	\$ 49,441	\$ 36,153	\$ 25,715
 Unrestricted Cash Balance, Beginning	 \$ 38,079	 \$ 37,372	 \$ 31,743
Receipts:			
Licenses and Fees	\$ 33,599	\$ 34,488	\$ 34,488
Fines and Penalties	247	300	300
Federal Receipts	11,991	12,113	12,125
Interest	3,084	3,218	1,760
Sale of Goods	91	224	224
Sale of Publications	5	9	9
Other	910	2,298	933
Total Receipts	<u>49,927</u>	<u>52,650</u>	<u>49,839</u>
Total Funds Available	\$ 88,006	\$ 90,022	\$ 81,582
Disbursements:			
Fish and Boat Commission	\$ 50,634	\$ 58,279	\$ 56,875
Total Disbursements	<u>(50,634)</u>	<u>(58,279)</u>	<u>(56,875)</u>
Unrestricted Cash Balance, Ending	\$ 37,372	\$ 31,743	\$ 24,707
 Total Cash Balance, Beginning	 \$ 75,937	 \$ 86,813	 \$ 67,896
Receipts	67,809	55,191	52,380
Disbursements	(56,933)	(74,108)	(69,854)
Total Cash Balance, Ending	\$ 86,813	\$ 67,896	\$ 50,422

Game Fund

The Game Fund is a special revenue fund composed of monies from hunting license fees, sale of wood products, fines and penalties, rents, federal contributions, and interest. It provides for the administration and enforcement of the game laws and the protection and propagation of game species.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 495,173	\$ 503,712	\$ 388,879
Receipts:			
Licenses and Fees	\$ 50,585	\$ 51,445	\$ 52,320
Resident License Fee - Transfer for Wildlife Propagation.....	(9,000)	(9,000)	(9,000)
Fines and Penalties.....	1,224	1,489	1,239
Gas and Oil Leases.....	87,003	84,484	88,415
Federal Receipts	38,986	34,103	31,137
Habitat License Fee Transfer.....	9,000	9,000	9,000
Interest	17,752	18,566	17,393
Sale of Goods.....	1,314	1,215	1,564
Sale of Wood Products.....	6,587	7,347	6,863
Sale of Publications.....	506	376	452
Agency Construction Projects	35,300	-	12,000
Cost Sharing Escrow Funds.....	9,960	5,928	11,500
Monsanto Settlement	7,665	-	-
Other	1,532	1,180	1,465
Total Receipts	258,414	206,133	224,348
Total Funds Available	\$ 753,587	\$ 709,845	\$ 613,227
Disbursements:			
Game Commission.....	\$ 247,936	\$ 308,221	\$ 279,500
General Services.....	1,939	12,745	70,780
Total Disbursements.....	(249,875)	(320,966)	(350,280)
Cash Balance, Ending	\$ 503,712	\$ 388,879	\$ 262,947

Governor Robert P. Casey Memorial Organ and Tissue Donation Awareness Trust Fund

The Governor Robert P. Casey Memorial Organ and Tissue Donation Awareness Trust Fund was established by Act 102 of 1994 and derives revenue from private contributions, income tax refund check-off donations, and a voluntary add-on to the fee for an original or renewal driver’s license, state identification card or vehicle registration. Act 90 of 2018 increased the voluntary add-on amount from \$1 to \$3 and provided for the establishment of a publicly accessible internet website within the Department of Transportation for voluntary donations of at least \$1. Act 115 of 2020 further provided for the voluntary add-on of up to \$6 for biennial vehicle registration renewals.

After the payment of initial departmental operating costs associated with the fund, including support of the Organ and Tissue Donation Advisory Committee, any remaining funds may be expended as prescribed by Act 90: 10 percent for hospital and medical expenses, funeral expenses, and incidental expenses incurred by the donor or the donor’s family in connection with making an organ or tissue donation, and for support services to organ donors, tissue donors, and their families such as bereavement counseling services; 50 percent for grants to certified organ procurement organizations for the development and implementation of organ donation awareness programs; 15 percent in cooperation with certified organ procurement organizations for the Project Make-A-Choice program; and 25 percent for the implementation of organ donation awareness programs in secondary schools.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 2,108	\$ 2,243	\$ 1,888
Receipts:			
Donations - State Income Tax Forms.....	\$ 5	\$ 5	\$ 5
Donations - Driver’s License Applicants.....	217	226	226
Donations - Motor Vehicle Registrations.....	651	652	652
Donations - Private.....	2	2	2
Interest	119	121	47
Total Receipts	<u>994</u>	<u>1,006</u>	<u>932</u>
Total Funds Available	\$ 3,102	\$ 3,249	\$ 2,820
Disbursements:			
Education	\$ 238	\$ 238	\$ 358
Health	608	1,063	1,212
Transportation	13	60	-
Total Disbursements	<u>(859)</u>	<u>(1,361)</u>	<u>(1,570)</u>
Cash Balance, Ending	\$ 2,243	\$ 1,888	\$ 1,250

Growing Greener Bond Fund

This fund was created under the authority of Act 45 of 2005 to receive and distribute the proceeds from the sale of \$625 million in bonds. This money will be used to finance various environmental projects such as watershed protection, mine drainage remediation, advanced energy, flood protection, brownfields remediation, state parks and forests facilities, open space conservation, farmland preservation, capital improvement projects for fishing, boating and hunting, and for county environmental initiatives.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 823	\$ 867	\$ -
Receipts:			
Accumulated Interest Transfer for Debt Service	\$ -	\$ (289)	\$ -
Interest	44	46	-
Total Receipts	44	(243)	-
Total Funds Available	<u>\$ 867</u>	<u>\$ 624</u>	<u>\$ -</u>
Disbursements:			
Community and Economic Development:			
Main Street Downtown Development	\$ -	\$ 624	\$ -
Total Disbursements	-	(624)	-
Cash Balance, Ending	<u>\$ 867</u>	<u>\$ -</u>	<u>\$ -</u>

Growing Greener Bond Sinking Fund

Payment of interest and principal due on outstanding Growing Greener bonds is made from this fund. The annual authorization from the Environmental Stewardship Fund (ESF) for general obligation debt service and interest on monies in the Growing Greener Bond Fund provide revenues to this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 6	\$ 6	\$ -
Receipts:			
Transfer from Environmental Stewardship Fund.....	\$ 10,217	\$ 9,938	\$ 10,001
Total Receipts.....	<u>10,217</u>	<u>9,938</u>	<u>10,001</u>
Total Funds Available	\$ 10,223	\$ 9,944	\$ 10,001
Disbursements:			
Treasury.....	\$ 10,217	\$ 9,944	\$ 10,001
Total Disbursements.....	<u>(10,217)</u>	<u>(9,944)</u>	<u>(10,001)</u>
Cash Balance, Ending	\$ 6	\$ -	\$ -

Hazardous Material Response Fund

The Hazardous Material Response Fund was created by Act 165 of 1990 and amended by Act 121 of 2000 to carry out Pennsylvania's responsibilities under Title III of the Federal Superfund Amendments and Reauthorization Act (SARA Title III). Revenue is generated from toxic chemical registration fees and toxic chemical release form fees. Expenditures are for training hazardous material response teams, public education programs, grants to counties for SARA Title III activities, cost recovery grants, facility and vehicle inspections, testing, and administration of the program including data collection and management.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Restricted Cash Balance, Beginning	\$ 900	\$ 924	\$ 487
Receipts	85	80	80
Disbursements - Labor and Industry	(61)	(517)	(517)
Restricted Cash Balance, Ending	\$ 924	\$ 487	\$ 50
 Unrestricted Cash Balance, Beginning	 \$ (302) ^a	 \$ 53	 \$ 471
Receipts:			
Toxic Chemical Release Form Fee	\$ 764	\$ 875	\$ 800
Chemical Inventory Fee	375	363	360
Interest	50	63	25
Other	-	20	20
Total Receipts	<u>1,189</u>	<u>1,321</u>	<u>1,205</u>
Total Funds Available	\$ 887	\$ 1,374	\$ 1,676
Disbursements:			
Emergency Management	\$ 834	\$ 903	\$ 1,000
Total Disbursements	<u>(834)</u>	<u>(903)</u>	<u>(1,000)</u>
Unrestricted Cash Balance, Ending	\$ 53	\$ 471	\$ 676
 Total Cash Balance, Beginning	 \$ 598	 \$ 977	 \$ 958
Receipts	1,274	1,401	1,285
Disbursements	(895)	(1,420)	(1,517)
Total Cash Balance, Ending	\$ 977	\$ 958	\$ 726

^a Reflects a timing difference between expenditures posted at year-end and revenues received in the subsequent year.

Hazardous Sites Cleanup Fund

The Hazardous Sites Cleanup Fund was created by Act 58 of 1987 to finance the cleanup and restoration of abandoned hazardous waste sites in the Commonwealth. Expenditures from this fund are for cleaning up abandoned hazardous waste sites throughout the Commonwealth and restoring the land to productive use. Revenue is generated from a Hazardous Waste Fee as well as money received from parties determined responsible for site contamination. Prior to 2002-03, the fund received one-quarter mill of the Capital Stock and Franchise Tax. Act 77 of 2007 provided for a one-time transfer in 2007-08 of monies lapsed from certain appropriations within the Legislature. Beginning in 2008-09, the act also included an annual transfer to the fund of \$40 million of revenue received from the Capital Stock and Franchise Tax. Act 13 of 2012 includes an annual transfer from the Marcellus Legacy Fund beginning in 2014-15 and Act 44 of 2017 modified this transfer. The Capital Stock and Franchise Tax was eliminated on January 1, 2016.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 72,582	\$ 64,428	\$ 30,040
Receipts:			
Transfer of Capital Stock and Franchise Tax	\$ 3,841	\$ 700	\$ 400
Transfer from Marcellus Legacy Fund (OGLF)	15,000	15,000	15,000
Transfer from Marcellus Legacy Fund.....	3,190	3,014	4,157
Hazardous Waste Fee.....	1,597	1,695	1,650
Cost Recovery.....	1,565	1,124	1,050
Interest	3,168	2,898	450
Other	301	1,620	-
Total Receipts	<u>28,662</u>	<u>26,051</u>	<u>22,707</u>
Total Funds Available	\$ 101,244	\$ 90,479	\$ 52,747
Disbursements:			
Environmental Protection:			
General Operations	\$ 15,221	\$ 24,592	\$ 23,500
Hazardous Sites Cleanup - OGLF	15,521	23,016	15,000
Hazardous Sites Cleanup	1,419	7,250	9,000
Host Municipality Grants	-	25	25
Small Business Pollution Prevention	655	1,556	1,000
Transfer to Industrial Sites Cleanup Fund.....	3,000	3,000	3,000
Transfer to Household Hazardous Waste Account	1,000	1,000	1,000
Total Disbursements	<u>(36,816)</u>	<u>(60,439)</u>	<u>(52,525)</u>
Cash Balance, Ending	\$ 64,428	\$ 30,040	\$ 222

Higher Education Assistance Fund

This fund statement presents financial activity within the Higher Education Assistance Fund that is related only to programs funded by state and federal appropriations. The Pennsylvania Higher Education Assistance Agency (PHEAA) administers other programs through the Higher Education Assistance Fund which are not included in this presentation. Funding is used primarily for the following purposes: (1) grants to students; (2) grants to nondenominational private postsecondary educational institutions; (3) grants to institutions of higher learning for the purpose of helping the institution secure federal funds to provide direct financial aid to students; (4) funds to institutions for the Federal Work Study Program; (5) grants to minority students entering graduate professional schools under the Bond-Hill Program; (6) funds to recruit gifted students to Cheyney University; (7) funds for the higher education of disadvantaged students; and (8) funds for the higher education of blind or deaf students. Revenues to this fund are derived from General Fund appropriations by the General Assembly, federal funds, and interest earnings.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 94,193	\$ 113,457	\$ 118,871
Receipts:			
Transfer from General Fund.....	\$ 451,356	\$ 573,437	\$ 594,092
Investment Earnings.....	8,471	5,414	5,414
Federal Revenue.....	1,643	1,668	175
Other	21,051	16,500	16,500
Total Receipts.....	482,521	597,019	616,181
Total Funds Available	\$ 576,714	\$ 710,476	\$ 735,052
Disbursements:			
Higher Education Assistance Agency	\$ 463,257	\$ 591,605	\$ 610,767
Total Disbursements.....	(463,257)	(591,605)	(610,767)
Cash Balance, Ending	\$ 113,457	\$ 118,871	\$ 124,285

Highway Beautification Fund

The Highway Beautification Fund was created by Act 5 of Special Session Three of 1966. Highway beautification activities are supported by licenses, fees, fines, penalties, and interest. Activities include the regulating of outdoor advertising and junkyards.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 342	\$ 402	\$ 340
Receipts:			
Licenses and Fees	\$ 329	\$ 332	\$ 332
Interest	19	22	9
Total Receipts	<u>348</u>	<u>354</u>	<u>341</u>
Total Funds Available	\$ 690	\$ 756	\$ 681
Disbursements:			
Transportation	\$ 288	\$ 416	\$ 390
Total Disbursements	<u>(288)</u>	<u>(416)</u>	<u>(390)</u>
Cash Balance, Ending	\$ 402	\$ 340	\$ 291

Historical Preservation Fund

The Historical Preservation Fund was created for expenditure by the Pennsylvania Historical and Museum Commission (PHMC) for the preservation, care, and maintenance of state historical properties, museums, and records and for the financing of historical research and publication programs. Money in the fund can also be used to purchase publications and souvenirs of a historical nature for sale at commission administered properties. This fund is made up of monies from the sale of publications by the PHMC and all monies received from admission fees or other sales by the commission at the state historical properties and/or museums. Act 173 of 2002 enables the commission to sell most Commonwealth publications to the public and provides that net proceeds from the publication sales and from the sale of historical properties administered by the commission shall be deposited into the fund. The fund is designated for projects of the PHMC for which they have agreements to complete over a period of several fiscal years.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Restricted Cash Balance, Beginning	\$ 2,602	\$ 2,224	\$ 1,520
Receipts	9	5	5
Disbursements - Historical and Museum Commission.....	(387)	(709)	(709)
Restricted Cash Balance, Ending	\$ 2,224	\$ 1,520	\$ 816
 Unrestricted Cash Balance, Beginning	 \$ 3,117	 \$ 4,000	 \$ 4,145
Receipts:			
Admission Fees.....	\$ 1,208	\$ 1,000	\$ 1,000
Interest	329	339	158
Other	278	155	155
Total Receipts	1,815	1,494	1,313
Total Funds Available	\$ 4,932	\$ 5,494	\$ 5,458
Disbursements:			
Historical and Museum Commission.....	\$ 932	\$ 1,349	\$ 1,342
Total Disbursements.....	(932)	(1,349)	(1,342)
Unrestricted Cash Balance, Ending	\$ 4,000	\$ 4,145	\$ 4,116
 Total Cash Balance, Beginning	 \$ 5,719	 \$ 6,224	 \$ 5,665
Receipts	1,824	1,499	1,318
Disbursements	(1,319)	(2,058)	(2,051)
Total Cash Balance, Ending	\$ 6,224	\$ 5,665	\$ 4,932

HOME Investment Trust Fund

This fund was established by Act 172 of 1992 in order to administer Pennsylvania’s program under the National Affordable Housing Act of 1990. Funding is provided by the Federal Department of Housing and Urban Development on an annual basis. Expenditures are for the development and support of affordable rental housing and home ownership through the acquisition, new construction, reconstruction, or rehabilitation of housing.

Beginning in 2000-01, the majority of federal funds are granted directly through the implementation of the Federal Department of Housing and Urban Development Integrated Disbursement and Information System and do not flow through the Department of Community and Economic Development. Administrative funds are appropriated to the department to continue the program.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 1,219	\$ 152	\$ 151
Receipts:			
Federal Revenue.....	\$ 1,607	\$ 4,453	\$ 7,000
HOME Program Income.....	88	100	100
Interest.....	39	10	6
Total Receipts.....	<u>1,734</u>	<u>4,563</u>	<u>7,106</u>
Total Funds Available	\$ 2,953	\$ 4,715	\$ 7,257
Disbursements:			
Community and Economic Development.....	\$ 2,801	\$ 4,564	\$ 7,000
Total Disbursements.....	<u>(2,801)</u>	<u>(4,564)</u>	<u>(7,000)</u>
Cash Balance, Ending	\$ 152	\$ 151	\$ 257

Housing Affordability and Rehabilitation Enhancement Fund

This fund was established by Act 105 of 2010. Revenue consists of a transfer from the Unconventional Gas Well Fund. Disbursements are made in accordance with the Housing Finance Agency Law. Act 58 of 2015 provides for additional funding to be transferred to this fund based on the amount of Realty Transfer Tax (RTT) received yearly. For fiscal year beginning after June 30, 2024, Act 56 of 2024 increases the 2024-25 RTT transfer cap by \$10 million for 2025-26 and each fiscal year thereafter until reaching \$100 million per fiscal year in 2027-28.

This budget proposes to increase the RTT transfer cap by an additional \$10 million to \$110 million for 2028-29 and 2029-30 and each fiscal year thereafter.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 8,460	\$ 7,408	\$ 9,560
Receipts:			
Transfer from Unconventional Gas Well Fund	\$ 5,041	\$ 5,000	\$ 5,000
Transfer of Realty Transfer Tax	60,000	70,000	80,000
Interest	1,297	2,193	289
Total Receipts	<u>66,338</u>	<u>77,193</u>	<u>85,289</u>
Total Funds Available	<u>\$ 74,798</u>	<u>\$ 84,601</u>	<u>\$ 94,849</u>
Disbursements:			
Pennsylvania Housing Finance Agency:			
Housing Affordability and Rehabilitation Program	\$ 7,390	\$ 5,041	\$ 5,000
Housing Programs-RTT	60,000	70,000	80,000
Total Disbursements	<u>(67,390)</u>	<u>(75,041)</u>	<u>(85,000)</u>
Cash Balance, Ending	<u>\$ 7,408</u>	<u>\$ 9,560</u>	<u>\$ 9,849</u>

Industrial Sites Cleanup Fund

Act 2 of 1995 created the Industrial Sites Cleanup Fund to provide grants and loans to political subdivisions, local economic development agencies, and others who, as part of an economic development strategy, undertake voluntary cleanup of property contaminated by industrial activity. Act 6 of 2000 allows the Department of Community and Economic Development to provide performance-based loans, which may be forgiven if performance measures are met. Also, Act 6 expanded the program to include remediation of non-hazardous waste or debris. Revenue to the fund consists of transfers from the Hazardous Sites Cleanup Fund, any funds appropriated by the General Assembly, interest earnings, and loan repayments. Grants and loans are prioritized based on the benefit of the project to the public health and safety, the cost effectiveness of the project, the economic distress of the area, and the potential of the project to result in economic development. Revenue to the fund is primarily derived through transfers from the Hazardous Sites Cleanup Fund. The primary revenue source for the Hazardous Sites Cleanup Fund ended with the full phase-out of the Capital Stock and Franchise Tax on January 1, 2016.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 11,942	\$ 13,566	\$ 7,600
Receipts:			
Loan Principal and Interest Repayments	\$ 70	\$ 1,100	\$ 1,100
Transfer from Hazardous Sites Cleanup Fund.....	3,000	3,000	3,000
Interest	655	737	204
Total Receipts	<u>3,725</u>	<u>4,837</u>	<u>4,304</u>
Total Funds Available	\$ 15,667	\$ 18,403	\$ 11,904
Disbursements:			
Community and Economic Development	\$ 2,101	\$ 10,803	\$ 5,814
Total Disbursements	<u>(2,101)</u>	<u>(10,803)</u>	<u>(5,814)</u>
Cash Balance, Ending	\$ 13,566	\$ 7,600	\$ 6,090

Insurance Fraud Prevention Trust Fund

The Insurance Fraud Prevention Trust Fund was created by Act 166 of 1994. The purpose of the fund is to finance activities in the Commonwealth to prevent, combat, and reduce insurance fraud, by improving and supporting insurance fraud law enforcement, prosecutions, and prevention. The source of funds includes assessments on the insurance companies that conduct business in the Commonwealth of Pennsylvania, fines and penalties, and interest earnings.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 9,934	\$ 9,782	\$ 1,907
Receipts:			
Assessments, Fines and Penalties	\$ 18,762	\$ 16,783	\$ 17,236
Interest	741	502	50
Total Receipts	<u>19,503</u>	<u>17,285</u>	<u>17,286</u>
Total Funds Available	\$ 29,437	\$ 27,067	\$ 19,193
Disbursements:			
Insurance Fraud Prevention Authority.....	\$ 19,655	\$ 25,160	\$ 17,734
Total Disbursements	<u>(19,655)</u>	<u>(25,160)</u>	<u>(17,734)</u>
Cash Balance, Ending	\$ 9,782	\$ 1,907	\$ 1,459

Insurance Liquidation Fund

The Insurance Department is responsible for administering the liquidation of insolvent domestic insurance carriers pursuant to orders of the Commonwealth Court under Article V of the Insurance Department Act. This fund is used to permit the Treasury Department to invest the assets of insolvent insurance carriers. These assets are used to pay claims and expenses incurred in the administration of domestic insurance carrier insolvencies.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 2,741	\$ 6,785	\$ 7,144
Receipts:			
Liquidation Services	\$ -	\$ 994	\$ 994
Liquidation Investments.....	-	10,000	10,000
Interest	172	359	216
Investment Income	3,872	-	-
Total Receipts	4,044	11,353	11,210
Total Funds Available	\$ 6,785	\$ 18,138	\$ 18,354
Disbursements:			
Insurance:			
Administration	\$ -	\$ 994	\$ 994
Claims	-	10,000	10,000
Total Disbursements.....	-	(10,994)	(10,994)
Cash Balance, Ending	\$ 6,785	\$ 7,144	\$ 7,360

Insurance Regulation and Oversight Fund

The Insurance Regulation and Oversight Fund was established by Act 46 of 2013 to provide for the Insurance Department's regulation, management, development, and oversight of the Commonwealth's insurance industry.

The fund receives 50 percent of all licenses and fees collected by the Insurance Department and all augmentations and reimbursements made to the department by regulated entities. The surcharge on moving vehicle violations remains in the General Fund.

At the end of the fiscal year, the fund retains an amount equal to no more than 100 percent of the total expenditures and commitments by the department from the immediately preceding fiscal year. If the balance in the fund at the end of the fiscal year exceeds the retention amount, then that amount of excess funds is to be returned to the General Fund within 30 days of the end of the fiscal year.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Licenses and Fees, Examination Reimbursements, Federal Receipts, Interest, Other, Return To General Fund); Total Funds Available; Disbursements (Insurance); Total Disbursements; Cash Balance, Ending.

Job Training Fund

This fund was created by Act 5 of 2005 to facilitate advances in workforce development in the Commonwealth. The Job Training Fund awards annual grants to entities in specified rural counties which run workforce education programs and services for job training assistance to incumbent workers, dislocated workers, adult and youth workers, and other workforce development programs. Receipts in the fund are transfers from the Special Administration Fund and are supplemented by interest earnings and other monies appropriated to the fund. Due to anticipated shortfalls in the Unemployment Compensation Administration Fund, the department suspended transfers to the Job Training Fund beginning in 2016-17. Until such time as sufficient revenues become available, all Special Administration Fund revenues will be used for the administration of unemployment compensation.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Interest, Total Receipts); Total Funds Available; Disbursements (Labor and Industry, Total Disbursements); and Cash Balance, Ending.

Justice Reinvestment Fund

The Justice Reinvestment Fund was created by Act 196 of 2012 and supports programs and activities that improved the delivery of criminal justice services within the Commonwealth.

Funding for the first phase of the Justice Reimbursement Initiative (JRI) was derived from savings to the State Correctional Institutions through implementation of Act 122 of 2012. Disbursements were made according to the provisions of Act 196 which included fixed amounts to the Pennsylvania Commission on Crime and Delinquency and the Pennsylvania Commission on Sentencing. Amounts remaining in the fund after these disbursements were distributed by formula to various programs, such as victim services, offender risk assessment modeling, county probation grants, county innovative policing and contracts to divert short- and medium-minimum offenders from incarceration, state parole processes, and coordinated safe community reentry programs.

Act 115 of 2019, which establishes the second phase of the JRI will provide revenue to the fund through savings generated by the implementation of short sentence parole, increased use of the state drug treatment program, and the use of sanctions for technical parole violations. Through Act 114 of 2019, the fund is continued, and deposits and disbursements began in 2021-22 based on a prescribed percentage of program savings generated in the year prior to the deposits. Distributions will continue through 2025-26. Annual grants made from this fund will supplement and not supplant existing funding, including funding provided to county governments.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 1,346	\$ 2,519	\$ 523
Receipts:			
Transfer from General Fund.....	\$ 2,015	\$ 5,536	\$ 16,025
Interest	132	289	8
Total Receipts	<u>2,147</u>	<u>5,825</u>	<u>16,033</u>
Total Funds Available	\$ 3,493	\$ 8,344	\$ 16,556
Disbursements:			
Commission on Crime and Delinquency	\$ 740	\$ 6,898	\$ 16,556
Commission on Sentencing.....	234	923	-
Total Disbursements	<u>(974)</u>	<u>(7,821)</u>	<u>(16,556)</u>
Cash Balance, Ending	\$ 2,519	\$ 523	\$ -

Keystone Recreation, Park, and Conservation Fund

The Keystone Recreation, Park, and Conservation Fund is a special fund composed of monies from the sale of specific bonds and certain tax revenues. This fund provides for increased acquisitions, improvements and expansions of Commonwealth and community parks, recreation facilities, historic sites, zoos, public libraries, nature preserves, and wildlife habitats.

Act 50 of 1993 approved the transfer of 15 percent of revenues from the state Realty Transfer Tax to this fund. These monies are distributed to programs according to the formula contained in the act. Uses of this fund were specifically approved through a voter referendum. Any balance in the fund is committed for eligible projects.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Realty Transfer Tax, Interest, Total Receipts); Total Funds Available; Disbursements (Conservation and Natural Resources, Education, Historical and Museum Commission, Total Disbursements); and Cash Balance, Ending.

Liquid Fuels Tax Fund

The Liquid Fuels Tax Fund was created in 1931 to assist in funding the local roads system. Through December 2013, one-half cent per gallon of gasoline and diesel fuel taxes was deposited into the fund for semi-annual distribution to county governments and to pay registration fees for vehicles operated by mass transportation systems. Beginning January 2014, per Act 89 of 2013, a new millage rate replaced the one-half cent per gallon on gasoline and diesel fuel tax. The new rate is 4.17 percent of the mills imposed under Title 75, Section 9502 (A) (5). After payment of fees, remaining funds are allocated to the counties on a three-year average refund to total refund formula and must be used for highway purposes. Since the majority of counties have direct jurisdiction over a limited number of roads, a large portion of these funds are further allocated by the counties to their political subdivisions. To streamline payments to counties, the Department of Revenue delegated the authority for these payments and attendant expenses to the Department of Transportation effective in 1999-00.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 7,693	\$ 14,953	\$ 15,758
Receipts:			
Tax on Gasoline	\$ 22,097	\$ 21,757	\$ 21,496
Tax on Diesel Fuel	6,234	5,996	5,879
Total Receipts	<u>28,331</u>	<u>27,753</u>	<u>27,375</u>
Total Funds Available	<u>\$ 36,024</u>	<u>\$ 42,706</u>	<u>\$ 43,133</u>
Disbursements:			
Transfer to Boat Fund	\$ 116	\$ 110	\$ 116
Transportation	20,955	26,838	27,259
Total Disbursements	<u>(21,071)</u>	<u>(26,948)</u>	<u>(27,375)</u>
Cash Balance, Ending	<u>\$ 14,953</u>	<u>\$ 15,758</u>	<u>\$ 15,758</u>

Liquor License Fund

The Liquor License Fund serves as a pass-through account for liquor and/or beer license fees from hotels, restaurants, and clubs. These fees are returned semi-annually to the municipalities in which the licenses are located.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 1,842	\$ 2,292	\$ 2,292
Receipts:			
License Fees	\$ 4,787	\$ 4,413	\$ 4,457
Total Receipts	<u>4,787</u>	<u>4,413</u>	<u>4,457</u>
Total Funds Available	\$ 6,629	\$ 6,705	\$ 6,749
Disbursements:			
Liquor Control Board	\$ 4,337	\$ 4,413	\$ 4,457
Total Disbursements	<u>(4,337)</u>	<u>(4,413)</u>	<u>(4,457)</u>
Cash Balance, Ending	\$ 2,292	\$ 2,292	\$ 2,292

Local Cigarette Tax Fund

The Local Cigarette Tax Fund is a fiduciary fund composed of monies received from the collection of a local option Cigarette Tax in cities of the first class. Act 131 of 2014 allows a school district, when authorized by the governing body of a first class city (Philadelphia), to impose and assess an excise tax on the sale or possession of cigarettes at the rate of \$0.10 per cigarette. This tax is only assessed on cigarettes currently subject to a levy under Article XII of the Tax Reform Code of 1971. The Department of Revenue is authorized to retain the sum of the costs of collections.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 2,039	\$ 1,267	\$ -
Receipts:			
Philadelphia Cigarette Tax Collections	\$ 55,134	\$ 17,900	\$ 17,300
Act 84 of 2016 Collection Adjustment	-	39,912	40,600
Interest	237	226	-
Offset Department of Revenue Collection Costs	(511)	(500)	(500)
Total Receipts	54,860	57,538	57,400
Total Funds Available	\$ 56,899	\$ 58,805	\$ 57,400
Disbursements:			
Distribution to the Philadelphia School District.....	\$ 55,632	\$ 58,805	\$ 57,400
Total Disbursements	(55,632)	(58,805)	(57,400)
Cash Balance, Ending	\$ 1,267	\$ -	\$ -

Local Government Capital Project Loan Fund

This fund was created in 1990 to assist municipal governments in acquiring equipment and facilities by providing low-interest loans to those governments which find conventional loan costs to be prohibitive. Loans are provided at a rate of 2 percent for periods not to exceed 10 years. Revenues received from loan repayment and interest accrual are returned to the fund on a revolving basis. Act 46 of 1997 extended this fund indefinitely.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 2,202	\$ 2,446	\$ 1,675
Receipts:			
Loan Principal and Interest Repayments	\$ 120	\$ 200	\$ 200
Interest	124	129	39
Total Receipts	244	329	239
Total Funds Available	\$ 2,446	\$ 2,775	\$ 1,914
Disbursements:			
Community and Economic Development	\$ -	\$ 1,100	\$ 1,000
Total Disbursements	-	(1,100)	(1,000)
Cash Balance, Ending	\$ 2,446	\$ 1,675	\$ 914

Machinery and Equipment Loan Fund

This fund was established by Act 120 of 1988 to provide low-interest machinery and equipment financing for Pennsylvania businesses in order to facilitate their growth, competitiveness, and value-added capacity. The fund was initially capitalized by an appropriation from the Pennsylvania Economic Revitalization Fund. It is now funded from loan repayments and interest earnings. Act 22 of 2004 required the Commonwealth Financing Authority to transfer \$75 million in bond proceeds to the Department of Community and Economic Development for deposit in the fund. Act 161 of 2014 transitioned the administration of this fund to the Pennsylvania Industrial Development Authority, while also authorizing funds to be transferred by an action of the PIDA board between the Small Business First Fund, the Machinery and Equipment Loan Fund, and the Industrial Development Fund to maximize the effectiveness of the programs. The fund balance does not reflect substantial loan commitments for outstanding offers extended for business expansion projects.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 34,840	\$ 38,524	\$ 25,842
Receipts:			
Loan Principal and Interest Repayments	\$ 7,163	\$ 6,100	\$ 7,000
Loan Service Fees	51	65	80
Interest	1,534	1,797	709
Other	3	-	-
Total Receipts	<u>8,751</u>	<u>7,962</u>	<u>7,789</u>
Total Funds Available	\$ 43,591	\$ 46,486	\$ 33,631
Disbursements:			
Community and Economic Development	\$ 5,067	\$ 20,644	\$ 11,778
Total Disbursements	<u>(5,067)</u>	<u>(20,644)</u>	<u>(11,778)</u>
Cash Balance, Ending	\$ 38,524	\$ 25,842	\$ 21,853

Manufacturing Fund

The Manufacturing Fund, created in 1915, is a self-sustaining enterprise providing institutionalized offenders an opportunity for vocational rehabilitation. Receipts are derived from the sale of inmate manufactured goods to government agencies or government-aided organizations. Expenditures are made for the purchase of raw materials, machinery replacement, inmate wages, and other costs related to the sale and manufacture of their products. Federal liability could be created by a transfer from the Manufacturing Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 31,601	\$ 38,553	\$ 23,619
Receipts:			
Sale of Products.....	\$ 91,884	\$ 94,569	\$ 96,933
Interest.....	1,931	2,078	607
Total Receipts	<u>93,815</u>	<u>96,647</u>	<u>97,540</u>
Total Funds Available	<u>\$ 125,416</u>	<u>\$ 135,200</u>	<u>\$ 121,159</u>
Disbursements:			
Corrections.....	\$ 86,863	\$ 111,581	\$ 103,965
Total Disbursements	<u>(86,863)</u>	<u>(111,581)</u>	<u>(103,965)</u>
Cash Balance, Ending	<u>\$ 38,553</u>	<u>\$ 23,619</u>	<u>\$ 17,194</u>

Marcellus Legacy Fund

This fund was created by Act 13 of 2012 to provide for the distribution of unconventional gas well impact fees to counties, municipalities, and Commonwealth agencies. As custodian of the Marcellus Legacy Fund, the PA Public Utility Commission has the fiduciary responsibility to monitor and report on the receipts and disbursements of other agencies that utilize the fund. The fee revenue will be used for statewide initiatives in the areas of acid mine drainage abatement, gas well management and plugging, development and rehabilitation of greenways and recreational trails, sewage treatment projects, and replacement and repair of deteriorated bridges in municipalities with unconventional gas wells. Receipts deposited into the Marcellus Legacy Fund come from transfers from the Unconventional Gas Well Fund and the Oil and Gas Lease Fund. The 2015-16, 2016-17, and 2017-18 Fiscal Codes modified the transfers from the Oil and Gas Lease Fund. This budget maintains the annual \$15 million transfer from the Oil and Gas Lease Fund that is deposited into the Marcellus Legacy Fund then transferred to the Hazardous Sites Cleanup Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 7,056	\$ 7,512	\$ 2,089
Receipts:			
Transfer from Unconventional Gas Well Fund	\$ 63,791	\$ 60,286	\$ 83,135
Transfer from Oil and Gas Lease Fund	15,000	15,000	15,000
Interest	457	578	63
Total Receipts	79,248	75,864	98,198
Total Funds Available	\$ 86,304	\$ 83,376	\$ 100,287
Disbursements:			
Public Utility Commission:			
County Grants	\$ 9,569	\$ 9,043	\$ 12,470
Transfer to Commonwealth Financing Authority	12,758	12,057	16,627
Transfer to Commonwealth Financing Authority-H2O	7,974	7,536	10,392
Environmental Protection	-	6,001	-
Infrastructure Investment Authority	7,974	7,536	10,392
Transfer to Highway Bridge Improvement	15,948	15,071	20,784
Transfer to Environmental Stewardship Fund	6,379	6,029	8,313
Transfer to Hazardous Sites Cleanup Fund	3,190	3,014	4,157
Transfer to Hazardous Sites Cleanup Fund (OGLF)	15,000	15,000	15,000
Total Disbursements	(78,792)	(81,287)	(98,135)
Cash Balance, Ending	\$ 7,512	\$ 2,089	\$ 2,152

Medical Care Availability and Reduction of Error Fund

Act 13 of 2002, the Medical Care Availability and Reduction of Error (Mcare) Act, established the Medical Care Availability and Reduction of Error Fund and transferred to it the assets, liabilities, rights, and responsibilities of the Medical Professional Liability Catastrophe Loss Fund effective October 15, 2002. The Mcare Fund is used to pay claims against participating health care providers for losses or damages awarded in medical professional liability actions against them in excess of the basic insurance coverage required by the act. In addition to the transfer of assets from the Medical Professional Liability Catastrophe Loss Fund, revenue includes an assessment on health care providers.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 93,585	\$ 137,529	\$ 55,337
Receipts:			
Assessments	\$ 228,545	\$ 275,000	\$ 296,194
Interest	7,512	5,002	2,375
Loan from the Catastrophic Loss Benefits Continuation Fund	60,000	-	-
Other	25	-	-
Total Receipts	296,082	280,002	298,569
Total Funds Available	\$ 389,667	\$ 417,531	\$ 353,906
Disbursements:			
Insurance:			
Administration	\$ 10,282	\$ 21,094	\$ 19,497
Claims	241,856	275,100	230,000
Loan Repayment to the Catastrophic Loss Benefits Continuation Fund	-	66,000	-
Total Disbursements	(252,138)	(362,194)	(249,497)
Cash Balance, Ending	\$ 137,529	\$ 55,337	\$ 104,409

Medical Marijuana Program Fund

The Medical Marijuana Program Fund was established by Act 16 of 2016, the Medical Marijuana Act, to provide safe and effective access to medical marijuana for Commonwealth patients with an eligible serious medical condition and to promote valuable research into the effectiveness and usefulness of medical marijuana. Revenue is derived from application, permit, and program fees as well as from a Gross Receipts Tax from the sale of medical marijuana by a grower/processor to a dispensary.

Funds are distributed as prescribed by the Act: 40 percent for operations including outreach and other required projects; 15 percent to establish programs that will assist with the cost of providing medical marijuana to patients demonstrating financial hardship or need, assist patients and caregivers by waiver or cost reduction of identification card fees, reimburse caregivers for the cost of background checks; 30 percent for research into the treatment of the currently established serious medical conditions and research into the treatment of other medical conditions for which medical marijuana may have legitimate medicinal value; 10 percent for drug abuse prevention, counseling, and treatment services; and 5 percent to the Pennsylvania Commission on Crime and Delinquency (PCCD) for distribution to local police departments which demonstrate a need relating to efforts to support the Act.

Act 34 of 2023 transferred \$31.9 million to the General Fund. This budget reflects the transfer of \$46.5 million to the Tourism Promotion Fund and proposes a transfer of \$9.0 million from PCCD disbursements to the Crime Victim Services and Compensation Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Restricted Cash Balance, Beginning	\$ 817	\$ 164	\$ 164
Medical Marijuana Assistance Program:			
Receipts	1,975	3,400	3,400
Disbursements - Aging	(2,628)	(3,400)	(3,400)
Restricted Cash Balance, Ending	\$ 164	\$ 164	\$ 164
Unrestricted Cash Balance, Beginning	\$ 108,046	\$ 110,733	\$ 46,500
Receipts:			
Grower/Processor Application and Permit Fees	\$ 536	\$ 250	\$ 250
Dispensary Application and Permit Fees	613	250	250
Clinical Registrant Application and Permit Fees	172	135	150
Independent Grower/Dispensary Permit Fees	-	525	150
Patient Identification Card Fees	19,411	17,766	17,594
Gross Receipts Tax	34,290	34,290	33,589
Interest	5,846	5,938	2,247
Other	-	1,397	758
Total Receipts	60,868	60,551	54,988
Total Funds Available	\$ 168,914	\$ 171,284	\$ 101,488
Disbursements:			
Health	\$ 21,183	\$ 100,499	\$ 46,740
Drug and Alcohol Programs	4,881	13,198	5,499
Commission on Crime and Delinquency	217	11,087	2,749
Transfer to Tourism Promotion Fund	-	-	46,500
Transfer to General Fund	31,900	-	-
Total Disbursements	(58,181)	(124,784)	(101,488)
Unrestricted Cash Balance, Ending	\$ 110,733	\$ 46,500	\$ -
Total Cash Balance, Beginning	\$ 108,863	\$ 110,897	\$ 46,664
Receipts	62,843	63,951	58,388
Disbursements	(60,809)	(128,184)	(104,888)
Total Cash Balance, Ending	\$ 110,897	\$ 46,664	\$ 164

Military Installation Remediation Fund

Act 101 of 2019 established the Military Installation Remediation Program to address remediation costs incurred in a qualified municipality. A qualified municipality is a municipality which has within its geographic bounds a qualified former military installation. Each year, by Dec 1, the Department of Revenue shall certify eligible taxes to be transferred into the fund for the benefit of a qualified municipal authority. Excess monies shall be used to offset any surcharge applied to customers for remediation, to offset any amounts billed to customers for remediation, and to offset the cost of connecting a residence with a private well. Any other monies remaining may be used for transportation infrastructure and economic development costs or payment of debt service on bonds issued or refinanced for the acquisition, development, construction, reconstruction, renovation, or refinancing of remediation projects of the qualified municipality.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 3	\$ 6	\$ -
Receipts:			
State Tax Share	\$ 21,159	\$ 16,700	\$ 22,600
Interest	3	-	-
Total Receipts	<u>21,162</u>	<u>16,700</u>	<u>22,600</u>
Total Funds Available	<u>\$ 21,165</u>	<u>\$ 16,706</u>	<u>\$ 22,600</u>
Disbursements:			
Treasury	\$ 21,159	\$ 16,706	\$ 22,600
Total Disbursements	<u>(21,159)</u>	<u>(16,706)</u>	<u>(22,600)</u>
Cash Balance, Ending	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ -</u>

Milk Marketing Fund

The Milk Marketing Fund is a special revenue fund composed of monies received from license fees, fines, penalties, and permits relating to the milk industry. The purpose of this fund is to provide for the operation of the Milk Board and to serve as a depository for money due dairy farmers from underpayments by milk dealers.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, and 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (License and Fees, Fines and Penalties, Interest, Total Receipts); Total Funds Available; Disbursements (Milk Board, Total Disbursements); and Cash Balance, Ending.

Mine Safety Fund

Act 55 of 2008 created the Mine Safety Fund to recover expenses for responding to mine emergencies. The monies are used for mine safety activities and the administration of the Act.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Fines and Penalties, Interest, Total Receipts); Total Funds Available; Disbursements (Environmental Protection, Total Disbursements); and Cash Balance, Ending.

Minority Business Development Fund

This fund was created by Act 206 of 1974 to accommodate the operation of the Pennsylvania Minority Business Development Authority. Revenues to the fund are from loan repayments and interest. The authority has the power to issue bonds or other obligations which would provide further revenue to the fund. Expenditures are made for loans to minority business enterprises and for operating expenses of the authority. Current law provides that funds in excess of the amounts necessary to carry out the purposes of the enabling act can be transferred to the General Fund.

This budget proposes to reauthorize the Pennsylvania Minority Business Development Authority.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Loan Principal and Interest Repayments, Interest, Other, Total Receipts); Total Funds Available; Disbursements (Community and Economic Development, Total Disbursements); and Cash Balance, Ending.

Monetary Penalty Endowments Trust Fund

The Monetary Penalty Endowments Trust Fund is a special revenue fund created by Act 1 of 2013 to deposit monetary penalties assessed to higher education institutions. Fund revenues are comprised of monies from installment payments made by the institutions and interest. Fund expenditures are made by the Pennsylvania Commission on Crime and Delinquency to support child abuse treatment and prevention programs within the Commonwealth.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 41,873	\$ 40,820	\$ 35,237
Receipts:			
Interest	\$ 1,441	\$ 1,492	\$ 992
Investment Income	210	138	-
Total Receipts	<u>1,651</u>	<u>1,630</u>	<u>992</u>
Total Funds Available	\$ 43,524	\$ 42,450	\$ 36,229
Disbursements:			
Commission on Crime and Delinquency	\$ 2,704	\$ 7,213	\$ 4,800
Total Disbursements	<u>(2,704)</u>	<u>(7,213)</u>	<u>(4,800)</u>
Cash Balance, Ending	\$ 40,820	\$ 35,237	\$ 31,429

Motor Vehicle Transaction Recovery Fund

The Motor Vehicle Transaction Recovery Fund was created by Act 83 of 1990 to provide protection from dealers or other agents who fail to forward fees and taxes pertaining to an application for titling or registration of a vehicle to the Department of Transportation (Department). Revenues to the fund consist of assessments (or reassessments should the balance of the fund fall below \$500,000) on every applicant for motor vehicle dealer registration plates or for the authority to act as agent of the Department with respect to vehicle titling and registration.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, and 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Title and Registration Fees, Interest, Total Receipts); Total Funds Available; Disbursements (Transportation, Total Disbursements); and Cash Balance, Ending.

Multimodal Transportation Fund

The Multimodal Transportation Fund was created by Act 89 of 2013 to provide additional funding for passenger rail, rail freight, ports and waterways, aviation, bicycle and pedestrian facilities, roads and bridges, and other modes of transportation. The program is funded by deposits from the Pennsylvania Turnpike Commission, a portion of certain Motor Vehicle Fees and the Oil Company Franchise Tax.

Effective in 2022, Act 89 replaces deposits from the Pennsylvania Turnpike Commission with a Transfer of Sales and Use Tax from the Public Transportation Trust Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 342,657	\$ 372,079	\$ -
Receipts:			
Motor Vehicle Fees	\$ 89,318	\$ 103,700	\$ 111,300
Transfer of Vehicle Sales Tax - PTTF	30,000	30,000	30,000
Transfer of Oil Company Franchise Tax	35,000	35,000	35,000
Interest	21,139	21,697	5,324
Other	14	-	-
Total Receipts	175,471	190,397	181,624
Total Funds Available	\$ 518,128	\$ 562,476	\$ 181,624
Disbursements:			
Transportation	\$ 63,312	\$ 469,199	\$ 100,701
Transfer to Commonwealth Finance Authority	82,737	93,277	80,923
Total Disbursements	(146,049)	(562,476)	(181,624)
Cash Balance, Ending	\$ 372,079	\$ -	\$ -

Municipal Pension Aid Fund

This fund was created by Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, and is administered by the Auditor General. Prior to 2022-23, the revenue for the Municipal Pension Aid Fund results from the 2 percent tax paid upon premiums received from foreign (out-of-state) casualty insurance companies on business done within the Commonwealth. Act 53 of 2022 requires the greater of 38 percent of all insurance premiums tax collections or \$345 million per fiscal year to be transferred to the fund beginning in 2022-23. The fund also collects interest earnings. These revenues and earnings are for distribution to municipalities for various police, fire, and non-uniformed pension plans, including post-retirement adjustments mandated by Act 147 of 1988.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 372,506	\$ 403,773	\$ 406,166
Receipts:			
Insurance Premiums Tax	\$ 385,679	\$ 387,607	\$ 389,545
Transfer from Fire Insurance Tax Fund	17,401	17,835	17,835
Interest	6,283	6,314	6,346
Total Receipts	<u>409,363</u>	<u>411,756</u>	<u>413,726</u>
Total Funds Available	\$ 781,869	\$ 815,529	\$ 819,892
Disbursements:			
Auditor General:			
Municipal Pension Aid	\$ 377,386	\$ 408,742	\$ 411,210
Post-Retirement Adjustments.....	710	621	546
Total Disbursements.....	<u>(378,096)</u>	<u>(409,363)</u>	<u>(411,756)</u>
Cash Balance, Ending	\$ 403,773	\$ 406,166	\$ 408,136

Municipalities Financial Recovery Revolving Aid Fund

This fund was created by Act 157 of 1988 to make loans and grants to assist municipalities that are declared financially distressed. Initial funding was provided through the transfer of unused funds remaining from a 1986-87 General Fund appropriation for Distressed Community Emergency Aid. In addition, Act 157 stipulated that all repayments on loans made from the fund should be redeposited into the fund and used to make additional loans and grants to distressed municipalities. Fund balance does not reflect commitments to distressed municipalities.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 4,387	\$ 13,482	\$ 21,985
Receipts:			
Transfer from the General Fund.....	\$ 5,500	\$ 5,500	\$ 15,500
Loan Principal and Interest Repayments	5,540	5,550	5,500
Interest	374	834	662
Total Receipts	21,494	21,964	21,662
Total Funds Available	\$ 25,881	\$ 35,446	\$ 43,647
Disbursements:			
Community and Economic Development	\$ 12,399	\$ 13,461	\$ 21,100
Total Disbursements	(12,399)	(13,461)	(21,100)
Cash Balance, Ending	\$ 13,482	\$ 21,985	\$ 22,547

Neighborhood Improvement Zone Fund

This fund was established by Act 50 of 2009. This fund is administered by the State Treasurer and the primary administrator of the program is the Department of Revenue. An entity collecting a local tax within the neighborhood improvement zone shall, within 30 days of the end of a fiscal quarter, submit all the local taxes collected to the State Treasurer for transfer to the fund. Interest income derived from investment of the money in the fund shall be credited by the Treasury Department to the fund. Funds may only be utilized for payment of debt service on bonds issued for the improvement and development of all or any part of the neighborhood improvement zone and the purpose of constructing a facility or facility complex. Funds may not be utilized for purposes of renovating or repairing a facility or facility complex, except for capital maintenance and improvement projects. The reconciliation between the state tax share transferred and the actual liability incurred, could result in the return of the excess state tax share in the subsequent fiscal year.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 46	\$ 125	\$ -
Receipts:			
State Tax Share	\$ 98,147	\$ 103,400	\$ 107,000
State Tax Share Return.....	(29,266)	(25,000)	(25,000)
Local Tax Share	4,783	2,999	3,103
Interest	122	7	-
Total Receipts	73,786	81,406	85,103
Total Funds Available	\$ 73,832	\$ 81,531	\$ 85,103
Disbursements:			
Treasury	\$ 73,707	\$ 81,531	\$ 85,103
Total Disbursements	(73,707)	(81,531)	(85,103)
Cash Balance, Ending	\$ 125	\$ -	\$ -

Non-Coal Surface Mining Conservation and Reclamation Fund

The Non-Coal Surface Mining Conservation and Reclamation Fund was created by Act 219 of 1984 to finance reclamation projects on land scarred by non-coal surface mining. Projects include recontouring, terracing and planting trees, shrubs, and grasses. Revenues are provided by charging non-coal surface mining operators for licenses and permits and by fining them for failing to apply for the licenses and permits as well as by forfeiture of collateral bonds, cash, or securities for failure to comply with an approved reclamation plan.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 6,732	\$ 8,786	\$ 7,476
Receipts:			
Licenses and Fees	\$ 2,227	\$ 1,930	\$ 1,930
Penalties.....	234	128	133
Interest	324	410	224
Collateral	179	87	87
Forfeiture	21	78	78
Payment in Lieu of Bonds	78	90	90
Total Receipts	<u>3,063</u>	<u>2,723</u>	<u>2,542</u>
Total Funds Available	<u>\$ 9,795</u>	<u>\$ 11,509</u>	<u>\$ 10,018</u>
Disbursements:			
Environmental Protection	\$ 1,009	\$ 4,033	\$ 2,403
Total Disbursements	<u>(1,009)</u>	<u>(4,033)</u>	<u>(2,403)</u>
Cash Balance, Ending	<u>\$ 8,786</u>	<u>\$ 7,476</u>	<u>\$ 7,615</u>

Nutrient Management Fund

The Nutrient Management Fund was created under the authority of Act 6 of 1993 to fund loans and grants for the implementation of nutrient management plans by agricultural operations. Revenue comes from Commonwealth and federal appropriations, interest, loan repayments, and gifts. Act 18 of 1995 transferred some responsibilities for the Nutrient Management Program from the Department of Environmental Protection to the Department of Agriculture. In accordance with Act 54 of 2024, the fund receives ten percent of receipts deposited to the Clean Streams Fund.

This budget continues to focus on technical assistance to farmers, re-establishment of loan programs, enhanced business development, and conservation efforts. The budget also supports the expanded scope of the AgriLink loan program to enhance and implement improved nutrient management plans.

Act 54 of 2024 transferred all unconsumed balances appropriated from the COVID State Fiscal Recovery restricted account to the Department of Corrections.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Restricted Cash Balance, Beginning	\$ 493	\$ 2,483	\$ 2,960
Agriculture-Linked Interest Subsidy:			
Receipts	2,000	500	500
Disbursements	(10)	(23)	(10)
Restricted Cash Balance, Ending	<u>\$ 2,483</u>	<u>\$ 2,960</u>	<u>\$ 3,450</u>
Unrestricted Cash Balance, Beginning	\$ 26,956	\$ 24,779	\$ 14,977
Receipts:			
Transfer from General Fund	\$ 6,200	\$ 6,200	\$ 6,200
Fees	36	40	40
Fines	5	27	27
Federal Funds – COVID-SFR – Transfer to Corrections	-	(2,106)	-
Federal Funds - COVID-SFR	-	-	-
Interest	1,542	1,555	598
Transfer from Clean Streams Fund	-	6,107	5,440
Total Receipts	<u>7,783</u>	<u>11,823</u>	<u>12,305</u>
Total Funds Available	<u>\$ 34,739</u>	<u>\$ 36,602</u>	<u>\$ 27,282</u>
Disbursements:			
Agriculture:			
Planning, Loans, Grants, and Technical Assistance	\$ 2,854	\$ 3,282	\$ 3,280
Planning, Loans, Grants, and Technical Assistance - COVID-SFR	2,907	13,035	-
Administration	1,276	1,927	2,322
Environmental Protection:			
Education, Research, and Technical Assistance	570	2,707	2,876
Education, Research, and Technical Assistance - COVID-SFR	2,353	674	-
Total Disbursements	<u>(9,960)</u>	<u>(21,625)</u>	<u>(8,478)</u>
Unrestricted Cash Balance, Ending	<u>\$ 24,779</u>	<u>\$ 14,977</u>	<u>\$ 18,804</u>
Total Cash Balance, Beginning	\$ 27,449	\$ 27,262	\$ 17,937
Receipts	9,783	12,323	12,805
Disbursements	(9,970)	(21,648)	(8,488)
Total Cash Balance, Ending	<u>\$ 27,262</u>	<u>\$ 17,937</u>	<u>\$ 22,254</u>

Oil and Gas Lease Fund

Created in 1955, this fund is used to finance conservation, recreation, dams or flood control projects, and to match any federal grants made for these purposes. Revenues are derived from rents and royalties from oil and gas leases of Commonwealth owned land with the exception of rents and royalties from land owned by either the Pennsylvania Game or Fish and Boat Commissions. Those revenues are paid into the Game and Fish Funds. Act 13 of 2012 authorized annual transfers to the Marcellus Legacy Fund, and Act 44 of 2017 modified the annual transfers to the Marcellus Legacy Fund. The General Fund expenses replaced by the Oil and Gas Lease Fund include additional support for the Department of Conservation and Natural Resources operations.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 167,878	\$ 155,888	\$ 20,286
Receipts:			
Rents and Royalties	\$ 79,794	\$ 80,150	\$ 76,900
Interest	8,318	8,079	523
Other	347	350	300
Total Receipts	88,459	88,579	77,723
Total Funds Available	\$ 256,337	\$ 244,467	\$ 98,009
Disbursements:			
Conservation and Natural Resources:			
General Government Operations.....	\$ 19,122	\$ 30,069	\$ 21,156
State Parks Operations.....	32,169	25,500	25,500
State Forests Operations.....	25,233	21,500	21,500
Parks, Forests, and Recreation Projects	8,925	132,112	-
Transfer to Marcellus Legacy Fund	15,000	15,000	15,000
Total Disbursements.....	(100,449)	(224,181)	(83,156)
Cash Balance, Ending	\$ 155,888	\$ 20,286	\$ 14,853

Patient Safety Trust Fund

Act 13 of 2002, known as the Medical Care Availability and Reduction of Error Act, established the Patient Safety Trust Fund (PSTF) to independently review medical facilities to ensure patient safety and reduce medical errors. Act 52 of 2007 extended this independent review to the reduction and prevention of health care associated infections at acute care and nursing home facilities. Revenue to the fund includes a surcharge on medical facility and nursing home licensing fees. These fees are assessed by the Department of Health, deposited in the General Fund and transferred to the PSTF. Pursuant to Act 13, the Patient Safety Authority maintains contracts with entities that collect, analyze, and evaluate data from reports of serious events and incidents at medical facilities to identify patterns in frequency or severity at individual medical facilities or in certain regions of this Commonwealth.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 12,968	\$ 14,057	\$ 13,089
Receipts:			
Surcharges	\$ 7,953	\$ 8,000	\$ 8,000
Interest	599	676	374
Total Receipts	<u>8,552</u>	<u>8,676</u>	<u>8,374</u>
Total Funds Available	\$ 21,520	\$ 22,733	\$ 21,463
Disbursements:			
Patient Safety Authority	\$ 7,463	\$ 9,644	\$ 9,400
Total Disbursements	<u>(7,463)</u>	<u>(9,644)</u>	<u>(9,400)</u>
Cash Balance, Ending	\$ 14,057	\$ 13,089	\$ 12,063

Pennsylvania Gaming Economic Development and Tourism Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, established the Pennsylvania Gaming Economic Development and Tourism Fund (GEDTF) to receive a daily assessment of 5 percent of each licensed gaming entity's gross terminal revenue. Act 42 of 2017 increased the daily assessment to 5.5 percent effective January 1, 2018. In addition, a 6 percent assessment from new satellite casino gross terminal revenue will be deposited in the GEDTF.

Proceeds of the fund are distributed through specific enacted capital budgets. Funds for economic development and tourism projects in Philadelphia and Allegheny counties were authorized in Act 53 of 2007. Four of those projects were extended through Act 42 of 2017 along with one new project authorized. In addition, pursuant to Act 63 of 2008, GEDTF proceeds can be used to fund debt service for water and sewer projects, flood control projects, and high hazard unsafe dam projects located elsewhere in Pennsylvania as approved by the Commonwealth Financing Authority.

Act 54 of 2022 established the Sports, Marketing and Tourism Account within the fund to attract high-quality sporting events to the Commonwealth and to promote tourism and economic development. 5 percent of revenue generated from sports wagering, or \$2.5 million, whichever is greater, is deposited into the account. The deposit shall not exceed \$5 million. Act 34 of 2023 transferred \$25 million from the GEDTF to the account.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Restricted Cash Balance, Beginning	\$ 5,000	\$ 33,737	\$ -
Receipts	30,000	10,000	10,000
Disbursements - Community and Economic Development.....	(1,263)	(43,737)	(10,000)
Restricted Cash Balance, Ending	<u>\$ 33,737</u>	<u>\$ -</u>	<u>\$ -</u>
 Unrestricted Cash Balance, Beginning	 \$ 28,793	 \$ 9,051	 \$ 10,725
Receipts:			
Gross Terminal Revenue Assessments	\$ 132,859	\$ 134,700	\$ 135,300
Build America Bonds Federal Interest Subsidy	4,771	7,492	7,232
Interest	3,638	2,500	1,500
Total Receipts	<u>141,268</u>	<u>144,692</u>	<u>144,032</u>
Total Funds Available	<u>\$ 170,061</u>	<u>\$ 153,743</u>	<u>\$ 154,757</u>
Disbursements:			
Community and Economic Development	\$ 81,900	\$ 83,900	\$ 85,900
Transfer to Sports Marketing and Tourism Restricted Acct	25,000	5,000	5,000
General Services.....	191	279	242 ^a
Transfer to Commonwealth Financing Authority	53,919	53,839	54,083
Total Disbursements	<u>(161,010)</u>	<u>(143,018)</u>	<u>(145,225)</u>
Unrestricted Cash Balance, Ending	<u>\$ 9,051</u>	<u>\$ 10,725</u>	<u>\$ 9,532</u>
 Total Cash Balance, Beginning	 \$ 33,793	 \$ 42,788	 \$ 10,725
Receipts.....	171,268	154,692	154,032
Disbursements.....	(162,273)	(186,755)	(155,225)
Total Cash Balance, Ending	<u>\$ 42,788</u>	<u>\$ 10,725</u>	<u>\$ 9,532</u>

^a Excludes a \$3.134M remaining pledge installment owed by a casino operator that is due on April 1, 2025. This installment amount is illustrated due to cashflow timing and is not expected to be paid by this fund or any other commonwealth fund. Total anticipated obligation is \$3.376M.

Pennsylvania Health Insurance Exchange Fund

The Pennsylvania Health Insurance Exchange Fund was created by Act 42 of 2019, which also created the Pennsylvania Health Insurance Exchange Authority (PHIEA), a state-affiliated entity established to create a state-based insurance exchange, reduce costs, and better support the needs of consumers purchasing health insurance in the individual market. The PHIEA generates revenue by assessing an exchange user fee from insurers (3.0 percent of premiums as of January 1, 2021) on the health and dental plans purchased through the exchange. In calendar year 2021, Pennsylvania transitioned from a State-Based Exchange on the Federal Platform (SBE-FP) to a fully operational State-Based Exchange (SBE).

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 86,466	\$ 109,229	\$ 133,839
Receipts:			
Exchange User Fees on Insurers.....	\$ 85,441	\$ 93,045	\$ 93,045
Federal Receipts/Subgrant.....	20,634	19,500	19,500
Interest	4,391	5,597	3,986
Total Receipts	<u>110,466</u>	<u>118,142</u>	<u>116,531</u>
Total Funds Available	\$ 196,932	\$ 227,371	\$ 250,370
Disbursements:			
Health Insurance Exchange Authority	\$ 56,443	\$ 64,140 ^a	\$ 71,822 ^a
Transfer to Reinsurance Fund	31,260	29,392	44,400
Total Disbursements	<u>(87,703)</u>	<u>(93,532)</u>	<u>(116,222)</u>
Cash Balance, Ending	\$ 109,229	\$ 133,839	\$ 134,148

^a This number does not include funding for the Affordability Assistance Program. As required in Act 54 of 2024, any funds received as a result of a disbursement from the Joint Underwriters Association shall be deposited into the Exchange Affordability Assistance Account to be used by the Pennsylvania Health Insurance Exchange Authority specifically for the Affordability Assistance Program, up to \$50 million a year. No funds have been received to date. As potential disbursement of those funds into the account is a matter before the Commonwealth Court, this section may be updated following a resolution.

Pennsylvania Historical and Museum Commission Trust Fund

This fund, created by Act 113 of 1931, is administered by the Governor, Auditor General, State Treasurer, and the Pennsylvania Historical and Museum Commission. The interest received from investment of the \$33,000 perpetual endowment to this fund in bonds of the Commonwealth or any of its political subdivisions is credited to the fund. Interest earned on investments is used for the restoration, maintenance, and improvement of the Cornwall Charcoal Furnace, Cornwall Borough, Lebanon County.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Interest, Total Receipts); Total Funds Available; Disbursements (Historical and Museum Commission, Total Disbursements); and Cash Balance, Ending.

Pennsylvania Infrastructure Bank

This fund was established by Act 57 of 1997 to make loans to, or enter into leases with, qualified borrowers to finance the costs of transportation projects. Acts 165 and 7A of 2004 expanded this program to include financing of rail freight infrastructure. Receipts are derived from loan repayments and interest earnings.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, and 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Loan Principal and Interest Repayments, Interest, Other, Total Receipts); Total Funds Available; Disbursements (Transportation, Total Disbursements); and Cash Balance, Ending.

Pennsylvania Municipal Retirement Fund

Act 15 of 1974 created the Pennsylvania Municipal Retirement System which replaced the Municipal Employees Retirement Law and the Municipal Police Retirement Law and combined all employees covered under both into a state-related municipal system. The fund established under Act 15 provides for payment of retirement allowances to officers, employees, firemen, and police of political subdivisions (counties, cities, boroughs, and townships of the first and second class). Any municipality may elect by ordinance to join the system. Revenues are generated from the contributions of the members of the system and investment earnings. The board established has control over the system's operation. A municipality may, upon meeting the requirements set forth in Act 15, elect to withdraw from participation in this fund. Withdrawals may substantially increase the level of disbursements reflected in this presentation.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 3,170,648	\$ 3,403,160	\$ 3,609,161
Receipts:			
Contributions	\$ 103,530	\$ 113,127	\$ 104,712
Interest	36,918	39,102	34,860
Premium / Discount on Sale of Securities.....	16,721	19,835	15,093
Net Investment Adjustment	244,149	222,561	213,000
Total Receipts	<u>401,318</u>	<u>394,625</u>	<u>367,665</u>
Total Funds Available	\$ 3,571,966	\$ 3,797,785	\$ 3,976,826
Disbursements:			
Municipal Retirement Board	\$ 168,806	\$ 188,624	\$ 210,391
Total Disbursements	<u>(168,806)</u>	<u>(188,624)</u>	<u>(210,391)</u>
Cash Balance, Ending	\$ 3,403,160	\$ 3,609,161	\$ 3,766,435

Pennsylvania Race Horse Development Trust Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, established the Pennsylvania Race Horse Development Fund to support and advance the Commonwealth's horse racing industry. Act 42 of 2017 converted it to a Trust Fund. Operating tracks receive a daily assessment as determined by the Department of Revenue. The daily assessment from each licensed gaming entity is based on a formula established in the act, which is capped at 12 percent of an entity's gross terminal revenue for that day. Proceeds are distributed to licensees conducting live horse racing. Track owners deposit 80 percent of the proceeds into a purse account. Thoroughbred tracks commit the remaining proceeds to the Breeders' Fund and a Horseman's Organization Fund. Standardbred tracks commit proceeds to the Sire Stakes Fund, the Pennsylvania Standardbred Breeders Development Fund, and a Horsemen's Organizational Fund. The Fiscal Code provides for transfers to restricted accounts within the Department of Agriculture. In addition, Act 114 of 2016 added transfers to the State Racing Fund for drug testing of race horses and promotional costs.

This budget proposes the reauthorization of the Act 114 drug testing transfer provision.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 6,332	\$ 6,434	\$ 4,602
Receipts:			
Assessments	\$ 186,367	\$ 187,100	\$ 185,400
Interest	609	631	139
Total Receipts	<u>186,976</u>	<u>187,731</u>	<u>185,539</u>
Total Funds Available	\$ 193,308	\$ 194,165	\$ 190,141
Disbursements:			
Revenue:			
Purse Account	\$ 132,222	\$ 135,602	\$ 125,172
Restricted Racing Programs	26,444	27,120	25,034
Horsemen's Health and Pension Benefits	6,611	6,780	6,259
Agriculture	9,548	7,772	14,659
Transfer to State Racing Fund - Drug Testing	10,066	10,425	12,405
Transfer to State Racing Fund - Promotion of Racing	1,983	1,864	1,871
Total Disbursements	<u>(186,874)</u>	<u>(189,563)</u>	<u>(185,400)</u>
Cash Balance, Ending	\$ 6,434	\$ 4,602	\$ 4,741

Pennsylvania Rural Health Redesign Center Fund

Act 108 of 2019 established the Pennsylvania Rural Health Redesign Center Authority (RHRCA) and the Pennsylvania Rural Health Redesign Center Fund to protect and promote rural hospitals and health care centers that face special challenges, including inconsistencies in their billing and reimbursements. The fund shall be administered by the RHRCA.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 453	\$ -	\$ -
Receipts:			
Interest	\$ 18	\$ -	\$ -
Total Receipts	<u>18</u>	<u>-</u>	<u>-</u>
Total Funds Available	<u>\$ 471</u>	<u>\$ -</u>	<u>\$ -</u>
Disbursements:			
PA Rural Health Redesign Center Authority	\$ 471	\$ -	\$ -
Total Disbursements	<u>(471)</u>	<u>-</u>	<u>-</u>
Cash Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Pennsylvania Veterans Monuments and Memorial Trust Fund

Act 60 of 1988 established the Pennsylvania Veterans Memorial Trust Fund to be administered by the Pennsylvania Veterans Memorial Commission. Revenues come from General Fund appropriations and public or private contributions. Funds were expended to erect a monument to Pennsylvania veterans who served in armed conflicts in which the United States was a participant. Act 63 of 2002 expanded the use of this fund to include operation and maintenance of the memorial. Act 64 of 2018 changed the name of the fund and expanded the use of the fund to preserve all monuments and memorials dedicated to Pennsylvania veterans and military personnel, both in Pennsylvania and abroad. Act 64 also provides that the fund receive \$23 of the fee paid by applicants for the Pennsylvania monuments license plate.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 429	\$ 215	\$ 120
Receipts:			
Public and Private Donations	\$ 13	\$ 7	\$ 15
PA Monuments License Plates	-	2	1
Interest	18	12	2
Total Receipts	31	21	18
Total Funds Available	\$ 460	\$ 236	\$ 138
Disbursements:			
Military and Veterans Affairs	\$ 245	\$ 116	\$ 95
Total Disbursements	(245)	(116)	(95)
Cash Balance, Ending	\$ 215	\$ 120	\$ 43

PENNVEST Bond Authorization Fund

This fund, created under the authority of Act 16 of 1988, receives the proceeds from the sale of bonds authorized by general referendum, transfers from the Water Facilities Loan Fund, or from the Capital Facilities Fund for site development. Expenditures are for transfers of funds to the PENNVEST Fund, the PENNVEST Drinking Water Revolving Fund, the PENNVEST Water Pollution Control Revolving Fund, the PENNVEST Revolving Fund, or the PENNVEST Non-Revolving Equity Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 6,415	\$ 6,764	\$ -
Receipts:			
Interest	\$ 349	\$ 358	\$ -
Total Receipts	<u>349</u>	<u>358</u>	<u>-</u>
Total Funds Available	<u>\$ 6,764</u>	<u>\$ 7,122</u>	<u>\$ -</u>
Disbursements:			
Infrastructure Investment Authority	\$ -	\$ 7,122	\$ -
Total Disbursements	<u>-</u>	<u>(7,122)</u>	<u>-</u>
Cash Balance, Ending	<u>\$ 6,764</u>	<u>\$ -</u>	<u>\$ -</u>

PENNVEST Drinking Water Revolving Fund

This fund was created under the authority of Act 16 of 1988 to receive funds from the federal government to establish a revolving loan program for drinking water projects. Required matching state funds are transferred from the PENNVEST Bond Authorization Fund and the PENNVEST Fund. Because of the lag in receiving federal funds, cash is borrowed from other PENNVEST funds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 274,564	\$ 318,421	\$ 348,619
Receipts:			
Federal Funds	\$ 72,784	\$ 673,098 ^a	\$ 681,756 ^a
Transfer from PENNVEST Water Pollution Control Revolving Fund.....	75,581	20,000	20,000
Transfer from Trustee Account.....	30,000	30,000	30,000
Loan Principal and Interest Repayments.....	3,693	29,900	26,700
Interest.....	11,643	15,415	10,222
Other.....	8,003	-	-
Total Receipts	<u>201,704</u>	<u>768,413</u>	<u>768,678</u>
Total Funds Available	\$ 476,268	\$ 1,086,834	\$ 1,117,297
Disbursements:			
Infrastructure Investment Authority.....	\$ 157,847	\$ 738,215 ^{a,b}	\$ 778,756 ^{a,b}
Total Disbursements	<u>(157,847)</u>	<u>(738,215)</u>	<u>(778,756)</u>
Cash Balance, Ending	\$ 318,421	\$ 348,619	\$ 338,541

^a Includes IJA awards: 2024-25 Available is \$568,697,000 and 2025-26 Budget is \$606,238,000.

^b Drinking Water Projects Revolving Loans authorizations: 2024-25 Available is \$512,000,000 and 2025-26 Budget is \$550,000,000 to account for loan commitments disbursed by the PENNVEST Trustee.

PENNVEST Fund

This fund was created under the authority of Act 16 of 1988 to receive funds from sources other than the sale of general obligation bonds. These sources include appropriations from the General Fund, payments of revolving loans, interest received from revolving and non-revolving loans, investment income, and the sale of assets. In addition to grants and loans for water and sewer projects, these funds can be used for administrative costs and matching funds for federal grants.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 349,108	\$ 353,689	\$ 312,227
Receipts:			
Revolving Loan Payments.....	\$ 25,041	\$ 52,282	\$ 64,000
Transfer from Environmental Stewardship Fund.....	21,409	20,507	20,878
Transfer from Marcellus Legacy Fund.....	7,974	7,536	10,392
Interest	13,735	13,329	8,472
Other	4,445	-	-
Total Receipts.....	72,604	93,654	103,742
Total Funds Available	\$ 421,712	\$ 447,343	\$ 415,969
Disbursements:			
Infrastructure Investment Authority:			
Grants	\$ -	\$ 35,000	\$ 35,000
PENNVEST Operations.....	2,898	6,901	6,414
Growing Greener Grants	12,223	18,205	20,878
Revenue Bond Loan Pool.....	-	10	10
Marcellus Grants.....	1,863	4,000	10,392
Revolving Loans and Administration	51,039	70,000 ^a	85,000 ^a
State Conditional Fund	-	1,000	1,000
Total Disbursements.....	(68,023)	(135,116)	(158,694)
Cash Balance, Ending	\$ 353,689	\$ 312,227	\$ 257,275

^a Revolving Loans and Administration authorizations: 2024-25 Available is \$100,000,000 and 2025-26 Budget is \$100,000,000 to account for loan commitments to be disbursed by the PENNVEST Trustee.

PENNVEST Redemption Fund

This fund, created under the authority of Act 16 of 1988, receives repayments of non-revolving loans and investment interest along with the annual appropriation from the General Fund for general obligation debt service. Revenues are used to pay debt service on general obligation bonds issued for PENNVEST.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 22,728	\$ 37,806	\$ 1,304
Receipts:			
Interest	\$ 1,619	\$ 1,317	\$ 420
Repayment of Non-Revolving Funds	14,181	14,181	14,181
Transfer for Other Debt Service	-	(52,000) ^a	-
Total Receipts	<u>15,800</u>	<u>(36,502)</u>	<u>14,601</u>
Total Funds Available	\$ 38,528	\$ 1,304	\$ 15,905
Disbursements:			
Treasury	\$ 722	\$ -	\$ -
Total Disbursements	<u>(722)</u>	<u>-</u>	<u>-</u>
Cash Balance, Ending	\$ 37,806	\$ 1,304	\$ 15,905

^a Debt service on Refunding Bonds that refunded Pennvest Bonds is paid from the Capital Debt Fund.

PENNVEST Water Pollution Control Revolving Fund

This fund was created under the authority of Act 16 of 1988 for funds received from the federal government to establish a revolving loan program for sewer projects. Required matching state funds are transferred from the PENNVEST Bond Authorization Fund and the PENNVEST Fund.

In accordance with Act 54 of 2024, the fund receives ten percent of receipts deposited to the Clean Streams Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 833,381	\$ 686,883	\$ 566,971
Receipts:			
Federal Funds	\$ 55,453	\$ 397,440 ^a	\$ 422,400 ^a
Loan Principal and Interest Repayments	16,623	39,681	30,509
Trustee Transfer.....	-	-	-
Transfer from Clean Streams Fund.....	-	7,107	6,528
Interest	34,148	26,240	15,001
Total Receipts	106,224	470,468	474,438
Total Funds Available	\$ 939,605	\$ 1,157,351	\$ 1,041,409
Disbursements:			
Infrastructure Investment Authority	\$ 252,722	\$ 590,380 ^{a,b}	\$ 599,928 ^{a,b}
Total Disbursements.....	(252,722)	(590,380)	(599,928)
Cash Balance, Ending	\$ 686,883	\$ 566,971	\$ 441,481

^a Includes IJA awards: 2024-25 Available is \$269,000,000 and 2025-26 Budget is \$325,000,000.
^b Includes Sewage Projects Revolving Loans authorizations: 2024-25 Available is \$510,000,000 and 2025-26 Budget is \$540,000,000 to account for loan commitments to be disbursed by the PENNVEST Trustee.

Pharmaceutical Assistance Fund

The revenue for the Pharmaceutical Assistance Fund (PACE) is received from the Lottery Fund. This fund provides a limited pharmaceutical assistance program for older Pennsylvanians who are 65 years of age or older and whose annual income does not exceed the maximum specified for program eligibility. The PACE Fund is used for pharmaceutical claims processing for the Department of Health's Special Pharmaceutical Benefits Program and several disease-specific programs.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Restricted Cash Balance, Beginning	\$ 28,198	\$ 25,399	\$ 25,149
Receipts:			
Special Pharmaceutical Services	\$ 102,518	\$ 96,736	\$ 106,328
Chronic Renal Disease Program	1,166	1,807	1,386
Total Receipts	<u>103,684</u>	<u>98,543</u>	<u>107,714</u>
Disbursements:			
Health Services	\$ 106,147	\$ 98,543	\$ 105,854
Settlement Claims	336	250	266
Total Disbursements	<u>(106,483)</u>	<u>(98,793)</u>	<u>(106,120)</u>
Restricted Cash Balance, Ending	\$ 25,399	\$ 25,149	\$ 26,743
 Unrestricted Cash Balance, Beginning	 \$ 14,463	 \$ 23,825	 \$ 19,726
Receipts:			
Transfer from Lottery Fund	\$ 155,000	\$ 160,000	\$ 150,000
Interest	1,508	1,899	1,789
Federal Funds	36	165	110
Other	1,834	2,250	2,250
Total Receipts	<u>158,378</u>	<u>164,314</u>	<u>154,149</u>
Total Funds Available	\$ 172,841	\$ 188,139	\$ 173,875
Disbursements:			
Aging:			
Contracted Services	\$ 147,667	\$ 166,883	\$ 151,910
Administration	1,349	1,530	1,591
Total Disbursements	<u>(149,016)</u>	<u>(168,413)</u>	<u>(153,501)</u>
Unrestricted Cash Balance, Ending	\$ 23,825	\$ 19,726	\$ 20,374
 Total Cash Balance, Beginning	 \$ 42,661	 \$ 49,224	 \$ 44,875
Receipts	262,062	262,857	261,863
Disbursements	(255,499)	(267,206)	(259,621)
Total Cash Balance, Ending	\$ 49,224	\$ 44,875	\$ 47,117

Philadelphia Regional Port Authority Fund

The Philadelphia Regional Port Authority was created by Act 50 of 1989 to acquire and operate the port facilities of the former Philadelphia Port Corporation. The Philadelphia Regional Port Authority Fund handles payroll of the authority via transfer of funds from the authority's private bank accounts. The authority is authorized to issue bonds to finance port improvements and may pay off such bonds.

Statement of Cash Receipts and Disbursements

	2023-24 Actual	(Dollar Amounts in Thousands) 2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 782	\$ 291	\$ 299
Receipts:			
Transfer from Philadelphia Regional Port Authority	\$ 6,900	\$ 7,700	\$ 8,000
Interest	42	32	9
Total Receipts	<u>6,942</u>	<u>7,732</u>	<u>8,009</u>
Total Funds Available	\$ 7,724	\$ 8,023	\$ 8,308
Disbursements:			
Philadelphia Regional Port Operations	\$ 7,433	\$ 7,724	\$ 8,026
Total Disbursements	<u>(7,433)</u>	<u>(7,724)</u>	<u>(8,026)</u>
Cash Balance, Ending	\$ 291	\$ 299	\$ 282

Philadelphia Taxicab and Limousine Regulatory Fund

This fund was created by Act 64 of 2013 to act as the primary operating fund for the Philadelphia Parking Authority to regulate taxicabs and limousines in the city of the first class. Revenues in the fund are derived from assessments and fees to taxicab, limousine, and dispatcher utility groups. Monies in the fund are used by the Authority for administration and enforcement of the taxicab and limousine program.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 236	\$ 255	\$ 271
Receipts:			
Assessments	\$ 2,143	\$ 2,647	\$ 2,193
Interest	19	16	8
Total Receipts	2,162	2,663	2,201
Total Funds Available	\$ 2,398	\$ 2,918	\$ 2,472
Disbursements:			
Philadelphia Parking Authority	\$ 2,143	\$ 2,647	\$ 2,193
Total Disbursements	(2,143)	(2,647)	(2,193)
Cash Balance, Ending	\$ 255	\$ 271	\$ 279

Philadelphia Taxicab Medallion Fund

This fund was created by Act 64 of 2013 for the Philadelphia Parking Authority to administer the taxicab medallion program. Revenues are generated from the sale of medallions. Expenditures are those limited to the operation and enforcement of the medallion program.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Interest, Total Receipts); Total Funds Available; Disbursements (Philadelphia Parking Authority, Total Disbursements); and Cash Balance, Ending.

PlanCon Bond Projects Fund

The PlanCon Bond Projects Fund is a special revenue fund created by Act 25 of 2016 for the reimbursement of school construction costs from the net proceeds of bonds issued through the Commonwealth Financing Authority (CFA). The act authorized up to \$2.5 billion in debt to be issued by June 30, 2025, and the first bonds were issued in October 2016. Reimbursements to school districts for approved construction costs are made by the Department of Education. Act 85 of 2016 provides for CFA debt service obligations, which includes bond issuances for PlanCon projects, to be paid through a transfer of Sales and Use Tax receipts.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Interest, Total Receipts); Total Funds Available; Disbursements (Education, Total Disbursements); and Cash Balance, Ending.

Port of Pittsburgh Commission Fund

The Port of Pittsburgh Commission was created by Act 133 of 1992 to promote and encourage capital investment in port facilities and port-related projects within the Port District encompassing Allegheny, Armstrong, Beaver, Butler, Clarion, Fayette, Greene, Lawrence, Washington, and Westmoreland counties.

Act 140 of 2000 expanded the authority of the commission to allow for economic development projects, including certain recreation projects sponsored by third parties. Act 111 of 2001 added Indiana County and Act 131 of 2006 added Blair County to the Port District. Grants supporting the commission's operations are deposited into this fund, along with interest earnings from deposited funds. The commission also has the authority to issue bonds to finance port improvements and may pledge its revenues to pay off such bonds. In fiscal year 2024-25, the commission received a one-time \$4.2M subgrant from the Department of Transportation Multimodal Transportation Fund.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 2,346	\$ 350	\$ 3,009
Receipts:			
State Grants	\$ 1,100	\$ 5,700	\$ 1,500
Federal Grants	73	4,800	4,800
Interest	112	81	90
Total Receipts	1,285	10,581	6,390
Total Funds Available	\$ 3,631	\$ 10,931	\$ 9,399
Disbursements:			
Port of Pittsburgh Commission.....	\$ 3,281	\$ 7,922	\$ 6,390
Total Disbursements.....	(3,281)	(7,922)	(6,390)
Cash Balance, Ending	\$ 350	\$ 3,009	\$ 3,009

Property Tax Relief Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, created the Property Tax Relief Fund to provide local property and wage tax relief payments to school districts. The fund receives revenue from the State Gaming Fund representing the balance of money collected in the State Gaming Fund after other distributions. Act 1 of Special Session 1 of 2006, the Taxpayer Relief Act, further provides for the distribution of funds from the Property Tax Relief Fund to school districts. In addition, transfers are made to the State Lottery Fund for an expanded Property Rent Rebate Program and supplemental senior citizen tax reduction payments. Act 78 of 2012 provides for additional funding for the Volunteer Fire Company Grants out of the Property Tax Relief Reserve Fund. The fiscal year ending balances include the Property Tax Relief Reserve Account and funding for property tax relief payments made in August and October each year. Act 42 of 2017 provides additional monies to the Property Tax Relief Fund through the expansion of gaming in the Commonwealth. Act 7 of 2023 provides additional funds for the Property Rent Rebate Program.

This budget proposes all Property Tax and Rent Rebate costs to be paid from the Property Tax Relief Fund. In addition, this budget proposes \$30 million for supplemental grants to fire companies.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 1,107,648	\$ 1,528,317	\$ 1,776,212
Receipts:			
Transfer from State Gaming Fund.....	\$ 1,235,369	\$ 1,313,449	\$ 1,311,710
Interest	54,619	73,146	52,141
Total Receipts	<u>1,289,988</u>	<u>1,386,595</u>	<u>1,363,851</u>
Total Funds Available	\$ 2,397,636	\$ 2,914,912	\$ 3,140,063
Disbursements:			
Property Tax Relief Payments:			
Education:			
General Property Tax Relief	\$ 750,000	\$ 900,000	\$ 1,020,000
Sterling Act	27,119	31,500	32,400
Subtotal: Education Property Tax Relief Payments	<u>777,119</u>	<u>931,500</u>	<u>1,052,400</u>
Revenue:			
Base Property Tax and Rent Assistance	-	-	120,400
Expanded Prop Tax/Rent Rebate/Senior Tax Reductions	64,900	174,300	175,300
Cities and High-Burden.....	22,300	27,900	28,000
Subtotal: Revenue Property Tax Relief Payments	<u>87,200</u>	<u>202,200</u>	<u>323,700</u>
Total Property Tax Relief Disbursements	<u>864,319</u>	<u>1,133,700</u>	<u>1,376,100</u>
Emergency Management:			
Fire and Emergency Medical Services Grants	5,000	5,000	5,000
Supplemental Grants to Fire Companies	-	-	30,000
Total Disbursements	<u>(869,319)</u>	<u>(1,138,700)</u>	<u>(1,411,100)</u>
Cash Balance, Ending	\$ 1,528,317 ^a	\$ 1,776,212 ^a	\$ 1,728,963 ^a

^a Ending cash balance includes \$150,000,000 in the Property Tax Relief Reserve Account.

PSERS - Defined Contribution Fund

This fund was created to meet the provisions of Act 5 of 2017 to provide for receipt and accounting of member and employer contributions, investment of those funds, and payment of defined contribution benefits to retired school employees hired on or after July 1, 2019. Employers defined as school entities (school districts, intermediate units, and career and technical centers) pay 100 percent of the employer share of contributions to the fund. The Commonwealth pays school entities a portion of these costs from appropriated funds based on a statutory formula. Commonwealth contributions of the employer share for non-school entities are also paid from appropriated funds. Earnings from investments provide additional revenue and pay for the associated expenses of the Public School Employees' Retirement System.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 201,881	\$ 356,320	\$ 504,825
Receipts:			
Contributions	\$ 123,544	\$ 135,899	\$ 149,488
Net Investment Adjustment	44,415	24,942	35,343
Total Receipts	<u>167,959</u>	<u>160,841</u>	<u>184,831</u>
Total Funds Available	\$ 369,840	\$ 517,161	\$ 689,656
Disbursements:			
Public School Employees' Retirement System:			
Administrative Expenses	\$ 3,538	\$ 1,356	\$ 1,405
Benefits and Other Expenses	9,982	10,980	12,078
Total Disbursements	<u>(13,520)</u>	<u>(12,336)</u>	<u>(13,483)</u>
Cash Balance, Ending	\$ 356,320	\$ 504,825	\$ 676,173

Public School Employees' Retirement Fund

The Public School Employees' Retirement Fund provides for receipt and accounting of member and employer contributions, investment of those funds, and payment of benefits to retired school employees.

According to the provisions of Act 29 of 1994, starting with the employer contribution payment for the third quarter of 1995 (school salaries paid from July 1, 1995, to September 30, 1995), employers defined as school entities (school districts, intermediate units, and career and technical centers) pay 100 percent of the employer share of contributions to the fund. The Commonwealth pays school entities a portion of these costs from appropriated funds based on a statutory formula. Commonwealth contributions of the employer share for non-school entities are also paid directly to the fund from appropriated funds.

Earnings from investments provide additional revenue and pay for the expenses of the Public School Employees' Retirement System. The board is responsible for management of the fund and payment of benefits. The employer contribution rate is determined by the fund's actuary and adopted by the board.

Act 40 of 2003 changed the retirement system's amortization, thereby lowering the employer contribution costs. Act 120 of 2010 amended the benefit structure for most new members beginning July 1, 2011, and amended the funding provisions. Act 120 also established a new shared risk benefit plan. Act 5 of 2017 amended the benefit structure for most new members beginning July 1, 2019.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 71,113,164	\$ 75,234,842	\$ 79,242,585
Receipts:			
Transfer from General Fund:			
Employer Contribution (non-school entities).....	\$ 39,553	\$ 30,000	\$ 30,000
Transfers from State Employees' Retirement System	4,683	10,000	10,000
Contributions of School Employees	1,283,017	1,211,000	1,222,000
Contributions of Employers	5,467,936	5,512,000	5,746,000
Net Investment Adjustment	5,124,118	5,319,000	5,605,000
Total Receipts	<u>11,919,307</u>	<u>12,082,000</u>	<u>12,613,000</u>
Total Funds Available	\$ 83,032,471	\$ 87,316,842	\$ 91,855,585
Disbursements:			
Public School Employees' Retirement System:			
Administrative and Investment Related Expenses	\$ 88,378	\$ 92,257	\$ 106,721
Benefits	7,709,251	7,982,000	8,124,000
Total Disbursements	<u>(7,797,629)</u>	<u>(8,074,257)</u>	<u>(8,230,721)</u>
Cash Balance, Ending	\$ 75,234,842	\$ 79,242,585	\$ 83,624,864

Public Transportation Assistance Fund

The Public Transportation Assistance Fund was established by Act 26 of 1991 to assist the capital, asset maintenance, and other transportation needs of the Commonwealth’s transit entities. Act 44 of 2007 revised the purpose of this fund by transferring programs to the new Public Transportation Trust Fund.

Statement of Cash Receipts and Disbursements

	2023-24	(Dollar Amounts in Thousands)	
	Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 12,053	\$ 12,648	\$ 11,360
Receipts:			
Tire Fee, Rental Fee, and Lease Tax	\$ 136,720	\$ 136,600	\$ 140,700
Transfer of Sales and Use Tax.....	149,340	152,700	158,600
Interest	1,457	1,327	338
Total Receipts	<u>287,517</u>	<u>290,627</u>	<u>299,638</u>
Total Funds Available	\$ 299,570	\$ 303,275	\$ 310,998
Disbursements:			
Transportation:			
Grants	\$ 262,094	\$ 266,727	\$ 273,869
Transfer to Public Transportation Trust Fund	24,828	25,188	25,769
Total Disbursements	<u>(286,922)</u>	<u>(291,915)</u>	<u>(299,638)</u>
Cash Balance, Ending	\$ 12,648	\$ 11,360	\$ 11,360

Public Transportation Trust Fund

The Public Transportation Trust Fund was created by Act 44 of 2007 to provide dedicated funding for public transportation in the Commonwealth. Act 89 of 2013 increased funding and revenue sources for the fund. Revenues come from scheduled payments by the Pennsylvania Turnpike Commission, a portion of the Sales and Use Tax, certain motor vehicle fees, vehicle code fines and surcharges, and transfers from the Public Transportation Assistance Fund and the Lottery Fund. Monies in this fund are disbursed as grants to public transit agencies for operating costs, capital and asset improvements, and programs of statewide significance.

Effective in 2022, Act 89 replaces deposits from the Pennsylvania Turnpike Commission to the Multimodal Transportation Fund with a Transfer of Sales and Use Tax from the Public Transportation Trust Fund. The fund balance does not reflect substantial commitments for public transportation operating and capital. Act 54 of 2024 appropriated \$161 million from the General Fund, of which \$80.5 million is to be used for Transportation and Multimodal Improvement Projects.

The 2025-26 budget proposes to dedicate 1.75 percent of total sales tax collections to the Public Transportation Trust Fund to support mass transit statewide, in addition to the current allocations to the fund.

Statement of Cash Receipts and Disbursements

	2023-24 Actual	(Dollar Amounts in Thousands) 2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 1,794,365	\$ 1,993,826	\$ 1,393,716
Receipts:			
Transfer of Sales and Use Tax.....	\$ 1,211,549	\$ 1,238,800	\$ 1,580,100
Transfer of Vehicle Sales Tax - Multimodal	(30,000)	(30,000)	(30,000)
Pennsylvania Turnpike Commission	50,000	50,000	50,000
Transfer from General Fund.....	-	80,500	-
Transfer from Lottery Fund.....	95,907	95,907	95,907
Transfer from Public Transportation Assistance Fund	24,828	25,188	25,769
Motor Vehicle Fees	318,697	347,039	372,680
Vehicle Code Fines	26,493	26,760	26,760
Federal Funds	5,097	33,000	33,000
Interest	87,252	101,946	35,683
Other	2,286	1,050	1,050
Total Receipts	1,792,109	1,970,190	2,190,949
Total Funds Available	\$ 3,586,474	\$ 3,964,016	\$ 3,584,665
Disbursements:			
Transportation	\$ 1,592,648	\$ 2,570,300	\$ 2,579,563
Total Disbursements	(1,592,648)	(2,570,300)	(2,579,563)
Cash Balance, Ending	\$ 1,993,826	\$ 1,393,716	\$ 1,005,102

Purchasing Fund

Created in 1933, this fund finances the purchase of materials, supplies, services, and equipment by the Department of General Services and Executive Offices for use by other departments, boards, and commissions. Salaries for the personnel administering the fund are paid by the fund. Revenue sources are periodic appropriations from the General Fund and reimbursements by other departments, boards, and commissions for the materials and supplies provided them.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ (6,443) ^a	\$ 1,621	\$ 3,789
Receipts:			
Reimbursements to General Services.....	\$ 477,715	\$ 420,277	\$ 420,000
IRA Direct Pay Tax Credit Reimbursement.....	-	223	-
Interest	564	168	69
Total Receipts	478,279	420,668	420,069
Total Funds Available	\$ 471,836	\$ 422,289	\$ 423,858
Disbursements:			
General Services.....	\$ 470,215	\$ 418,500	\$ 423,000
Total Disbursements.....	(470,215)	(418,500)	(423,000)
Cash Balance, Ending	\$ 1,621	\$ 3,789	\$ 858

^a Reflects a timing difference between expenditures posted at year-end and reimbursements received in the subsequent year.

Real Estate Recovery Fund

The Real Estate Recovery Fund was established in 1980 to reimburse aggrieved persons any amounts unpaid from final judgements against any person licensed by the Real Estate Commission. Revenue is derived from additional fees paid by licensees, with interest on investments being retained by the fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 928	\$ 1,026	\$ 991
Receipts:			
Additional License Fees	\$ 56	\$ 60	\$ 60
Interest	51	55	29
Total Receipts	<u>107</u>	<u>115</u>	<u>89</u>
Total Funds Available	\$ 1,035	\$ 1,141	\$ 1,080
Disbursements:			
State	\$ 9	\$ 150	\$ 150
Total Disbursements	<u>(9)</u>	<u>(150)</u>	<u>(150)</u>
Cash Balance, Ending	\$ 1,026	\$ 991	\$ 930

Recycling Fund

The Recycling Fund was created by Act 101 of 1988 to finance the planning, processing, resource recovery, and recycling of solid waste. Revenue is generated by a fee on all waste disposed in landfills or processed by resource recovery facilities. Expenditures are for recycling and planning grants, market and waste minimization studies, and public information and education activities throughout the Commonwealth. Act 125 of 1998 allowed for up to \$1.5 million annually for five years money in the fund to finance the cleanup of illegally deposited waste on state forest and state park lands. The fund balance does not reflect commitments directly impacting local governments as well as the Pennsylvania Recycling Markets Center at Pennsylvania State University.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Recycling Fees, Interest, etc.); Total Funds Available; Disbursements (Environmental Protection); and Cash Balance, Ending.

Rehabilitation Center Fund

This fund was created by Act 55 of 1959 for the operation of the Hiram G. Andrews Rehabilitation Center and is funded from fees for services rendered by the center. Most of these services are rendered to vocational rehabilitation clients. The Department of Labor and Industry is continuing the pursuit of diversification and integration of services offered at the center. These plans include training enhancement for clients of the center and economic development opportunities for the Johnstown region and surrounding counties.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Client Fees, Interest, PHEAA Grants, Federal Funds, Other, Total Receipts); Total Funds Available; Disbursements (Labor and Industry, Total Disbursements); and Cash Balance, Ending.

Reinsurance Fund

Act 42 of 2019 created the Reinsurance Program including the establishment of the Reinsurance Fund as a special fund within the State Treasury. The fund will be administered by the Insurance Department to fund the Reinsurance Program. Receipts into the fund are to be transferred from the PA Health Insurance Exchange Fund (PHIEA) calculated as net of user fee revenues less PHIEA expenses. Expenditures from the fund will be used to implement and operate the Reinsurance Program and make reinsurance payments to eligible insurers under the Reinsurance Program. In making expenditures from the fund, available federal money must be expended first.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 2,328	\$ 2,767	\$ 2,967
Receipts:			
Transfer from PA Health Insurance Exchange Fund	\$ 31,260	\$ 29,392	\$ 44,400
Federal Pass-Through.....	124,250	115,500	121,129
Interest	156	206	90
Total Receipts	<u>155,666</u>	<u>145,098</u>	<u>165,619</u>
Total Funds Available	\$ 157,994	\$ 147,865	\$ 168,586
Disbursements:			
Insurance:			
Administration	\$ 331	\$ 406	\$ 400
Payment to Insurers.....	154,896	144,492	165,129
Total Disbursements	<u>(155,227)</u>	<u>(144,898)</u>	<u>(165,529)</u>
Cash Balance, Ending	\$ 2,767	\$ 2,967	\$ 3,057

Remining Financial Assurance Fund

Act 173 of 1992 authorized this fund to assist mine operators who qualify to purchase reclamation bonds or make payment in lieu of reclamation bonds. Revenues are the transfer of up to \$5 million from the Land and Water Development Fund and from in lieu of bond premium payments. Expenditures from this fund occur only when mine operators default.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 4,925	\$ 5,238	\$ 4,892
Receipts:			
Operator Annual Fee.....	\$ 44	\$ 48	\$ 48
Interest	269	276	137
Total Receipts.....	<u>313</u>	<u>324</u>	<u>185</u>
Total Funds Available	\$ 5,238	\$ 5,562	\$ 5,077
Disbursements:			
Environmental Protection	\$ -	\$ 670	\$ 760
Total Disbursements.....	<u>-</u>	<u>(670)</u>	<u>(760)</u>
Cash Balance, Ending	\$ 5,238	\$ 4,892	\$ 4,317

Rightful Owners' Claims Payment Fund

The Rightful Owners' Claims Payment Fund was created by Act 45 of 2003 to make reimbursements and prompt payment of claims to an owner for a restitution payment previously held as unclaimed by any court, public corporation, public authority or instrumentality of the Commonwealth, or by a public officer or political subdivision. Under the act, 5 percent of the funds transferred annually into the Treasury will be deposited into the Rightful Owners' Claims Payment Fund to create the capability to make a reimbursement in the event a claim is filed. The remaining 95 percent balance of the restitution monies annually escheated from the entities identified are to be deposited to the Crime Victim Services and Compensation Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 90	\$ 9	\$ 246
Receipts:			
Transfers from Unclaimed Property Accounts	\$ 349	\$ 591	\$ 591
Interest	2	3	4
Total Receipts	<u>351</u>	<u>594</u>	<u>595</u>
Total Funds Available	<u>\$ 441</u>	<u>\$ 603</u>	<u>\$ 841</u>
Disbursements:			
Treasury Payments to Claimants	\$ 432	\$ 357	\$ 488
Total Disbursements	<u>(432)</u>	<u>(357)</u>	<u>(488)</u>
Cash Balance, Ending	<u>\$ 9</u>	<u>\$ 246</u>	<u>\$ 353</u>

School Safety and Security Fund

Act 44 of 2018 (amending the Public School Code) established the School Safety and Security Committee within the Pennsylvania Commission on Crime and Delinquency (PCCD) for the administration of the School Safety and Security Grant Program. Grant funding is dispersed throughout the Commonwealth and is used by school entities to supplement existing school spending on safety and security. Each fiscal year, the first \$15 million of all excess fines, fees, and costs collected by any division of the Unified Judicial System (UJS) shall be deposited into the School Safety and Security Fund. Act 54 of 2022 and Act 22 of 2023 suspended the UJS deposit for fiscal years 2022-23 and 2023-24 respectively. Act 23 of 2020 provided for a subgrant from the Elementary and Secondary School Emergency Relief (ESSER). Act 1A of 2022 appropriated \$100 million to the Department of Education for transfer to the fund and Act 55 of 2022 also authorized a transfer of \$100 million from the appropriation to the department for the Ready-to-Learn Block Grant to be used for school mental health initiatives.

Act 1A of 2023 appropriated \$50 million to the Department of Education for transfer to the fund. Act 33 of 2023 appropriated \$20.7 million for the Safe Schools Initiative to be transferred to PCCD for the distribution of grants and authorized \$100 million for COVID-SFR-School Mental Health Grants.

Act 55 of 2024 appropriated \$100 million to the Department of Education for transfer to the fund and appropriated \$20.7 million for the Safe Schools Initiative to be transferred to PCCD for distribution of grants. Act 54 of 2024 also transferred all unconsumed balances appropriated from the COVID State Fiscal Recovery restricted account to the Department of Corrections.

This budget proposes a permanent suspension to the UJS deposit and transferring \$111 million from the General Fund for the Safe Schools Initiative, school mental health, and safety and security programs.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 189,550	\$ 272,100	\$ 36,732
Receipts:			
Transfer from General Fund.....	\$ 70,700	\$ 120,700	\$ 111,000
Federal Funds - COVID.....	633	-	-
Federal Funds - COVID-SFR-Transfer from Human Services.....	100,000	-	-
Federal Funds - COVID-SFR-Transfer to Corrections.....	-	(3,966)	-
Interest.....	11,252	16,368	531
Total Receipts.....	182,585	133,102	111,531
Total Funds Available	\$ 372,135	\$ 405,202	\$ 148,263
Disbursements:			
Commission on Crime and Delinquency.....	\$ 94,214	\$ 277,325	\$ 148,263
COVID-SFR School Mental Health Grants.....	348	86,464	-
Elementary and Secondary School Emergency Relief (ESSER).....	473	-	-
Education:			
COVID-SFR School-Based MH Training and Pathways to Certification.....	-	4,681	-
PHEAA:			
COVID-SFR School Mental Health Internship.....	5,000	-	-
Total Disbursements.....	(100,035)	(368,470)	(148,263)
Cash Balance, Ending	\$ 272,100	\$ 36,732	\$ -

Self-Insurance Guaranty Fund

This fund was created by Act 44 of 1993, the Pennsylvania Workers' Compensation Act. The purpose of this fund is to pay claims arising from defaulting self-insurance employers and defaulting members of self-insurance pooling arrangements under the Workers' Compensation Act for injuries occurring on or after October 30, 1993. The fund is maintained by assessments on self-insurers. Act 53 of 2000 provides for payments of claims resulting from injuries prior to October 30, 1993, through a Prefund Account funded by transfers from the Workers' Compensation Administration Fund. Act 49 of 2001 limited annual transfers to the Prefund Account to \$3.8 million. The Prefund Account and the fund are administered by the Department of Labor and Industry.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Recoveries, Assessments, Interest, etc.); Total Funds Available; Disbursements (Labor and Industry); and Cash Balance, Ending.

SERS - Defined Contribution Fund

This fund was created to meet the provisions of Act 5 of 2017 to accumulate reserves for the payment of defined contribution plan retirement benefits to eligible state employees. Money in this fund is used to pay expenses of the plan and benefits to participants of the State Employees' Defined Contribution Plan and their beneficiaries. Participation in the defined contribution plan is mandatory for most new state employees hired on or after January 1, 2019 and available to employees of non-state entities, such as the Pennsylvania State University, the Pennsylvania Turnpike Commission, the Delaware River Port Authority, and other public and quasi-public institutions authorized by the Retirement Code. The fund receives revenue from employee contributions, employer contributions, appropriations, and income derived from its investment portfolio. All of these revenue sources belong to the participants in the plan and are therefore credited directly to individual participant accounts managed by the third-party administrator. Employers pay 100 percent of the employer share of contributions to the fund, which participants vest in after 3 years of service. PA Fiscal Code (Act 2020-23), signed into law on May 29, 2020, authorized the SERS Board to assess employers a per-participant charge for the administrative fees, costs, and expenses of the plan. Management of the fund and payment of benefits are overseen by the State Employees' Retirement System.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 146,676	\$ 242,301	\$ 336,310
Receipts:			
Contributions	\$ 77,472	\$ 79,409	\$ 81,394
Fees Collected from Employers	5,345	5,979	4,836
Interest	262	339	78
Net Investment Adjustment	26,520	27,183	27,863
Total Receipts	<u>109,599</u>	<u>112,910</u>	<u>114,171</u>
Total Funds Available	\$ 256,275	\$ 355,211	\$ 450,481
Disbursements:			
State Employees' Retirement System:			
Administrative Expenses	\$ 4,834	\$ 7,020	\$ 4,836
Benefits and Other Expenses	9,140	11,881	15,446
Total Disbursements	<u>(13,974)</u>	<u>(18,901)</u>	<u>(20,282)</u>
Cash Balance, Ending	\$ 242,301	\$ 336,310	\$ 430,199

Small Business First Fund

Act 67 of 1996 created the Small Business First Fund. The fund replaced the Air Quality Improvement Fund, Storage Tank Loan Fund, and the Pennsylvania Capital Loan Fund. Balances and program commitments in those funds were transferred to the Small Business First Fund. The fund may receive transfers from the Minority Business Development Fund to facilitate its programs for small businesses. Act 50 of 2009 enabled the fund to transfer monies to the Machinery and Equipment Loan Fund in support of its activities.

This program provides low-interest loans for small businesses of 100 employees or less. Eligible projects include land and building acquisition and construction; machinery and equipment purchases; working capital; compliance with environmental regulations; and municipal or commercial recycling. In addition, companies eligible to participate in this program are those impacted by the reduction in defense-related activities and those involved in exports, advanced technology, and the hospitality industry. Act 161 of 2014 transitioned the administration of this fund to the Pennsylvania Industrial Development Authority (PIDA), while also authorizing funds to be transferred by an action of the PIDA board between the Small Business First Fund, the Machinery and Equipment Loan Fund, and the Industrial Development Fund to maximize the effectiveness of the programs. The fund balance does not reflect commitments for business expansion.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 41,502	\$ 75,453	\$ 66,969
Receipts:			
Loan Principal and Interest Repayments	\$ 40,398	\$ 15,000	\$ 15,000
Interest	3,594	4,041	1,872
Other	2	2	2
Total Receipts	<u>43,994</u>	<u>19,043</u>	<u>16,874</u>
Total Funds Available	\$ 85,496	\$ 94,496	\$ 83,843
Disbursements:			
Community and Economic Development	\$ 10,043	\$ 27,527	\$ 24,958
Total Disbursements	<u>(10,043)</u>	<u>(27,527)</u>	<u>(24,958)</u>
Cash Balance, Ending	\$ 75,453	\$ 66,969	\$ 58,885

Special Administration Fund

The purpose of this fund, administered by the Department of Labor and Industry, is to cover those administrative expenses of the Unemployment Compensation Law not properly and validly chargeable to the Administration Fund. The receipts of the fund are generated from interest and penalties collected from claimants and employers under provisions of the Unemployment Compensation Law. Act 5 of 2005 requires that all monies in excess of \$200,000 in the fund, less encumbrances for litigation, shall be transferred by June 25th of each year to either the Unemployment Compensation Contribution Fund, the Job Training Fund, or both.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 49,565	\$ 64,710	\$ 200
Receipts:			
Penalty and Interest Collections.....	\$ 16,539	\$ 14,000	\$ 13,994
Transfer to Unemployment Compensation Contribution Fund.....	-	(15,080)	-
Interest	2,972	3,503	6
Total Receipts	<u>19,511</u>	<u>2,423</u>	<u>14,000</u>
Total Funds Available	<u>\$ 69,076</u>	<u>\$ 67,133</u>	<u>\$ 14,200</u>
Disbursements:			
Labor and Industry	\$ 4,366	\$ 66,933	\$ 14,000
Total Disbursements.....	<u>(4,366)</u>	<u>(66,933)</u>	<u>(14,000)</u>
Cash Balance, Ending	<u>\$ 64,710</u>	<u>\$ 200</u>	<u>\$ 200</u>

State Employees' Retirement Fund

This fund was created in 1923 to accumulate reserves for the payment of pensions to eligible former state employees. Money in this fund is used to pay retirement, disability, and death benefits to members of the State Employees' Retirement System and their beneficiaries. Membership in the system is mandatory for most state employees and available to employees of non-state entities, such as the Pennsylvania State University, the Pennsylvania Turnpike Commission, the Delaware River Port Authority, and other public and quasi-public institutions authorized by the Retirement Code.

The fund receives revenue from employee contributions, employer contributions, and income derived from its investment portfolio. Employer contributions are an actuarially determined percentage of payroll sufficient to fund current and future benefit payments. Investment income is used to credit interest to each member's account, to pay the administrative expenses of the retirement system, and to accumulate monies for the payment of future benefits. Management of the fund and payment of benefits are overseen by the State Employees' Retirement Board.

Act 40 of 2003 changed the retirement system's amortization period, thereby lowering the employer contribution costs. Act 120 of 2010 amended the benefit structure for most new employees hired after December 31, 2010 and established a new shared risk benefit plan. Act 5 of 2017 made further changes to the retirement benefit structure for new employees hired after December 31, 2018. New employees may now choose between a defined contribution plan and two hybrid defined benefit/defined contribution plans. The defined contribution plans are operated out of the SERS – Defined Contribution Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 35,512,408	\$ 37,654,501	\$ 38,981,304
Receipts:			
Contributions of Employees	\$ 439,777	\$ 436,500	\$ 444,500
Contributions of Employers	2,288,607	2,219,263	2,237,227
Transfer to Annuity Reserve Account	12,153	12,153	12,153
Directed Commissions	46	46	46
Net Investment Adjustment	3,359,113	2,587,993	2,679,210
Other	51,617	51,617	51,617
Total Receipts	6,151,313	5,307,572	5,424,753
Total Funds Available	\$ 41,663,721	\$ 42,962,073	\$ 44,406,057
Disbursements:			
State Employees' Retirement System:			
Administration and Investment Related Expenses	\$ 39,270	\$ 51,837	\$ 55,479
Benefits	3,969,951	3,928,932	4,000,278
Total Disbursements	(4,009,220)	(3,980,769)	(4,055,757)
Cash Balance, Ending	\$ 37,654,501	\$ 38,981,304	\$ 40,350,300

State Gaming Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, established the State Gaming Fund to receive gaming license fees and 34 percent of the gross terminal revenue (GTR) generated by licensed gaming facilities. Act 42 of 2017, expanded gaming in the Commonwealth to include a new category of slot machine licenses, interactive gaming, and airport gaming. The fund receives 52 percent of gross interactive gaming revenue (GIGR) generated through simulated slot machines and 14 percent of GIGR generated through simulated table games. Fund revenues are annually distributed to various programs and the remainder is transferred to the Property Tax Relief Fund. Also, licensed gaming facilities deposit an additional 4 percent of GTR for slot machines, 2 percent of gross table game revenue, and 2 percent of GIGR into the fund for local share distributions where gaming facilities are located. Act 54 of 2024 transferred \$5 million from the Local Law Enforcement Grants to Pennsylvania Commission on Crime and Delinquency.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 522,994	\$ 566,854	\$ 293,326
Receipts:			
State Tax Revenue.....	\$ 1,264,645	\$ 1,361,000	\$ 1,374,500
Licensee Deposit Accts.....	107,114	107,928	109,405
Local Share Assessment.....	488,822	503,900	513,500
Interest.....	23,694	28,231	8,929
Other.....	5,998	7,100	7,100
Total Receipts.....	1,890,273	2,008,159	2,013,434
Total Funds Available	\$ 2,413,267	\$ 2,575,013	\$ 2,306,760
Disbursements:			
Revenue:			
Transfer to Compulsive and Problem Gambling Treatment Fund.....	\$ 7,543	\$ 7,461	\$ 7,506
Transfer to Compulsive and Problem Gambling Treatment Fund - Drug and Alcohol.....	5,574	6,173	6,236
Payments in Lieu of Taxes:			
Conservation and Natural Resources.....	5,256	14,703	12,100
Fish and Boat Commission.....	17	70	45
Game Commission.....	3,645	15,178	9,676
Emergency Management:			
Fire and Emergency Medical Services Grants.....	25,000	25,000	25,000
Community and Economic Development:			
Transfer to Commonwealth Financing Authority.....	205,219	343,594	257,700
Gaming Control Board:			
Local Law Enforcement Grants.....	494	2,000	2,000
Local Share Assessment Distribution:			
Revenue.....	165,691	348,908	161,844
Community and Economic Development.....	94,691	91,118	92,492
Education.....	1,499	1,442	1,464
Administrative Appropriations:			
Gaming Control Board.....	53,530	59,699	60,423
Revenue.....	5,182	7,344	8,032
State Police.....	36,196	38,884	41,857
Attorney General.....	1,507	1,664	1,700
Transfer to Crime Victim Services and Compensation Fund.....	-	5,000	-
Transfer to Property Tax Relief Fund.....	1,235,369	1,313,449	1,311,710
Total Disbursements.....	(1,846,413)	(2,281,687)	(1,999,785)
Cash Balance, Ending	\$ 566,854 ^a	\$ 293,326 ^a	\$ 306,975 ^a

^a Ending cash balance reflects funds restricted for administration, enforcement, and local share distributions, as well as June tax receipts transferred to the Property Tax Relief Fund in July.

State Insurance Fund

Act 227 of 1915 created this fund which finances expenditures related to the rebuilding, restoring, or replacing of buildings, structures, equipment, or other property owned by the Commonwealth that have been damaged or destroyed by fire or other casualty. This includes natural or man-made disasters. Revenue is derived from interest earned by the fund, interest received from the Fire Insurance Tax Fund, and from reimbursements by insurance companies. If needed, money may also be directly appropriated to this fund. Receipts of the fund include reimbursement from the Commonwealth’s excess insurance policy, which is responsible for damages for any occurrence in excess of \$1 million. This fund satisfies the requirements of the federal government for the Disaster Insurance Program.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 4,462	\$ 5,311	\$ 5,077
Receipts:			
Transfer from General Fund.....	\$ 1,500	\$ 1,500	\$ 1,500
Interest	1,212	1,566	768
Other	-	-	-
Total Receipts	2,712	3,066	2,268
Total Funds Available	\$ 7,174	\$ 8,377	\$ 7,345
Disbursements:			
General Services.....	\$ 1,863	\$ 3,300	\$ 3,500
Total Disbursements.....	(1,863)	(3,300)	(3,500)
Cash Balance, Ending	\$ 5,311	\$ 5,077	\$ 3,845

State Racing Fund

The State Racing Fund is a special revenue fund composed of monies received from taxes and license fees collected by the State Horse Racing Commission for the regulation of horse and harness racing. The administration and enforcement of racing in Pennsylvania is governed by Act 114 of 2016. The Act repealed and restructured the Race Horse Industry Reform Act (Act 93 of 1983 and subsequent amendments) and provided funding for promotional costs. Licensed racing corporations who annually conduct at least 100 days of racing continue to remit wagering taxes at the rate of 1.5 percent. License and fee revenue is derived from the licensing of jockeys and other persons participating in racing as prescribed by the State Racing Commission. Penalties and interest on taxes due, interest on securities, and uncashed tickets comprise miscellaneous revenue.

Currently, most of the revenues for restricted racing programs comes from Act 71 of 2004, the Race Horse Development and Gaming Act. Funding is generated from gross terminal revenues from slot machines and is transferred from the Pennsylvania Race Horse Development Trust Fund.

This budget proposes the reauthorization of the Act 114 of 2016 drug testing transfer provision from the Pennsylvania Race Horse Development Trust Fund on July 1, 2025 to cover the cost of the drug testing program.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Restricted Cash Balance, Beginning	\$ 21,353	\$ 16,209	\$ 15,272
Racing Programs:			
Receipts	29,971	30,552	26,320
Disbursements - Agriculture	(35,115)	(31,489)	(29,434)
Restricted Cash Balance, Ending	\$ 16,209	\$ 15,272	\$ 12,158
 Unrestricted Cash Balance, Beginning	 \$ 7,178	 \$ 5,629	 \$ 373
Receipts:			
Admission and Wagering	\$ 6,087	\$ 6,188	\$ 8,505
Licenses and Fees	772	788	803
Fines and Penalties	194	198	202
Transfer from Race Horse Development Fund - Promotion	1,983	1,864	1,871
Transfer from Race Horse Development Fund - Drug Testing	10,066	10,425	12,405
Other	671	685	698
Interest	1,201	1,039	414
Total Receipts	<u>20,974</u>	<u>21,187</u>	<u>24,898</u>
Total Funds Available	\$ 28,152	\$ 26,816	\$ 25,271
Disbursements:			
Agriculture	\$ 22,357	\$ 26,164	\$ 24,988
Revenue	166	279	281
Total Disbursements	<u>(22,523)</u>	<u>(26,443)</u>	<u>(25,269)</u>
Unrestricted Cash Balance, Ending	\$ 5,629	\$ 373	\$ 2
 Total Cash Balance, Beginning	 \$ 28,531	 \$ 21,838	 \$ 15,645
Receipts	50,945	51,739	51,218
Disbursements	(57,638)	(57,932)	(54,703)
Total Cash Balance, Ending	\$ 21,838	\$ 15,645	\$ 12,160

State Restaurant Fund

This fund was created by Act 259 of 1943 to finance the purchase and maintenance of equipment for the operation of the restaurant in the State Capitol as well as any other restaurants in other state office buildings. At present, the Capitol East Wing Cafeteria is the only restaurant operated through this fund. Revenue is derived from profit-sharing with the contracted vendor.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 396	\$ 355	\$ 304
Receipts:			
Commission / Profit Sharing.....	\$ 76	\$ 80	\$ 83
Interest	22	19	8
Total Receipts	98	99	91
Total Funds Available	<u>\$ 494</u>	<u>\$ 454</u>	<u>\$ 395</u>
Disbursements:			
General Services.....	\$ 139	\$ 150	\$ 130
Total Disbursements.....	<u>(139)</u>	<u>(150)</u>	<u>(130)</u>
Cash Balance, Ending	<u>\$ 355</u>	<u>\$ 304</u>	<u>\$ 265</u>

State Stores Fund

The State Stores Fund serves as the general operating fund for the Liquor Control Board. The State Police receives funds for the enforcement of the Liquor Code. The Department of Drug and Alcohol Programs also receives funds for alcohol misuse programs.

This fund receives revenues primarily from the retail and wholesale of goods. Revenues are also received from license and permit fees not credited to the Liquor License Fund, fines and penalties, lottery sales commission, and losses and damages recovered. Expenditures cover all costs associated with the operation and administration of the Liquor Store System and enforcement of the Liquor Code. Acts 39, 85 and 166 of 2016 created significant Liquor Code changes, which expand wine sales to licensed retailers, Sunday store openings and hours, and incorporated lottery sales, pricing flexibility, special liquor order changes, customer relationship management enhancements, and numerous licensing changes. Act 57 of 2024 transfers the approval of grants by both the Malt and Brewed Beverages and Wine Marketing and Promotion Boards to the Department of Agriculture.

Statement of Cash Receipts and Disbursements

	2023-24 Actual	(Dollar Amounts in Thousands) 2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 341,784	\$ 240,010	\$ 196,913
Receipts:			
Fees, Fines and Penalties.....	\$ 31,815	\$ 36,296	\$ 36,360
Expired License Auction Proceeds	-	1,000	-
Sale of Goods.....	2,521,149	2,739,950	2,794,749
Liquor Sales Taxes.....	637,996	644,409	669,462
Lottery Commissions.....	2,048	1,873	2,100
Recovered Losses and Damages	1,257	2,207	2,207
Interest	16,221	13,847	5,978
Other	75	79	79
Total Receipts	3,210,561	3,439,661	3,510,935
Total Funds Available	\$ 3,552,345	\$ 3,679,671	\$ 3,707,848
Disbursements:			
Drug and Alcohol Programs	\$ 4,054	\$ 4,842	\$ 4,842
Liquor Control Board	2,450,993	2,604,349	2,600,159
State Police	34,192	41,058	40,316
Transfer of Liquor Sales Taxes to General Fund	637,996	644,409	669,462
Transfer for Wine, Beer, and Spirits Boards	-	3,000	3,000
Transfer to General Fund	185,100	185,100	185,100
Total Disbursements.....	(3,312,335)	(3,482,758)	(3,502,879)
Cash Balance, Ending	\$ 240,010	\$ 196,913	\$ 204,969

State Treasury Armory Fund

Created in accordance with Act 92 of 1975, the State Treasury Armory Fund receives monies derived from the sale of any armory building, armory site, or other real estate. Funds are expended solely for the purchase of equipment, furniture and fixtures, for repairs and maintenance, or for the construction of new armories in the Commonwealth.

Statement of Cash Receipts and Disbursements

Table with 4 columns: Description, 2023-24 Actual, 2024-25 Available, 2025-26 Estimated. Rows include Cash Balance, Beginning; Receipts (Armory Rentals, Sale of Armories and Land, Interest, Other, Total Receipts); Total Funds Available; Disbursements (Military and Veterans Affairs, Total Disbursements); and Cash Balance, Ending.

State Workers' Insurance Fund

The State Workers' Insurance Fund (SWIF) was created by Act 338 of 1915 and operates within the Department of Labor and Industry. It is a self-sustaining fund providing workers' compensation insurance to employers, including those refused policies by private insurance firms. SWIF is subject to underwriting rules, classification, and rates promulgated by rating bureaus authorized by the State Insurance Commissioner. Premium rates are established by them based on the history of accidents by industry. (Administrative costs are paid from the fund, including expenses related to Insurance Department and Auditor General examinations.)

Act 68 of 1990 provides for the transfer of money from SWIF. Annual payments are made to the General Fund equal to the amount which would have been paid in taxes had SWIF been subject to taxes. The act also established an Advisory Council to recommend the amount of surplus in SWIF, if any, that could be distributed without jeopardizing its legal obligations to policy holders. If such a surplus exists, the SWIF Board may then recommend distribution of the surplus as refunds to current or former policyholders. The funds recommended by the board to be transferred or refunded to policyholders must be approved and appropriated by the General Assembly.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 1,166,437	\$ 1,150,194	\$ 1,097,636
Receipts:			
Premiums	\$ 81,184	\$ 80,892	\$ 75,000
Interest	51,300	45,422	40,000
Net Investment Adjustment	13,453	34,648	35,000
Other	2,817	1,500	1,500
Total Receipts	148,754	162,462	151,500
Total Funds Available	\$ 1,315,191	\$ 1,312,656	\$ 1,249,136
Disbursements:			
Labor and Industry	\$ 163,253	\$ 213,402	\$ 213,520
Premium Tax Payment to General Fund.....	1,744	1,618	1,500
Total Disbursements	(164,997)	(215,020)	(215,020)
Cash Balance, Ending	\$ 1,150,194	\$ 1,097,636	\$ 1,034,116

Storage Tank Fund

The Storage Tank Fund was created by Act 32 of 1989 for the operation of an aboveground and underground storage tank regulation, registration, and enforcement program. Revenues to the fund consist of registration and permit fees, fines, judgements, bond forfeitures, interest, and recovered costs. Expenditures include the remediation of leaking underground storage tanks. Act 61 of 2017 authorized an increase, from \$3,000,000 to \$7,000,000 in the reimbursement that could be requested from the Underground Storage Tank Indemnification Fund (USTIF) to the fund for costs associated with investigating, determining responsibility, overseeing remediation and third-party response, and closing out cases of spills and leaks, as well as for inspecting, determining compliance, and taking enforcement action against owners of storage tanks.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 17,929	\$ 21,109	\$ 23,080
Receipts:			
Registration Fees	\$ 2,734	\$ 2,822	\$ 2,781
Federal Funds - EPA.....	1,145	4,312	4,740
Fines and Penalties.....	1,163	540	570
Interest	1,071	1,266	655
Reimbursement from USTIF	4,910	7,000	7,000
Cost Recovery Reimbursements/Settlements	3,765	3,619	10
Total Receipts	14,788	19,559	15,756
Total Funds Available	\$ 32,717	\$ 40,668	\$ 38,836
Disbursements:			
Environmental Protection	\$ 11,608	\$ 17,588	\$ 17,861
Total Disbursements	(11,608)	(17,588)	(17,861)
Cash Balance, Ending	\$ 21,109	\$ 23,080	\$ 20,975

Substance Abuse Education and Demand Reduction Fund

This fund was created by Act 198 of 2002 and amended by Act 36 of 2006. The purpose of the fund is to provide research-based approaches to prevention, intervention, training, treatment, and education services to reduce substance abuse and to offer statewide programs to assist families in accessing those services. The fund also provides for statewide programs to educate employers, unions, and employees about the dangers of substance abuse in the workplace and provide comprehensive drug-free workplace programs and technical resources for businesses.

Revenue to the fund consists of assessments on individuals convicted, adjudicated delinquent or granted accelerated rehabilitative disposition, and also those individuals who plead guilty or nolo contendere to either a violation of the Controlled Substance, Drug, Device and Cosmetic Act or a violation relating to driving under the influence of alcohol or controlled substance. The Community Drug Program, within the Office of Attorney General, is to receive 10 percent of the grant monies available for annual award through the Pennsylvania Commission on Crime and Delinquency.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 10,258	\$ 10,188	\$ 6,104
Receipts:			
Assessments	\$ 2,445	\$ 2,404	\$ 2,560
Interest	423	437	151
Total Receipts	<u>2,868</u>	<u>2,841</u>	<u>2,711</u>
Total Funds Available	\$ 13,126	\$ 13,029	\$ 8,815
Disbursements:			
Commission on Crime and Delinquency	\$ 2,938	\$ 6,925	\$ 4,800
Total Disbursements	<u>(2,938)</u>	<u>(6,925)</u>	<u>(4,800)</u>
Cash Balance, Ending	\$ 10,188	\$ 6,104	\$ 4,015

Surface Mining Conservation and Reclamation Fund

The Surface Mining Conservation and Reclamation Fund was created in 1945 to finance reclamation projects on land scarred by surface mining. Projects include recontouring, terracing, and planting of trees, shrubs, and grasses. Revenues are provided by charging surface mining operators for licenses and permits and by fining them for failure to apply for the licenses and permits as well as by forfeiture of collateral bonds, cash, or securities for failure to comply with an approved reclamation plan. Five percent of the fines and penalties collected in one fiscal year is transferred to the Environmental Education Fund in the subsequent fiscal year. The remaining 95 percent, up to a maximum of \$500,000, is transferred to the Reclamation Fee O & M Trust Account. Act 95 of 2012 required sum-certain guarantees to cover stage III reclamation liability under a permittee's reclamation bond, to the extent funds are available. Act 34 of 2023 authorized a transfer of personal income tax to the fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Restricted Cash Balance, Beginning	\$ 63,292	\$ 65,352	\$ 67,560
Forestering and Reclamation Programs:			
Receipts	2,515	2,902	2,644
Disbursements - Environmental Protection	(455)	(694)	(620)
Restricted Cash Balance, Ending	\$ 65,352	\$ 67,560	\$ 69,584
Unrestricted Cash Balance, Beginning	\$ 7,046	\$ 8,488	\$ 5,123
Receipts:			
Licenses and Fees	\$ 228	\$ 211	\$ 234
Fines and Penalties	260	284	230
Transfer of Personal Income Tax	4,000	-	-
Transfer to Environmental Education Fund	(20)	(13)	(12)
Reclamation Fee O & M Trust Account	(383)	(247)	(250)
Interest	2,815	3,048	2,160
Restricted Interest Transfer	(2,499)	(1,800)	(1,000)
Other	382	291	332
Total Receipts	<u>4,783</u>	<u>1,774</u>	<u>1,694</u>
Total Funds Available	\$ 11,829	\$ 10,262	\$ 6,817
Disbursements:			
Environmental Protection	\$ 3,341	\$ 5,139	\$ 3,867
Total Disbursements	<u>(3,341)</u>	<u>(5,139)</u>	<u>(3,867)</u>
Unrestricted Cash Balance, Ending	\$ 8,488	\$ 5,123	\$ 2,950
Total Cash Balance, Beginning	\$ 70,338	\$ 73,840	\$ 72,683
Receipts	7,298	4,676	4,338
Disbursements	(3,796)	(5,833)	(4,487)
Total Cash Balance, Ending	\$ 73,840	\$ 72,683	\$ 72,534

Tobacco Settlement Fund

The Tobacco Settlement Fund (TSF) is a special revenue fund comprised of monies from all tobacco settlements under the Tobacco Master Settlement Agreement (MSA). Act 77 of 2001 created the TSF to receive the revenues from the Master Settlement Agreement that was reached with the five major tobacco companies on December 17, 1999. The TSF was established to provide funding for health care insurance for the uninsured, home and community-based services for seniors, tobacco use prevention and cessation, broad-based health research, medical care for workers with disabilities, hospital uncompensated care, and an endowment component to preserve a portion of the receipts for future use. Since 2005-06, a portion of the tobacco revenue has been used to offset the escalating cost of long-term care services for persons with disabilities and older Pennsylvanians.

This budget proposes to continue the 2024-25 allocations for the MSA funds anticipated to be received in April 2025 as follows: 4.5 percent for tobacco use prevention and cessation activities, 13.6 percent for health and related research, 8.18 percent for uncompensated care, 30 percent for Medicaid benefits for workers with disabilities, and 43.72 percent for health-related purposes.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 150,477	\$ 178,655	\$ 15,143
Receipts:			
Gross Settlements.....	\$ 352,031	\$ 333,135	\$ 310,919
Tobacco Revenue Bond Debt Service.....	(115,338)	(115,336)	(115,340)
Transfer of Cigarette Tax.....	115,338	115,336	115,340
Federal Receipts.....	160,813	186,660	150,287
Interest.....	10,036	13,356	457
Other.....	1	89	-
Total Receipts.....	<u>522,881</u>	<u>533,240</u>	<u>461,663</u>
Total Funds Available	\$ 673,358	\$ 711,895	\$ 476,806
Disbursements:			
Community and Economic Development:			
Life Sciences Greenhouses.....	\$ 2,791	\$ 4,197	\$ 3,000
Health:			
Tobacco Use Prevention and Cessation (EA).....	17,283	21,718	13,991
Health Research - Health Priorities (EA).....	26,218	157,475	39,176
Health Research - National Cancer Institute (EA).....	1,950	12,241	3,109
Human Services:			
Medical Care for Workers with Disabilities (EA).....	105,417	100,296	93,276
(F)Medical Assistance - Workers with Disabilities (EA).....	124,925	123,020	117,839
(F)COVID-Medical Assistance - Workers with Disabilities (EA).....	2,441	(3,706)	-
Uncompensated Care (EA).....	28,602	56,518	25,433
(F)Medical Assistance - Uncompensated Care (EA).....	32,528	67,346	32,448
(F)COVID-Medical Assistance - Uncompensated Care (EA).....	1,639	-	-
Medical Assistance - Community HealthChoices.....	150,909	157,647	132,934
Total Disbursements.....	<u>(494,703)</u>	<u>(696,752)</u>	<u>(461,206)</u>
Cash Balance, Ending	\$ 178,655	\$ 15,143	\$ 15,600

Treasury Initiative Support Fund

The Treasury Initiative Support Fund was created in 2009 to account for funding received in support of Treasury initiatives and to track spending as required by the various funding agreements. Treasury established the Keystone Home Energy Loan Program (HELP) in 2006 to offer affordable energy efficiency financing options to homeowners. These consumer loans are bundled and purchased as an investment into a Treasury investment pool. This program received funding to administer components of the Alternate Energy Investment Act of July 9, 2008, Special Session 1. It has also received funding to support the HELP loans, including funds for a geothermal energy component. Support received to assist a Micro Lending investment program is also included in this fund. In addition, Treasury has received independent foundation grants to develop a nationwide market to support the sale of energy efficiency loans and to make investments that promote energy efficiency improvements on college and university campuses in Pennsylvania.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 12,035	\$ 12,962	\$ 13,762
Receipts:			
Program Funding.....	\$ 2,500	\$ 2,500	\$ 2,500
Interest	20	-	-
Total Receipts	<u>2,520</u>	<u>2,500</u>	<u>2,500</u>
Total Funds Available	\$ 14,555	\$ 15,462	\$ 16,262
Disbursements:			
Treasury	\$ 1,593	\$ 1,700	\$ 1,700
Total Disbursements.....	<u>(1,593)</u>	<u>(1,700)</u>	<u>(1,700)</u>
Cash Balance, Ending	\$ 12,962	\$ 13,762	\$ 14,562

Tuition Account Guaranteed Savings Program Fund

Act 11 of 1992, amended by Act 58 of 2000, provided for the establishment of two programs for postsecondary educational savings. Both programs are administered by the Tuition Account Programs Bureau within the Treasury Department with oversight by the Tuition Account Programs (TAP) Advisory Board. This fund offers a guaranteed rate of return tied to tuition inflation. Revenue is derived primarily from application fees, Tuition Account Guaranteed Savings Program contracts, and investment income. Fund expenditures consist mainly of payments to educational institutions for tuition and administrative costs.

The ending fund balance shown in the statement includes substantial investment assets. The net investment adjustment receipt item is included to reflect the carrying value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 2,886,288	\$ 2,320,496	\$ 2,267,157
Adjustment to Beginning Balance	(598,730) ^a	-	-
Adjusted Beginning Balance.....	2,287,558	2,320,496	2,267,157
Receipts:			
Application Fees.....	\$ 2,563	\$ 2,581	\$ 2,696
Tuition Unit Purchases	206,773	200,000	200,000
Net Investment Adjustment	106,354	-	-
Total Receipts.....	<u>315,690</u>	<u>202,581</u>	<u>202,696</u>
Total Funds Available	\$ 2,603,248	\$ 2,523,077	\$ 2,469,853
Disbursements:			
Treasury:			
Administration	\$ 5,902	\$ 5,920	\$ 6,035
Tuition Payments	276,850	250,000	250,000
Total Disbursements.....	<u>(282,752)</u>	<u>(255,920)</u>	<u>(256,035)</u>
Cash Balance, Ending	\$ 2,320,496	\$ 2,267,157	\$ 2,213,818

^a Adjustment to beginning balance attributed to change in basis of accounting.

Tuition Account Investment Program Fund

Act 11 of 1992, amended by Act 58 of 2000, provided for the establishment of two programs for postsecondary educational savings. Both programs are administered by the Tuition Account Programs Bureau within the Treasury Department with oversight by the Tuition Account Programs Advisory Board. The Tuition Account Investment Program, launched in July 2002, provides market-based investment returns and offers participants several investment options based on age, investment risk or socially responsible investments comprising a mix of equity and fixed income portfolios. Fund revenue is derived primarily from Tuition Account Investment Program contracts and investment income. Fund expenditures consist mainly of redemption of program contracts.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 4,629,109	\$ 5,400,945	\$ 5,503,945
Receipts:			
Tuition Investment Purchases.....	\$ 594,799	\$ 523,000	\$ 523,000
Net Investment Adjustment.....	598,152	-	-
Total Receipts.....	<u>1,192,951</u>	<u>523,000</u>	<u>523,000</u>
Total Funds Available	\$ 5,822,060	\$ 5,923,945	\$ 6,026,945
Disbursements:			
Treasury.....	\$ 421,115	\$ 420,000	\$ 420,000
Total Disbursements.....	<u>(421,115)</u>	<u>(420,000)</u>	<u>(420,000)</u>
Cash Balance, Ending	\$ 5,400,945	\$ 5,503,945	\$ 5,606,945

UC-FEMA ONA / Lost Wages Fund

The UC-FEMA ONA / Lost Wages Fund was established by administrative decision to account for funding received pursuant to FEMA-DR-4506-PA, which provided for the UC-FEMA Other Needs Assistance for lost wages. This program enabled the Commonwealth to provide \$300 weekly supplemental payments to individuals unemployed due to the 2019 novel coronavirus pandemic (COVID-19).

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 74	\$ 73	\$ -
Receipts:			
Federal Receipts	\$ 317	\$ -	\$ -
Federal Receipts - Refund	-	-	-
Interest	4	4	-
Interest Transfer to General Fund	-	(77)	-
Total Receipts	<u>321</u>	<u>(73)</u>	<u>-</u>
Total Funds Available	<u>\$ 395</u>	<u>\$ -</u>	<u>\$ -</u>
Disbursements:			
Labor and Industry:			
Claims	\$ 5	\$ -	\$ -
Administration.....	317	-	-
Total Disbursements	<u>(322)</u>	<u>-</u>	<u>-</u>
Cash Balance, Ending	<u>\$ 73</u>	<u>\$ -</u>	<u>\$ -</u>

Unconventional Gas Well Fund

The Unconventional Gas Well Fund was created by Act 13 of 2012 to provide for the collection and distribution of unconventional gas well impact fees. As custodian of the Unconventional Gas Well Fund, the PA Public Utility Commission has the fiduciary responsibility to monitor and report on the receipts and disbursements of other agencies that utilize the fund. The fee revenue is used by Commonwealth agencies for monitoring and oversight of unconventional gas wells, emergency responder training, and for rail freight assistance projects. Distributions are made to county conservation districts, host counties and municipalities, and to local municipalities. Receipts deposited into the Unconventional Gas Well Fund are derived from an impact fee assessed to drillers of natural gas wells in the Marcellus Shale regions of the Commonwealth. The fee is assessed per gas well and may be adjusted based on the number of wells and changes in the Consumer Price Index for all urban consumers in the Pennsylvania, New Jersey, Delaware, and Maryland area.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 23,172	\$ 27,888	\$ 15,016
Receipts:			
Impact Fee Revenues	\$ 179,103	\$ 171,103	\$ 228,443
Interest	3,721	2,968	453
Total Receipts	<u>182,824</u>	<u>174,071</u>	<u>228,896</u>
Total Funds Available	\$ 205,996	\$ 201,959	\$ 243,912
Disbursements:			
Public Utility Commission	\$ 95,748	\$ 95,696	\$ 125,755
Emergency Management	1,397	6,925	1,500
Fish and Boat Commission	889	2,409	1,000
Transportation	413	5,683	1,000
Transfer to Conservation District Fund	4,829	4,944	5,053
Transfer to Well Plugging Account	6,000	6,000	6,000
Transfer to Marcellus Legacy Fund	63,791	60,286	83,135
Transfer to Housing Affordability and Rehabilitation Enhancement Fund	5,041	5,000	5,000
Total Disbursements	<u>(178,108)</u>	<u>(186,943)</u>	<u>(228,443)</u>
Cash Balance, Ending	\$ 27,888	\$ 15,016	\$ 15,469

Underground Storage Tank Indemnification Fund

The Storage Tank and Spill Prevention Act, Act 32 of 1989, as amended, established the Underground Storage Tank Indemnification Fund to administer a program to provide claim payments to owners and operators of underground storage tanks who incur liability for taking corrective action or for bodily injury or property damage caused by a release from underground storage tanks. Expenses for administration of the fund are also covered. The fund is administered by the Insurance Department in conjunction with a nine-member Underground Storage Tank Indemnification Board.

Act 13 of 1998 established a loan program to assist owners of regulated underground storage tanks to upgrade their underground storage tank systems to meet federal Environmental Protection Agency upgrade requirements or to remove them from service. Act 100 of 2000 expanded the upgrade loan program to include the removal of underground storage tanks. The act also established an environmental cleanup program and a pollution prevention program that are administered by the Department of Environmental Protection. Act 61 of 2017 increased the reimbursement to the Storage Tank Fund from \$3,000,000 to \$7,000,000, annually. Act 34 of 2022 extended authority for the Underground Storage Tank Environmental Cleanup Program and the Underground Storage Tank Pollution Prevention Program until December 31, 2027.

Statement of Cash Receipts and Disbursements

		(Dollar Amounts in Thousands)	
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 405,623	\$ 447,157	\$ 437,212
Receipts:			
Gallon Fee.....	\$ 47,032	\$ 48,131	\$ 48,131
Tank Capacity Fee.....	5,535	5,770	5,770
Interest.....	697	648	340
Net Investment Adjustment.....	29,415	-	-
Other.....	331	340	350
Total Receipts.....	83,010	54,889	54,591
Total Funds Available	\$ 488,633	\$ 502,046	\$ 491,803
Disbursements:			
Environmental Protection.....	\$ 2,197	\$ 6,010	\$ 5,208
Insurance:			
Administration.....	10,216	20,837	17,738
Claims.....	29,063	37,987	38,000
Total Disbursements.....	(41,476)	(64,834)	(60,946)
Cash Balance, Ending	\$ 447,157	\$ 437,212	\$ 430,857

Unemployment Compensation Benefit Payment Fund

Employers' and employees' contributions under the Unemployment Compensation Law are credited to the Commonwealth's account in the federal Unemployment Trust Fund (UTF). Requisitions of money from the UTF for the payment of unemployment compensation benefits to eligible individuals are the revenue for the Unemployment Compensation Benefit Payment Fund. Available Year estimates include continued unemployment assistance provided through the Continued Assistance for Unemployed Workers Act of 2020.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 447,688	\$ 1,842	\$ -
Receipts:			
Regular Unemployment Compensation Program	\$ 1,864,616	\$ 1,927,000	\$ 1,875,000
COVID Unemployment Compensation Benefits	(438,315)	19,640	10,000
Extended / Other Benefits	12,560	25,000	208,000
Total Receipts	<u>1,438,861</u>	<u>1,971,640</u>	<u>2,093,000</u>
Total Funds Available	\$ 1,886,549	\$ 1,973,482	\$ 2,093,000
Disbursements:			
Labor and Industry	\$ 1,884,707	\$ 1,973,482	\$ 2,093,000
Total Disbursements	<u>(1,884,707)</u>	<u>(1,973,482)</u>	<u>(2,093,000)</u>
Cash Balance, Ending	\$ 1,842	\$ -	\$ -

Unemployment Compensation Contribution Fund

This fund was created to hold monies collected from employers under the Unemployment Compensation Law and, except for refunds of collections, transfers to the Special Administration Fund, Service and Infrastructure Improvement Fund, and Reemployment Fund are transferred to the United States Treasury for credit to the Commonwealth's account in the federal Unemployment Trust Fund established under Section 904 of the Social Security Act.

This budget reflects the need for annual authorizations of the Service and Infrastructure Improvement Fund for administration of the Unemployment Compensation system.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 70,563	\$ 36,864	\$ -
Receipts:			
Contributions of Employers and Employees	\$ 2,248,077	\$ 2,165,000	\$ 2,169,000
Transfer from Special Administration Fund	-	15,080	-
Transfer from Unemployment Compensation Debt Service Fund	153,062	-	-
Other	560,094	83,000	119,354
Total Receipts	<u>2,961,233</u>	<u>2,263,080</u>	<u>2,288,354</u>
Total Funds Available	\$ 3,031,796	\$ 2,299,944	\$ 2,288,354
Disbursements:			
Labor and Industry:			
UC Contributions	\$ 2,881,932	\$ 2,194,323	\$ 2,169,000
Reemployment Services	11,973	29,612	15,000
Service and Infrastructure Improvement	101,027	76,009	104,354
Total Disbursements	<u>(2,994,932)</u>	<u>(2,299,944)</u>	<u>(2,288,354)</u>
Cash Balance, Ending	\$ 36,864	\$ -	\$ -

Unemployment Compensation Debt Service Fund

This fund was created in accordance with the Unemployment Compensation Law. The fund is administered by the Department of Labor and Industry and was originally used for the collection and repayment of interest on loans from the federal government to the Commonwealth's account in the Unemployment Trust Fund (UTF).

Act 60 of 2012, the Commonwealth's UC Reform Legislation, allowed for the issuance of bonds to repay the state's Unemployment Compensation debt to the federal government. The name of the fund was changed to the Debt Service Fund and its purpose was expanded to process payments for bond obligations and administrative expenses, payment of annual interest on federal loans, workforce investment and infrastructure improvements, and once debt levels are reduced to established thresholds, payment or transfer to the Unemployment Compensation Trust Fund for payment of unemployment compensation to individuals.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 152,845	\$ 409	\$ 555
Receipts:			
Contributions from Employers	\$ 665	\$ 146	\$ -
Transfer to Unemployment Compensation Contribution Fund	(153,063)	\$ -	\$ -
Total Receipts	(152,398)	146	-
Total Funds Available	\$ 447	\$ 555	\$ 555
Disbursements:			
Labor and Industry	\$ 38	\$ -	\$ -
Total Disbursements	(38)	-	-
Cash Balance, Ending	\$ 409	\$ 555	\$ 555

Uninsured Employers Guaranty Fund

This fund was created by Act 147 of 2006, amending the Pennsylvania Workers' Compensation Act. The purpose of this fund is to pay claimants or their dependents benefits when the liable employer failed to insure or self-insure. Funding is from assessments on insurers and self-insured employees. Act 132 of 2018 increased assessment revenues from 0.1 percent to 0.25 percent of the total compensation paid by all insurers or self-insured employers during the previous calendar year. Projected expenditures are dependent upon claim volume, the merits of such claims, and associated claims costs.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 3,342	\$ 3,535	\$ 2,853
Receipts:			
Assessments/Self-Insurer's Security.....	\$ 6,724	\$ 6,600	\$ 6,900
Interest	313	178	81
Other	966	715	975
Total Receipts.....	<u>8,003</u>	<u>7,493</u>	<u>7,956</u>
Total Funds Available	\$ 11,345	\$ 11,028	\$ 10,809
Disbursements:			
Labor and Industry	\$ 7,810	\$ 8,175	\$ 8,200
Total Disbursements.....	<u>(7,810)</u>	<u>(8,175)</u>	<u>(8,200)</u>
Cash Balance, Ending	\$ 3,535	\$ 2,853	\$ 2,609

Veterans Trust Fund

The Veterans Trust Fund was established by Act 87 of 2012. The fund is administered by the Department of Military and Veterans Affairs and consists of proceeds paid by the Department of Transportation relating to special plates for veterans and \$5 checkoffs on driver's license and motor vehicle registration applications, as well as grants, gifts, donations, and other payments from an individual or governmental entity. The purpose of this fund is to provide grants for programs or projects supporting Pennsylvania veterans and their families.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 1,604	\$ 1,485	\$ 1,195
Receipts:			
Contributions - Plates, Driver's License, and Registration	\$ 1,039	\$ 998	\$ 1,075
Interest	103	81	30
Other	154	104	100
Total Receipts	<u>1,296</u>	<u>1,183</u>	<u>1,205</u>
Total Funds Available	<u>\$ 2,900</u>	<u>\$ 2,668</u>	<u>\$ 2,400</u>
Disbursements:			
Military and Veterans Affairs:			
Grants and Assistance.....	\$ 1,415	\$ 1,473	\$ 1,600
Total Disbursements.....	<u>(1,415)</u>	<u>(1,473)</u>	<u>(1,600)</u>
Cash Balance, Ending	<u>\$ 1,485</u>	<u>\$ 1,195</u>	<u>\$ 800</u>

Video Gaming Fund

Act 42 of 2017 established the Video Gaming Fund to receive all license fees provided for in the act and 42 percent of the gross terminal revenue (GTR) generated by licensed gaming facilities. These monies are to be distributed annually to various programs as set forth in the act with the remainder being transferred to the General Fund. Currently, all licensed gaming terminal operators deposit an additional 10 percent of GTR into the fund for local share distributions where the gaming terminals are located.

This budget proposes changes to the Video Gaming Fund by taxing skill machines as video game terminals (VGTs). All VGTs would be taxed at 52 percent, with 5 percent allocated to the Lottery Fund and the remaining 47 percent being transferred to the General Fund after paying a fixed annual payment for local share assessment and a transfer to the Compulsive and Problem Gambling Treatment Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 2,088	\$ 3,282	\$ 2,900
Receipts:			
State Tax Revenue.....	\$ 17,294	\$ 18,018	\$ 399,968
Transfer to Compulsive and Problem Gambling Treatment Fund.....	(82)	(86)	-
Licensee Deposit Accts.....	824	858	15,383
Local Share Assessment.....	4,118	4,290	-
Testing and Certification Fees.....	1	50	50
Interest.....	621	476	108
Total Receipts.....	<u>22,776</u>	<u>23,606</u>	<u>415,509</u>
Total Funds Available	\$ 24,864	\$ 26,888	\$ 418,409
Disbursements:			
Local Share Assessment Distribution:			
Revenue.....	\$ 3,082	\$ 4,290	\$ 4,290
Testing and Certification:			
Gaming Control Board.....	-	50	50
Administrative Appropriations:			
Gaming Control Board.....	484	480	6,475
Revenue.....	183	760	9,683
Transfer to Compulsive and Problem Gambling Treatment Fund.....	-	-	1,000
Transfer to Lottery Fund.....	-	-	38,459
Transfer to General Fund.....	17,833	18,408	354,100
Total Disbursements.....	<u>(21,582)</u>	<u>(23,988)</u>	<u>(414,057)</u>
Cash Balance, Ending	\$ 3,282^a	\$ 2,900^a	\$ 4,352^a

^a Balance reflects restricted funds for regulation, administration, or local distribution.

Vocational Rehabilitation Fund

This fund, administered by the State Board of Vocational Rehabilitation in the Department of Labor and Industry, was created to provide vocational rehabilitation services to any person who has a disability, mental or physical, which constitutes a handicap to employment or to achieve independent living status. Services can be provided directly or through a purchase of service arrangement. Receipts for this fund come from federal vocational rehabilitation funds, transfer of General Fund appropriations for matching the federal funds, interest earned, and local match.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 31,108	\$ 25,471	\$ 28,264
Receipts:			
Transfer from General Fund.....	\$ 47,942	\$ 48,718	\$ 53,718
Federal Vocational Rehabilitation Funds	201,618	209,015	191,756
Interest	2,188	2,609	854
Other	9	-	-
Total Receipts	<u>251,757</u>	<u>260,342</u>	<u>246,328</u>
Total Funds Available	\$ 282,865	\$ 285,813	\$ 274,592
Disbursements:			
Labor and Industry	\$ 257,394	\$ 257,549	\$ 245,474
Total Disbursements	<u>(257,394)</u>	<u>(257,549)</u>	<u>(245,474)</u>
Cash Balance, Ending	\$ 25,471	\$ 28,264	\$ 29,118

Water and Sewer Systems Assistance Bond Fund

Act 64 of 2008, the Water and Sewer Systems Assistance Act, and Act 50 of 2009 authorized a \$400 million bond issue, which was approved by referendum, to provide grants and loans to municipalities and public utilities for the acquisition, repair, construction, reconstruction, rehabilitation, extension, expansion, and improvement of water supply and sewage treatment systems as well as the purchase or trading of nutrient credits.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 4,514	\$ 3,686	\$ -
Receipts:			
Transfer to Water and Sewer Systems Assistance Sinking Fund.....	\$ -	\$ (622)	\$ -
Interest	218	195	-
Total Receipts	218	(427)	-
Total Funds Available	<u>\$ 4,732</u>	<u>\$ 3,259</u>	<u>\$ -</u>
Disbursements:			
Infrastructure Investment Authority	\$ 1,046	\$ 3,259	\$ -
Total Disbursements	(1,046)	(3,259)	-
Cash Balance, Ending	<u>\$ 3,686</u>	<u>\$ -</u>	<u>\$ -</u>

Water and Sewer Systems Assistance Bond Sinking Fund

This fund was established to redeem or pay interest on bonds issued for the Water and Sewer Systems Assistance program. The annual appropriation from the General Fund for general obligation debt service provides revenues to the fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 4	\$ 4	\$ -
Receipts:			
Transfer from General Fund.....	\$ 2,704	\$ 2,539	\$ 2,545
Total Receipts.....	<u>2,704</u>	<u>2,539</u>	<u>2,545</u>
Total Funds Available	\$ 2,708	\$ 2,543	\$ 2,545
Disbursements:			
Treasury.....	\$ 2,704	\$ 2,543	\$ 2,545
Total Disbursements.....	<u>(2,704)</u>	<u>(2,543)</u>	<u>(2,545)</u>
Cash Balance, Ending	\$ 4	\$ -	\$ -

Water Supply and Wastewater Treatment Fund

Act 218 of 2004 established the Water Supply and Wastewater Infrastructure Capitalization Program. Funding for the program is generated from the \$250 million bond issue approved by the electorate in April of 2004. Funds are allocated to the Commonwealth Financing Authority and the Infrastructure Investment Authority (PENNVEST) to be used for grants and loans for new and existing water supply and wastewater system projects in the Commonwealth.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 20,077	\$ 21,170	\$ 12,890
Receipts:			
Accumulated Interest Transfer for Debt Service	\$ -	\$ -	\$ (12,890)
Interest	1,093	1,120	-
Total Receipts	1,093	1,120	(12,890)
Total Funds Available	\$ 21,170	\$ 22,290	\$ -
Disbursements:			
Community and Economic Development	\$ -	\$ 9,400	\$ -
Total Disbursements	-	(9,400)	-
Cash Balance, Ending	\$ 21,170	\$ 12,890	\$ -

Water Supply and Wastewater Treatment Sinking Fund

Monies in this fund are used to redeem or pay interest on bonds issued for the Water Supply and Wastewater Treatment Program. The annual appropriation from the General Fund for general obligation debt service provides revenues to the fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ -	\$ -	\$ -
Receipts:			
Transfer from General Fund.....	\$ 2,677	\$ 632	\$ 633
Total Receipts.....	<u>2,677</u>	<u>632</u>	<u>633</u>
Total Funds Available	<u>\$ 2,677</u>	<u>\$ 632</u>	<u>\$ 633</u>
Disbursements:			
Treasury.....	\$ 2,677	\$ 632	\$ 633
Total Disbursements.....	<u>(2,677)</u>	<u>(632)</u>	<u>(633)</u>
Cash Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Wild Resource Conservation Fund

This fund was created by Act 170 of 1982. Revenue is derived primarily from tax refund check-offs and voluntary contributions. The fund collects information relating to population, distribution, habitat needs, limiting factors, and other biological and ecological data to classify plants and to determine necessary management measures. These management measures include promotion of a statewide system of private wild plant sanctuaries; permitting of removal, collection or transplanting of endangered or threatened plant species; and regulation of the digging, harvesting, sale, and exploitation of designated species.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 445	\$ 512	\$ 323
Receipts:			
Tax Check-Offs	\$ 38	\$ 30	\$ 30
Voluntary Donations	-	25	-
License Plate Sales	11	10	10
Interest	25	27	8
Other	-	2	2
Total Receipts	<u>74</u>	<u>94</u>	<u>50</u>
Total Funds Available	<u>\$ 519</u>	<u>\$ 606</u>	<u>\$ 373</u>
Disbursements:			
Conservation and Natural Resources	\$ 7	\$ 283	\$ 132
Total Disbursements	<u>(7)</u>	<u>(283)</u>	<u>(132)</u>
Cash Balance, Ending	<u>\$ 512</u>	<u>\$ 323</u>	<u>\$ 241</u>

Workers' Compensation Administration Fund

This fund was created by Act 2 of 1976 to finance the expenses of the Department of Labor and Industry in administering the Pennsylvania Workers' Compensation Act and the Pennsylvania Occupational Disease Act. Act 44 of 1993 and Act 57 of 1996 amended the Workers' Compensation Act, expanding the administrative responsibilities of the department. The fund is supported by annual assessments on insurers and self-insurers under the act. These administrative funds are approved by the legislature for expenditure through the appropriation process. Administrative funds are also provided to the Office of Small Business Advocate through the Department of Community and Economic Development to represent the interests of the employers in workers' compensation rate filings before the Insurance Department.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Restricted Cash Balance, Beginning	\$ 1,372	\$ 1,444	\$ 1,437
Small Business Advocate:			
Receipts	551	550	550
Disbursements - Community and Economic Development	(479)	(557)	(550)
Restricted Cash Balance, Ending	\$ 1,444	\$ 1,437	\$ 1,437
Unrestricted Cash Balance, Beginning	\$ 102,501	\$ 103,649	\$ 78,673
Receipts:			
Assessments	\$ 69,766	\$ 66,500	\$ 86,300
Fines and Penalties	(4)	5	6
Net Investment Adjustment	5,594	-	-
Other	389	640	700
Total Receipts	<u>75,745</u>	<u>67,145</u>	<u>87,006</u>
Total Funds Available	\$ 178,246	\$ 170,794	\$ 165,679
Disbursements:			
Labor and Industry	\$ 74,597	\$ 92,121	\$ 76,102
Total Disbursements	<u>(74,597)</u>	<u>(92,121)</u>	<u>(76,102)</u>
Unrestricted Cash Balance, Ending	\$ 103,649	\$ 78,673	\$ 89,577
Total Cash Balance, Beginning	\$ 103,873	\$ 105,093	\$ 80,110
Receipts	76,296	67,695	87,556
Disbursements	(75,076)	(92,678)	(76,652)
Total Cash Balance, Ending	\$ 105,093	\$ 80,110	\$ 91,014

Workers' Compensation Security Fund

The purpose of this fund is payment of valid claims for compensation provided by the Workers' Compensation Act to individuals who are insured by an insolvent stock company. Expenses for administration of the fund are also covered.

Through June 30, 2000, payments equal to 1 percent of the net written premiums received for workers' compensation insurance policies written in the Commonwealth by stock companies, mutual carriers, and reciprocal exchanges during the preceding annual reporting period were credited to the fund. Such payments were required only if the balance less known liabilities of the fund was determined to be less than 5 percent of the loss reserves of all such companies for payments of benefits under the Workers' Compensation Act.

Act 49 of 2000 removed the statutory annual assessment procedures in conjunction with giving prudent person investment authority to the Insurance Commissioner jointly with the State Treasurer for the investment of monies in the fund. This change was expected to generate increased earnings to the fund, thereby reducing the frequency of the assessment. The act requires the Insurance Department to manage the fund to maintain its actuarial soundness and a minimum balance of \$500 million as of December 31 of any given year. If the fund balance falls below \$500 million by calendar year end, the department will assess contributions to restore the balance in the fund in a timely manner.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 1,117,939	\$ 1,187,202	\$ 1,126,441
Receipts:			
Assessments and Receipts	\$ 4,924	\$ 4,846	\$ 4,846
Net Investment Adjustment	83,248	-	-
Interest	1,735	1,710	944
Other	12	15	6
Total Receipts	89,919	6,571	5,796
Total Funds Available	\$ 1,207,858	\$ 1,193,773	\$ 1,132,237
Disbursements:			
Insurance:			
Administration	\$ 6,442	\$ 9,391	\$ 9,098
Claims	14,214	57,941	29,000
Total Disbursements	(20,656)	(67,332)	(38,098)
Cash Balance, Ending	\$ 1,187,202	\$ 1,126,441	\$ 1,094,139

Workers' Compensation Supersedeas Fund

The purpose of this fund is to reimburse insurers for payments made by them to claimants under the Workers' Compensation Act who are later determined to be ineligible. The fund is maintained by annual assessments on insurers and self-insurers and is administered by the Department of Labor and Industry.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 11,128	\$ 12,331	\$ 12,636
Receipts:			
Assessments	\$ 31,795	\$ 26,739	\$ 27,500
Interest	889	566	359
Total Receipts	<u>32,684</u>	<u>27,305</u>	<u>27,859</u>
Total Funds Available	\$ 43,812	\$ 39,636	\$ 40,495
Disbursements:			
Labor and Industry	\$ 31,481	\$ 27,000	\$ 29,000
Total Disbursements	<u>(31,481)</u>	<u>(27,000)</u>	<u>(29,000)</u>
Cash Balance, Ending	\$ 12,331	\$ 12,636	\$ 11,495

911 Fund

Title 35 Chapter 53, amended by Act 12 of 2015, the Public Safety Emergency Telephone Act, established the 911 Fund to support a statewide integrated 911 plan. The fund is used to collect and deposit a surcharge collected by Wireless, Prepaid Wireless, VoIP, and Wireline service providers monthly, the proceeds of which are remitted to the fund quarterly. Up to 2 percent of annual surcharge proceeds can be used by the agency for administrative costs with the remaining available balance being used for approved county grants.

Act 34 of 2023 extended the provisions of Title 35, Chapter 53 until 2029. Beginning March 1, 2024 and ending January 31, 2026, the 911 surcharge is increased to \$1.95. This budget proposes to extend the surcharge of \$1.95 through February 1, 2028.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	2023-24 Actual	2024-25 Available	2025-26 Estimated
Cash Balance, Beginning	\$ 95,159	\$ 95,762	\$ 74,805
Receipts:			
Assessments	\$ 329,224	\$ 381,580	\$ 393,027
Interest	5,835	5,697	2,259
Total Receipts	<u>335,059</u>	<u>387,277</u>	<u>395,286</u>
Total Funds Available	\$ 430,218	\$ 483,039	\$ 470,091
Disbursements:			
Emergency Management:			
Administration	\$ 4,137	\$ 7,552	\$ 7,861
Grants	330,319	400,682	385,166
Total Disbursements	<u>(334,456)</u>	<u>(408,234)</u>	<u>(393,027)</u>
Cash Balance, Ending	\$ 95,762	\$ 74,805	\$ 77,064



Commonwealth of Pennsylvania

Governor's Executive Budget

COMPLEMENT

This section provides a summary by department of authorized salaried complement on a full-time equivalent basis for the actual, available, and budget years. It also provides a brief description by agency and appropriation of the changes recommended in the budget.

Authorized Salaried Complement by Agency Full-Time Equivalent

The following is a summary, by department, of the Commonwealth's authorized complement levels on a full-time equivalent basis.

Department	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Available	2025-26 Budget
Governor's Office	72	88	98	98	98
Lieutenant Governor	18	8	8	9	9
Executive Offices	3,286	3,322	3,403	3,422	3,459
Commission on Crime and Delinquency..... ^a	125	149	149	158	158
Aging	90	98	102	106	106
Agriculture.....	616	646	665	671	678
Banking and Securities	218	218	218	218	218
Civil Service Commission	14	14	14	14	14
Community and Economic Development.....	324	357	378	417	421
Conservation and Natural Resources.....	1,329	1,382	1,409	1,439	1,442
Corrections	16,907	16,926	16,933	16,934	16,851
Drug and Alcohol Programs.....	102	102	106	122	122
Education.....	526	538	556	583	583
Emergency Management Agency.....	217	217	229	231	232
Environmental Hearing Board.....	12	12	12	12	12
Environmental Protection.....	2,516	2,744	2,774	2,874	2,909
Fish and Boat Commission.....	418	422	422	422	422
Game Commission	803	803	856	906	906
General Services	939	1,013	1,013	1,027	1,056
Health	1,478	1,560	1,577	1,541	1,539
Historical and Museum Commission	214	218	218	218	220
Human Services	16,080	16,094	16,124	15,266	15,312
Infrastructure Investment Authority.....	33	33	33	35	35
Insurance	266	279	283	305	313
Labor and Industry.....	4,670	5,161	5,161	5,193	5,208
Liquor Control Board.....	3,517	3,577	3,577	3,577	3,577
Military and Veterans Affairs.....	2,597	2,797	2,808	2,815	2,816
Milk Board.....	22	22	22	22	22
Municipal Employees' Retirement.....	50	50	50	50	50
Public School Employees' Retirement System.....	375	382	382	382	387
Public Utility Commission	526	526	526	526	526
Revenue	1,789	1,789	1,792	1,797	1,797
State	530	550	562	592	602
State Employees' Retirement System	236	238	240	246	248
State Police.....	6,472	6,507	6,607	6,613	6,618
Transportation.....	11,579	11,587	11,704	11,731	11,731
TOTAL ALL DEPARTMENTS	78,966	80,429	81,011	80,572	80,697

^a The Executive Offices - Commission on Crime and Delinquency is shown as a separate agency for budget presentation purposes only.

Summary of 2025-26 Complement Changes

The following is a detailed listing, by department, of the recommended authorized salaried complement changes (on a full-time equivalent basis) for 2025-26. It reflects proposed transfers, eliminations, and new positions.

Department / Fund / Appropriation	Increase/ Decrease	Comment on Complement Change
EXECUTIVE OFFICES		
General Fund:		
Office of Administration.....	23	NEW: For placement of Penn fellow (1). TRANSFERRED: From Corrections (34) and to Commonwealth Office of Digital Experience (-12).
Commonwealth Office of Digital Experience	12	TRANSFERRED: From Office of Administration.
Office of the Budget.....	2	NEW: For enhanced budget operations.
DEPARTMENT TOTAL	<u>37</u>	
AGRICULTURE		
General Fund:		
Payments to Pennsylvania Fairs	(2)	TRANSFERRED: To PA Race Horse Development Trust Fund Payments to Pennsylvania Fairs (R).
General Government Operations.....	7	NEW: For Farmland Preservation program support (1) and for PA Veterinary Lab support (6).
General Fund Total	<u>5</u>	
PA Race Horse Development Trust Fund:		
Payments to Pennsylvania Fairs (R)	2	TRANSFERRED: From General Fund Payments to Pennsylvania Fairs.
DEPARTMENT TOTAL	<u>7</u>	
COMMUNITY AND ECONOMIC DEVELOPMENT		
General Fund:		
General Government Operations.....	(28)	TRANSFERRED: To BusinessPA.
Office of International Business Development.....	(14)	TRANSFERRED: To BusinessPA.
Marketing to Attract Business	(3)	TRANSFERRED: To BusinessPA.
Office of Open Records	1	NEW: To administer the Right-to-Know Law.
Center for Local Government Services.....	3	NEW: For State Planning Board support.
BusinessPA	45	TRANSFERRED: From General Government Operations (28), from Office of International Business Development (14), and from Marketing to Attract Business (3).
DEPARTMENT TOTAL	<u>4</u>	
CONSERVATION AND NATURAL RESOURCES		
General Fund:		
General Government Operations.....	2	NEW: For program support for petroleum and subsurface geology.
Federal Fund:		
Federal Sentinel Landscape Program (F).....	1	NEW: For sentinel landscape coordinator.
DEPARTMENT TOTAL	<u>3</u>	
CORRECTIONS		
General Fund:		
State Correctional Institutions.....	<u>(83)</u>	TRANSFERRED: To Office of Administration (-34). Eliminated positions (-49).

Summary of 2025-26 Complement Changes

Department / Fund / Appropriation	Increase/ Decrease	Comment on Complement Change
DRUG AND ALCOHOL PROGRAMS		
Federal Funds:		
SUPTRSBG-Administration and Operation (F).....	8	TRANSFERRED: From State Opioid Response Administration (F).
State Opioid Response Administration (F)	<u>(8)</u>	TRANSFERRED: To SUPTRSBG-Administration and Operation (F).
DEPARTMENT TOTAL	<u>-</u>	
EDUCATION		
General Fund:		
General Government Operations.....	<u>2</u>	NEW: For the State Board of Higher Education.
Federal Fund:		
COVID-ESSER-SEA Administration (F)	<u>(2)</u>	Eliminated positions.
DEPARTMENT TOTAL	<u>-</u>	
EMERGENCY MANAGEMENT AGENCY		
General Fund:		
State Fire Commissioner	<u>1</u>	NEW: For administrative and programmatic support for requirements of Fire Relief Associations.
ENVIRONMENTAL PROTECTION		
General Fund:		
General Government Operations.....	1	NEW: For fiscal support.
Environmental Protection Operations	7	NEW: For agricultural conservation (3) and for programmatic requirements for surface mining reclamation and enforcement (4).
Environmental Program Management.....	4	NEW: For agricultural conservation.
Chesapeake Bay Agricultural Source Abatement.....	<u>3</u>	NEW: For agricultural conservation.
General Fund Total	<u>15</u>	
Federal Funds:		
IIJA-Orphan Well Plugging (F).....	10	NEW: For well plugging activities.
IIJA-Abandoned Mine Reclamation (F).....	<u>10</u>	NEW: For treating and restoring abandoned mine lands.
Federal Funds Total	<u>20</u>	
DEPARTMENT TOTAL	<u>35</u>	
GENERAL SERVICES		
General Fund:		
General Government Operations.....	20	NEW: For maintaining the Capitol Complex and other facilities (8), for expanding and promoting contracting opportunities for small and diverse business (5), for capital programs (4), and for Commonwealth Media Center (3).
Space Optimization and Utilization	9	NEW: For implementation of the space optimization and utilization plan to reduce the Commonwealth's real estate footprint.
DEPARTMENT TOTAL	<u>29</u>	

Summary of 2025-26 Complement Changes

Department / Fund / Appropriation	Increase/ Decrease	Comment on Complement Change
HEALTH		
General Fund:		
General Government Operations.....	3	NEW: To support the PA Viral Hepatitis Elimination Plan.
Quality Assurance.....	3	NEW: To implement Act 109 of 2024.
Health Promotion and Disease Prevention.....	1	NEW: For maternal health capacity.
Long-Term Care Transformation Office.....	1	NEW: For long-term care facility support.
General Fund Total	<u>8</u>	
Restricted:		
Ryan White Rebates.....	11	TRANSFERRED: From HIV Care-Administration and Operation (F).
Federal Funds:		
HIV Care-Administration and Operation (F).....	(11)	TRANSFERRED: To Ryan White Rebates (R).
COVID-Strengthening STD Prevention and Control (F)	(11)	Eliminated positions.
COVID-Epidemiology and Laboratory Surveillance and Response (F)(EA).....	2	NEW: For Strengthening HAI/Antimicrobial Resistance Program Capacity (SHARP).
COVID-Disease Control Immunization (F)(EA)	(1)	Eliminated position.
Federal Funds Total	<u>(21)</u>	
DEPARTMENT TOTAL	<u>(2)</u>	
HISTORICAL AND MUSEUM COMMISSION		
General Fund:		
General Government Operations.....	2	NEW: For streamlining environmental reviews of historic properties affected by IJJA projects.
HUMAN SERVICES		
General Fund:		
General Government Operations.....	101	NEW: For BHA support (16), OCYF support (19), ODP Fiscal Monitoring (7), OMHSAS Grants Manager (1), CMS Final Rule compliance (8), and OLTL support (10). TRANSFERRED: From County Assistance Offices (40).
County Administration-Statewide.....	45	NEW: For implementation of the federal Sun Bucks Program (1), CMS Final Rule compliance (14), and OLTL support (10). TRANSFERRED: From County Assistance Offices (20).
County Assistance Offices.....	(100)	TRANSFERRED: To General Government Operations (-40) and to County Administration-Statewide (-20). Eliminated positions (-40).
DEPARTMENT TOTAL	<u>46</u>	
INSURANCE DEPARTMENT		
Insurance Regulation and Oversight Fund:		
General Government Operations.....	8	NEW: To continue the implementation of Act 77 of 2024.
LABOR AND INDUSTRY		
Administration Fund:		
Workforce Development (F)(EA)	15	NEW: For program support to connect additional Pennsylvanians seeking employment with services.

Summary of 2025-26 Complement Changes

Department / Fund / Appropriation	Increase/ Decrease	Comment on Complement Change
MILITARY AND VETERANS AFFAIRS		
General Fund:		
General Government Operations.....	4	NEW: For compliance with environmental laws and regulations (1). TRANSFERRED: From Facilities Maintenance (F) (3).
Federal Fund:		
Facilities Maintenance (F).....	(3)	TRANSFERRED: To General Government Operations.
DEPARTMENT TOTAL	<u>1</u>	
SCHOOL EMPLOYEES' RETIREMENT SYSTEM		
School Employees' Retirement Fund:		
Administration-Public School Employees' Retirement Board	<u>5</u>	NEW: For retirement representative trainees.
STATE		
General Fund:		
General Government Operations.....	3	NEW: For administrative and legal support (2). TRANSFERRED: Bureau of Corporations and Charitable Organizations (EA)(R) (1).
General Fund Total	<u>3</u>	
Restricted:		
Professional and Occupational Affairs (R).....	8	NEW: For enforcement support (5), for professional licensure certification (2), and for professional health monitoring specialist (1).
Bureau of Corporations and Charitable Organizations (EA)(R)	<u>(1)</u>	TRANSFERRED: To General Government Operations.
Restricted Total	<u>7</u>	
DEPARTMENT TOTAL	<u>10</u>	
STATE EMPLOYEES' RETIREMENT SYSTEM		
State Employees' Retirement Fund:		
Administration-State Employees' Retirement Board.....	<u>2</u>	NEW: For internal audit capacity and risk management.
STATE POLICE		
General Fund:		
General Government Operations.....	<u>5</u>	NEW: For lab operations.
TRANSPORTATION		
Motor License Fund:		
Driver and Vehicle Services.....	233	TRANSFERRED: From Homeland Security-Real ID.
Homeland Security-Real ID	<u>(233)</u>	TRANSFERRED: To Driver and Vehicle Services.
DEPARTMENT TOTAL	<u>-</u>	
GRAND TOTAL	<u>125</u>	

Filled Salaried Complement by Agency

The following is a summary, by department, of the Commonwealth's filled salaried complement levels for departments under the Governor's jurisdiction.

Department	January 2022	January 2023	January 2024	January 2025	Difference Current - January 2022
Governor's Office.....	68	69	90	91	23
Lieutenant Governor.....	16	7	8	8	(8)
Executive Offices..... ^a	2,953	3,035	3,144	3,262	309
Commission on Crime and Delinquency..... ^a	109	120	130	139	30
Aging.....	80	92	90	99	19
Agriculture.....	557	573	599	621	64
Banking and Securities.....	171	169	174	169	(2)
Civil Service Commission.....	14	13	13	14	-
Community and Economic Development.....	281	307	340	366	85
Conservation and Natural Resources.....	1,271	1,282	1,362	1,394	123
Corrections.....	15,656	15,703	15,899	16,048	392
Drug and Alcohol Programs.....	83	83	92	96	13
Education.....	444	455	495	514	70
Emergency Management Agency.....	169	178	191	209	40
Environmental Hearing Board.....	9	10	10	12	3
Environmental Protection.....	2,327	2,419	2,563	2,641	314
Fish and Boat Commission.....	367	363	370	373	6
Game Commission.....	656	712	738	810	154
General Services.....	794	807	906	927	133
Health.....	1,181	1,263	1,330	1,384	203
Historical and Museum Commission.....	186	185	196	195	9
Human Services.....	14,191	13,654	13,429	13,751	(440)
Infrastructure Investment Authority.....	32	31	32	32	-
Insurance.....	239	240	250	266	27
Labor and Industry.....	3,924	4,140	4,436	4,503	579
Liquor Control Board.....	3,202	3,236	3,271	3,342	140
Military and Veterans Affairs.....	2,356	2,342	2,348	2,406	50
Milk Board.....	17	16	16	18	1
Municipal Employees' Retirement.....	36	43	40	46	10
Public School Employees' Retirement System.....	327	336	349	360	33
Public Utility Commission.....	464	455	449	456	(8)
Revenue.....	1,546	1,527	1,582	1,617	71
State.....	467	443	488	526	59
State Employees' Retirement System.....	198	213	218	222	24
State Police.....	6,145	6,164	6,218	6,286	141
Transportation.....	11,073	10,822	11,099	11,438	365
TOTAL ALL DEPARTMENTS.....	71,609	71,507	72,965	74,641	3,032

^a The Executive Offices - Commission on Crime and Delinquency is shown as a separate agency for budget presentation purposes only.



Commonwealth of Pennsylvania

Governor's Executive Budget

STATISTICAL DATA

This section presents historical data for various Pennsylvania economic indicators. The data are obtained from published sources noted on each page. Additional data are available from the [Penn State Data Center](#).

Selected Data on The Commonwealth of Pennsylvania

General Overview

Pennsylvania's economy is relatively diverse compared with many other states, as evidenced by the distribution of employment and output among major industry sectors. The state is bookended by two of the larger metro areas in the country in Philadelphia and Pittsburgh, with the rest of the state featuring smaller cities and towns that support both service and goods-producing sectors.

The combined education and healthcare industry, the so-called eds and meds sector, is a vital part of the state economy. The state's education providers, especially its notable research universities, not only provide jobs on campus but also help to nurture new businesses. The Pittsburgh region has seen rapid growth in high-tech fields such as software development and robotics, thanks in part to the presence of its universities and the graduates they produce. Philadelphia's universities continue to support regional health systems and spawn startups in the life sciences that are a major economic driver in the region.

The state's manufacturing sector may not be what it was during the heydays of Pittsburgh's dominance in the steel industry and Philadelphia's claim to be "Workshop of the World," but the state's share of manufacturing employment remains above the national average. Output of pharmaceuticals remains an engine of growth, while the rapid increase in the state's production of natural gas liquids provides the basis for gains in production of chemicals and plastics.

Pennsylvania's transportation and warehousing sector continues to benefit from its location in the midst of tens of millions of people along the Northeast Corridor, and access via interstate highways, railroads, ocean and river ports, and air cargo hubs. The northeastern part of the state in particular provides a lower-cost distribution hub for cargo coming through the ports around New York City.

Population

The Commonwealth is highly urbanized. Its largest metropolitan statistical areas include the cities of Philadelphia and Pittsburgh, which together contain most of the state’s total population. According to the U.S. Bureau of the Census, the population of Pennsylvania was just under 13.0 million people in 2023. Unlike the nation as a whole, Pennsylvania’s population is declining, and it has a higher percentage of the individuals aged 45 or over compared to the nation or its region. The following tables present the population trend from 2019 to 2023 and the age distribution of the population for 2023.

Population Trends Pennsylvania, Region, and the United States 2019-2023

As of July 1	Total Population (Amounts in Thousands)			Total Population as a share of 2019 base					
	Pennsylvania	Region ^a	United States	Pennsylvania		Region ^a		United States	
2019.....	12,802	70,880	328,240	100.0	%	100.0	%	100.0	%
2020.....	12,995	72,436	331,527	101.5	%	102.2	%	101.0	%
2021.....	13,014	72,194	332,049	101.7	%	101.9	%	101.2	%
2022.....	12,972	71,973	333,271	101.3	%	101.5	%	101.5	%
2023.....	12,962	71,987	334,915	101.2	%	101.6	%	102.0	%

^a Region: Pennsylvania, Delaware, Maryland, New Jersey, New York, Ohio, Virginia, West Virginia, and Washington D.C.
Source: U.S. Census Bureau.

Population by Age Group - 2023 Pennsylvania, Region, and the United States

Age	Pennsylvania		Region ^a		United States	
Under 5 Years	5.1	%	5.4	%	5.5	%
5-24 Years	24.1	%	24.4	%	25.3	%
25-44 Years	25.5	%	26.4	%	26.9	%
45-64 Years	25.2	%	25.3	%	24.6	%
65 Years and over	20.0	%	18.5	%	17.7	%

^a Region: Pennsylvania, Delaware, Maryland, New Jersey, New York, Ohio, Virginia, West Virginia, and Washington D.C.
Source: U.S. Census Bureau.

Employment

Preliminary data for 2024 show that non-agricultural employment grew compared to the previous year, not just in Pennsylvania, but also across the region and throughout the United States. The following table shows employment trends in those areas from 2020 to 2024.

Non-Agricultural Establishment Employment Trends Pennsylvania, Region, and the United States 2020-2024

Calendar Year	Total Establishment Employment (Amounts in Thousands)			Total Establishment Employment as a share of 2020 base					
	Pennsylvania	Region ^a	United States	Pennsylvania	Region ^a	United States			
2020	5,605	31,826	142,165	100.0	%	100.0	%	100.0	%
2021	5,761	32,713	146,276	102.8	%	102.8	%	102.9	%
2022	5,984	33,989	152,531	106.8	%	106.8	%	107.3	%
2023	6,087	34,620	156,066	108.6	%	108.8	%	109.8	%
2024 ^b	6,170	35,032	158,499	110.1	%	110.1	%	111.5	%

^a Region: Pennsylvania, Delaware, Maryland, New Jersey, New York, Ohio, Virginia, West Virginia, and Washington D.C.

^b 2024 Figures are preliminary.

Source: U.S. Bureau of Labor Statistics.

Non-manufacturing employment in Pennsylvania increased in 2024 to 90.8 percent of total non-agricultural employment from 90.7 percent during the previous year. Manufacturing, contributing 9.2 percent of 2024 non-agricultural employment, has fallen behind the services, trade, and government sectors as the 4th largest single source of employment within the Commonwealth. In 2024, the services sector accounted for 50.9 percent of all non-agricultural employment while the trade sector accounted for 13.1 percent. The following table shows trends in employment by sector for Pennsylvania from 2020 through 2024.

Non-Agricultural Establishment Employment by Sector Pennsylvania 2020-2024

	Calendar Year									
	(Amounts in Thousands)									
	2020		2021		2022		2023		2024 ^a	
	Employees	%	Employees	%	Employees	%	Employees	%	Employees	%
Manufacturing:										
Durable	318.9	5.7	321.5	5.6	332.3	5.6	334.0	5.5	334.4	5.4
Non-Durable	219.0	3.9	222.9	3.9	231.5	3.9	232.1	3.8	231.8	3.8
Total Manufacturing	537.9	9.6	544.4	9.5	563.8	9.4	566.1	9.3	566.2	9.2
Non-Manufacturing:										
Trade..... ^b	763.3	13.6	791.4	13.7	810.6	13.5	812.4	13.3	808.0	13.1
Finance..... ^c	327.1	5.8	328.8	5.7	335.1	5.6	339.7	5.6	343.0	5.6
Services..... ^d	2,731.3	48.7	2,832.2	49.2	2,984.2	49.9	3,068.1	50.4	3,141.7	50.9
Government.....	684.6	12.2	676.6	11.7	677.8	11.3	687.4	11.3	697.3	11.3
Utilities..... ^e	295.9	5.3	310.6	5.4	331.3	5.5	330.2	5.4	333.2	5.4
Construction	241.7	4.3	254.9	4.4	259.1	4.3	259.8	4.3	257.7	4.2
Mining	23.3	0.4	21.7	0.4	22.3	0.4	22.9	0.4	23.2	0.4
Total Non-Manufacturing ..	5,067.2	90.4	5,216.2	90.5	5,420.3	90.6	5,520.4	90.7	5,604.0	90.8
Total Employees	5,605.2	100.0	5,760.6	100.0	5,984.1	100.0	6,086.5	100.0	6,170.2	100.0

^a 2024 figures are preliminary.

^b Wholesale and Retail Trade.

^c Finance, Insurance, and Real Estate.

^d Information, Professional and Business Services, Education and Health Services, Leisure and Hospitality, and Other Services.

^e Transportation, Warehousing, and Utilities.

Source: U.S. Bureau of Labor Statistics.

The following table presents the percentages of non-agricultural employment in various sectors in Pennsylvania and the United States in 2024.

Non-Agricultural Establishment Employment by Sector Pennsylvania and the United States

	2024 Calendar Year ^a			
	Pennsylvania		United States	
Manufacturing	9	%	8	%
Trade ^b	13	%	14	%
Finance..... ^c	6	%	6	%
Services..... ^d	51	%	47	%
Government	11	%	15	%
Utilities..... ^e	5	%	5	%
Construction	4	%	5	%
Mining.....	0	%	0	%
Total	100	%	100	%

^a Figures are preliminary.

^b Wholesale and Retail Trade.

^c Finance, Insurance, and Real Estate.

^d Information, Professional and Business Services, Education and Health Services, Leisure and Hospitality, and Other Services.

^e Transportation, Warehousing, and Utilities.

Source: U.S. Bureau of Labor Statistics.

The table below presents trends in manufacturing employment by industry in Pennsylvania from 2020 to 2024. In 2024, the state’s manufacturing employment is projected to exceed 566,200 workers, with durable goods industries accounting for 59 percent of that total. Within durable goods, fabricated metals remains the largest sector, followed by machinery and transportation equipment. The non-durable goods sector, comprising 41 percent of manufacturing employment, includes key industries like food and chemical products. Over the five-year period, manufacturing employment has experienced gradual increases, reflecting steady growth.

Manufacturing Establishment Employment by Industry Pennsylvania 2020-2024

	Calendar Year									
	(Amounts in Thousands)									
	2020	%	2021	%	2022	%	2023	%	2024 ^a	%
Durable Goods:										
Primary Metals	32.1	6.0	31.0	5.7	33.2	5.9	34.0	6.0	34.0	6.0
Fabricated Metals	76.4	14.2	76.9	14.1	79.2	14.0	79.6	14.1	79.3	14.0
Machinery (excluding electrical)	42.7	7.9	42.5	7.8	44.5	7.9	45.1	8.0	45.2	8.0
Electrical Equipment	25.6	4.8	25.4	4.7	25.3	4.5	25.5	4.5	25.5	4.5
Transportation Equipment	34.7	6.4	35.5	6.5	36.7	6.5	37.7	6.7	38.8	6.9
Furniture Related Products	14.2	2.6	15.1	2.8	15.6	2.8	15.2	2.7	15.1	2.7
Other Durable Goods	93.4	17.4	95.1	17.5	97.9	17.4	96.9	17.1	96.5	17.1
Total Durable Goods	318.9	59.3	321.5	59.1	332.3	58.9	334.0	59.0	334.4	59.1
Non-Durable Goods:										
Pharmaceutical/ Medicine	19.6	3.6	20.5	3.8	20.9	3.7	20.6	3.6	19.8	3.5
Food Products	71.7	13.3	73.2	13.5	77.8	13.8	80.1	14.2	81.3	14.4
Chemical Products	42.2	7.9	43.6	8.0	44.4	7.9	44.3	7.8	43.2	7.6
Printing and Publishing	19.8	3.7	18.7	3.4	18.6	3.3	17.8	3.2	17.2	3.0
Plastics/Rubber Products	38.7	7.2	39.7	7.3	41.3	7.3	40.0	7.1	39.9	7.0
Other Non-Durable Goods	26.9	5.0	27.1	5.0	28.4	5.0	29.3	5.2	30.4	5.4
Total Non-Durable Goods	219.0	40.7	222.9	40.9	231.5	41.1	232.1	41.0	231.8	40.9
Total Manufacturing Employees	537.9	100.0	544.4	100.0	563.8	100.0	566.1	100.0	566.2	100.0

^a 2024 figures are preliminary.
Source: U.S. Bureau of Labor Statistics.

Unemployment

In 2023, Pennsylvania had an annual unemployment rate of 3.4 percent, which was lower than the United States unemployment rate of 3.6 percent. As of October 2024, Pennsylvania maintains an average monthly unemployment rate of 3.5 percent. The following table represents the annual unemployment rate in Pennsylvania, its region, and the United States from 2020 through 2024.

Annual Average Unemployment Rate Pennsylvania, Region, and the United States 2020-2024

Calendar Year	Pennsylvania		Region ^a		United States	
2020	8.9	%	8.5	%	8.1	%
2021	5.9	%	5.9	%	5.3	%
2022	4.1	%	3.9	%	3.6	%
2023	3.4	%	3.6	%	3.6	%
2024	3.5	%	4.0	%	4.0	%

^a Region: Pennsylvania, Delaware, Maryland, New Jersey, New York, Ohio, Virginia, West Virginia, and Washington D.C.

^b 2024 figures are preliminary.

Source: U.S. Bureau of Labor Statistics.

The following table presents the thirty largest non-governmental employers in Pennsylvania:

Commonwealth of Pennsylvania Thirty Largest Non-Governmental Employers 2nd Quarter, 2024

Company	Rank	Company	Rank
Wal-Mart Associates Inc.....	1	Vanguard Group Inc.....	16
Trustees of the University of PA.....	2	Lehigh Valley Hospital Center.....	17
Giant Food Stores LLC.....	3	Merck Sharp & Dohme Corporation.....	18
Pennsylvania State University.....	4	Comcast Cablevision Corp (PA).....	19
Amazon.com Services Inc.....	5	Wawa Inc.....	20
UPMC Presbyterian Shadyside.....	6	Universal Protection Service LLC.....	21
The Children's Hospital of Philadelphia.....	7	Federal Express Corp.....	22
University of Pittsburgh.....	8	Sheetz Inc.....	23
Lowe's Home Centers LLC.....	9	Western Penn Allegheny Health.....	24
PNC Bank NA.....	10	Milton S Hershey Medical Center.....	25
Saint Luke's Hospital.....	11	Excel Companion Care LLC.....	26
Giant Eagle Inc.....	12	Wegmans Food Markets Inc.....	27
Home Depot USA Inc.....	13	Bayada Home Health Care Inc.....	28
Weis Markets Inc.....	14	Albert Einstein Medical Center.....	29
Target Corporation.....	15	Pennsylvania CVS Pharmacy LLC.....	30

Source: Pennsylvania Department of Labor & Industry.

Personal Income

In 2023, total personal income in the Commonwealth reached \$893.6 billion, a 5.3 percent increase over the previous year. Meanwhile, national personal income saw a higher growth of 5.9 percent during the same period. Per capita income in the Commonwealth stood at \$68,945, slightly below the national figure of \$69,810. The following tables represent annual personal income data and per capita income from 2019 through 2023.

Personal Income Pennsylvania, Region, and the United States 2019-2023^a

Calendar Year	Total Personal Income (Dollar Amounts in Millions)			Total Personal Income As a share of 2019 Base					
	Pennsylvania	Region ^b	United States ^c	Pennsylvania	Region ^b	United States ^c			
2019.....	\$ 729,329	\$ 4,349,880	\$ 18,349,584	100.0	%	100.0	%	100.0	%
2020.....	\$ 782,959	\$ 4,601,989	\$ 19,600,945	107.4	%	105.8	%	106.8	%
2021.....	\$ 830,115	\$ 4,937,874	\$ 21,403,979	113.8	%	113.5	%	116.6	%
2022.....	\$ 848,383	\$ 5,046,383	\$ 22,077,232	116.3	%	116.0	%	120.3	%
2023.....	\$ 893,649	\$ 5,336,927	\$ 23,380,269	122.5	%	122.7	%	127.4	%

^a Revised statistics for 2019-2022.

^b Region: Pennsylvania, Delaware, Maryland, New Jersey, New York, Ohio, Virginia, West Virginia, and Washington D.C.

^c Sum of states.

Source: U.S. Bureau of Economic Analysis.

Per Capita Income Pennsylvania, Region, and the United States 2019-2023^a

Calendar Year	Per Capita Income			As a share of United States		
	Pennsylvania	Region ^b	United States	Pennsylvania	Region ^b	
2019.....	\$ 56,139	\$ 60,006	\$ 55,566	101.0	%	108.0 %
2020.....	\$ 60,249	\$ 63,532	\$ 59,123	101.9	%	107.5 %
2021.....	\$ 63,788	\$ 68,397	\$ 64,460	99.0	%	106.1 %
2022.....	\$ 65,401	\$ 70,115	\$ 66,244	98.7	%	105.8 %
2023.....	\$ 68,945	\$ 74,138	\$ 69,810	98.8	%	106.2 %

^a Revised statistics for 2019-2022.

^b Region: Pennsylvania, Delaware, Maryland, New Jersey, New York, Ohio, Virginia, West Virginia, and Washington D.C.

Source: U.S. Bureau of Economic Analysis.

The Commonwealth’s average hourly wage rate of \$33.01 for manufacturing and production workers is slightly below the national average of \$33.90 for 2024. The following table presents the average hourly wage rates for 2020 through 2024.

Average Hourly Wages Production Workers on Manufacturing Payrolls Pennsylvania and the United States 2020-2024

Calendar Year	Pennsylvania	United States
2020.....	\$ 27.65	\$ 28.77
2021.....	\$ 28.82	\$ 29.69
2022.....	\$ 30.55	\$ 30.98
2023.....	\$ 31.95	\$ 32.44
2024..... ^a	\$ 33.01	\$ 33.90

^a 2024 figures are preliminary.
Source: U.S. Bureau of Labor Statistics.

Market and Assessed Valuation of Real Property

Annually, the State Tax Equalization Board, Tax Equalization Division (“STEB”) calculates an aggregate market value of all taxable real property in the Commonwealth. This determination involves applying assessment to sales ratio studies to assessment valuations provided by local assessing officials. The market values certified by STEB include taxable properties, exclude tax-exempt ones, and include adjustments for preferential assessments granted to specific farm and forestlands.

The table below shows the assessed valuation certified by the counties, along with the market value and the assessed to market value ratio determined by STEB for real property from 2019 to 2023. When computing the market values for odd-numbered years, STEB is legally constrained to certify changes resulting from properties added to or removed from the assessment rolls. In even-numbered years, STEB can adjust the market valuation to reflect changes in real estate values or other economic factors.

Valuations of Taxable Real Property 2019-2023

Calendar Year	Market Value ^a	Assessed Valuation	Rate of Assessed Valuation to Market Value ^a	
2019.....	\$ 921,740,258,352	\$ 677,135,861,022	73.5	%
2020.....	\$ 965,836,433,494	\$ 696,790,394,130	72.1	%
2021.....	\$ 975,443,133,973	\$ 729,487,795,164	74.8	%
2022.....	\$ 1,057,970,532,347	\$ 735,677,350,066	69.5	%
2023.....	\$ 1,069,761,081,286	\$ 773,981,821,412	72.4	%

^a Market Value difference between Regular Assessment and Preferential Assessment under Act 319 of 1974.
Source: Annual Certifications by the State Tax Equalization Board.



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