

*Commonwealth
of
Pennsylvania*
BUDGET

1975

1976



Milton J. Shapp, Governor

FOREWORD

The Bicentennial 1975-76 Commonwealth Budget again is presented in two volumes and is similar in many ways to previous presentations. But there also are significant differences. Some of the departures from previous budgets include:

- This Budget covers a 15-month fiscal period rather than the 12-month fiscal period of previous documents. Thus the Commonwealth will follow the Federal practice in future years of budgeting from October 1 through September 30. This innovation also aids in making a balanced budget possible without new taxes because revenues substantially exceed expenditures in the extra three months.
- Volume I is a summary volume while Volume II contains the budgetary detail both by department—appropriation and by program—subcategory.
- The budget of each department or agency is presented in Volume II first on a departmental—appropriation basis, and then immediately following on a program—subcategory basis. In short, program—subcategory materials, comments and measures are given by individual department rather than by Commonwealth Program, and thus do not cross departmental lines. However, there is a summary presentation by Commonwealth Program which does cross departmental lines in this summary volume.
- All figures to be appropriated are presented on a 15-month basis, but 12-month estimates are included for information only. Program measures, however, are presented on a 12-month basis.

The budget continues to be based upon the eight broad Commonwealth Programs outlined in Volume I. Each Commonwealth Program is defined in terms of broadly stated goals of state government. The Commonwealth Program, Direction and Supportive Services, is used to classify supporting and administrative functions which affect the overall operations of the Commonwealth. The remaining Commonwealth Programs are substantive in nature and deal with the following areas:

- Protection of Persons and Property
- Health—Physical and Mental Well-Being
- Intellectual Development and Education
- Social Development
- Economic Development and Income Maintenance
- Transportation and Communication
- Recreation and Cultural Enrichment.

Each Commonwealth Program is subdivided into program categories which define program areas that are more specific in nature, and program categories are defined by goals. Program categories are broken down into subcategories, at which point the departmental program presentation evolves.

The resources available to the Commonwealth in the coming fiscal period are made on the basis of the program subcategories. Recommendations for major program changes in 1975-76 are identified as Program Revisions which provide detailed justification.

Beyond 1975-76, the projections of financial data, as well as impacts, show the future implications of the 1975-76 recommendations. It is most important to keep in mind that projections do not include decisions anticipated to be made in future years.

Consequently, the five year plan is a base line which represents the future program effort and financial resources needed to sustain the 1975-76 level of commitment.

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Commonwealth of Pennsylvania



Governor's Office
HARRISBURG

March 4, 1975

To the Members of the General Assembly, and the People of Pennsylvania:

This document contains the state budget that I am recommending for the fiscal year beginning July 1st, 1975.

It is a fifteen month budget, instead of the usual twelve month program.

In 1976, the federal government will shift to a new fiscal year beginning on October 1st instead of the traditional July 1st date.

Because of the many interrelationships between the federal and state governments, it obviously makes sense for the states to follow the federal procedure. By adopting the federal fiscal year, we eliminate the necessity of keeping duplicate records and simplify our efforts to acquire federal funds.

Therefore, I am recommending that the General Assembly adopt this fifteen month budget so that, on October 1st, 1976, we will conform with the new federal system.

There are other significant aspects to this document.

First, it calls for no increase in taxes.

Rising taxes are one of the chief burdens of the average American family in these inflationary times.

Therefore, I have shaped this budget with one objective uppermost in mind: to hold the line on taxes.

We have been able to meet that goal while many other states are drastically cutting back on programs and seeking additional taxes from their citizens.

Nobody can predict the future.

I cannot — and will not — say that there will be absolutely no need at some future point to raise additional revenues.

Only a few months ago, when we first began to prepare this budget, it seemed as if we would have more than adequate funds to take care of all the state's programs.

But then, unemployment grew and the public assistance rolls began to rise.

Revenues, which had been running ahead of estimates, began to level off. Future revenue projections have become more cautious and conservative.

Three months ago, it seemed possible for us not only to meet the needs presented in this budget but also to continue or increase such desirable programs as increased aid to local communities, continued funding of assistance to private institutions of higher learning and other priorities.

But this is no longer so.

Some of these programs have been eliminated, deferred or cut back.

The sole reason why these hard decisions have been made is to produce a budget with no need for new taxes and maximum emphasis on human needs.

As I have stated, I do not know what the future will bring.

But, at this time, I do not see the need for new taxes to be placed upon the people of Pennsylvania.

This budget is also a human document.

We will continue to hold the line on administrative costs while maximizing our efforts in behalf of the people who need our help.

This budget provides for an increase in supplemental assistance to the aged, the blind and the disabled.

It proposes an increase in public assistance to alleviate the hardships being felt by the unemployed, who are now entering the public assistance rolls in greater numbers than ever before. This increase is also designed to help those families on public assistance with dependent children who are among the principal victims of inflation and economic hardship.

This budget also calls for a modest salary increase for state employees who must cope with the rising cost of living just like every other American wage earner.

At the same time, we will make additional investments in our successful programs of drug and alcohol control, our programs for the elderly, our mental health and retardation efforts and in public education.

To make these human investments, while holding the line on taxes, it has been necessary to draw upon every possible source of revenue. For example, it will be necessary to utilize the Parents' Reimbursement Fund which originally was set aside for aid to nonpublic education.

For years, I have fought to find a constitutionally valid way in which to use this money for nonpublic school aid. No such way has been found. In the meantime, however, we have established two new programs of aid to nonpublic schools, currently being paid from the General Fund.

Next year, these programs will be funded with \$33 million of state revenues.

These programs are working. They hopefully will be judged constitutional in the courts.

Under the circumstances, although I would be happy to see some way in which the Parent Reimbursement Fund can be utilized, it is time to divert that fund for general purposes to alleviate the need for new taxes, especially since the state is already making a substantial investment in nonpublic school aid.

Also, in order to place maximum priority upon the needs of our people — the unemployed, the blind, the elderly, the disabled and those on public assistance — it has been necessary to limit increases in many areas of traditional priority.

For example, I am fully aware of the fact that this budget falls short of the estimated funds needed by our state college system.

I have provided for a substantial increase for the state college system and the state-related universities.

Indeed, no administration in history has been more generous to the cause of higher education in Pennsylvania.

I would have liked to have met the needs of the state college system as reported to me by the colleges and by the Department of Education.

At this time, however, the funds are not there. I have reactivated the Governor's Businessmen's Task Force to go into the state college system and make recommendations for economies.

Hopefully, their recommendations, together with other administrative measures taken by the colleges and the Department of Education will enable the system to move ahead with maximum effort and a minimum rise in tuition.

In shaping this budget, I have been guided by two policy questions.

The first question was: how can we shape a budget which will not inflict the additional hardship of new taxation on our people?

And the second question was: what priorities should we have in these uncertain economic times?

The answers are in this document.

We must have no new taxes at this time, if it is at all avoidable.

And we must make our priorities human priorities because economic hardship has fallen heavily on the citizens of Pennsylvania. Placing these questions foremost in my deliberations, some admittedly good but secondary priorities had to be deferred in the general public interest.

If the General Assembly, in its wisdom, wishes to alter these priorities, then that is their prerogative. I shall be glad to work with them in every way possible to produce a state budget by the beginning of the next fiscal year.

But I hope they will proceed without including measures which will either force a tax increase or make it necessary to cut back on the human investment programs I recommend.

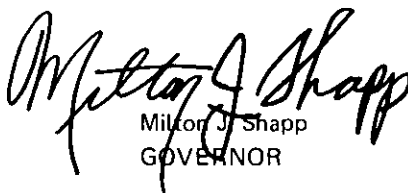
These are difficult times both for our state and the nation.

The unemployment lines are growing.

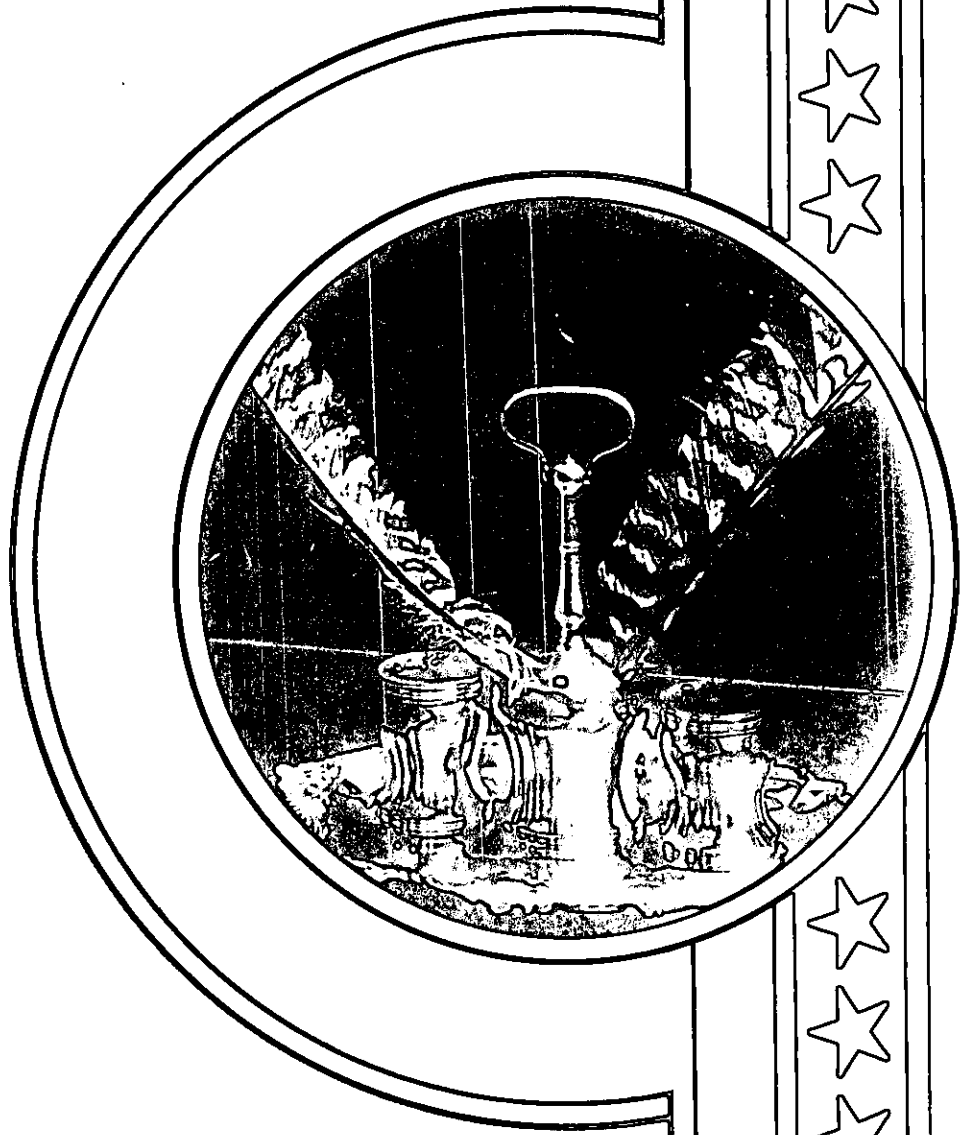
The demands upon government, at all levels, for assistance are increasing daily.

I ask the members of the General Assembly to give this budget their full attention over the next few months so that, by July 1st, the people of Pennsylvania will be assured that their needs are being met in a responsive and responsible way.

Sincerely yours,



Milton J. Shapp
GOVERNOR



Statements

The debates, having taken up the greater parts of the 2d, 3d, and 4th days of July, were, on the evening of the last, closed; the Declaration was reported by the committee, agreed to by the House, and signed by every member present, except Mr. Dickinson.

Thomas Jefferson, The Autobiography

Silver ink stand used in signing the Declaration of Independence

GENERAL FUND

Five Year Financial Statement

The projections beyond the 1975-76 fiscal period show future implications of the present budgetary recommendations only. Revenue estimates are based upon current revenue rate projections. It is most important to keep in mind that the projections do not include decisions in the future affecting either programs or revenues.

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Beginning Balance	\$ 76,618	\$ 437,496	\$ 141,836	.....	.....	.....	.....
Receipts	4,057,626	4,043,807	5,158,403	\$4,671,600	\$5,015,700	\$5,400,400	\$5,839,400
Transfer from Parents Reimbursement Fund .....	.....	.....	175,000	26,400	24,600	24,800	25,100
Funds Available	<u>\$4,134,244</u>	<u>\$4,481,303</u>	<u>\$5,475,239</u>	<u>\$4,698,000</u>	<u>\$5,040,300</u>	<u>\$5,425,200</u>	<u>\$5,864,500</u>
Expenditures	-3,696,748	-4,339,467	-5,473,506	-5,098,210	-5,228,896	-5,418,468	-5,617,971
Ending Balance	<u>\$ 437,496</u>	<u>\$ 141,836</u>	<u>\$ 1,733*</u>	<u>\$-400,210</u>	<u>\$-188,596</u>	<u>\$ 6,732</u>	<u>\$ 246,529</u>

*Ending surplus and deficits not carried forward after 1975-76.

FIVE YEAR FINANCIAL STATEMENTS

Motor License Fund*

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Balance, Beginning of Year	\$ 25,030	\$ 7,498	\$ 10,173	\$ 570			
Receipts	610,665	731,263	875,960	740,639	759,594	\$ 780,985	\$ 803,028
Funds Available	<u>\$635,695</u>	<u>\$738,761</u>	<u>\$886,133</u>	<u>\$741,209</u>	<u>\$759,594</u>	<u>\$ 780,985</u>	<u>\$ 803,028</u>
Less Appropriations	<u>-628,197</u>	<u>-728,588</u>	<u>-885,563</u>	<u>-814,906</u>	<u>-840,902</u>	<u>-884,862</u>	<u>-931,962</u>
Ending Balance	<u>\$ 7,498</u>	<u>\$ 10,173</u>	<u>\$ 570</u>	<u>\$-73,697 **</u>	<u>\$-81,308</u>	<u>\$-103,877</u>	<u>\$-128,934</u>

Game Fund

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Balance, Beginning of Year	\$ 4,780	\$ 9,690	\$ 12,036	\$ 11,113	\$ 11,341	\$ 11,070	\$ 10,229
Receipts	19,000	18,245	20,418	18,840	19,440	20,090	20,730
Funds Available	<u>\$ 23,780</u>	<u>\$ 27,935</u>	<u>\$ 32,454</u>	<u>\$ 29,953</u>	<u>\$ 30,781</u>	<u>\$ 31,160</u>	<u>\$ 30,959</u>
Less Appropriations	<u>-14,090</u>	<u>-15,899</u>	<u>-21,341</u>	<u>-18,612</u>	<u>-19,711</u>	<u>-20,931</u>	<u>-22,152</u>
Ending Balance	<u>\$ 9,690</u>	<u>\$ 12,036</u>	<u>\$ 11,113</u>	<u>\$ 11,341</u>	<u>\$ 11,070</u>	<u>\$ 10,229</u>	<u>\$ 8,807</u>

Fish Fund

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Balance, Beginning of Year	\$ 3,233	\$ 3,703	\$ 3,516	\$ 3,122	\$ 3,003	\$ 2,404	\$ 1,765
Receipts	7,235	10,482	12,345	10,070	9,835	9,965	10,110
Funds Available	<u>\$ 10,468</u>	<u>\$ 14,185</u>	<u>\$ 15,861</u>	<u>\$ 13,192</u>	<u>\$ 12,838</u>	<u>\$ 12,369</u>	<u>\$ 11,875</u>
Less Appropriations	<u>-6,765</u>	<u>-10,669</u>	<u>-12,739</u>	<u>-10,189</u>	<u>-10,434</u>	<u>-10,604</u>	<u>-10,960</u>
Ending Balance	<u>\$ 3,703</u>	<u>\$ 3,516</u>	<u>\$ 3,122</u>	<u>\$ 3,003</u>	<u>\$ 2,404</u>	<u>\$ 1,765</u>	<u>\$ 915</u>

* Includes restricted revenues.

** Ending deficits not carried forward.

FIVE YEAR FINANCIAL STATEMENTS
(continued)

Boating Fund*

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Balance, Beginning of Year	\$ 1,520	\$ 2,138	\$ 1,879	\$ 1,567	\$ 1,509	\$ 1,446	\$ 1,375
Receipts	2,197	1,915	2,241	1,783	1,837	1,892	1,947
Funds Available	<u>\$ 3,717</u>	<u>\$ 4,053</u>	<u>\$ 4,120</u>	<u>\$ 3,350</u>	<u>\$ 3,346</u>	<u>\$ 3,338</u>	<u>\$ 3,322</u>
Less Appropriations	<u>-1,579</u>	<u>-2,174</u>	<u>-2,553</u>	<u>-1,841</u>	<u>-1,900</u>	<u>-1,963</u>	<u>-2,047</u>
Ending Balance	<u><u>\$ 2,138</u></u>	<u><u>\$ 1,879</u></u>	<u><u>\$ 1,567</u></u>	<u><u>\$ 1,509</u></u>	<u><u>\$ 1,446</u></u>	<u><u>\$ 1,375</u></u>	<u><u>\$ 1,275</u></u>

Banking Department Fund

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Balance, Beginning of Year	\$ 183	\$ 54	\$ 129	\$ 143	\$ 139	\$ 136	\$ 132
Receipts	3,144	3,713	4,941	4,100	4,305	4,520	4,746
Funds Available	<u>\$ 3,327</u>	<u>\$ 3,767</u>	<u>\$ 5,070</u>	<u>\$ 4,243</u>	<u>\$ 4,444</u>	<u>\$ 4,656</u>	<u>\$ 4,878</u>
Less Appropriations	<u>-3,273</u>	<u>-3,638</u>	<u>-4,927</u>	<u>-4,104</u>	<u>-4,308</u>	<u>-4,524</u>	<u>-4,750</u>
Ending Balance	<u><u>\$ 54</u></u>	<u><u>\$ 129</u></u>	<u><u>\$ 143</u></u>	<u><u>\$ 139</u></u>	<u><u>\$ 136</u></u>	<u><u>\$ 132</u></u>	<u><u>\$ 128</u></u>

Milk Marketing Fund

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Balance, Beginning of Year	\$ -47	\$ 266	\$ 277	. . . . .	. . . . .	. . . . .	. . . . .
Receipts	1,327	1,101	1,294	\$ 374	\$ 374	\$ 374	\$ 374
Funds Available	<u>\$ 1,280</u>	<u>\$ 1,367</u>	<u>\$ 1,571</u>	<u>\$ 374</u>	<u>\$ 374</u>	<u>\$ 374</u>	<u>\$ 374</u>
Less Appropriations	<u>-1,014</u>	<u>-1,090</u>	<u>-1,571</u>	<u>-403</u>	<u>-423</u>	<u>-444</u>	<u>-467</u>
Ending Balance	<u><u>\$ 266</u></u>	<u><u>\$ 277</u></u>	. . . . .	<u><u>\$ -29**</u></u>	<u><u>\$ -49</u></u>	<u><u>\$ -70</u></u>	<u><u>\$ -93</u></u>

*Includes restricted revenues.

**Ending deficits not carried forward.

FIVE YEAR FINANCIAL STATEMENTS
(continued)

State Farm Products Show Fund

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Balance, Beginning of Year	\$ 164	\$ 50	. . . .	\$ 5	\$ 18	\$ 12	\$ 10
Receipts	969	1,141	\$ 1,707	1,410	1,460	1,537	1,613
Funds Available	\$ 1,133	\$ 1,191	\$ 1,707	\$ 1,415	\$ 1,478	\$ 1,549	\$ 1,623
Less Appropriations	—1,083	—1,191	—1,702	—1,397	—1,466	—1,539	—1,616
Ending Balance	<u>\$ 50</u>	<u>. . . .</u>	<u>\$ 5</u>	<u>\$ 18</u>	<u>\$ 12</u>	<u>\$ 10</u>	<u>\$ 7</u>

State Harness Racing Fund

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Balance, Beginning of Year	\$ 5,233	\$ 4,481	\$ 3,766	\$ 1,697	\$ 1,162	\$ 1,180	\$ 1,149
Receipts	9,699	9,232	7,526	6,118	6,118	6,118	6,118
Funds Available	\$ 14,932	\$ 13,713	\$ 11,292	\$ 7,815	\$ 7,280	\$ 7,298	\$ 7,267
Less Appropriations	—10,451	—9,947	—9,595	—6,653	—6,100	—6,149	—6,123
Ending Balance	<u>\$ 4,481</u>	<u>\$ 3,766</u>	<u>\$ 1,697</u>	<u>\$ 1,162</u>	<u>\$ 1,180</u>	<u>\$ 1,149</u>	<u>\$ 1,144</u>

State Horse Racing Fund

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Balance, Beginning of Year	\$ 7,467	\$ 7,847	\$ 10,287	\$ 10,447	\$ 9,023	\$ 9,031	\$ 9,046
Receipts	16,372	20,516	28,018	21,980	22,300	22,623	22,955
Funds Available	\$ 23,839	\$ 28,363	\$ 38,265	\$ 32,467	\$ 31,323	\$ 31,654	\$ 32,001
Less Appropriations	—15,992	—18,116	—27,778	—23,444	—22,292	—22,608	—22,931
Ending Balance	<u>\$ 7,847</u>	<u>\$ 10,247</u>	<u>\$ 10,487</u>	<u>\$ 9,023</u>	<u>\$ 9,031</u>	<u>\$ 9,046</u>	<u>\$ 9,070</u>

FIVE YEAR FINANCIAL STATEMENTS
(continued)

State Lottery Fund

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Balance, Beginning of Year	\$ 29,021	\$ 44,164	\$ 21,679	.....	.....	.....	.....
Receipts	128,983	108,779	116,584	\$ 96,348	\$ 96,348	\$ 96,348	\$ 96,348
Funds Available	<u>\$158,004</u>	<u>\$152,943</u>	<u>\$138,263</u>	<u>\$ 96,348</u>	<u>\$ 96,348</u>	<u>\$ 96,348</u>	<u>\$ 96,348</u>
Less Appropriations	-113,840	-131,264	-138,263	-129,027	-131,464	-134,153	-137,120
Ending Balance	<u>\$ 44,164</u>	<u>\$ 21,679</u>	.....	<u>\$-32,679 *</u>	<u>\$-35,116</u>	<u>\$-37,805</u>	<u>\$-40,772</u>

Revenue Sharing Trust Fund

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Balance, Beginning of Year	\$ 76,564	\$ 21,501	\$ 900	\$ 1,261	\$ 368	\$ 2,365	\$ 1,457
Receipts	117,039	115,000	145,000	121,800	127,890	134,285	140,999
Funds Available	<u>\$193,603</u>	<u>\$136,501</u>	<u>\$145,900</u>	<u>\$123,061</u>	<u>\$128,258</u>	<u>\$136,650</u>	<u>\$142,456</u>
Less Appropriations	-172,102	-135,601	-144,639	-122,693	-125,893	-135,193	-139,593
Ending Balance	<u>\$ 21,501</u>	<u>\$ 900</u>	<u>\$ 1,261</u>	<u>\$ 368</u>	<u>\$ 2,365</u>	<u>\$ 1,457</u>	<u>\$ 2,863</u>

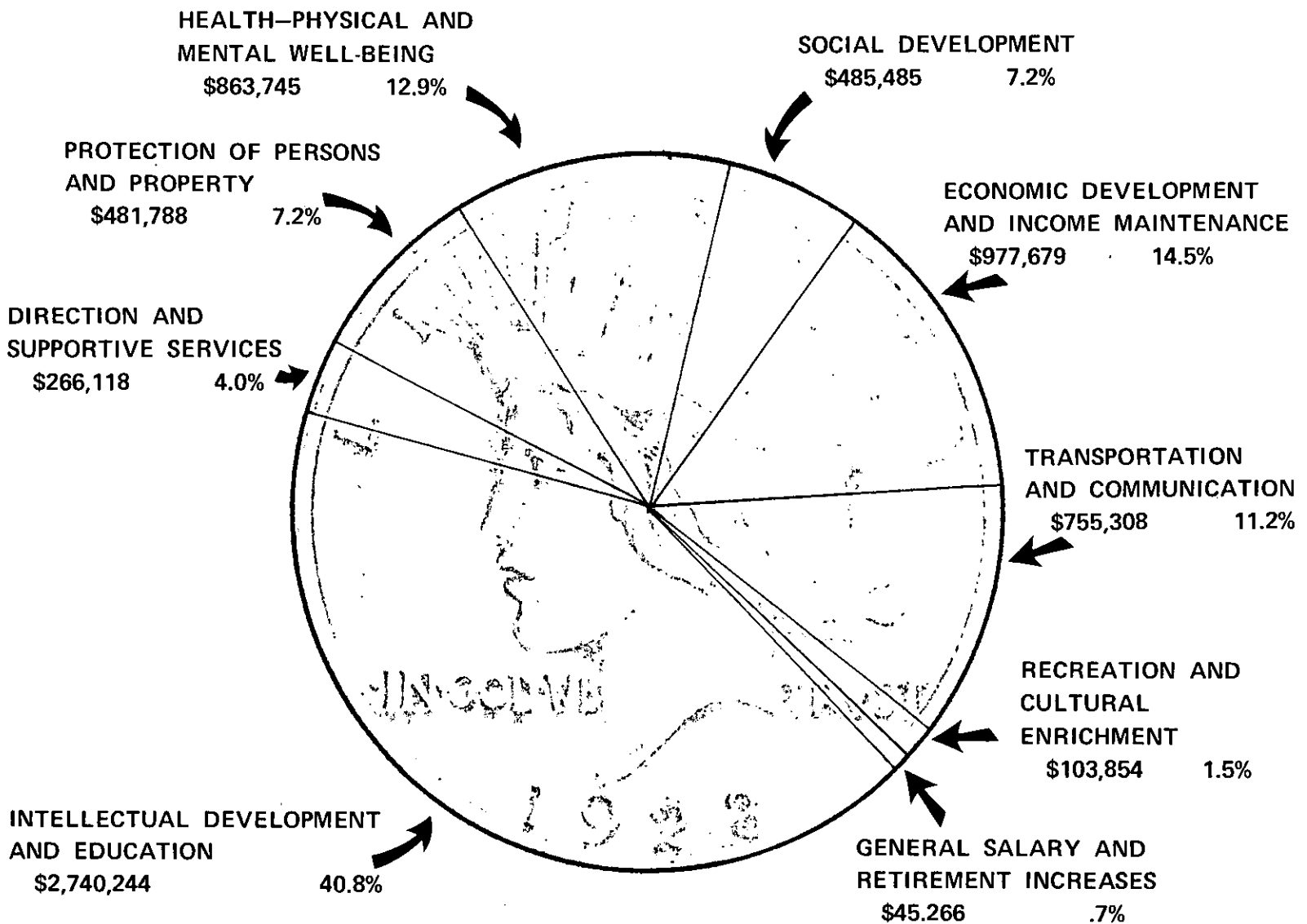
* Ending deficits not carried forward.

Distribution of the Commonwealth Dollar

(General Fund and Special Funds)

1975-76 Fiscal Year

(Dollar Amounts in Thousands)



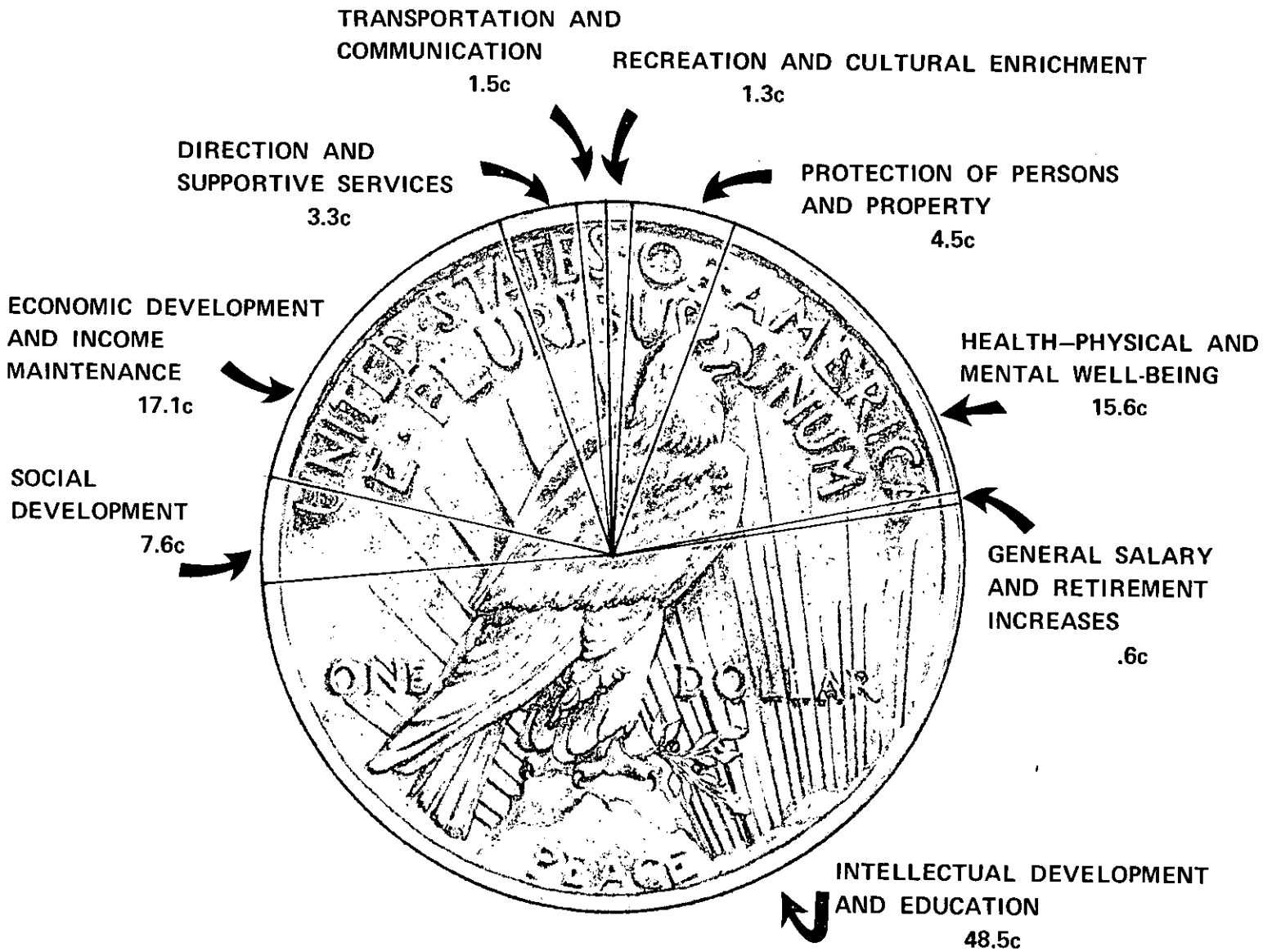
TOTAL \$6,719,487

GENERAL FUND AND SPECIAL FUNDS

Five-Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Direction and Supportive Service	\$ 201,699	\$ 221,378	\$ 266,118	\$ 235,424	\$ 248,821	\$ 263,011	\$ 277,623
Protection of Persons and Property	318,397	372,321	481,788	430,614	456,755	484,091	510,544
Health—Physical and Mental Well—Being	537,559	645,629	863,745	741,843	775,415	812,179	848,992
Intellectual Development and Education	2,138,631	2,464,260	2,740,244	2,760,414	2,805,986	2,888,434	2,970,931
Social Development	314,677	400,494	485,485	439,226	454,981	476,097	496,107
Economic Development and Income Maintenance	500,878	600,251	977,679	779,440	781,502	800,460	825,331
Transportation and Communication	574,559	667,275	755,308	703,686	722,808	762,568	807,127
Recreation and Cultural Enrichment	77,295	90,806	103,854	100,034	105,135	110,125	114,339
Sub-Total	<u>\$4,663,695</u>	<u>\$5,462,414</u>	<u>\$6,674,221</u>	<u>\$6,190,681</u>	<u>\$6,351,403</u>	<u>\$6,596,965</u>	<u>\$6,850,994</u>
General Salary Increase . . . . .	. . . . .	. . . . .	\$ 45,266	\$ 37,932	\$ 39,785	\$ 41,762	\$ 43,857
GENERAL FUND AND SPECIAL FUNDS TOTAL	<u><u>\$4,663,695</u></u>	<u><u>\$5,462,414</u></u>	<u><u>\$6,719,487</u></u>	<u><u>\$6,228,613</u></u>	<u><u>\$6,391,188</u></u>	<u><u>\$6,638,727</u></u>	<u><u>\$6,894,851</u></u>

Distribution of the Commonwealth Dollar General Fund 1975 · 76 Fiscal Year



\$1.00

GENERAL FUND

Five-Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Commonwealth Program							
Direction and Supportive Services	\$ 123,274	\$ 136,462	\$ 179,664	\$ 158,630	\$ 170,387	\$ 182,738	\$ 195,306
Protection of Persons and Property	147,932	184,237	244,883	217,053	233,393	249,476	264,390
Health—Physical and Mental Well—Being	527,318	634,553	851,462	728,460	760,832	796,296	831,709
Intellectual Development and Education	2,091,131	2,390,760	2,657,744	2,692,914	2,736,486	2,810,934	2,890,431
Social Development	257,979	317,562	416,860	368,653	383,338	403,296	422,053
Economic Development and Income Maintenance	489,026	577,156	936,696	746,656	748,670	767,602	792,443
Transportation and Communication	4,648	83,896	80,414	84,470	89,561	96,747	105,973
Recreation and Cultural Enrichment	55,440	64,841	71,383	72,474	75,929	79,579	82,266
Sub-Total	<u>\$3,696,748</u>	<u>\$4,389,467</u>	<u>\$5,439,106</u>	<u>\$5,069,310</u>	<u>\$5,198,596</u>	<u>\$5,386,668</u>	<u>\$5,584,571</u>
General Salary Increase . . . . .	. . . . .	. . . . .	\$ 34,400	\$ 28,900	\$ 30,300	\$ 31,800	\$ 33,400
GENERAL FUND TOTAL	<u><u>\$3,696,748</u></u>	<u><u>\$4,389,467</u></u>	<u><u>\$5,473,506</u></u>	<u><u>\$5,098,210</u></u>	<u><u>\$5,228,896</u></u>	<u><u>\$5,418,468</u></u>	<u><u>\$5,617,971</u></u>

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Governor's Office							
General Fund	\$ 1,551	\$ 1,764	\$ 2,680	\$ 2,100	\$ 2,268	\$ 2,449	\$ 2,644
Executive Offices							
General Fund	\$ 7,998	\$ 10,327	\$ 13,884	\$ 12,540	\$ 13,676	\$ 14,818	\$ 15,944
Revenue Sharing Trust Fund	10	10	10	10	10	10	10
TOTAL	\$ 8,008	\$ 10,337	\$ 13,894	\$ 12,550	\$ 13,686	\$ 14,828	\$ 15,954
Lieutenant Governor's Office							
General Fund	\$ 193	\$ 212	\$ 290	\$ 254	\$ 267	\$ 280	\$ 294
Auditor General							
General Fund	\$ 9,694	\$ 10,914	\$ 14,086	\$ 11,992	\$ 13,041	\$ 14,140	\$ 15,305
Treasury							
General Fund	\$ 106,793	\$ 116,427	\$ 141,140	\$ 159,148	\$ 175,505	\$ 194,079	\$ 207,846
Motor License Fund	83,704	104,725	145,602	141,995	163,403	181,521	199,182
Game Fund	1	1	2	2	2	2	2
Fish Fund	1	1	1	1	1	1	1
Boating Fund	1	1	1	1	1	1	1
Banking Department Fund	1	1	1	1	1	1	1
Milk Marketing Fund	2	2	2	2	2	2	2
State Farm Products Show Fund	1	1	1	1	1	1	1
State Harness Racing Fund	1	1	1	1	1	1	1
State Horse Racing Fund .....	.....	.....	1	1	1	1	1
State Lottery Fund	2	2	3	3	3	3	3
TOTAL	\$ 190,507	\$ 221,162	\$ 286,755	\$ 301,156	\$ 338,921	\$ 375,613	\$ 407,041
Agriculture							
General Fund	\$ 10,104	\$ 12,421	\$ 18,169	\$ 15,076	\$ 15,800	\$ 16,584	\$ 17,405
State Farm Products Show Fund	768	890	1,039	890	933	954	979
State Harness Racing Fund	10,350	9,839	9,387	6,463	5,896	5,928	5,886
TOTAL	\$ 21,222	\$ 23,150	\$ 28,595	\$ 22,429	\$ 22,629	\$ 23,466	\$ 24,270
Banking							
General Fund	\$ 509	\$ 690	\$ 932	\$ 797	\$ 828	\$ 872	\$ 918
Banking Department Fund	3,272	3,637	4,766	3,969	4,166	4,375	4,594
TOTAL	\$ 3,781	\$ 4,327	\$ 5,698	\$ 4,766	\$ 4,994	\$ 5,247	\$ 5,512
Civil Defense							
General Fund	\$ 428	\$ 400	\$ 526	\$ 460	\$ 475	\$ 513	\$ 523

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(continued)

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Civil Service							
General Fund	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Commerce							
General Fund	\$ 7,124	\$ 19,599	\$ 15,624	\$ 8,969	\$ 9,654	\$ 9,954	\$ 10,266
Community Affairs							
General Fund	\$ 20,551	\$ 28,642	\$ 30,693	\$ 29,159	\$ 29,564	\$ 29,924	\$ 30,303
Council on Drug and Alcohol Abuse							
General Fund	\$ 14,171	\$ 18,620	\$ 24,854	\$ 21,097	\$ 22,177	\$ 23,312	\$ 24,505
Education							
General Fund	\$2,035,918	\$2,333,485	\$2,588,779	\$2,621,060	\$2,655,639	\$2,721,321	\$2,793,426
Motor License Fund	4,405	4,562	4,402	4,302	4,274	4,139	4,064
Revenue Sharing Trust Fund	47,500	73,500	82,500	67,500	69,500	77,500	80,500
TOTAL	<u>\$2,087,823</u>	<u>\$2,411,547</u>	<u>\$2,675,681</u>	<u>\$2,692,862</u>	<u>\$2,729,413</u>	<u>\$2,802,960</u>	<u>\$2,877,990</u>
Environmental Resources							
General Fund	\$ 57,834	\$ 85,954	\$ 88,123	\$ 76,171	\$ 80,091	\$ 84,075	\$ 88,293
Game Fund	15	10	10	10	10	10	10
Fish Fund	1	2	2	2	2	2	2
Revenue Sharing Trust Fund	10,241	11,076	12,283	13,383	14,583	15,883	17,283
TOTAL	<u>\$ 68,091</u>	<u>\$ 97,042</u>	<u>\$ 100,418</u>	<u>\$ 89,566</u>	<u>\$ 94,686</u>	<u>\$ 99,970</u>	<u>\$ 105,588</u>
Fish Commission							
General Fund	\$ 1	\$ 1	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
Fish Fund	6,688	8,220	9,690	8,004	8,550	8,670	8,957
Boating Fund	1,265	1,838	2,110	1,557	1,597	1,637	1,697
TOTAL	<u>\$ 7,954</u>	<u>\$ 10,059</u>	<u>\$ 11,803</u>	<u>\$ 9,564</u>	<u>\$ 10,150</u>	<u>\$ 10,310</u>	<u>\$ 10,657</u>
Game Commission							
Game Fund	\$ 13,813	\$ 15,818	\$ 20,582	\$ 17,910	\$ 18,970	\$ 20,150	\$ 21,330
Health							
General Fund	\$ 50,920	\$ 58,461	\$ 62,244	\$ 54,137	\$ 55,991	\$ 57,871	\$ 59,841
Historical and Museum Commission							
General Fund	\$ 5,629	\$ 6,877	\$ 8,821	\$ 7,713	\$ 8,198	\$ 8,713	\$ 9,267

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(continued)

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Horse Racing Commission							
State Horse Racing Fund	\$ 15,909	\$ 18,013	\$ 27,580	\$ 23,274	\$ 22,109	\$ 22,411	\$ 22,720
Insurance							
General Fund	\$ 3,983	\$ 4,504	\$ 5,867	\$ 4,987	\$ 6,524	\$ 7,188	\$ 8,100
Justice							
General Fund	\$ 56,282	\$ 69,873	\$ 95,642	\$ 84,680	\$ 92,807	\$ 100,836	\$ 107,260
Labor and Industry							
General Fund	\$ 39,625	\$ 24,864	\$ 21,596	\$ 23,067	\$ 21,893	\$ 23,180	\$ 24,753
Revenue Sharing Trust Fund . . . . .	. . . . .	22,115	39,846	31,800	31,800	31,800	31,800
TOTAL	\$ 39,625	\$ 46,979	\$ 61,442	\$ 54,867	\$ 53,693	\$ 54,980	\$ 56,553
Military Affairs							
General Fund	\$ 7,876	\$ 8,578	\$ 10,690	\$ 9,739	\$ 10,425	\$ 11,164	\$ 12,024
Milk Marketing Board							
General Fund	\$ 650	\$ 700	\$ 750	. . . . .	. . . . .	. . . . .	. . . . .
Milk Marketing Fund	362	383	779	\$ 387	\$ 406	\$ 426	\$ 448
TOTAL	\$ 1,012	\$ 1,083	\$ 1,529	\$ 387	\$ 406	\$ 426	\$ 448
Probation and Parole							
General Fund	\$ 7,402	\$ 8,106	\$ 11,238	\$ 9,769	\$ 10,274	\$ 10,805	\$ 11,371
Property and Supplies							
General Fund	\$ 78,774	\$ 81,472	\$ 87,829	\$ 86,429	\$ 88,543	\$ 91,146	\$ 93,629
Motor License Fund	1,510	1,543	1,543	1,543	1,543	1,543	1,543
Fish Fund	71	75	75	75	75	75	75
Boating Fund	2	2	2	2	2	2	2
TOTAL	\$ 80,357	\$ 83,092	\$ 89,449	\$ 88,049	\$ 90,163	\$ 92,766	\$ 95,249
Public Welfare							
General Fund	\$1,040,405	\$1,239,970	\$1,914,196	\$1,566,899	\$1,606,978	\$1,667,807	\$1,734,709
Revenue Sharing Trust Fund	19,200	4,900	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL	\$1,059,605	\$1,244,870	\$1,914,196	\$1,566,899	\$1,606,978	\$1,667,807	\$1,734,709

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(continued)

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Revenue							
General Fund	\$ 55,461	\$ 61,655	\$ 78,017	\$ 70,279	\$ 74,130	\$ 78,290	\$ 82,782
Motor License Fund	1,990	2,370	3,304	2,916	3,141	3,392	3,662
Boating Fund	161	210	285	245	261	282	305
State Harness Racing Fund	97	107	168	159	172	186	201
State Horse Racing Fund	82	102	166	144	155	168	181
State Lottery Fund	102,947	134,159	122,259	115,689	117,597	119,735	122,128
TOTAL	\$ 160,738	\$ 198,603	\$ 204,199	\$ 189,432	\$ 195,456	\$ 202,053	\$ 209,259
State							
General Fund	\$ 3,935	\$ 4,837	\$ 6,289	\$ 5,507	\$ 6,184	\$ 6,641	\$ 7,194
State Employees Retirement System							
General Fund	\$ 2,452	\$ 12,695	\$ 2,520	\$ 2,200	\$ 2,332	\$ 2,465	\$ 2,600
State Police							
General Fund	\$ 21,620	\$ 25,740	\$ 36,271	\$ 34,892	\$ 36,140	\$ 37,866	\$ 39,543
Motor License Fund	60,810	70,703	96,896	93,039	98,926	104,534	110,299
TOTAL	\$ 82,430	\$ 96,443	\$ 133,167	\$ 127,931	\$ 135,066	\$ 142,400	\$ 149,842
Tax Equalization Board							
General Fund	\$ 640	\$ 710	\$ 940	\$ 816	\$ 865	\$ 910	\$ 954
Transportation							
General Fund	\$ 1,882	\$ 80,852	\$ 76,861	\$ 80,748	\$ 85,392	\$ 92,141	\$ 100,995
Motor License Fund	475,778	548,024	624,216	563,111	561,215	580,913	603,952
Boating Fund	79	104	.....	.....	.....	.....	.....
State Lottery Fund	10,755	12,000	15,600	12,979	13,498	14,038	14,600
Revenue Sharing Trust Fund	70,000	.....	.....	.....	.....	.....	.....
TOTAL	\$ 558,494	\$ 640,980	\$ 716,677	\$ 656,838	\$ 660,105	\$ 687,092	\$ 719,547
Legislature							
General Fund	\$ 27,922	\$ 29,451	\$ 42,621	\$ 36,806	\$ 39,421	\$ 41,850	\$ 44,393
Judiciary							
General Fund	\$ 18,420	\$ 30,665	\$ 36,930	\$ 31,815	\$ 33,510	\$ 35,470	\$ 37,480
Revenue Sharing Trust Fund	25,151	24,000	10,000	10,000	10,000	10,000	10,000
TOTAL	\$ 43,571	\$ 54,665	\$ 46,930	\$ 41,815	\$ 43,510	\$ 45,470	\$ 47,480

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(continued)

	1973-74 Actual	1974-75 Available	(Dollar Amounts in Thousands)				1978-79 Estimated	1979-80 Estimated
			1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated			
General Salary Increase								
General Fund			\$ 34,400	\$ 28,900	\$ 30,300	\$ 31,800	\$ 33,400	
Motor License Fund			9,600	8,000	8,400	8,820	9,260	
Game Fund			456	380	399	419	440	
Fish Fund			219	177	186	196	205	
Boating Fund			40	33	36	38	39	
Banking Department Fund			160	134	141	148	155	
Milk Marketing Fund			40	14	15	16	17	
State Farm Products Show Fund			37	31	32	34	36	
State Harness Racing Fund			39	30	31	34	35	
State Horse Racing Fund			31	25	27	28	29	
State Lottery Fund			244	208	218	229	241	
TOTAL			\$ 45,266	\$ 37,932	\$ 39,785	\$ 41,762	\$ 43,857	
Commonwealth Totals								
General Fund	\$3,696,748	\$4,389,467	\$5,473,506	\$5,098,210	\$5,228,896	\$5,418,468	\$5,617,971	
Motor License Fund	628,197	731,927	885,563	814,906	840,902	884,862	931,962	
Game Fund	13,829	15,829	21,050	18,302	19,381	20,581	21,782	
Fish Fund	6,761	8,298	9,987	8,259	8,814	8,944	9,240	
Boating Fund	1,508	2,155	2,438	1,838	1,897	1,960	2,044	
Banking Department Fund	3,273	3,638	4,927	4,104	4,308	4,524	4,750	
Milk Marketing Fund	364	385	821	403	423	444	467	
State Farm Products Show Fund	769	891	1,077	922	966	989	1,016	
State Harness Racing Fund	10,448	9,947	9,595	6,653	6,100	6,149	6,123	
State Horse Racing Fund	15,991	18,115	27,778	23,444	22,292	22,608	22,931	
State Lottery Fund	113,704	146,161	138,106	128,879	131,316	134,005	136,972	
Revenue Sharing Trust Fund	172,102	135,601	144,639	122,693	125,893	135,193	139,593	
GRAND TOTAL	\$4,663,695	\$5,462,414	\$6,719,487	\$6,228,613	\$6,391,188	\$6,638,727	\$6,894,851	

OPERATING AND CAPITAL

Five Year Summary of Commonwealth Programs

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
DIRECTION AND SUPPORTIVE SERVICES							
General Fund	\$ 123,274	\$ 136,462	\$ 179,664	\$ 158,630	\$ 170,387	\$ 182,738	\$ 195,306
Special Funds	78,425	84,916	86,454	76,794	78,434	80,273	82,317
Federal Funds	3,363	3,067	7,793	6,998	7,738	8,437	9,298
Other Funds	18,186	22,229	29,044	25,075	26,831	28,609	30,847
Total—Operating	\$ 223,248	\$ 246,674	\$ 302,955	\$ 267,497	\$ 283,390	\$ 300,057	\$ 317,768
Capital Bond Authorizations . . . . .	. . . . .	\$ 1,697†	\$ 1,353	\$ 331	\$ 3,567	. . . . .	. . . . .
PROGRAM TOTAL	\$ 223,248	\$ 248,371	\$ 304,308	\$ 267,828	\$ 286,957	\$ 300,057	\$ 317,768
PROTECTION OF PERSONS AND PROPERTY							
General Fund	\$ 147,932	\$ 184,237	\$ 244,883	\$ 217,053	\$ 233,393	\$ 249,476	\$ 264,390
Special Funds	170,465	188,084	236,905	213,561	223,362	234,615	246,154
Federal Funds	41,494	48,946	74,611	57,933	59,320	60,511	61,783
Other Funds	20,121	23,883	29,994	27,056	28,996	31,502	34,196
Total—Operating	\$ 380,012	\$ 445,150	\$ 586,393	\$ 515,603	\$ 545,071	\$ 576,104	\$ 606,523
Capital Bond Authorizations	\$ 1,875	\$ 37,349†	\$ 9,586	\$ 18,371	\$ 10,983	\$ 10,352	\$ 8,591
PROGRAM TOTAL	\$ 381,887	\$ 482,499	\$ 595,979	\$ 533,974	\$ 556,054	\$ 586,456	\$ 615,114
HEALTH—PHYSICAL AND MENTAL WELL-BEING							
General Fund	\$ 527,318	\$ 634,553	\$ 851,462	\$ 728,460	\$ 760,832	\$ 796,296	\$ 831,709
Special Funds	10,241	11,076	12,283	13,383	14,583	15,883	17,283
Federal Funds	259,281	310,120	446,213	368,515	385,355	401,339	418,103
Other Funds	52,048	55,343	71,183	60,654	63,447	66,370	69,425
Total—Operating	\$ 848,888	\$1,011,092	\$1,381,141	\$1,171,012	\$1,224,217	\$1,279,888	\$1,336,520
Capital Bond Authorizations	\$ 424	\$ 26,758†	\$ 4,846	\$ 11,743	\$ 12,386	\$ 10,009	\$ 7,383
PROGRAM TOTAL	\$ 849,312	\$1,037,850	\$1,385,987	\$1,182,755	\$1,236,603	\$1,289,897	\$1,343,903
INTELLECTUAL DEVELOPMENT AND EDUCATION							
General Fund	\$2,091,131	\$2,390,760	\$2,657,744	\$2,692,914	\$2,736,486	\$2,810,934	\$2,890,431
Special Funds	47,500	73,500	82,500	67,500	69,500	77,500	80,500
Federal Funds	11,443	14,552	15,966	14,707	15,761	16,956	18,306
Other Funds	283,210	273,194	331,805	280,698	286,789	292,998	299,568
Total—Operating	\$2,433,284	\$2,752,006	\$3,088,015	\$3,055,819	\$3,108,536	\$3,198,388	\$3,288,805
Capital Bond Authorizations	\$ 2,520	\$ 67,798†	\$ 13,709	\$ 29,631	\$ 26,367	\$ 25,961	\$ 24,849
PROGRAM TOTAL	\$2,435,804	\$2,819,804	\$3,101,724	\$3,085,450	\$3,134,903	\$3,224,349	\$3,313,654

† Includes pending capital authorizations.

OPERATING AND CAPITAL

Five Year Summary of Commonwealth Programs (Continued)

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
SOCIAL DEVELOPMENT							
General Fund	\$ 257,979	\$ 317,562	\$ 416,860	\$ 368,653	\$ 383,338	\$ 403,296	\$ 422,053
Special Funds	56,698	82,932	68,625	70,573	71,643	72,801	74,054
Federal Funds	167,759	197,076	252,035	229,757	241,668	248,622	258,694
Other Funds	8,349	8,526	7,838	6,957	6,296	7,444	7,702
PROGRAM TOTAL	<u>\$ 490,785</u>	<u>\$ 606,096</u>	<u>\$ 745,358</u>	<u>\$ 675,940</u>	<u>\$ 702,945</u>	<u>\$ 732,163</u>	<u>\$ 762,503</u>
ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE							
General Fund	\$ 489,026	\$ 577,156	\$ 936,696	\$ 746,656	\$ 748,670	\$ 767,602	\$ 792,443
Special Funds	11,852	23,095	40,983	32,784	32,832	32,858	32,888
Federal Funds	270,684	291,936	545,575	473,120	460,050	465,318	475,017
Other Funds	47,580	52,006	73,609	59,860	61,643	63,713	65,822
Total—Operating	<u>\$ 819,142</u>	<u>\$ 944,193</u>	<u>\$1,596,863</u>	<u>\$1,312,420</u>	<u>\$1,303,195</u>	<u>\$1,329,491</u>	<u>\$1,366,170</u>
Capital Bond Authorizations		\$ 41,420†	\$ 385	\$ 470	\$ 471	\$ 464	\$ 544
PROGRAM TOTAL	<u>\$ 819,142</u>	<u>\$ 985,613</u>	<u>\$1,597,248</u>	<u>\$1,312,890</u>	<u>\$1,303,666</u>	<u>\$1,329,955</u>	<u>\$1,366,714</u>
TRANSPORTATION AND COMMUNICATION							
General Fund	\$ 4,648	\$ 83,896	\$ 80,414	\$ 84,470	\$ 89,561	\$ 96,747	\$ 105,973
Special Funds	569,911	583,379	674,894	619,216	633,247	665,821	701,154
Federal Funds	218,181	246,926	376,041	272,997	277,201	281,768	282,718
Other Funds	22,653	31,091	36,564	27,213	26,616	26,016	26,104
Total—Operating	<u>\$ 815,393</u>	<u>\$ 945,292</u>	<u>\$1,167,913</u>	<u>\$1,003,896</u>	<u>\$1,026,625</u>	<u>\$1,070,352</u>	<u>\$1,115,949</u>
Capital Bond Authorizations	\$ 402,700	\$ 485,079†	\$ 11,370	\$ 218,936	\$ 219,391	\$ 215,934	\$ 216,715
PROGRAM TOTAL	<u>\$1,218,093</u>	<u>\$1,430,371</u>	<u>\$1,179,283</u>	<u>\$1,222,832</u>	<u>\$1,246,016</u>	<u>\$1,286,286</u>	<u>\$1,332,664</u>
RECREATION AND CULTURAL ENRICHMENT							
General Fund	\$ 55,440	\$ 64,841	\$ 71,383	\$ 72,474	\$ 75,929	\$ 79,579	\$ 82,266
Special Funds	21,855	25,965	32,471	27,560	29,206	30,546	32,073
Federal Funds	1,195	3,052	3,097	2,851	2,850	2,899	2,948
Other Funds	1,391	4,137	4,369	3,335	2,132	2,193	2,275
Total—Operating	<u>\$ 79,881</u>	<u>\$ 97,995</u>	<u>\$ 111,320</u>	<u>\$ 106,220</u>	<u>\$ 110,117</u>	<u>\$ 115,217</u>	<u>\$ 119,562</u>
Capital Bond Authorizations	\$ 248	\$ 72,009†	\$ 463	\$ 10,402	\$ 10,691	\$ 7,022	\$ 6,417
PROGRAM TOTAL	<u>\$ 80,129</u>	<u>\$ 170,004</u>	<u>\$ 111,783</u>	<u>\$ 116,622</u>	<u>\$ 120,808</u>	<u>\$ 122,239</u>	<u>\$ 125,979</u>

†Includes pending capital authorizations.

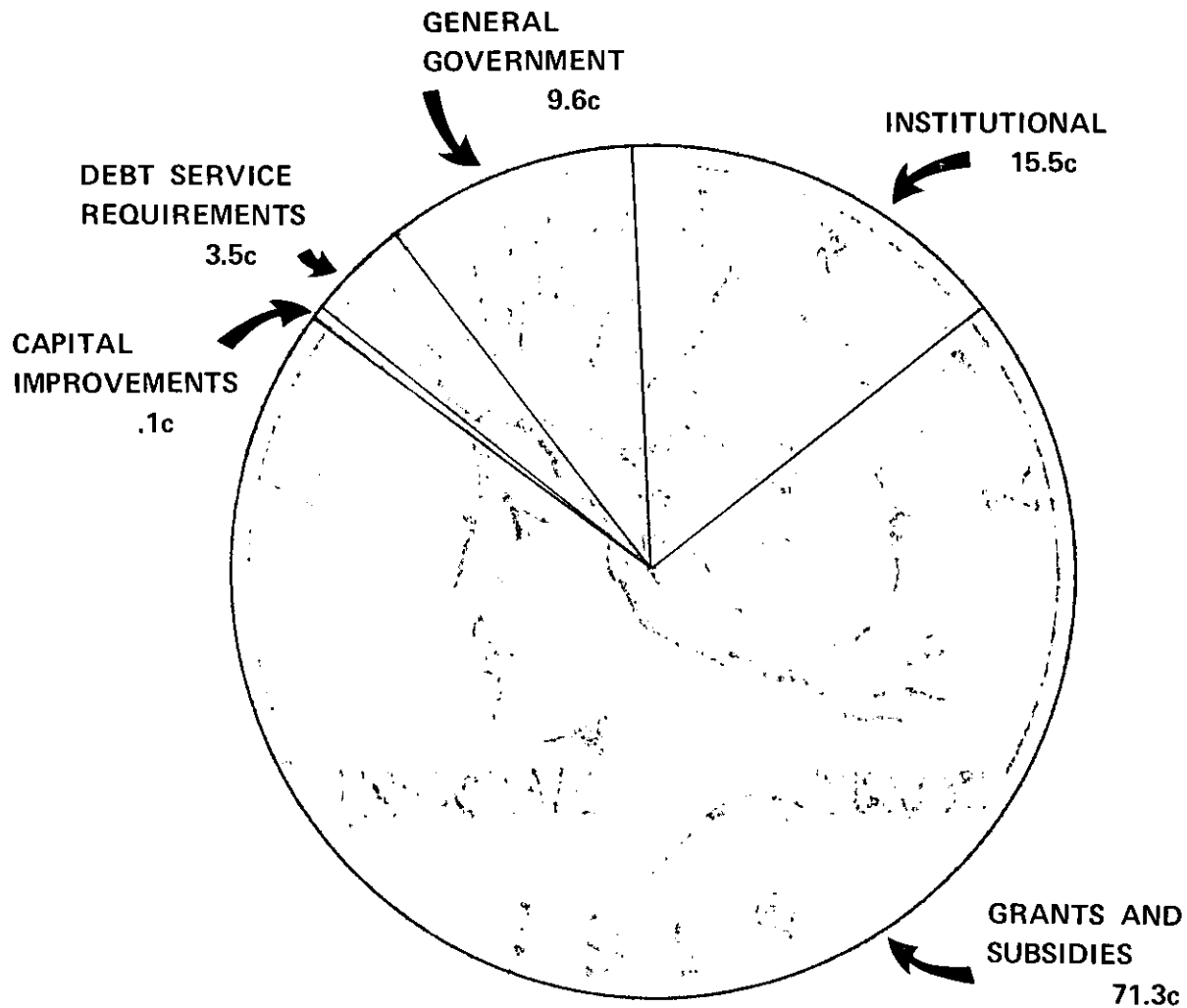
OPERATING AND CAPITAL
Five Year Summary of Commonwealth Programs
(Continued)

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
GENERAL SALARY INCREASE							
General Fund			\$ 34,400	\$ 28,900	\$ 30,300	\$ 31,800	\$ 33,400
Special Funds			10,866	9,032	9,485	9,962	10,457
Total—Operating			<u>\$ 45,266</u>	<u>\$ 37,932</u>	<u>\$ 39,785</u>	<u>\$ 41,762</u>	<u>\$ 43,857</u>
COMMONWEALTH TOTAL							
General Fund	\$3,696,748	\$4,389,467	\$5,473,506	\$5,098,210	\$5,228,896	\$5,418,468	\$5,617,971
Special Funds	966,947	1,072,947	1,245,981	1,130,403	1,162,292	1,220,259	1,276,880
Federal Funds	973,400	1,115,675	1,721,331	1,426,878	1,449,943	1,485,850	1,526,867
Other Funds	453,538	470,409	584,406	490,848	502,750	518,845	535,939
Total—Operating	<u>\$6,090,633</u>	<u>\$7,048,498</u>	<u>\$9,025,224</u>	<u>\$8,146,339</u>	<u>\$8,343,881</u>	<u>\$8,643,422</u>	<u>\$8,957,657</u>
Capital Bond Authorizations	\$ 407,767	\$ 732,110†	\$ 41,712	\$ 289,884	\$ 283,856	\$ 269,742	\$ 264,499
GRAND TOTAL	<u>\$6,498,400</u>	<u>\$7,780,608</u>	<u>\$9,066,936</u>	<u>\$8,436,223</u>	<u>\$8,627,737</u>	<u>\$8,913,164</u>	<u>\$9,222,156</u>

† Includes pending capital authorizations.

Use of the General Fund Dollar

1975-76 Fiscal Year



\$ 1.00

COMMONWEALTH OF PENNSYLVANIA

1975-76

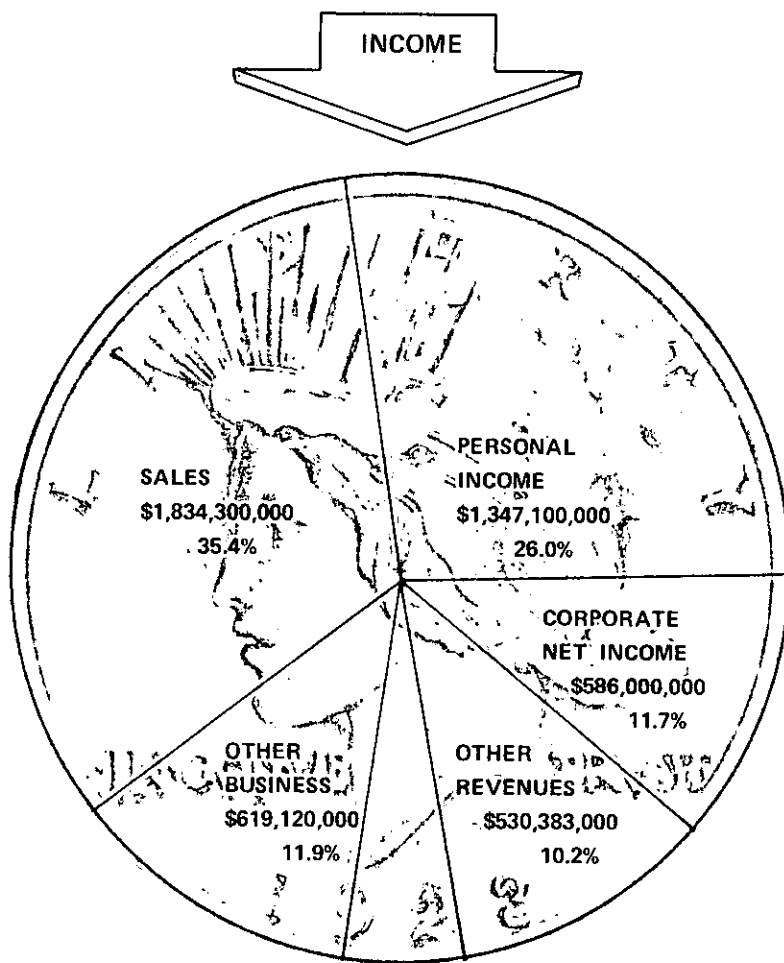
Fiscal Year

(15 months)

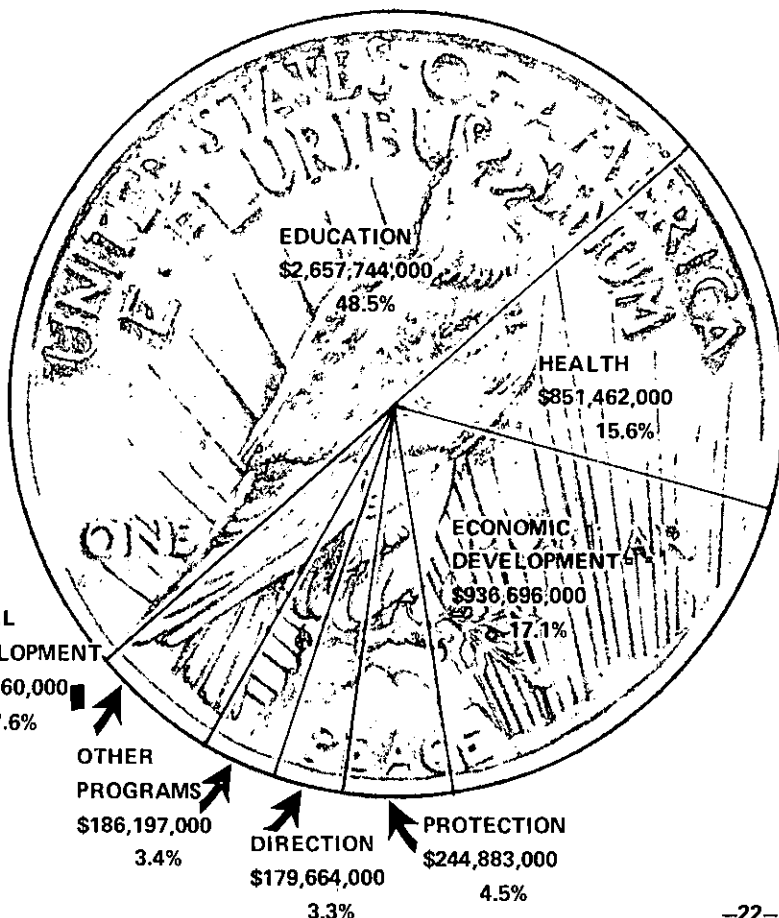
GENERAL FUND

TOTAL INCOME	\$5,188,803,000
LESS REFUNDS	-30,400,000
BEGINNING SURPLUS	141,836,000
PARENTS REIMBURSEMENT FUND	175,000,000
TOTAL	\$5,475,239,000

TOTAL OUTGO	\$5,473,506,000
PLUS ENDING SURPLUS	1,733,000
TOTAL	\$5,475,239,000



CIGARETTE
\$271,900,000
5.2%



GENERAL FUND

Program Summary

	(Dollar Amounts in Thousands)			
	1974-75 (12 months)		1975-76 (15 months)	
Direction and Supportive Services	\$ 136,462	3.11%	\$ 179,664	3.28%
Protection of Persons and Property	184,237	4.20%	244,883	4.47%
Health—Physical and Mental Well—Being	634,553	14.46%	851,462	15.56%
Intellectual Development and Education	2,390,760	54.46%	2,657,744	48.56%
Social Development	317,562	7.23%	416,860	7.62%
Economic Development and Income Maintenance	577,156	13.15%	936,696	17.11%
Transportation and Communication	83,896	1.91%	80,414	1.47%
Recreation and Cultural Enrichment	64,841	1.48%	71,383	1.30%
General Salary Increase . . . . .	. . . . .	. . . . .	34,400	.63%
GENERAL FUND TOTAL	\$4,389,467	100.00%	\$5,473,506	100.00%

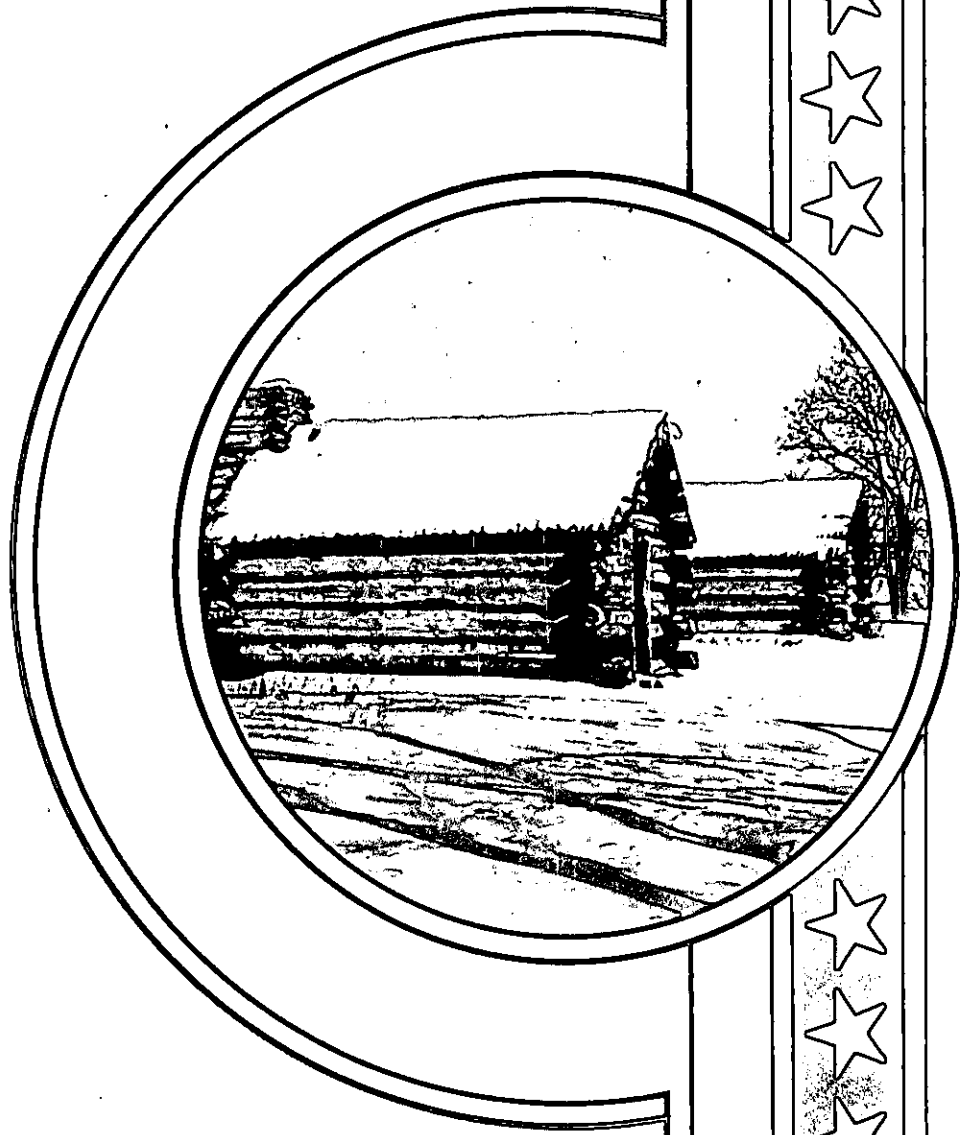
SUMMARY OF PROGRAM REVISIONS

The 1975-76 Commonwealth Budget reflects only those new or revised programs necessary to attack the most pressing social problems confronting Pennsylvanians.

The Program Revisions listed below are described in detail in Volume II on the pages indicated.

General Fund

(Dollar Amounts in Thousands)			
Department/Appropriation	Program Revision Title	Page in Volume II	1975-76 State Funds (15 months)
Agriculture			
General Government Operations	Rural Transportation	104	\$ 600
	DEPARTMENT TOTAL		<u>\$ 600</u>
Health			
General Government Operations	Comprehensive, Primary and Emergency		
	Health Services	376	\$ 1,000
	Maternal and Newborn Infant Care	380	716
	DEPARTMENT TOTAL		<u>\$ 1,716</u>
Public Welfare			
Small Unit Residential Treatment	Expansion of Community Living Arrangements for the Mentally Retarded	618	\$ 1,886
Cash Assistance	Increased Cash Assistance Grants	627	39,541
Supplemental Grants—Aged, Blind and Disabled	Increased Supplemental Grants—Aged, Blind and Disabled	628	15,000
	DEPARTMENT TOTAL		<u>\$56,427</u>
	GENERAL FUND TOTAL		<u>\$58,743</u>



Program Budget Summary

*Naked and starving as they are we cannot enough admire the incomparable
patience and fidelity of the soldiery.
General Washington, February 16, 1778*

Soldier Huts, Muhlenberg's Brigade, Valley Forge

COMMONWEALTH PROGRAM BUDGET

This section summarizes the 1975-76 budget by the eight major program areas in which the Commonwealth provides services to its residents. It crosses departmental lines as well as individual special funds. As such it provides an overview of the major recommendations of this budget for program improvement or continuation.

Each program presentation contains a summary statement of budget recommendations in that program as well as a break out of categories and subcategories (sub-divisions of activities) which contribute to the Commonwealth's total effort in that program. Volume II contains further information about specific departmental efforts at the subcategory level.

FIVE YEAR SUMMARY OF COMMONWEALTH PROGRAMS

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
DIRECTION AND SUPPORTIVE SERVICES							
General Fund	\$ 123,274	\$ 136,462	\$ 179,664	\$ 158,630	\$ 170,387	\$ 182,738	\$ 195,306
Special Funds	78,425	84,916	86,454	76,794	78,434	80,273	82,317
Federal Funds	3,363	3,067	7,793	6,998	7,738	8,437	9,298
Other Funds	18,186	22,229	29,044	25,075	26,831	28,609	30,847
Total—Operating	\$ 223,248	\$ 246,674	\$ 302,955	\$ 267,497	\$ 283,390	\$ 300,057	\$ 317,768
PROTECTION OF PERSONS AND PROPERTY							
General Fund	\$ 147,932	\$ 184,237	\$ 244,883	\$ 217,053	\$ 233,393	\$ 249,476	\$ 264,390
Special Funds	170,465	188,084	236,905	213,561	223,362	234,615	246,154
Federal Funds	41,494	48,946	74,611	57,933	59,320	60,511	61,783
Other Funds	20,121	23,883	29,994	27,056	28,996	31,502	34,196
Total—Operating	\$ 380,012	\$ 445,150	\$ 586,393	\$ 515,603	\$ 545,071	\$ 576,104	\$ 606,523
HEALTH—PHYSICAL AND MENTAL WELL-BEING							
General Fund	\$ 527,318	\$ 634,553	\$ 851,462	\$ 728,460	\$ 760,832	\$ 796,296	\$ 831,709
Special Funds	10,241	11,076	12,283	13,383	14,583	15,883	17,283
Federal Funds	259,281	310,120	446,213	368,515	385,355	401,339	418,103
Other Funds	52,048	55,343	71,183	60,654	63,447	66,370	69,425
Total—Operating	\$ 848,888	\$1,011,092	\$1,381,141	\$1,171,012	\$1,224,217	\$1,279,888	\$1,336,520
INTELLECTUAL DEVELOPMENT AND EDUCATION							
General Fund	\$2,091,131	\$2,390,760	\$2,657,744	\$2,692,914	\$2,736,486	\$2,810,934	\$2,890,431
Special Funds	47,500	73,500	82,500	67,500	69,500	77,500	80,500
Federal Funds	11,443	14,552	15,966	14,707	15,761	16,956	18,306
Other Funds	283,210	273,194	331,805	280,698	286,789	292,998	299,568
Total—Operating	\$2,433,284	\$2,752,006	\$3,088,015	\$3,055,819	\$3,108,536	\$3,198,388	\$3,288,805
SOCIAL DEVELOPMENT							
General Fund	\$ 257,979	\$ 317,562	\$ 416,860	\$ 368,653	\$ 383,338	\$ 403,296	\$ 422,053
Special Funds	56,698	82,932	68,625	70,573	71,643	72,801	74,054
Federal Funds	167,759	197,076	252,035	229,757	241,668	248,622	258,694
Other Funds	8,349	8,526	7,838	6,957	6,296	7,444	7,702
Total—Operating	\$ 490,785	\$ 606,096	\$ 745,358	\$ 675,940	\$ 702,945	\$ 732,163	\$ 762,503
ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE							
General Fund	\$ 489,026	\$ 577,156	\$ 936,696	\$ 746,656	\$ 748,670	\$ 767,602	\$ 792,443
Special Funds	11,852	23,095	40,983	32,784	32,832	32,858	32,888
Federal Funds	270,684	291,936	545,575	473,120	460,050	465,318	475,017
Other Funds	47,580	52,006	73,609	59,860	61,643	63,713	65,822
Total—Operating	\$ 819,142	\$ 944,193	\$1,596,863	\$1,312,420	\$1,303,195	\$1,329,491	\$1,366,170

FIVE YEAR SUMMARY OF COMMONWEALTH PROGRAMS
(continued)

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
TRANSPORTATION AND COMMUNICATION							
General Fund	\$ 4,648	\$ 83,896	\$ 80,414	\$ 84,470	\$ 89,561	\$ 96,747	\$ 105,973
Special Funds	569,911	583,379	674,894	619,216	633,247	665,821	701,154
Federal Funds	218,181	246,926	376,041	272,997	277,201	281,768	282,718
Other Funds	22,653	31,091	36,564	27,213	26,616	26,016	26,104
Total—Operating	<u>\$ 815,393</u>	<u>\$ 945,292</u>	<u>\$ 1,167,913</u>	<u>\$ 1,003,896</u>	<u>\$ 1,026,625</u>	<u>\$ 1,070,352</u>	<u>\$ 1,115,949</u>
RECREATION AND CULTURAL ENRICHMENT							
General Fund	\$ 55,440	\$ 64,841	\$ 71,383	\$ 72,474	\$ 75,929	\$ 79,579	\$ 82,266
Special Funds	21,855	25,965	32,471	27,560	29,206	30,546	32,073
Federal Funds	1,195	3,052	3,097	2,851	2,850	2,899	2,948
Other Funds	1,391	4,137	4,369	3,335	2,132	2,193	2,275
Total—Operating	<u>\$ 79,881</u>	<u>\$ 97,995</u>	<u>\$ 111,320</u>	<u>\$ 106,220</u>	<u>\$ 110,117</u>	<u>\$ 115,217</u>	<u>\$ 119,562</u>
GENERAL SALARY INCREASE							
General Fund .....	.....	.....	\$ 34,400	\$ 28,900	\$ 30,300	\$ 31,800	\$ 33,400
Special Funds .....	.....	.....	10,866	9,032	9,485	9,962	10,457
Total—Operating .....	.....	.....	<u>\$ 45,266</u>	<u>\$ 37,932</u>	<u>\$ 39,785</u>	<u>\$ 41,762</u>	<u>\$ 43,857</u>
COMMONWEALTH TOTAL							
General Fund	\$3,696,748	\$4,389,467	\$5,473,506	\$5,098,210	\$5,228,896	\$5,418,468	\$5,617,971
Special Funds	966,947	1,072,947	1,245,981	1,130,403	1,162,292	1,220,259	1,276,880
Federal Funds	973,400	1,115,675	1,721,331	1,426,878	1,449,943	1,485,850	1,526,867
Other Funds	453,538	470,409	584,406	490,848	502,750	518,845	535,939
Total—Operating	<u>\$6,090,633</u>	<u>\$7,048,498</u>	<u>\$9,025,224</u>	<u>\$8,146,339</u>	<u>\$8,343,881</u>	<u>\$8,643,422</u>	<u>\$8,957,657</u>

DIRECTION AND SUPPORTIVE SERVICES

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
General Fund	\$ 123,274	\$ 136,462	\$ 179,664	\$ 158,630	\$ 170,387	\$ 182,738	\$ 195,306
Special Funds	78,425	84,916	86,454	76,794	78,434	80,273	82,317
Federal Funds	3,363	3,067	7,793	6,998	7,738	8,437	9,298
Other Funds	18,186	22,229	29,044	25,075	26,831	28,609	30,847
TOTAL	\$ 223,248	\$ 246,674	\$ 302,955	\$ 267,497	\$ 283,390	\$ 300,057	\$ 317,768

This program is responsible for providing the administrative and overhead services necessary to support the substantive programs of the Commonwealth. Examples of such services are providing a centralized automatic data processing system, a Commonwealth wide system of personnel management and classification and a uniform centralized accounting system.

Another involvement of this program is the management of the Commonwealth's entire revenue system. Activities include the collection of taxes, management and investment of Commonwealth monies, and the audit of expenditures totaling several billions of dollars each year.

Support for the Commonwealth's central purchasing function and required maintenance services for Commonwealth owned land and buildings also are covered.

It has always been Commonwealth policy to minimize overhead and administrative costs, and this is especially true in this period of economic difficulty. Every dollar that can be pared from administrative costs can be applied toward a substantive program.

Contributions by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Administration and Support	\$ 27,194	\$ 40,049	\$ 37,546	\$ 34,236	\$ 37,048	\$ 40,200	\$ 42,928
Fiscal Management	\$129,083	\$132,443	\$159,305	\$140,528	\$146,595	\$153,150	\$160,269
Revenue Collection and Administration	97,523	105,689	121,427	103,173	108,109	113,506	119,393
Disbursement	23,913	18,143	26,687	27,853	28,225	28,574	28,931
Auditing	7,647	8,611	11,191	9,502	10,261	11,070	11,945
Commodity Management	\$ 3,673	\$ 3,700	\$ 4,966	\$ 5,136	\$ 5,546	\$ 5,988	\$ 6,467
Procurement, Storage and Distribution of Commodities	3,673	3,700	4,966	5,136	5,546	5,988	6,467
Physical Facilities Management	\$ 13,827	\$ 15,735	\$ 21,680	\$ 18,718	\$ 20,211	\$ 21,823	\$ 23,566
Provision and Operation of Facilities	13,827	15,735	21,680	18,718	20,211	21,823	23,566
Legislative Processes	\$ 27,922	\$ 29,451	\$ 42,621	\$ 36,806	\$ 39,421	\$ 41,850	\$ 44,393
Legislative	27,922	29,451	42,621	36,806	39,421	41,850	44,393
Program Total	\$201,699	\$221,378	\$266,118	\$235,424	\$248,821	\$263,011	\$277,623

PROTECTION OF PERSONS AND PROPERTY

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
General Fund	\$ 147,932	\$ 184,237	\$ 244,883	\$ 217,053	\$ 233,393	\$ 249,476	\$ 264,390
Special Funds	170,465	188,084	236,905	213,561	223,362	234,615	246,154
Federal Funds	41,494	48,946	74,611	57,933	59,320	60,511	61,783
Other Funds	20,121	23,883	29,994	27,056	28,996	31,502	34,196
TOTAL	\$ 380,012	\$ 445,150	\$ 586,393	\$ 515,603	\$ 545,071	\$ 576,104	\$ 606,523

This program is concerned with regulatory activities, law enforcement, criminal rehabilitation and emergency preparedness.

Considerable public attention recently has focused on the rising cost of utilities and the Public Utility Commission role in approving rate increases. Increased funding will enable the Commission to place more emphasis on analyzing rate requests to assure that consumers are given good service at the lowest possible price.

Outstanding regulatory achievements resulting in savings of \$30 million to the consumer have been made by the Insurance Department as a result of rate reductions ordered by the department. More than two million "consumer guides" have been distributed to assist the purchaser in making rational insurance selections. Funds are provided to continue Insurance Department activities at present levels.

Major changes in securities regulation have occurred in the last two years since the passage of the Pennsylvania Securities Act of 1972. The new act gave the Securities Commission additional duties to force the registration of securities and to evaluate the prospectus to assure that it accurately represents the position of the issuing company. The past two budgets provided funds for additional personnel to implement the new act and this budget continues that trend.

Increased funding has been provided for criminal rehabilitation. Studies indicate that a large number of incarcerated offenders revert to criminal activities soon after their release. Transition from prison to normal life is an abrupt change often resulting in psychological and economic difficulties which may influence the offender to return to a previous behavior pattern. A pre-release program under the Department of Justice sends selected offenders to live in community treatment centers prior to actual release, thus providing gradual transition over a difficult period. Four more such centers are provided in this budget, bringing the total to eighteen.

In the law enforcement area, 1974-75 has seen major expansion in drug law enforcement. Enforcement activities were fully centralized in the Department of Justice and expanded. In addition to traditional undercover activities, a financial investigative unit was formed to investigate the finances of suspected large financiers of the drug distribution system in the hope that these individuals can be prosecuted for tax violations. In 1974-75 the Office of the Special Prosecutor was established. This office was established to investigate and prosecute governmental corruption. Funding to continue these new law enforcement activities is included in this budget.

Contributions by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Administration and Support	\$ 27,491	\$ 33,390	\$ 42,513	\$ 38,772	\$ 42,333	\$ 46,151	\$ 49,953
Traffic Safety and Supervision	\$109,131	\$125,246	\$175,081	\$160,646	\$171,566	\$181,757	\$192,260
Operator Qualifications Control	14,184	16,706	19,602	16,968	17,883	18,856	19,841
Vehicle Standards Control	14,228	16,792	19,711	16,569	17,414	18,331	19,238
Traffic Supervision	51,610	60,464	84,009	81,007	86,343	91,286	96,384
Roadway Safety Improvement	23,376	25,150	45,496	40,235	44,007	47,415	50,918
Highway Safety Education	5,733	6,134	6,263	5,867	5,919	5,869	5,879

PROTECTION OF PERSONS AND PROPERTY
Contributions by Category and Subcategory

General Fund and Special Funds
(continued)

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Control and Reduction of Crime	\$ 69,925	\$ 83,538	\$ 117,766	\$ 106,629	\$ 113,846	\$ 121,352	\$ 127,204
Juvenile Crime Prevention	363	385	430	406	427	451	476
Criminal Law Enforcement	21,090	26,888	37,950	35,988	37,634	39,866	41,712
Reintegration of Juvenile Delinquents	1,735	1,670	1,923	1,963	2,221	2,429	2,641
Reintegration of Offenders	46,737	54,595	77,463	68,272	73,564	78,606	82,375
Adjudication of Defendants	\$ 43,571	\$ 54,665	\$ 46,930	\$ 41,815	\$ 43,510	\$ 45,470	\$ 47,480
State Judicial System	43,571	54,665	46,930	41,815	43,510	45,470	47,480
Maintenance of Public Order	\$ 7,621	\$ 6,941	\$ 9,058	\$ 8,286	\$ 8,820	\$ 9,394	\$ 9,981
Prevention and Control of Civil Disorders	1,088	1,156	1,246	1,248	1,344	1,435	1,523
Emergency Disaster Assistance	6,533	5,785	7,812	7,038	7,476	7,959	8,458
Consumer Protection	\$ 41,535	\$ 45,692	\$ 60,760	\$ 48,952	\$ 49,785	\$ 51,646	\$ 53,845
Regulation of Consumer Products and Promotion of Fair Business Practices	4,631	5,548	7,621	6,353	6,755	7,156	7,630
Maintenance of Professional and Occupational Standards	2,351	2,904	3,836	3,380	3,791	4,014	4,308
Regulation of Financial Institutions	2,960	3,314	4,261	3,534	3,710	3,897	4,093
Regulation of Securities Industry	509	690	932	797	828	872	918
Regulation of Insurance Industry	3,983	4,504	5,867	4,987	6,524	7,188	8,100
Regulation of Horse Racing	26,089	27,649	36,714	29,514	27,771	28,093	28,348
Regulation of Milk Industry	1,012	1,083	1,529	387	406	426	448
Protection from Natural Hazards and Disasters	\$ 13,005	\$ 15,048	\$ 18,963	\$ 16,269	\$ 17,016	\$ 17,781	\$ 18,561
Flood Control	4,518	6,067	6,315	5,774	6,051	6,336	6,606
Prevention, Control and Extinction of Forest Fires	2,920	2,677	3,735	3,132	3,304	3,475	3,658
Plant Health	2,083	2,374	3,206	2,782	2,871	2,961	3,058
Animal Health	3,484	3,930	5,707	4,581	4,790	5,009	5,239
Community Housing Hygiene and Safety	\$ 3,696	\$ 4,431	\$ 6,037	\$ 4,988	\$ 5,237	\$ 5,501	\$ 5,772
Accident Prevention	3,381	4,089	5,686	4,654	4,888	5,135	5,390
Fire Prevention	315	342	351	334	349	366	382
Electoral Process	\$ 240	\$ 394	\$ 398	\$ 368	\$ 423	\$ 463	\$ 526
Maintenance of Electoral Process	240	394	398	368	423	463	526
Prevention and Elimination of Discriminatory Practices	\$ 2,182	\$ 2,976	\$ 4,282	\$ 3,889	\$ 4,219	\$ 4,576	\$ 4,962
Reduction of Discriminatory Practices	2,182	2,976	4,282	3,889	4,219	4,576	4,962
Program Total	<u>\$318,397</u>	<u>\$372,321</u>	<u>\$481,788</u>	<u>\$430,614</u>	<u>\$456,755</u>	<u>\$484,091</u>	<u>\$510,544</u>

HEALTH—PHYSICAL AND MENTAL WELL-BEING

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
General Fund	\$ 527,318	\$ 634,553	\$ 851,462	\$ 728,460	\$ 760,832	\$ 796,296	\$ 831,709
Special Funds	10,241	11,076	12,283	13,383	14,583	15,883	17,283
Federal Funds	259,281	310,120	446,213	368,515	385,355	401,339	418,103
Other Funds	52,048	55,343	71,183	60,654	63,447	66,370	69,425
TOTAL	<u>\$ 848,888</u>	<u>\$1,011,092</u>	<u>\$1,381,141</u>	<u>\$1,171,012</u>	<u>\$1,224,217</u>	<u>\$1,279,888</u>	<u>\$1,336,520</u>

The Commonwealth is responsible for providing overall planning and supervision of the physical health care system. It also is involved to a limited extent in the direct delivery of services. The recommended budget addresses itself to two significant gaps in health service delivery.

Due to the absence of adequate health care for pregnant women in certain areas of the state, infant mortality and premature birth rates are high. This year the budget includes \$761,000 in state funds for the expansion of the maternal and newborn infant care program throughout the State. This program attempts to cover the Commonwealth's population of high risk pregnant women, providing them with comprehensive health care from the beginning of pregnancy through delivery. The program will be implemented in those geographic areas with the maximal need, but with minimal local and regional health resources available.

Another significant deficiency in the health care system is the unavailability of intake points. State funds in the amount of \$1 million are recommended to develop primary and emergency health services to correct this deficiency. These funds also will be used for regulation of rates in health care facilities, as provided in the proposed Comprehensive Health Care Act of 1975.

While the Commonwealth has reviewed construction and expansion of health facilities through Hill-Burton and 1122 review procedures, authority to limit unnecessary facilities has been lacking. Under the proposed Comprehensive Health Care Act of 1975, no person would be permitted to operate, lease or construct a health care facility without first obtaining a certificate of need from the Commonwealth authorizing such operation, lease or construction. This authority would enable the Department to eliminate unnecessary facilities and

duplication of effort with the effect of lower health care costs.

The Commonwealth is also responsible for the licensing and inspection of general, special and psychiatric hospitals. This is a key part of overall health system management. Included in this year's budget are new positions created to perform the hospital survey function in order to insure that these hospitals meet prescribed state licensing standards and are eligible for Federal Medicare and Medicaid payments.

The Commonwealth through its Medical Assistance program is one of the largest purchasers of health care services in the State. It is expected that Medical Assistance will require an additional \$52.7 million in State funds for 12 months, primarily to meet the escalating cost of health care.

The Commonwealth provides for the care and rehabilitation of the mentally ill through operation of institutions and grants to community programs. The recommended budget will support the expansion of crisis intervention teams and partial hospitalization services at the community level, initiated during 1974-75. In addition, State funds are included to offset loss of revenue due to elimination of the financial liability of legally responsible relatives for mental health services provided persons 18 years of age and older as mandated by Act 249 in October 1974. In compliance with the recent Federal Court order requiring enforcement of the Fair Labor Standards Act to patient workers in non-Federal institutions, funds are recommended to eliminate patient labor at the hospitals.

Finally, the Commonwealth provides environmental protection activities aimed at controlling situations which contribute to the incidence of injuries and diseases. Although priorities may change due to pressures of the energy and economic situations, the proposed budget for these protection activities anticipates no change in the level of funding.

HEALTH—PHYSICAL AND MENTAL WELL—BEING

Contributions by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 11,360	\$ 12,046	\$ 14,913	\$ 13,174	\$ 14,010	\$ 14,616	\$ 15,425
Physical Health Treatment	\$269,633	\$333,850	\$470,407	\$387,965	\$405,005	\$422,757	\$441,319
Medical Research and Health							
Information	2,884	3,532	3,660	3,347	3,479	3,617	3,762
Medical Facilities Review	1,737	2,227	2,750	2,491	2,661	2,836	3,006
Health Services Development	8,521	8,787	20,378	17,164	17,998	18,873	19,791
Disease Prevention	20,586	22,446	23,554	20,062	20,460	20,820	21,199
Detection and Diagnosis	7,526	8,914	15,788	14,341	14,841	15,349	15,869
Outpatient Treatment	61,972	68,685	118,429	95,975	100,357	104,943	109,735
Inpatient Treatment	114,932	149,724	188,183	154,031	161,005	168,285	175,859
Life Maintenance	37,304	50,915	72,811	59,457	62,027	64,722	67,593
Control and Treatment of Drug and Alcohol Abuse	14,171	18,620	24,854	21,097	22,177	23,312	24,505
Mental Health	\$219,690	\$236,157	\$327,765	\$284,849	\$295,853	\$309,129	\$322,736
Mental Health Systems Support	11,098	12,224	15,864	15,015	14,659	15,204	15,776
Primary Prevention—Mental Health	1,322	1,737	2,501	2,125	2,250	2,385	2,530
Early Intervention and Evaluation	8,428	11,071	20,268	17,185	18,215	19,310	20,470
Outpatient Services—Mental Health	11,021	12,115	17,226	14,635	15,515	16,445	17,430
Partial Hospitalization	1,380	1,813	2,885	2,465	2,610	2,765	2,930
Short-Term Inpatient Services (Community)	3,225	4,237	6,065	5,100	5,400	5,725	6,070
Inpatient Services (State Mental Hospitals)	183,216	192,960	262,956	228,324	237,204	247,295	257,530
Protection from Health Hazards	\$ 36,876	\$ 63,576	\$ 50,660	\$ 55,855	\$ 60,547	\$ 65,677	\$ 69,512
Air Pollution Control	2,990	4,700	5,781	5,812	6,295	6,818	7,246
Water Quality Management	23,929	26,976	29,625	35,765	39,304	43,235	45,903
Community Environmental Management	6,767	28,305	10,500	9,850	10,295	10,735	11,223
Occupational Health and Safety	2,709	3,027	3,822	3,458	3,635	3,822	4,020
Radiological Health	481	568	932	970	1,018	1,067	1,120
Program Total	<u>\$537,559</u>	<u>\$645,629</u>	<u>\$863,745</u>	<u>\$741,843</u>	<u>\$775,415</u>	<u>\$812,179</u>	<u>\$848,992</u>

INTELLECTUAL DEVELOPMENT AND EDUCATION

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
General Fund	\$2,091,131	\$2,390,760	\$2,657,744	\$2,692,914	\$2,736,486	\$2,810,934	\$2,890,431
Special Funds	47,500	73,500	82,500	67,500	69,500	77,500	80,500
Federal Funds	11,443	14,552	15,966	14,707	15,761	16,956	18,306
Other Funds	283,210	273,194	331,805	280,698	286,789	292,998	299,568
TOTAL	<u>\$2,433,284</u>	<u>\$2,752,006</u>	<u>\$3,088,015</u>	<u>\$3,055,819</u>	<u>\$3,108,536</u>	<u>\$3,198,388</u>	<u>\$3,288,805</u>

The Commonwealth will contribute nearly \$2 billion toward the cost of elementary and secondary education throughout the State during 1975-76. This is in addition to the approximately \$2 billion in local funds to be spent. Although we are not certain of the results of these expenditures in terms of meeting the objectives of education for Pennsylvania's 2.2 million public school pupils, the Commonwealth is probably doing more than any other state to objectively determine the results of education.

The most noteworthy of these efforts is the Educational Quality Assessment project, which is in the process of testing one-quarter of Pennsylvania's pupils in basic skills and attitudes. Other testing has been done that indicates that compensatory programs achieve a measure of success in raising the abilities of disadvantaged pupils. In addition, vocational education graduates are surveyed regularly to determine their success in the job market.

The school-age population is declining, a trend that is projected to continue into the foreseeable future. It is expected that, as a result, elementary and secondary enrollments will decrease by 355,000 pupils from the current year to the fall of 1979. Funding increases, however, continue unabated. From 1973-74 to 1975-76 funds classified under Support of Public Schools will have increased by 24 percent, due largely to increasing costs of salaries, materials and supplies, while enrollments in public schools are decreasing by four percent.

The necessity for funding existing obligations has precluded recommending new programs in this budget. Most programs are funded at current levels; for example, the special education recommendation covers enrollments that are essentially the same as in the current year. The recommendation does not take into account possible court mandates that may require special education for additional children. Two programs for

which expansion is recommended are education in state institutions for the handicapped and in correctional institutions. In both programs, after an initial start-up year, activities are being increased to approach levels anticipated in the agreements entered into among the Departments of Education, Justice and Public Welfare.

In the area of higher education there are problems of enrollment stabilization and projected decreases as well as over-production of graduates in certain fields.

The Department of Education projects the percent of high school graduates going on to a college or university will decline at a very slow rate. They have also projected an absolute decline in the number of high school graduates after 1975. The interaction of these two factors is expected to cause a reduction in high school graduates seeking admission to our colleges and universities.

Over production of teachers, a poor job market for most graduates except in selected fields such as engineering and the health professions places an increased burden on colleges attempting to maintain enrollments and programs in affected academic disciplines for which there is less demand.

State support should not be used to subsidize programs that are consistently producing graduates for jobs that do not exist. Colleges and universities will need to shift resources into programs that better serve the individual and society. Funds are not provided for new and expanded higher education programs. In those areas where expansion may be necessary, colleges and universities are expected to shift available resources away from less productive areas. To do otherwise would encourage the retention of these programs at levels no longer needed.

Additional information on higher education is contained in a summary introduction to the Higher Education Section of this budget.

INTELLECTUAL DEVELOPMENT AND EDUCATION

Contributions by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Administration and Support	\$ 5,961	\$ 6,613	\$ 8,796	\$ 7,775	\$ 8,005	\$ 8,681	\$ 9,162
General Instruction	\$ 963,212	\$1,134,486	\$1,176,173	\$1,215,786	\$1,181,032	\$1,168,365	\$1,140,155
General Preschool Education	52,419	64,195	74,802	78,911	72,238	71,541	71,949
General Elementary and Secondary Education	910,793	1,070,291	1,101,371	1,136,875	1,108,794	1,096,824	1,068,206
Special Education	\$ 246,437	\$ 294,978	\$ 357,775	\$ 372,142	\$ 394,855	\$ 421,006	\$ 456,382
Mentally Handicapped Education	110,013	133,088	171,414	176,236	188,326	200,955	218,344
Physically Handicapped Education	122,396	146,092	166,588	175,530	185,056	195,672	210,662
Gifted and Talented Education	14,028	15,798	19,773	20,376	21,473	24,379	27,376
Compensatory Programs	\$ 175,811	\$ 192,357	\$ 205,399	\$ 213,529	\$ 217,487	\$ 223,656	\$ 236,840
Compensatory Preschool Education	11,032	12,786	11,751	12,360	14,100	14,314	14,498
Compensatory Elementary and Secondary Education	164,779	179,571	193,648	201,169	203,387	209,342	222,342
Vocational Education	\$ 251,390	\$ 270,498	\$ 307,078	\$ 335,169	\$ 356,916	\$ 387,823	\$ 419,216
Vocational Secondary Education	236,913	251,021	282,860	312,839	333,095	362,882	393,074
Post-Secondary Education	14,454	18,651	21,121	19,689	20,969	21,866	22,824
Community Education	23	826	3,097	2,641	2,852	3,075	3,318
Higher Education	\$ 495,820	\$ 565,328	\$ 685,023	\$ 616,013	\$ 647,691	\$ 678,903	\$ 709,176
Agriculture and Natural Resources	2,539	2,763	3,476	3,182	3,305	3,434	3,565
Arts, Humanities and Letters	30,208	33,113	42,891	36,990	38,703	40,488	42,337
Business Management, Commerce and Data Processing	16,440	19,127	25,801	22,451	23,550	24,707	25,908
Education	41,573	46,478	58,707	49,095	50,743	52,444	54,175
Engineering and Architecture	13,784	15,315	19,347	17,496	18,500	19,545	20,576
Health Sciences, Health Professions, and Biological Sciences	51,232	56,368	68,391	64,705	68,864	73,140	77,139
Human Services and Public Affairs	10,931	12,590	17,121	14,907	15,623	16,381	17,172
Physical Sciences, Earth Sciences, Mathematics and Military Science	21,756	24,331	30,667	27,346	28,557	29,878	31,218
Social Sciences and Area Studies	27,738	31,158	41,083	34,907	36,470	38,706	39,813
Interdisciplinary Studies	12,085	14,751	19,043	18,406	20,434	22,440	24,216
Research	12,694	13,797	13,900	13,880	13,949	14,017	14,077
Public and Community Service	8,845	9,588	12,540	10,574	11,094	11,635	12,193
Institutional Support Services	159,992	194,920	238,426	208,881	221,973	235,554	249,033
Professional Support Services	1,760	2,436	3,770	2,963	3,162	3,478	3,678
Financial Assistance to Students	84,243	88,593	89,860	90,230	92,764	93,056	94,076
Program Total	<u>\$2,138,631</u>	<u>\$2,464,260</u>	<u>\$2,740,244</u>	<u>\$2,760,414</u>	<u>\$2,805,986</u>	<u>\$2,888,434</u>	<u>\$2,970,931</u>

SOCIAL DEVELOPMENT

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
General Fund	\$ 257,979	\$ 317,562	\$ 416,860	\$ 368,653	\$ 383,338	\$ 403,296	\$ 422,053
Special Funds	56,698	82,932	68,625	70,573	71,643	72,801	74,054
Federal Funds	167,759	197,076	252,035	229,757	241,668	248,622	258,694
Other Funds	8,349	8,526	7,838	6,957	6,296	7,444	7,702
TOTAL	\$ 490,785	\$ 606,096	\$ 745,358	\$ 675,940	\$ 702,945	\$ 732,163	\$ 762,503

This program provides social services to persons unable to rely on the traditional family structure or unable to sustain themselves because of age, education, or social condition. A frequently used alternative in the past was institutional placement for those unable to care for themselves. During the fiscal period 1975-76 continued emphasis will be on community alternatives to institutional care.

A recommended increase of \$.5 million in State funds will continue development and expansion of the statewide community-based services program for the elderly. Services will be rendered through 41 county offices for aging and 119 multi-purpose service centers.

A similar program is being recommended for juvenile crime prevention. Grants will be provided to several test communities, for the development of viable alternatives to institutional care within each respective community; thus reducing recidivism and juvenile crime rates.

A frequent criticism of the social service system is the fragmentation and lack of coordination of community and state resources. After the flood disaster of 1972, the United Services Agency (USA) was established on a demonstration basis in the Wyoming Valley to pull together all State-supported human services through an integrated and comprehensive delivery system. Fiscal year 1974-75 marked the end of emergency flood funding but because of the success of this agency, \$.5 million is recommended in this budget for its continuation.

The Social Development program has been expanded this year in another nontraditional manner. For the first time the

mental retardation program will be addressed as a social adjustment program instead of a health program. This will emphasize the development of community alternatives to long-term State institutional care. Over \$3.5 million is recommended for the continued dispersal of State institutionalized mentally retarded persons to appropriate community based facilities. In addition, approximately \$2.0 is recommended for the continued expansion of the community living arrangements program to provide services to over 1,000 additional persons, many of them from the State schools and hospitals and the State institutional waiting lists.

The recommended budget also includes State funds to offset the loss of revenue due to passage of Act 249 of 1974 which removed the financial liability of legally responsible relatives of persons 18 years of age or older receiving services under the provisions of the Mental Health and Mental Retardation Act of 1966. In addition, funds provided to eliminate the long standing practice of using patient labor in the State institutions without remuneration, commonly referred to as institutional peonage. A Federal Court order requires compensation to patient workers no later than December 1974.

In January 1975, the Department of Public Welfare officially acquired Marcy State Hospital from the Department of Health. This former tuberculosis hospital is serving mentally retarded persons from the Allegheny County area who were patients at Polk State School and Hospital. Funds are recommended to operate this facility for the mentally retarded for a full 15 months.

SOCIAL DEVELOPMENT

Contributions by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Administration and Support	\$ 1,496	\$ 1,602	\$ 2,309	\$ 2,034	\$ 2,203	\$ 2,279	\$ 2,423
Social Development of Individuals	\$127,812	\$146,341	\$183,423	\$160,730	\$166,769	\$176,920	\$185,639
Youth Development Services	19,828	23,030	25,823	23,362	24,684	26,085	27,565
Services to the Community	1,593	2,841	4,231	4,119	4,304	4,393	4,637
Family Support Services	106,391	120,470	153,369	133,249	137,781	146,442	153,437
Support of the Aged	\$ 50,873	\$ 83,090	\$ 74,313	\$ 77,217	\$ 78,624	\$ 80,136	\$ 81,760
Support and Care of the Aged	50,873	83,090	74,313	77,217	78,624	80,136	81,760
Mental Retardation	\$134,496	\$169,461	\$225,440	\$199,245	\$207,385	\$216,762	\$226,285
Mental Retardation Systems Support	3,097	4,029	5,775	4,963	5,251	5,565	5,895
Prevention—Mental Retardation	1,322	1,737	2,604	2,210	2,340	2,480	2,630
Early Identification, Diagnosis and Case Management	10,137	11,171	16,159	13,680	14,430	15,225	16,070
Independent and Family Living Arrangements	9,985	12,961	20,334	17,478	18,480	19,540	20,655
Community Living Arrangements	7,928	10,574	13,562	14,960	15,620	16,310	17,020
Institutional Living Arrangements (Private Licensed Facilities)	7,026	6,930	8,680	6,930	6,930	6,930	6,930
State Schools and Hospitals	95,001	122,059	158,326	139,024	144,334	150,712	157,085
Program Total	<u>\$314,677</u>	<u>\$400,494</u>	<u>\$485,485</u>	<u>\$439,226</u>	<u>\$454,981</u>	<u>\$476,097</u>	<u>\$496,107</u>

ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE

	1973-74 Actual	1974-75 Available	(Dollar Amounts in Thousands)				
			1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
General Fund	\$ 489,026	\$ 577,156	\$ 936,696	\$ 746,656	\$ 748,670	\$ 767,602	\$ 792,443
Special Funds	11,852	23,095	40,983	32,784	32,832	32,858	32,888
Federal Funds	270,684	291,936	545,575	473,120	460,050	465,318	475,017
Other Funds	47,580	52,006	73,609	59,860	61,643	63,713	65,822
TOTAL	\$ 819,142	\$ 944,193	\$1,596,863	\$1,312,420	\$1,303,195	\$1,329,491	\$1,366,170

The most critical problem currently facing both the Commonwealth and the nation is the state of the economy. As unemployment rises the Commonwealth's economic development strategies and income maintenance program are being put to the test. In January, 1975 the Commonwealth's unemployment rate reached 7.7 percent. A small but positive indication that the development efforts of the Commonwealth have been valuable is the fact that high as it is, this State's unemployment rate is running below the national average (8.2 percent in January) and substantially below some of the other industrialized States.

Most of the economic development programs instituted to deal with the recession of the 1950's are still available to help mitigate our current economic difficulties. The primary component, the Pennsylvania Industrial Development Authority (PIDA), has continued to promote the expansion of employment by offering long-term low interest loans to companies expanding or locating in Pennsylvania. Approximately \$31.7 million in loan repayments will be available to PIDA on a fifteen month basis for new loans.

In addition a \$2 million appropriation for the Minority Business Development Authority will provide continued assistance for loans, technical assistance and program liason to minority businesses.

Limited Commonwealth resources mandate that priorities be established. This budget, therefore, emphasize the human needs of the Commonwealth's citizens in this time of economic turmoil by concentrating our resources on income maintenance programs. With the fewest resources to cope with the combined effects of inflation and recession, those at the bottom of the economic ladder must turn to cash assistance to aid them through this period. We estimate that the average monthly personload will increase by 157,900 persons from the 1974-75 monthly average of 744,500 to a monthly average of 902,400 in 1975-76. On a 15-month fiscal basis this increase is expected to be 181,200 persons above the 1974-75 average personload. This is a totally unprecedented increase and

requires an expenditure in State funds of \$127.5 million just to provide for the increased number of recipients. For 15 months, expenditures required to meet this increase are \$279.3 million.

Inflation which is accompanying this recession has eroded the purchasing power of those on public assistance. To partially offset this, the budget includes funds to increase cash grants by six percent as of September 1, 1975. Funds in the amount of \$39.5 million are provided for the cost of this increase for 15 months, or \$29.8 million for 12 months. An additional \$13 million is provided in the 15 month total to increase supplemental grants to Supplemental Security Income (SSI) recipients by six percent as of January 1, 1976. On a 12 month basis this cost is \$8.2 million.

The Commonwealth is also now actively participating along with local prime sponsors in the implementation of the Comprehensive Employment and Training Act (CETA). Under this Act funds are provided for the creation of public service employment jobs as well as manpower training for the unemployed and underemployed.

Two manpower training programs are virtually unaffected by CETA, the Work Incentive Program (WIN) and the Manpower Employment and Assistance Program (TEAM). State funds total \$2 million are included in this budget for these two programs. Along with Federal matching they bring in, these dollars will prepare 29,918 persons for employment opportunities.

While this is not a time in which substantial new Commonwealth efforts can be undertaken, this budget provides funds to continue at current levels most of the programs which will continue to improve the economic and physical environment of the Commonwealth. Funds in the amount of \$19.5 million are included for Redevelopment Assistance which will be used to supplement and complement funds available to local governments from the Federal Housing and Community Development Act for upgrading the living environment in our communities.

ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE

Contributions by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Administration and Support	\$ 11,444	\$ 13,663	\$ 18,692	\$ 16,394	\$ 17,565	\$ 18,299	\$ 19,341
Commonwealth Economic Development . . .	\$ 8,410	\$ 20,836	\$ 17,266	\$ 10,346	\$ 11,092	\$ 11,454	\$ 11,832
Tourism and Travel Development	1,716	7,211	5,978	823	864	907	952
Industrial Development	3,387	9,627	6,283	5,138	5,690	5,848	6,013
Scientific and Technological Development	921	1,295	1,349	1,316	1,324	1,333	1,342
International Trade	273	285	391	328	344	361	379
Agribusiness Development	2,113	2,418	3,265	2,741	2,870	3,005	3,146
Economic Development of the Disadvantaged and Handicapped	\$434,097	\$503,798	\$875,445	\$688,974	\$688,128	\$704,704	\$726,965
Income Maintenance	421,583	487,737	858,100	668,974	669,836	685,687	706,963
Achieving Economic Independence— Socially and Economically Disadvantaged	4,706	5,605	5,591	5,519	5,500	5,482	5,458
Achieving Economic Independence— Physically and Mentally Handicapped	6,502	8,761	9,309	12,378	10,649	11,350	12,315
Community Action Assistance	1,306	1,695	2,445	2,103	2,143	2,185	2,229
Community Physical Development	\$ 17,901	\$ 28,309	\$ 27,253	\$ 26,951	\$ 26,977	\$ 27,004	\$ 27,030
Housing and Redevelopment	17,901	28,309	27,253	26,951	26,977	27,004	27,030
Improvement of Local Government Operations and Institutions	\$ 9,842	\$ 11,225	\$ 12,465	\$ 11,950	\$ 12,071	\$ 12,197	\$ 12,330
Area-Wide Services	119	131	242	218	224	230	237
Municipal Administrative Support Capability	9,723	11,094	12,223	11,732	11,847	11,967	12,093
Natural Resource Development and Management	\$ 12,681	\$ 13,728	\$ 18,140	\$ 16,856	\$ 17,566	\$ 18,550	\$ 19,413
Development, Utilization and Regulation of Water Resources	1,424	1,626	1,681	1,634	1,490	1,553	1,624
Development, Utilization and Regulation of Land Resources	7,076	7,541	10,518	8,587	8,978	9,394	9,832
Development, Utilization and Regulation of Mineral Resources	4,181	4,561	5,941	6,635	7,098	7,603	7,957
Labor-Management Relations	\$ 1,368	\$ 1,803	\$ 2,316	\$ 2,161	\$ 2,269	\$ 2,383	\$ 2,502
Industrial Relations Stability	1,368	1,803	2,316	2,161	2,269	2,383	2,502
Veterans' Compensation	\$ 5,135	\$ 6,889	\$ 6,102	\$ 5,808	\$ 5,834	\$ 5,869	\$ 5,918
Vietnam Veterans' Compensation	5,135	6,889	6,102	5,808	5,834	5,869	5,918
Program Total	<u>\$500,878</u>	<u>\$600,251</u>	<u>\$977,679</u>	<u>\$779,440</u>	<u>\$781,502</u>	<u>\$800,460</u>	<u>\$825,331</u>

TRANSPORTATION AND COMMUNICATION

	1973-74 Actual	1974-75 Available	(Dollar Amounts in Thousands)				
			1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
General Fund	\$ 4,648	\$ 83,896	\$ 80,414	\$ 84,470	\$ 89,561	\$ 96,747	\$ 105,973
Special Funds	569,911	583,379	674,894	619,216	633,247	665,821	701,154
Federal Funds	218,181	246,926	376,041	272,997	277,201	281,768	282,718
Other Funds	22,653	31,091	36,564	27,213	26,616	26,016	26,104
TOTAL	\$ 815,393	\$ 945,292	\$1,167,913	\$1,003,896	\$1,026,625	\$1,070,352	\$1,115,949

Transportation plays a vital role in shaping both the economic viability and the basic amenities of the Commonwealth. The mode used to move people and goods not only shapes local and regional growth patterns, but impacts significantly on the quality of life itself. In recent years much progress has been made in many aspects of transportation. Our interstate highway system is nearing completion, mass transit patronage is increasing for the first time since the mid-1940's, the Port of Philadelphia is now the nation's leading cargo port in handling international tonnage, and airport improvement projects are enhancing the safety and efficiency of our public airport network.

Despite these impressive achievements, problems still abound. Decisions all too often continue to be made on the basis of isolated problems without regard for statewide or regional objectives. Yet a balanced transportation system cannot be achieved with fragmented improvements to highways, or mass transit, or airports, or ports without consideration of the total transportation as well as social and environmental systems in which each of the modes interacts. Transportation decisions are further influenced by the billions of Federal Highway Trust Fund dollars available almost exclusively for highways — while non-highway modes must compete with education, welfare, and defense spending for Federal support.

Meanwhile railroad and bus companies, left to their own devices to compete with this heavily subsidized highway network, have declined precipitously. Although improving somewhat in recent years, urban mass transportation still suffers from obvious neglect. Only Federal sponsorship prevented the complete collapse of intercity passenger service in the Northeastern United States, and similar Federal intervention in rail cargo is nearing reality. Compounding this problem, if preliminary Federal recommendations for rail abandonments are adopted, only significant State participation in rail freight service can prevent serious economic dislocations throughout the Commonwealth. Yet, the massive roadbuilding programs of recent years have been unable to alleviate the omnipresent congestion so prevalent in our urban areas, as traffic simply rises in response to increased capacity. Our cities continue to face traffic congestion and air and noise pollution.

What we must do then, especially in our cities, is to entice the commuter out of his car and onto mass transit. The current energy problems demand a shift from inefficient automobiles to vastly more energy-efficient mass transit modes.

The most immediate problem with which we must cope in this budget is the longstanding Federal policy of encouraging highway construction while providing no funds for maintenance. This capital-oriented approach has served only to increase our debt service to the point where there are insufficient highway revenues remaining to adequately maintain our massive investments. Compounding this Motor License Fund monetary dilemma, the nation's economic and energy problems create the prospect of limited, if any, highway-user revenue growth. This budget adjusts to this new fiscal situation by scheduling new construction at a reduced rate from previous years, by providing for no new highway capital authorizations, and by continuing to give maintenance the highest possible claim on the declining amount of revenue available after meeting debt service obligations. Unfortunately, this translates into a 16 percent per month decrease for maintenance from the 1974-75 level, although a 21 percent per month increase over 1973-74.

In the area of mass transit, the 7 percent statewide increase in patronage during 1973-74 indicates that State and local efforts in past years are beginning to pay off — with some help from the energy situation. Belated recognition at the Federal level of the vital importance of mass transportation has led to funding provisions that can, for the first time, be used to offset operating losses of transit carriers. An anticipated \$30 million in 1975-76 from the new Federal program will enable the Commonwealth to hold its operating subsidies to the current year level of \$74.2 million. In addition to the subsidy program, \$52 million in new transit capital projects are included in this budget.

This budget also provides for continuing grants of \$1 million to the Port of Philadelphia and \$250,000 to the Port of Erie for facilities modernization and expansion. Over \$1 million in new capital improvements at State owned airports are recommended, plus \$4.7 million for maintenance and operational costs at these airports and \$2.1 million for improvements at other publically-owned airports.

TRANSPORTATION AND COMMUNICATION

Contributions by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Administration and Support	\$ 20,507	\$ 16,530	\$ 26,195	\$ 22,478	\$ 23,805	\$ 25,081	\$ 26,451
Transportation Systems	\$281,755	\$277,780	\$336,784	\$337,188	\$351,754	\$375,776	\$403,825
Urban Highway Construction	97,959	91,099	123,882	120,178	128,112	136,967	146,867
Rural and Intercity Highway Construction	103,465	97,311	125,856	126,992	128,484	136,389	145,169
Urban Mass Transportation	72,245	81,278	77,384	81,756	86,838	94,015	103,232
Rural and Intercity Rail Transportation	126	320	672	360	360	360	360
Air Transportation	5,750	5,526	6,859	5,752	5,808	5,891	6,041
Water Transportation	2,210	2,246	2,131	2,150	2,152	2,154	2,156
Transportation Services	\$272,297	\$372,965	\$392,329	\$344,020	\$347,249	\$361,711	\$376,851
Urban Highway Maintenance	118,531	159,308	168,120	147,625	148,517	154,500	160,822
Rural and Intercity Highway Maintenance	153,452	213,447	223,816	196,037	198,342	206,797	215,587
Highway Beautification	314	210	393	358	390	414	442
Program Total	<u>\$574,559</u>	<u>\$667,275</u>	<u>\$755,308</u>	<u>\$703,686</u>	<u>\$722,808</u>	<u>\$762,568</u>	<u>\$807,127</u>

RECREATION AND CULTURAL ENRICHMENT

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
General Fund	\$ 55,440	\$ 64,841	\$ 71,383	\$ 72,474	\$ 75,929	\$ 79,579	\$ 82,266
Special Funds	21,855	25,965	32,471	27,560	29,206	30,546	32,073
Federal Funds	1,195	3,052	3,097	2,851	2,850	2,899	2,948
Other Funds	1,391	4,137	4,369	3,335	2,132	2,193	2,275
TOTAL	<u>\$ 79,881</u>	<u>\$ 97,995</u>	<u>\$ 111,320</u>	<u>\$ 106,220</u>	<u>\$ 110,117</u>	<u>\$ 115,217</u>	<u>\$ 119,562</u>

Recreational and cultural opportunities for our citizens are provided by all levels of government as well as the private sector. State efforts range from actual operation of facilities to offering technical assistance and grants to local governments and public institutions.

Although affected greatly by socioeconomic conditions, the total demand for leisure time activities continues to spiral upward. A strong economy expands the private input since people have sufficient discretionary funds to spend on more sophisticated profit oriented activities. A poor economy puts the emphasis on public activities which are usually more basic and require less expense by the user.

A poor economy also places greater demands on State Government resources in other program areas. It is in this light that the recommended budget includes no provision for new

or expanded recreational and/or cultural activities. Any increased opportunities must come from greater utilization of existing programs and facilities.

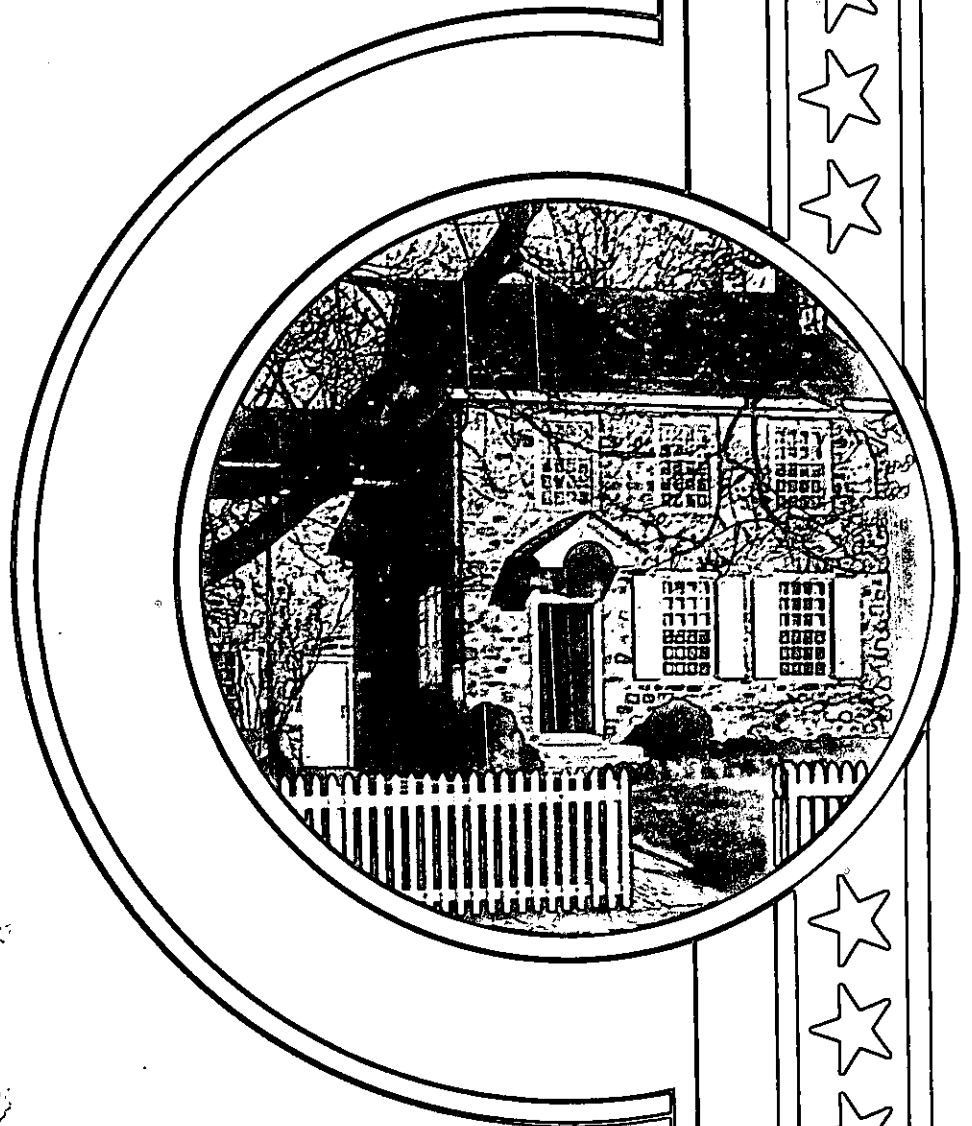
The Land and Water Development Fund continues to be the mainstay of available recreation funds for development of State facilities and grants to local governments. General Fund and other special fund contributions for operating expenses and payments to school districts for recreation services maintain their minimum levels.

Excepting State activities relating to the Commonwealth's heritage, the Commonwealth encourages cultural development through grants to museums, libraries and public television stations which are recommended in amounts designed to allow maintenance of current efforts.

Contributions by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
General Administration and Support	\$ 1,840	\$ 2,237	\$ 2,797	\$ 2,424	\$ 2,555	\$ 2,693	\$ 2,839
Recreation	\$54,850	\$61,622	\$ 72,796	\$ 68,978	\$ 72,822	\$ 76,495	\$ 79,350
Development, Operation and Maintenance of Recreation Areas and Facilities ..	25,733	27,117	32,829	30,924	32,474	34,036	35,256
Recreational Hunting	15,018	17,184	21,765	19,766	21,003	22,384	23,628
Recreational Fishing and Boating	9,113	11,353	12,965	11,258	11,990	12,317	12,720
Local Recreation Areas and Facilities	4,986	5,968	5,237	7,030	7,355	7,758	7,746
Cultural Enrichment	\$20,605	\$26,947	\$ 28,261	\$ 28,632	\$ 29,758	\$ 30,937	\$ 32,150
Development and Promotion of Pennsylvania State and Local History	211	266	342	303	326	346	370
Museum Development and Operation ..	3,428	4,118	4,547	4,253	4,421	4,601	4,794
Development and Preservation of Historic Sites and Properties	3,264	3,823	5,083	4,843	5,283	5,744	6,156
State Library Services	9,270	10,250	10,655	10,550	10,711	10,883	11,060
Development of Artists and Audiences	759	1,490	1,634	1,683	1,817	1,963	2,120
Public Television Services	3,673	7,000	6,000	7,000	7,200	7,400	7,650
Program Total	<u>\$77,295</u>	<u>\$90,806</u>	<u>\$103,854</u>	<u>\$100,034</u>	<u>\$105,135</u>	<u>\$110,125</u>	<u>\$114,339</u>



Summary by Fund

*The army grows stronger every day. It increases in numbers.
Officer's letter, May 1778*

Washington's Headquarters, Valley Forge

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, (including the Education Sales Tax) Other Taxes (including the Personal Income Tax) and Non-Tax Revenues.

GENERAL FUND

Financial Statement

	(Dollar Amounts in Thousands)	
	1974-75 (12 months)	1975-76 (15 months)
	<u> </u>	<u> </u>
Beginning Balance	\$ 437,576	\$ 141,836
Plus Adjustment to Reserves	6*	.....
Less Appropriation Enacted after June 30, 1974 (Act No. 27-A)	-86	.....
Adjusted Balance	<u>\$ 437,496</u>	<u>\$ 141,836</u>
Revenue:		
Official Estimate	\$4,008,300	\$5,183,803
Adjustment to Official Estimate	84,407	.....
Less Refunds	-80,900	-30,400
Accrued Revenue Unrealized	100,200	105,200
Less Revenues accrued previously	-95,200	-100,200
Transfer from Parents Reimbursement Fund .....	.....	175,000
Total Revenue	<u>\$4,016,807</u>	<u>\$5,333,403</u>
Prior Year Lapses	27,000	.....
Funds Available	<u>\$4,481,303</u>	<u>\$5,475,239</u>
Expenditures:		
Appropriations	\$4,360,901	\$5,473,506
Deficiency and Pending Appropriations	28,566	.....
Less Current Year Lapses	<u>-50,000</u>	.....
Estimated Expenditures	-4,339,467	-5,473,506
Ending Balance	<u><u>\$ 141,836</u></u>	<u><u>\$ 1,733</u></u>

* Reflects the liquidation of a reserve for the Board of Arbitration of Claims in The Auditor General's Office.

NOTES ON FINANCIAL STATEMENT

Revenue Refunds

(Dollar Amounts in Thousands)

	1974-75 Estimated (12 months)	1975-76 Estimated (15 months)
Treasury Department		
Personal Income Tax	\$ 300	\$ 300
Corporate Taxes	4,500	4,500
Public Utility Taxes	1,000	1,000
Other Monies	3,000	3,000
Revenue Department		
Education Tax	4,000	4,000
Personal Income Tax	68,100	17,600
Total Revenue Refunds	<u><u>\$80,900</u></u>	<u><u>\$30,400</u></u>

Deficiency and Pending Appropriations

Department of Education	
State Colleges and University	<u>\$ 5,500</u>
Department of Environmental Resources	
Sewage Facilities Enforcement	
Grants	<u>\$ 400</u>
Department of Health	
General Government Operations	<u>\$ 2,500</u>
Department of Justice	
Correctional Institutions--State-Owned	\$ 4,800
General Government Operations	766
DEPARTMENT TOTAL	<u><u>\$ 5,566</u></u>
Department of Labor and Industry	
Occupational Disease Payments	<u>\$ 2,100</u>
Department of Public Welfare	
Mental Health and Mental Retardation	
Services	<u>\$ 8,000</u>
Department of Transportation	
Bicentennial Mass Transportation	
Projects	<u>\$ 4,500</u>
TOTAL-DEFICIENCY AND PENDING APPROPRIATIONS	<u><u>\$28,566</u></u>

**Summary by Department
State Funds Only**

The following is a summary, by Department, of 1973-74 actual expenditures of 1974-75 amounts available, of 1975-76 estimated expenditures for twelve months and the 1975-76 amounts budgeted for fifteen months from the General Fund as presented in the budget. Because certain appropriations may have been funded from the General Fund in one or more of these years and from the Revenue Sharing Trust Fund in other years, the General Fund amounts shown below may not be comparable over the three years.

	1973-74 Actual	(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
Governor's Office	\$ 1,551	\$ 1,764	\$ 2,195	\$ 2,680
Executive Offices	7,998	10,327	11,643	13,884
Lieutenant Governors Office	193	212	236	290
Department of the Auditor General	9,694	10,914	11,200	14,086
Treasury Department	106,793	116,427	111,123	141,140
Department of Agriculture	10,104	12,421	14,464	18,169
Department of Banking	509	690	749	932
State Council of Civil Defense	428	400	426	526
State Civil Service Commission	1	1	1	1
Department of Commerce	7,124	19,599	13,883	15,624
Department of Community Affairs	20,551	28,642	28,809	30,693
Council on Drug and Alcohol Abuse	14,171	18,620	19,872	24,854
Department of Education	2,035,918	2,333,485	2,457,836	2,588,779
Department of Environmental Resources	57,834	85,954	70,542	88,123
Fish Commission	1	1	3	3
Department of Health	50,920	58,461	55,567	62,244
Historical and Museum Commission	5,629	6,877	7,339	8,821
Insurance Department	3,983	4,504	4,660	5,867
Department of Justice	56,282	69,873	78,552	95,642
Department of Labor and Industry	39,625	24,864	19,014	21,596
Department of Military Affairs	7,876	8,578	8,996	10,690
Milk Marketing Board	650	700	660	750
Board of Probation and Parole	7,402	8,106	9,309	11,238
Department of Property and Supplies	78,774	81,472	82,184	87,829
Department of Public Welfare	1,040,405	1,239,970	1,529,883	1,914,196
Department of Revenue	55,461	61,655	66,703	78,017
Department of State	3,935	4,837	5,024	6,289
State Employees Retirement System	2,452	12,695	2,100	2,520
State Police	21,620	25,740	29,208	36,271
Tax Equalization Board	640	710	756	940
Department of Transportation	1,882	80,852	76,686	76,861
Legislature	27,922	29,451	33,932	42,621
Judiciary	18,420	30,665	29,543	36,930
General Salary Increase . . . . .	.....	.....	27,500	34,400
TOTAL	\$3,696,748	\$4,389,467	\$4,810,598	\$5,473,506

GENERAL FUND
FEDERAL FUNDS BY DEPARTMENT

The following is a summary of Federal Funds, by department, of 1973-74 expenditures, the 1974-75 amounts available and the 1975-76 amounts (15 months) budgeted as presented in the General Fund budget. A 1975-76 twelve (12) months estimate is shown for information purposes only. Excluded are revenue sharing monies which are shown in the special fund—Revenue Sharing Trust Fund.

	(Dollar Amounts in Thousands)			
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Federal Funds by Department:				
Executive Offices	\$ 3,669	\$ 3,858	\$ 6,923	\$ 8,470
Department of Agriculture	808	1,527	1,493	1,493
Council of Civil Defense	341	459	500	635
Civil Service Commission	33	9	63	63
Department of Commerce	176	511	. . . . .	. . . . .
Department of Community Affairs	1,092	1,702	1,163	1,249
Council on Drug and Alcohol Abuse	886	1,312	1,118	1,398
Department of Education	12,135	16,850	14,568	18,422
Department of Environmental Resources	6,767	5,934	6,417	6,492
Department of Health	13,945	21,049	20,732	24,382
Historical and Museum Commission	22	60	120	120
Department of Justice	7,076	7,007	6,261	7,141
Department of Labor and Industry	88	. . . . .	. . . . .	. . . . .
Department of Military Affairs	360	375	390	628
Board of Probation and Parole	5,927	7,365	7,893	9,318
Department of Property and Supplies	111	. . . . .	. . . . .	. . . . .
Department of Public Welfare	675,008	768,701	974,730	1,210,049
Department of State	46	. . . . .	. . . . .	. . . . .
State Police	1,501	1,220	579	700
Department of Transportation	176	470	727	837
Judiciary	164	231	160	200
TOTAL	\$ 730,331	\$ 838,640	\$1,043,837	\$1,291,597

GENERAL FUND

Summary by Department and Appropriation

	1973-74 Actual	(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
Governor's Office				
General Government				
Governor's Office	\$ 1,551	\$ 1,764	\$ 1,945	\$ 2,430
Bicentennial Year—Nation Governors' Conference .....	.....	.....	250	250
Total State Funds	<u>\$ 1,551</u>	<u>\$ 1,764</u>	<u>\$ 2,195</u>	<u>\$ 2,680</u>
Other Funds .....	.....	\$ 13	.....	.....
DEPARTMENT TOTAL	<u>\$ 1,551</u>	<u>\$ 1,777</u>	<u>\$ 2,195</u>	<u>\$ 2,680</u>
 Executive Offices				
General Government				
Office for Human Resources	\$ 117	\$ 142	\$ 154	\$ 188
Office of Administration	2,852	3,296	3,605	4,414
Office of State Planning and Development	917	1,034	1,142	1,432
Office of the Budget	1,046	1,289	1,368	1,719
Bicentennial Year—National Budget Conference .....	.....	.....	25	25
Human Relations Commission	2,105	2,870	3,492	4,149
Council on the Arts	759	1,490	1,558	1,634
Commission on the Status of Women	77	106	109	133
Governor's Energy Council	50	100	115	115
Delaware Valley Regional Planning Commission	75	.....	75	75
Total State Funds	<u>\$ 7,998</u>	<u>\$ 10,327</u>	<u>\$ 11,643</u>	<u>\$ 13,884</u>
Federal Funds	\$ 3,669	\$ 3,858	\$ 6,923	\$ 8,470
Other Funds	5,795	6,712	7,254	9,063
DEPARTMENT TOTAL	<u>\$ 17,462</u>	<u>\$ 20,897</u>	<u>\$ 25,820</u>	<u>\$ 31,417</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	1973-74 Actual	(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
Office of the Lieutenant Governor				
General Government				
Lieutenant Governor's Office	\$ 193	\$ 212	\$ 235	\$ 289
Portrait of Lieutenant Governor .....	.....	.....	1	1
Sub-Total	<u>\$ 193</u>	<u>\$ 212</u>	<u>\$ 236</u>	<u>\$ 290</u>
Total State Funds	<u>\$ 193</u>	<u>\$ 212</u>	<u>\$ 236</u>	<u>\$ 290</u>
Other Funds .....	.....	\$ 2	.....	.....
DEPARTMENT TOTAL	<u>\$ 193</u>	<u>\$ 214</u>	<u>\$ 236</u>	<u>\$ 290</u>
Department of the Auditor General				
General Government				
Auditor General's Office]	\$ 7,544	\$ 8,459	\$ 8,617	\$ 10,846
Public Assistance Audits	2,029	2,283	2,287	2,870
Board of Arbitration of Claims	103	152	276	345
Sub-Total	<u>\$ 9,676</u>	<u>\$ 10,894</u>	<u>\$ 11,180</u>	<u>\$ 14,061</u>
Grants and Subsidies				
National Guard Pension	\$ 18	\$ 20	\$ 20	\$ 25
Total State Funds	<u>\$ 9,694</u>	<u>\$ 10,914</u>	<u>\$ 11,200</u>	<u>\$ 14,086</u>
Other Funds	\$ 1,631	\$ 2,615	\$ 2,603	\$ 3,276
DEPARTMENT TOTAL	<u>\$ 11,325</u>	<u>\$ 13,529</u>	<u>\$ 13,803</u>	<u>\$ 17,362</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)			
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Treasury Department				
General Government				
State Treasurer's Office	\$ 3,045	\$ 3,660	\$ 3,746	\$ 4,700
Public Assistance Disbursements	1,712	2,215	2,184	2,711
Board of Finance and Revenue	235	308	368	448
Commission on Interstate Cooperation	30	30	30	30
Council on State Government	74	74	128	128
Great Lakes Commission	15	15	15	15
Replacement Checks	30	30	70	70
Sub-Total	\$ 5,141	\$ 6,332	\$ 6,541	\$ 8,102
Debt Service Requirements				
Interest Obligations—Penn State University	\$ 15	\$ 15	\$ 15	\$ 15
Publishing Monthly Statements	15	15	17	17
Loan and Transfer Agent	60	60	70	85
Tax Note Expenses	80	80	80	80
Interest-Tax Notes	9,567	. . . .	8,000	8,000
Sinking Funds:				
Public Buildings	2,097	2,070	2,041	2,041
Project 70	6,498	6,389	4,986	6,785
Land and Water Development	15,000	18,379	11,847	14,164
Capital Debt	60,700	69,608	66,296	86,880
Vietnam Veterans' Compensation	4,185	4,841	4,662	4,662
Disaster Relief	3,335	8,538	4,343	7,459
Nursing Home Loan . . . . .	. . . .	. . . .	2,125	2,750
Sub-Total	\$ 101,552	\$ 109,995	\$ 104,482	\$ 132,938
Grants and Subsidies				
Capitol Fire Protection	\$ 100	\$ 100	\$ 100	\$ 100
Total State Funds	\$ 106,793	\$ 116,427	\$ 111,123	\$ 141,140
Other Funds	\$ 165	\$ 353	\$ 320	\$ 394
DEPARTMENT TOTAL	\$ 106,958	\$ 116,780	\$ 111,443	\$ 141,534

GENERAL FUND

Summary by Department and Appropriation (continued)

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Department of Agriculture				
General Government				
General Government Operations	\$ 9,211	\$ 11,292	\$ 13,389	\$ 16,879
Reciprocal Milk Inspections	150	.....	.....	.....
Pesticide Control .....	.....	354	.....	.....
Sub-Total	<u>\$ 9,361</u>	<u>\$ 11,646</u>	<u>\$ 13,389</u>	<u>\$ 16,879</u>
Grants and Subsidies				
Animal Indemnities	\$ 245	\$ 200	\$ 360	\$ 450
Reimbursement for Kennel Construction	33	50	50	50
Control of Stem Rust	20	20	20	20
Transfer to State Farm Products				
Show Fund	155	300	500	625
Livestock Show	55	60	60	60
Open Dairy Show	55	60	60	60
Junior Dairy Show	20	25	25	25
Purchase of Horse Stalls and Storage Shed	160	.....	.....	.....
Sub-Total	<u>\$ 743</u>	<u>\$ 715</u>	<u>\$ 1,075</u>	<u>\$ 1,290</u>
Capital Improvements				
Capital Improvements .....	.....	\$ 60	.....	.....
Sub-Total .....	.....	<u>\$ 60</u>	.....	.....
Total State Funds	<u>\$ 10,104</u>	<u>\$ 12,421</u>	<u>\$ 14,464</u>	<u>\$ 18,169</u>
Federal Funds	\$ 808	\$ 1,527	\$ 1,493	\$ 1,493
Other Funds	639	792	600	749
DEPARTMENT TOTAL	<u>\$ 11,551</u>	<u>\$ 14,740</u>	<u>\$ 16,557</u>	<u>\$ 20,411</u>
Department of Banking				
General Government				
Pennsylvania Securities Commission	\$ 509	\$ 690	\$ 749	\$ 932
Total State Funds	<u>\$ 509</u>	<u>\$ 690</u>	<u>\$ 749</u>	<u>\$ 932</u>
Other Funds .....	.....	\$ 6	.....	.....
DEPARTMENT TOTAL	<u>\$ 509</u>	<u>\$ 696</u>	<u>\$ 749</u>	<u>\$ 932</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	1973-74 Actual	(Dollar Amounts In Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
Council of Civil Defense				
General Government				
General Government Operations	\$ 416	\$ 400	\$ 426	\$ 526
Grants and Subsidies				
Emergency Transportation Crisis Relief	\$ 12	.....	.....	.....
Total State Funds	<u>\$ 428</u>	<u>\$ 400</u>	<u>\$ 426</u>	<u>\$ 526</u>
Federal Funds	\$ 341	\$ 459	\$ 500	\$ 635
Other Funds .....	.....	3	.....	.....
DEPARTMENT TOTAL	<u>\$ 769</u>	<u>\$ 862</u>	<u>\$ 926</u>	<u>\$ 1,161</u>
Civil Service Commission				
General Government				
General Government Operations	\$ 1	\$ 1	\$ 1	\$ 1
Total State Funds	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
Federal Funds	\$ 33	\$ 9	\$ 63	\$ 63
Other Funds	3,474	3,922	4,211	5,299
DEPARTMENT TOTAL	<u>\$ 3,508</u>	<u>\$ 3,932</u>	<u>\$ 4,275</u>	<u>\$ 5,363</u>
Department of Commerce				
General Government				
General Government Operations	\$ 3,329	\$ 4,520	\$ 4,768	\$ 6,012
Grants and Subsidies				
Industrial Development Assistance	\$ 500	\$ 500	\$ 500	\$ 500
Pennsylvania Industrial Development Authority .....	.....	3,000	.....	.....
Site Development	864	1,000	.....	.....
Local Development District Grants	50	100	100	100
Appalachian Regional Commission	305	328	363	860
Nursing Home Loans—Administration .....	.....	500	.....	.....
Minority Business Development Authority .....	.....	2,000	2,000	2,000
Urban Transportation	100	.....	.....	.....
Tourist Promotion Assistance	1,000	1,500	.....	.....
Pennsylvania Bicentennial Commission	179	5,000	5,000	5,000
Distinguished Daughters	2	1	2	2
Pennsylvania Science and Engineering Foundation	695	1,000	1,000	1,000
Technical Assistance	100	150	150	150
Sub-Total	<u>\$ 3,795</u>	<u>\$ 15,079</u>	<u>\$ 9,115</u>	<u>\$ 9,612</u>
Total State Funds	<u>\$ 7,124</u>	<u>\$ 19,599</u>	<u>\$ 13,883</u>	<u>\$ 15,624</u>
Federal Funds	\$ 176	\$ 511	.....	.....
Other Funds	125	410	\$ 515	\$ 552
DEPARTMENT TOTAL	<u>\$ 7,425</u>	<u>\$ 20,520</u>	<u>\$ 14,398</u>	<u>\$ 16,176</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Department of Community Affairs				
General Government				
General Government Operations	\$ 3,946	\$ 5,092	\$ 5,599	\$ 7,136
Regulation of Mobile and Industrialized Housing	310	.....	.....	.....
Fuel Allocation	271	600	210	257
Sub-Total	\$ 4,527	\$ 5,692	\$ 5,809	\$ 7,393
Grants and Subsidies				
Employment Assistance	\$ 800	\$ 1,750	\$ 1,750	\$ 1,750
Economic Opportunity Assistance	1,000	1,300	1,300	1,600
Redevelopment Assistance	14,000	19,650	19,650	19,650
Regional Councils	33	50	100	100
Planning Assistance	191	200	200	200
Sub-Total	\$ 16,024	\$ 22,950	\$ 23,000	\$ 23,300
Total State Funds	\$ 20,551	\$ 28,642	\$ 28,809	\$ 30,693
Federal Funds	\$ 1,092	\$ 1,702	\$ 1,163	\$ 1,249
Other Funds	1,076	1,748	1,681	2,003
DEPARTMENT TOTAL	\$ 22,719	\$ 32,092	\$ 31,653	\$ 33,945
Council on Drug and Alcohol Abuse				
General Government				
Council on Drug and Alcohol Abuse	\$ 14,171	\$ 18,620	\$ 2,688	\$ 3,373
Assistance to Drug and Alcohol Treatment Programs .....	.....	.....	17,184	21,481
Total State Funds	\$ 14,171	\$ 18,620	\$ 19,872	\$ 24,854
Federal Funds	\$ 886	\$ 1,312	\$ 1,118	\$ 1,398
Other Funds .....	.....	21	.....	.....
DEPARTMENT TOTAL	\$ 15,057	\$ 19,953	\$ 20,990	\$ 26,252

GENERAL FUND

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)			
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Department of Education				
General Government				
General Government Operations	\$ 10,879	\$ 12,004	\$ 13,597	\$ 17,049
State Library	1,150	1,259	1,374	1,604
Veterans' Education	61	. . . .	. . . .	. . . .
Pennsylvania Public Television Network— Operations	3,673	4,100	5,312	6,000
Pennsylvania Public Television Network— Program Services . . . . .	. . . .	2,900	. . . .	. . . .
Total—General Government	\$ 15,763	\$ 20,263	\$ 20,283	\$ 24,653
Debt Service Requirements				
General State Authority Rentals—State-Aided Institutions	\$ 4,337	\$ 4,692	\$ 4,486	\$ 4,486
Institutional				
State Colleges and University	\$ 117,168	\$ 137,500	\$ 150,873	\$ 186,937
Pennsylvania State Oral School	1,041	1,316	1,522	1,886
Scotland School for Veterans' Children	3,026	3,416	3,587	4,493
Thaddeus Stevens Trade School	1,390	1,481	1,701	1,995
Total—Institutional	\$ 122,625	\$ 143,713	\$ 157,683	\$ 195,311
Grants and Subsidies				
Support of Public Schools				
Basic Instruction Subsidy and Vocational Education	\$1,081,498	\$1,228,626	\$1,254,372	\$1,256,623
Manpower Development	250	. . . .	. . . .	. . . .
Authority Rentals and Sinking Fund Requirements	133,105	149,422	159,877	159,877
Pupil Transportation	58,476	67,655	89,945	89,945
Special Education	68,612	73,574	86,000	103,500
Homebound Instruction	474	600	600	600
Aid to Financially Handicapped School District	250	500	. . . .	. . . .
Tuition for Orphans and Children Placed in Private Homes	7,160	10,650	11,830	11,830
Payments in Lieu of Taxes	25	35	35	35
Education of Migrant Laborers' Children	36	36	36	72
Education of the Disadvantaged	1,000	1,000	1,000	1,000
Special Education—Approved Private Schools	18,787	27,000	24,700	24,700
Higher Education of Blind or Deaf Students	27	35	35	35
Intermediate Units	6,212	6,588	6,971	8,713
School Food Services	3,419	4,160	5,760	5,760
School Employees' Social Security	48,953	53,200	58,100	66,100
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	105,000	122,611	143,356	143,356
Former Teachers' Account	13	13	11	14

GENERAL FUND

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)			
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Department of Education (continued)				
Grants and Subsidies (continued)				
Year-Round School Study	\$ 258	. . . . .	. . . . .	. . . . .
Youth Development Centers—Education . . . . .	. . . . .	\$ 2,505	\$ 3,973	\$ 5,065
State Schools and Hospitals—Education . . . . .	. . . . .	4,600	9,265	11,581
Sub-Total—Support of Public Schools	<u>\$1,533,555</u>	<u>\$1,752,810</u>	<u>\$1,855,866</u>	<u>\$1,888,806</u>
Other Grants and Subsidies				
Services to Nonpublic Schools	\$ 13,155	\$ 15,634	\$ 15,638	\$ 15,638
Equipment and Material Grants for Nonpublic Schools	15,137	17,620	17,375	17,375
Improvement of Library Services	7,400	8,224	8,220	8,245
Library Services for Blind and Handicapped	720	767	806	806
Educational Radio and Television Grants	850	850	780	780
Regional Educational Broadcasting Councils	150	175	175	175
Correctional Institutions—Education . . . . .	. . . . .	750	2,373	3,017
Community Colleges—Operating	18,868	25,381	26,000	32,500
Community Colleges—Capital	8,831	10,870	11,000	11,000
Higher Education of the Disadvantaged	2,162	3,002	3,362	3,742
Ethnic Heritage Studies . . . . .	. . . . .	50	50	50
Transfers to Higher Education Assistance Agency:				
Scholarships	64,000	68,440	68,440	68,440
Scholarships—Veterans	1,400	. . . . .	. . . . .	. . . . .
Scholarships Dependents of POW's and MIA's	40	. . . . .	. . . . .	. . . . .
Reserve for Losses on Guaranteed Loans	1,600	2,800	3,200	3,200
Student Aid Funds—Matching	2,000	1,500	1,500	1,500
Administration—Loans and Scholarships	2,850	3,400	3,600	4,200
Institutional Assistance Grants . . . . .	. . . . .	12,000	. . . . .	. . . . .
Sub-Total—Other Grants and Subsidies	<u>\$ 139,163</u>	<u>\$ 171,463</u>	<u>\$ 162,519</u>	<u>\$ 170,668</u>
State-Related Universities				
Pennsylvania State University— Instruction	\$ 58,372	\$ 63,189	\$ 72,805	\$ 88,592
Pennsylvania State University Student Aid	1,760	1,760	1,760	1,760
Pennsylvania State University Research	15,800	17,064	13,651	17,064
Pennsylvania State University Extension and Public Services	8,913	9,626	10,781	13,476
Pennsylvania State University— Medical Programs	2,314	2,493	2,665	2,665
Sub-Total Penn State University	<u>\$ 87,159</u>	<u>\$ 94,132</u>	<u>\$ 101,662</u>	<u>\$ 123,557</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Department of Education (continued)				
Grants and Subsidies (continued)				
State-Related Universities (continued)				
University of Pittsburgh—Instruction	\$ 41,093	\$ 44,859	\$ 46,787	\$ 58,484
University of Pittsburgh—Student Aid	2,960	2,960	2,960	2,960
University of Pittsburgh—Medical Programs	3,866	3,971	3,986	3,986
Sub-Total University of Pittsburgh	\$ 47,919	\$ 51,790	\$ 53,733	\$ 65,430
Temple University—Instruction	\$ 44,255	\$ 48,364	\$ 54,795	\$ 68,494
Temple University—Student Aid	3,018	3,018	3,018	3,018
Temple University—Extension and Public Services	53	53	. . . . .	. . . . .
Temple University—Medical Programs	5,255	5,360	5,375	5,375
Temple University—General Institutional Aid . . . . .	. . . . .	2,500	2,500	2,500
Sub-Total Temple University	\$ 52,581	\$ 59,295	\$ 65,688	\$ 79,387
Lincoln University—Instruction	\$ 1,973	\$ 2,124	\$ 2,396	\$ 2,961
Lincoln University—Advanced Institution Development . . . . .	. . . . .	. . . . .	250	250
Lincoln University—Accreditation Improvement . . . . .	. . . . .	. . . . .	100	100
Sub-Total Lincoln University	\$ 1,973	\$ 2,124	\$ 2,746	\$ 3,311
Non-State-Related Universities and Colleges				
Delaware Valley College of Science and Agriculture	\$ 176	\$ 185	\$ 185	\$ 185
Dickinson Law School	95	99	99	99
Drexel University	2,109	2,219	2,219	2,219
Drexel University—Student Aid	799	799	799	799
Hahnemann Medical College—Medical Programs	2,618	2,781	3,054	3,054
Hahnemann Medical College—Allied Health Programs	199	209	209	209
Thomas Jefferson University—Medical Programs	3,762	3,876	3,920	3,920
Thomas Jefferson University—Allied Health Programs	199	362	362	362
The Medical College of Pennsylvania	1,430	1,562	1,658	1,658
University of Pennsylvania—Instruction	6,392	6,727	6,727	6,727
University of Pennsylvania—Medical School	2,745	2,904	2,882	2,882
University of Pennsylvania—School of Veterinary Medicine	1,857	1,973	1,973	1,973
University of Pennsylvania—Student Aid	3,374	3,374	3,374	3,374
Pennsylvania College of Podiatric Medicine	327	360	360	360

GENERAL FUND

Summary by Department and Appropriation (continued)

	1973-74 Actual	(Dollar Amounts in Thousands)		
		1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Department of Education (continued)				
Grants and Subsidies (continued)				
Non-State-Related Universities and Colleges (continued)				
Pennsylvania College of Optometry	\$ 95	\$ 99	\$ 99	\$ 99
Philadelphia College of Art—Instruction	239	252	252	252
Philadelphia College of Art—Student Aid	100	100	100	100
Philadelphia College of Osteopathic Medicine	2,957	3,331	3,494	3,494
Philadelphia College of Textiles and Science	238	250	250	250
Philadelphia Musical Academy	125	. . . . .	. . . . .	. . . . .
Sub-Total Non-State-Related Universities and Colleges	\$ 29,836	\$ 31,462	\$ 32,016	\$ 32,016
Non-State-Related Institutions				
Berean Training and Industrial School	\$ 425	\$ 413	\$ 434	\$ 434
Downingtown Industrial and Agricultural School	468	518	544	544
Johnson School of Technology	67	70	74	74
Williamson Free School of Mechanical Trades	47	49	52	52
Sub-Total Non-State-Related Institutions	\$ 1,007	\$ 1,050	\$ 1,104	\$ 1,104
Total—Grants and Subsidies	\$1,893,193	\$2,164,126	\$2,275,334	\$2,364,279
Capital Improvements				
Capital Improvements . . . . .	. . . . .	\$ 691	\$ 50	\$ 50
Total State Funds	\$2,035,918	\$2,333,485	\$2,457,836	\$2,588,779
Federal Funds	\$ 12,135	\$ 16,850	\$ 14,568	\$ 18,422
Other Funds	88,002	90,757	93,585	100,209
DEPARTMENT TOTAL	\$2,136,055	\$2,441,092	\$2,565,989	\$2,707,410

GENERAL FUND

Summary by Department and Appropriation (continued)

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15-months)
Department of Environmental Resources				
General Government				
General Government Operations	\$ 51,928	\$ 59,142	\$ 65,894	\$ 83,076
Gypsy Moth Operations . . . . .	. . . *	368	. . . .	. . . **
Gypsy Moth Control	500	500	. . . .	. . . **
Hemlock Looper Moth Control . . . . .	. . . .	50	. . . .	. . . **
Training and Certification of Sewage				
Enforcement Officers . . . . .	. . . .	215	. . . .	. . . **
Schuylkill River Dredging . . . . .	. . . .	360	. . . .	. . . **
Solid Waste — Resource Recovery				
Administration . . . . .	. . . .	100	. . . .	. . . **
Control of Forest Fires	99	100	100	100
Sub-Total	\$ 52,527	\$ 60,835	\$ 65,994	\$ 83,176
 Grants and Subsidies				
Flood Control Projects	\$ 500	\$ 780	\$ 975	\$ 975
Flood Emergency Rehabilitation . . . . .	. . . .	450	. . . .	. . . .
Sewage Facilities Planning Grants	190	250	250	250
Sewage Facilities Enforcement Grants	160	600	600	600
Solid Waste Disposal Planning Grants	200	125	150	150
Solid Waste — Resource Recovery Loans . . . . .	. . . .	20,000	. . . .	. . . .
Great Lakes Basin Commission	26	30	15	15
Delaware River Master	20	22	22	22
Ohio River Basin Commission	26	29	29	29
Susquehanna River Basin Commission	120	150	150	150
Potomac River Basin Advisory Committee	8	8	8	8
Interstate Commission on the Potomac				
River Basin	14	16	16	16
Delaware River Basin Commission	434	443	408	408
Ohio River Valley Water Sanitation				
Commission	32	35	55	55
Small Watershed Projects	75	75	75	75
Local Soil and Water District Assistance	75	75	100	100
Interstate Mining Commission	10	10	10	10
Emergency Mine Subsidence Relief . . . . .	. . . .	30	. . . .	. . . .
Annual Fixed Charges—Flood Lands	7	9	9	9
Annual Fixed Charges—Project 70	110	250	225	225
Annual Fixed Charges—Forest Lands	395	399	399	798
Laurelton Utilities	652	. . . .	. . . .	. . . .
Hamburg Utilities	276	. . . .	. . . .	. . . .
East Stroudsburg Utilities . . . . .	. . . .	399	. . . .	. . . .
Lock Haven Utilities . . . . .	. . . .	184	. . . .	. . . .
Lincoln Utilities . . . . .	. . . .	. . . .	384	384
Loysville Utilities . . . . .	. . . .	85	. . . .	. . . .
Vector Control	500	500	500	500
McKeever Environmental Learning Center . . . . .	. . . .	165	. . . .	. . . .
Sub-Total	\$ 3,830	\$ 25,119	\$ 4,380	\$ 4,779

*Part of General Government Operations.

**Recommended as part of General Government Operations.

GENERAL FUND

Summary by Department and Appropriation (continued)

	1973-74 Actual	(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
Department of Environmental Resources (continued)				
Capital Improvements				
Capital Improvements	\$ 240	.....	\$ 168	\$ 168
Gypsy Moth Laboratory	487	.....	.....	.....
Erosion Control at Presque Isle State Park	750	.....	.....	.....
Sub-Total	<u>\$ 1,477</u>	<u>.....</u>	<u>\$ 168</u>	<u>\$ 168</u>
Total State Funds	<u><u>\$ 57,834</u></u>	<u><u>\$ 85,954</u></u>	<u><u>\$ 70,542</u></u>	<u><u>\$ 88,123</u></u>
Federal Funds	\$ 6,767	\$ 5,934	\$ 6,417	\$ 6,492
Other Funds	828	1,141	709	749
DEPARTMENT TOTAL	<u><u>\$ 65,429</u></u>	<u><u>\$ 93,029</u></u>	<u><u>\$ 77,668</u></u>	<u><u>\$ 95,364</u></u>
Fish Commission				
General Government				
Atlantic States Marine Fisheries Commission	\$ 1	\$ 1	\$ 3	\$ 3
DEPARTMENT TOTAL	<u><u>\$ 1</u></u>	<u><u>\$ 1</u></u>	<u><u>\$ 3</u></u>	<u><u>\$ 3</u></u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	1973-74 Actual	(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
Department of Health				
General Government				
General Government Operations	\$ 21,704	\$ 27,675	\$ 30,357	\$ 36,200
Hemophilia Treatment	870	1,542	.....	.....
Sickle Cell Anemia	103	543	.....	.....
Vital Statistics Modernization .....	.....	200	.....	.....
Sub-Total	<u>\$ 22,677</u>	<u>\$ 29,960</u>	<u>\$ 30,357</u>	<u>\$ 36,200</u>
Institutional				
Health Rehabilitation Services	\$ 7,714	\$ 6,517	\$ 3,930	\$ 4,764
Grants and Subsidies				
School Health Examinations	\$ 12,920	\$ 14,091	\$ 13,570	\$ 13,570
Local Health Departments	6,711	6,895	6,812	6,812
The Institute for Cancer Research	418	418	418	418
The Wistar Institute—Research	100	200	100	100
Lankenau Hospital—Research	75	75	75	75
Cardio-Vascular Studies—Philadelphia				
General Hospital	60	60	60	60
Cardio-Vascular Studies—St. Francis				
Hospital, Pittsburgh	60	60	60	60
Neurological Diseases—Inglis House,				
Philadelphia	25	25	25	25
Cerebral Palsy—St. Christopher's Hospital	75	75	75	75
Cerebral Dysfunction—Children's Hospital,				
Pittsburgh	25	25	25	25
Cleft Palate Clinic—Lancaster	30	30	30	30
Cleft Palate Clinic—Pittsburgh	30	30	30	30
Sub-Total	<u>\$ 20,529</u>	<u>\$ 21,984</u>	<u>\$ 21,280</u>	<u>\$ 21,280</u>
Total State Funds	<u>\$ 50,920</u>	<u>\$ 58,461</u>	<u>\$ 55,567</u>	<u>\$ 62,244</u>
Federal Funds	\$ 13,945	\$ 21,049	\$ 20,732	\$ 24,382
Other Funds	349	547	464	550
DEPARTMENT TOTAL	<u>\$ 65,214</u>	<u>\$ 80,057</u>	<u>\$ 76,763</u>	<u>\$ 87,176</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Historical and Museum Commission				
General Government				
General Government Operations	\$ 3,874	\$ 4,572	\$ 5,112	\$ 6,339
Valley Forge State Park	475	572	628	761
Washington Crossing State Park	352	444	482	578
Brandywine Battlefield Park Commission	80	91	105	131
Sub-Total	\$ 4,781	\$ 5,679	\$ 6,327	\$ 7,809
Grants and Subsidies				
University of Pennsylvania Museum	\$ 100	\$ 100	\$ 100	\$ 100
Carnegie Museum	100	100	100	100
The Franklin Institute	300	300	300	300
Pennsylvania Academy of the Fine Arts	3	3	3	3
Academy of Natural Sciences of Philadelphia	70	77	77	77
Museum of the Philadelphia Civic Center	150	150	150	150
Buhl Planetarium and Institute of Popular Science	50	50	50	50
Philadelphia Museum of Art	75	100	100	100
Public Museum of Reading .....	.....	100	.....	.....
Sub-Total	\$ 848	\$ 980	\$ 880	\$ 880
Capital Improvements				
Capital Improvements .....	.....	\$ 218	\$ 132	\$ 132
Total State Funds	\$ 5,629	\$ 6,877	\$ 7,339	\$ 8,821
Federal Funds	\$ 22	\$ 60	\$ 120	\$ 120
Other Funds	58	98	46	46
DEPARTMENT TOTAL	\$ 5,709	\$ 7,035	\$ 7,505	\$ 8,987
Insurance Department				
General Government				
General Government Operations	\$ 3,983	\$ 4,504	\$ 4,660	\$ 5,867
Total State Funds	\$ 3,983	\$ 4,504	\$ 4,660	\$ 5,867
Other Funds	\$ 109	\$ 85	\$ 35	\$ 42
DEPARTMENT TOTAL	\$ 4,092	\$ 4,589	\$ 4,695	\$ 5,909

GENERAL FUND

Summary by Department and Appropriation (continued)

	1973-74 Actual	(Dollar Amounts in Thousands)		
		1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Department of Justice				
General Government				
General Government Operations	\$ 6,961	\$ 6,653	\$ 7,673	\$ 9,732
Bureau of Drug Control .....	.....	2,790	3,052	3,807
Pennsylvania Crime Commission	174	239	607	734
Juvenile Court Judges Commission	150	168	201	249
Sub-Total	<u>\$ 7,285</u>	<u>\$ 9,850</u>	<u>\$ 11,533</u>	<u>\$ 14,522</u>
Institutional				
State Correctional Institutions	<u>\$ 46,523</u>	<u>\$ 57,143</u>	<u>\$ 64,276</u>	<u>\$ 78,137</u>
Grants and Subsidies				
Improvement of County Juvenile				
Probation Services	\$ 1,320	\$ 1,320	\$ 1,452	\$ 1,452
Aid to Local Law Enforcement	1,154	1,150	1,110	1,350
Yablonski Trials .....	.....	410	.....	.....
Sub-Total	<u>\$ 2,474</u>	<u>\$ 2,880</u>	<u>\$ 2,562</u>	<u>\$ 2,802</u>
Capital Improvements				
Capital Improvements .....	.....	.....	\$ 181	\$ 181
Total State Funds	<u>\$ 56,282</u>	<u>\$ 69,873</u>	<u>\$ 78,552</u>	<u>\$ 95,642</u>
Federal Funds	\$ 7,076	\$ 7,007	\$ 6,261	\$ 7,141
Other Funds	402	835	799	1,012
DEPARTMENT TOTAL	<u>\$ 63,760</u>	<u>\$ 77,715</u>	<u>\$ 85,612</u>	<u>\$ 103,795</u>
Department of Labor and Industry				
General Government				
General Government Operations	\$ 12,044	\$ 13,625	\$ 10,056	\$ 12,638
Fire and Panic Regulation Enforcement .....	.....	500	.....	.....
Additional Labor Mediators .....	.....	250	.....	.....
Sub-Total	<u>\$ 12,044</u>	<u>\$ 14,375</u>	<u>\$ 10,056</u>	<u>\$ 12,638</u>
Grants and Subsidies				
Occupational Disease Payments	\$ 21,701	\$ 2,100	.....	.....
Work Incentive .....	.....	250	250	250
Transfer to Vocational Rehabilitation Fund	5,880	8,139	8,708	8,708
Workmen's Compensation Payments .....	.....	.....	.....	.....
Sub-Total	<u>\$ 27,581</u>	<u>\$ 10,489</u>	<u>\$ 8,958</u>	<u>\$ 8,958</u>
Total State Funds	<u>\$ 39,625</u>	<u>\$ 24,864</u>	<u>\$ 19,014</u>	<u>\$ 21,596</u>
Federal Funds	\$ 88	.....	.....	.....
Other Funds	554	1,121	1,026	1,313
DEPARTMENT TOTAL	<u>\$ 40,267</u>	<u>\$ 25,985</u>	<u>\$ 20,040</u>	<u>\$ 22,909</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	1973-74 Actual	(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
Department of Military Affairs				
General Government				
General Government Operations	\$ 5,307	\$ 6,919	\$ 7,531	\$ 8,895
Veterans Action Centers	26	.....	.....	.....
Emergency Transportation Crisis Relief	1,254	.....	.....	.....
Emergency Snow Removal .....	.....	80	.....	.....
Sub-Total	<u>\$ 6,587</u>	<u>\$ 6,999</u>	<u>\$ 7,531</u>	<u>\$ 8,895</u>
Institutional				
Soldiers and Sailors Home	<u>\$ 552</u>	<u>\$ 615</u>	<u>\$ 670</u>	<u>\$ 820</u>
Grants and Subsidies				
Education of Veterans Children	\$ 60	\$ 80	\$ 65	\$ 75
Veterans Assistance	600	700	650	800
Blind Veterans Pension	77	85	80	100
Sub-Total	<u>\$ 737</u>	<u>\$ 865</u>	<u>\$ 795</u>	<u>\$ 975</u>
Capital Improvements				
Capital Improvements .....	.....	\$ 99	.....	.....
Total State Funds	<u>\$ 7,876</u>	<u>\$ 8,578</u>	<u>\$ 8,996</u>	<u>\$ 10,690</u>
Federal Funds	\$ 360	\$ 375	\$ 390	\$ 628
Other Funds	96	139	83	93
DEPARTMENT TOTAL	<u>\$ 8,332</u>	<u>\$ 9,092</u>	<u>\$ 9,469</u>	<u>\$ 11,411</u>
Milk Marketing Board				
Grants and Subsidies				
Transfer to Milk Marketing Board	\$ 650	\$ 700	\$ 660	\$ 750
DEPARTMENT TOTAL	<u>\$ 650</u>	<u>\$ 700</u>	<u>\$ 660</u>	<u>\$ 750</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Board of Probation and Parole				
General Government				
General Government Operations	\$ 6,252	\$ 6,697	\$ 7,759	\$ 9,688
Grants and Subsidies				
Improvement of Adult Probation Services	\$ 1,150	\$ 1,409	\$ 1,550	\$ 1,550
Total State Funds	<u>\$ 7,402</u>	<u>\$ 8,106</u>	<u>\$ 9,309</u>	<u>\$ 11,238</u>
Federal Funds	\$ 5,927	\$ 7,365	\$ 7,893	\$ 9,318
Other Funds .....	.....	76	.....	.....
DEPARTMENT TOTAL	<u>\$ 13,329</u>	<u>\$ 15,547</u>	<u>\$ 17,202</u>	<u>\$ 20,556</u>
Department of Property and Supplies				
General Government				
General Government Operations	\$ 20,728	\$ 23,362	\$ 26,184	\$ 31,829
Printing and Distribution of the Pennsylvania Manual .....	.....	140	.....	.....
Sub-Total	<u>\$ 20,728</u>	<u>\$ 23,502</u>	<u>\$ 26,184</u>	<u>\$ 31,829</u>
Debt Service Requirements				
General State Authority Rentals	\$ 57,975	\$ 57,970	\$ 56,000	\$ 56,000
Capital Improvements				
Capital Improvements	\$ 71	.....	.....	.....
Total State Funds	<u>\$ 78,774</u>	<u>\$ 81,472</u>	<u>\$ 82,184</u>	<u>\$ 87,829</u>
Federal Funds	\$ 111	.....	.....	.....
Other Funds	6,884	\$ 7,638	\$ 9,910	\$ 11,350
DEPARTMENT TOTAL	<u>\$ 85,769</u>	<u>\$ 89,110</u>	<u>\$ 92,094</u>	<u>\$ 99,179</u>
Public Utility Commission (Restricted Revenue Account)				
General Government				
Executive Authorization				
General Government Operations*	\$ 6,609	\$ 7,959	\$ 9,385**

* Executive Authorization from restricted revenue account which is not included in General Fund Totals.

** Due to present legal provisions it was necessary to issue an executive authorization for the 12 months beginning July 1, 1975. Legislation to make the Public Utility Commission's fiscal year concurrent with that of the General Fund will be proposed.

GENERAL FUND

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)			
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Department of Public Welfare				
General Government				
General Government Operations	\$ 14,540	\$ 16,711	\$ 20,529	\$ 24,348
Institutional				
Youth Development Centers and Forestry				
Camps	\$ 18,212	\$ 21,367	\$ 20,241	\$ 24,221
State Restoration Centers	4,669	6,498	5,620	6,399
State General Hospitals	8,349	10,980	7,211	7,131
Mental Health and Mental Retardation				
Services	310,279	283,243	322,698	391,918
Institution for the Mentally Retarded—				
Southeastern	2,365			
Mental Health and Mental Retardation				
Services—Additional Staff		2,500		
Mental Health and Mental Retardation				
Services—Resident Population				
Dispersal		500		
Community Services for the Mentally Ill and Mentally Retarded	3,600	67,630	80,438	101,008
Small Unit Residential Treatment	1,400	13,596	15,230	19,062
Sub-Total	<u>\$ 348,874</u>	<u>\$ 406,314</u>	<u>\$ 451,438</u>	<u>\$ 549,739</u>
Grants and Subsidies				
Cash Assistance	\$ 375,387	\$ 404,203	\$ 561,496	\$ 723,060
County Administration	62,881	78,499	82,612	103,265
Claims Settlement		2,000	2,133	2,563
Medical Assistance	187,321	231,981	284,737	356,527
Supplemental Grants—Aged, Blind and Disabled		40,619	58,528	76,866
Aging Programs	494	4,717	5,094	5,167
Training Personnel at Geriatric Homes	50	50	50	50
Blind Programs	701	778	840	1,050
County Child Welfare Programs	39,547	39,109	46,039	53,608
Day Care Services	4,200	5,700	6,356	7,433
Juvenile Delinquency Programs	1,500	2,000	2,500	2,500
Chronic Disease Hospitals	600			
Home for Crippled Children, Pittsburgh		250	250	250
Children's Heart Hospital, Philadelphia		500	500	500
Armstrong County Health Center		200		
Western Psychiatric Institute and Clinic	3,500	3,500	3,500	3,500
Pennsylvania Association for the Blind,				
Pittsburgh		25	25	25
Center for the Blind, Philadelphia		25	25	25
Beacon Lodge Camp	16	25	25	25
Social Services		2,198	2,944	3,433
Arsenal Family and Children's Center		100	100	100
Sub-Total	<u>\$ 676,197</u>	<u>\$ 816,479</u>	<u>\$1,057,754</u>	<u>\$1,339,947</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Department of Public Welfare (continued)				
Capital Improvements				
Capital Improvements	\$ 794	\$ 466	\$ 162	\$ 162
Total State Funds	<u>\$1,040,405</u>	<u>\$1,239,970</u>	<u>\$1,529,883</u>	<u>\$1,914,196</u>
Federal Funds	\$ 675,008	\$ 768,701	\$ 974,730	\$1,210,049
Other Funds	77,591	83,704	87,515	108,525
DEPARTMENT TOTAL	<u>\$1,793,004</u>	<u>\$2,092,375</u>	<u>\$2,592,128</u>	<u>\$3,232,770</u>
 Department of Revenue				
General Government				
General Government Operations	\$ 35,636	\$ 40,435	\$ 44,698	\$ 56,012
Compensation of Informers and Escheators .....	.....	20	5	5
Sub-Total	<u>\$ 35,636</u>	<u>\$ 40,455</u>	<u>\$ 44,703</u>	<u>\$ 56,017</u>
 Grants and Subsidies				
Distribution of Public Utility Realty Tax	\$ 19,825	\$ 21,200	\$ 22,000	\$ 22,000
Total State Funds	<u>\$ 55,461</u>	<u>\$ 61,655</u>	<u>\$ 66,703</u>	<u>\$ 78,017</u>
Other Funds	\$ 1,091	\$ 1,768	\$ 1,531	\$ 1,915
DEPARTMENT TOTAL	<u>\$ 56,552</u>	<u>\$ 63,423</u>	<u>\$ 68,234</u>	<u>\$ 79,932</u>
 Department of State				
General Government				
General Government Operations	\$ 1,271	\$ 4,674	\$ 4,916	\$ 6,181
Modernization of Corporation Bureau	292	.....	.....	.....
Professional and Occupational Affairs	2,342	.....	.....	.....
Examination of Practical Nurses	9	.....	.....	.....
Publishing Constitutional Amendments	18	85	100	100
Election Code Revision Commission .....	.....	60	.....	.....
Sub-Total	<u>\$ 3,932</u>	<u>\$ 4,819</u>	<u>\$ 5,016</u>	<u>\$ 6,281</u>
 Grants and Subsidies				
Voting of Citizens in Military Service	\$ 3	\$ 18	\$ 8	\$ 8
Total State Funds	<u>\$ 3,935</u>	<u>\$ 4,837</u>	<u>\$ 5,024</u>	<u>\$ 6,289</u>
Federal Funds	\$ 46	.....	.....	.....
Other Funds	71	\$ 146	\$ 120	\$ 150
DEPARTMENT TOTAL	<u>\$ 4,052</u>	<u>\$ 4,983</u>	<u>\$ 5,144</u>	<u>\$ 6,439</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	1973-74 Actual	(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
State Employees Retirement System				
General Government				
Supplemental Retirement Allowance Fund	\$ 1,486	\$ 1,885	.....	.....
Annuity Medical - Hospital Insurance	965	1,710	\$ 2,100	\$ 2,520
Employer's Supplemental Contribution .....	.....	9,100	.....	.....
DEPARTMENT TOTAL	\$ 2,452	\$ 12,695	\$ 2,100	\$ 2,520
State Police				
General Government				
General Government Operations	\$ 21,620	\$ 25,240	\$ 27,608	\$ 34,271
Municipal Police Training .....	.....	500	1,600	2,000
Total State Funds	\$ 21,620	\$ 25,740	\$ 29,208	\$ 36,271
Federal Funds	\$ 1,501	\$ 1,220	\$ 579	\$ 700
Other Funds	3,934	5,292	6,100	7,893
DEPARTMENT TOTAL	\$ 27,055	\$ 32,252	\$ 35,887	\$ 44,864
Tax Equalization Board				
General Government				
General Government Operations	\$ 640	\$ 710	\$ 756	\$ 940
Total State Funds	\$ 640	\$ 710	\$ 756	\$ 940
Other Funds .....	.....	\$ 6	.....	.....
DEPARTMENT TOTAL	\$ 640	\$ 716	\$ 756	\$ 940

GENERAL FUND

Summary by Department and Appropriation (continued)

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Department of Transportation				
General Government				
Mass Transportation Operations	\$ 589	\$ 877	\$ 1,211	\$ 1,386
Navigation Commission for the Delaware River	18	. . . .	. . . .	. . . .
Bicentennial Mass Transportation Projects . . . . .	. . . .	4,500	. . . .	. . . .
Sub-Total	\$ 607	\$ 5,377	\$ 1,211	\$ 1,386
 Grants and Subsidies				
Mass Transportation Assistance . . . . .	. . . .	\$ 74,200	\$ 74,200	\$ 74,200
Port of Philadelphia	\$ 1,000	1,000	1,000	1,000
Port of Erie	250	250	250	250
Civil Air Patrol	25	25	25	25
Sub-Total	\$ 1,275	\$ 75,475	\$ 75,475	\$ 75,475
Total State Funds	\$ 1,882	\$ 80,852	\$ 76,686	\$ 76,861
 Federal Funds	\$ 176	\$ 470	\$ 727	\$ 837
Other Funds	18	32	29	37
DEPARTMENT TOTAL	\$ 2,076	\$ 81,354	\$ 77,442	\$ 77,735
 Legislature				
General Government				
Senate	\$ 9,166	\$ 10,259	\$ 11,416	\$ 14,277
House of Representatives	15,363	15,587	18,730	23,563
Legislative Reference Bureau	1,275	1,450	1,485	1,903
Legislative Budget and Finance Committee	207	160	270	338
Legislative Data Processing Center	745	750	750	938
Legislative Miscellaneous and Commissions	1,166	1,245	1,281	1,602
Total State Funds	\$ 27,922	\$ 29,451	\$ 33,932	\$ 42,621
 Other Funds	\$ 30	\$ 13	\$ 10	\$ 10
DEPARTMENT TOTAL	\$ 27,952	\$ 29,464	\$ 33,942	\$ 42,631

GENERAL FUND

Summary by Department and Appropriation (continued)

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Judiciary				
General Government				
Supreme Court	\$ 1,876	\$ 2,118	\$ 2,202	\$ 2,753
Court Administrator	625	733	868	1,085
Superior Court	1,066	1,310	1,360	1,700
Commonwealth Court	1,267	1,479	1,500	1,875
Courts of Common Pleas	12,821	13,563	13,565	16,957
Jury Expenses .....	.....	1,470	.....	.....
Community Courts—District Justices of the Peace .....	.....	8,978	9,028	11,285
Philadelphia Traffic Court	132	137	132	165
Philadelphia Municipal Court	633	877	888	1,110
Total State Funds	<u>\$ 18,420</u>	<u>\$ 30,665</u>	<u>\$ 29,543</u>	<u>\$ 36,930</u>
Federal Funds	164	231	160	200
Other Funds	154	100	100	125
DEPARTMENT TOTAL	<u>\$ 18,738</u>	<u>\$ 30,996</u>	<u>\$ 29,803</u>	<u>\$ 37,255</u>
General Salary Increase .....	.....	.....	<u>\$ 27,500</u>	<u>\$ 34,400</u>
 General Fund Total – All Funds				
State Funds	\$3,696,748	\$4,389,467	\$4,810,598	\$5,473,506
Federal Funds	730,331	838,640	1,043,837	1,291,597
Other Funds	193,076	210,095	219,246	255,355
GENERAL FUND TOTAL	<u>\$4,620,155</u>	<u>\$5,438,202</u>	<u>\$6,073,681</u>	<u>\$7,020,458</u>

GENERAL FUND REVENUE SUMMARY

Five Year Revenue Projections

(Dollar Amounts in Thousands)

	1973-74 Actual	1974-75 Estimated	1975-76 Estimate (12 months)	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
TAX REVENUE								
Corporation Taxes								
Corporate Net Income	\$ 533,583	\$ 587,500	\$ 539,800	\$ 586,000	\$ 574,000	\$ 554,500	\$ 572,500	\$ 634,200
Capital Stock & Franchise	190,502	189,200	209,100	227,000	220,200	230,600	241,700	253,300
Selective Business								
Gross Receipts	171,045	180,800	192,200	192,220	204,200	217,000	230,600	245,100
Utility Property	42,426	46,300	50,500	50,600	55,000	58,300	61,800	65,500
Insurance Premiums	55,900	57,500	62,200	62,300	65,500	69,100	72,900	76,900
Financial Institutions	62,956	67,400	72,400	72,400	77,400	83,100	89,100	95,600
Other	11,511	12,600	13,100	14,600	14,100	15,200	16,400	17,600
Total—Corporation Taxes	<u>\$1,067,923</u>	<u>\$1,141,300</u>	<u>\$1,139,100</u>	<u>\$1,205,120</u>	<u>\$1,210,400</u>	<u>\$1,227,800</u>	<u>\$1,285,000</u>	<u>\$1,388,200</u>
Consumption Taxes								
Sales and Use	\$1,190,553	\$1,305,100	\$1,437,500	\$1,829,300	\$1,639,500	\$1,821,900	\$2,003,200	\$2,192,500
Cigarette	213,941	217,000	216,600	271,900	219,300	221,500	223,700	225,900
Malt Beverage	25,179	24,000	24,400	31,600	25,800	26,800	27,200	27,700
Liquor	75,154	78,300	81,000	101,000	76,300	87,100	90,100	93,300
Total—Consumption Taxes	<u>\$1,504,827</u>	<u>\$1,624,400</u>	<u>\$1,759,500</u>	<u>\$2,233,800</u>	<u>\$1,960,900</u>	<u>\$2,157,300</u>	<u>\$2,344,200</u>	<u>\$2,539,400</u>
Other Taxes								
Personal Income Tax	\$1,124,650	\$1,001,100	\$1,072,900	\$1,347,100	\$1,217,300	\$1,344,200	\$1,475,600	\$1,612,000
Realty Transfer	49,717	44,300	48,500	64,700	52,100	55,000	58,100	61,400
Inheritance	132,059	120,100	128,100	161,000	132,000	135,100	138,400	141,800
Minor and Repealed	597	600	600	778	600	600	600	600
Total—Other Taxes	<u>\$1,307,024</u>	<u>\$1,166,100</u>	<u>\$1,250,100</u>	<u>\$1,573,578</u>	<u>\$1,402,000</u>	<u>\$1,534,900</u>	<u>\$1,672,700</u>	<u>\$1,815,800</u>
TOTAL TAX REVENUE	<u>\$3,879,774</u>	<u>\$3,931,800</u>	<u>\$4,148,700</u>	<u>\$5,012,498</u>	<u>\$4,573,300</u>	<u>\$4,920,000</u>	<u>\$5,301,900</u>	<u>\$5,743,400</u>
NON-TAX REVENUE								
Liquor Store Profits	\$ 48,000	\$ 44,000	\$ 46,000	\$ 57,000	\$ 46,000	\$ 46,000	\$ 46,000	\$ 46,000
Institutional Reimbursements	10,338	6,700	1,000	1,000	.....	.....	.....	.....
Licenses, Fees and Miscellaneous	12,991	18,109	15,354	19,380	19,400	17,300	20,600	18,300
Licenses and Fees	86,605	83,577	57,811	81,395	53,700	53,800	54,000	54,300
Miscellaneous								
Fines, Penalties and Interest								
On Taxes	5,153	3,921	5,421	6,767	5,400	5,400	5,400	5,400
Other	4,664	4,600	4,605	5,763	4,600	4,600	4,600	4,600
TOTAL NON-TAX REVENUES	<u>\$ 167,751</u>	<u>\$ 160,907</u>	<u>\$ 130,191</u>	<u>\$ 171,305</u>	<u>\$ 129,100</u>	<u>\$ 127,100</u>	<u>\$ 130,600</u>	<u>\$ 128,600</u>
GENERAL FUND TOTAL	<u>\$4,047,525</u>	<u>\$4,092,707</u>	<u>\$4,278,891</u>	<u>\$5,183,803</u>	<u>\$4,702,400</u>	<u>\$5,047,100</u>	<u>\$5,432,500</u>	<u>\$5,872,000</u>

ADJUSTMENTS TO REVENUE ESTIMATE

On June 26, 1974 the Secretary of Revenue submitted an official estimate for the 1974-75 fiscal year of \$4,008,300.

Since this estimate was submitted, various current conditions have made it apparent that the estimate should be revised. The adjustments are detailed below.

	(Dollar Amounts in Thousands)		
	1974-75 Official Estimate	Adjustments	1974-75 Revised Estimate
TAX REVENUE			
Corporation Taxes			
Corporate Net Income	\$ 509,300	\$ 78,200	\$ 587,500
Capital Stock and Franchise	202,200	-13,000	189,200
Selective Business			
Gross Receipts	180,800	. . . .	180,800
Utility Property	46,300	. . . .	46,300
Insurance Premiums	58,300	-800	57,500
Financial Institutions	67,400	. . . .	67,400
Other	12,300	300	12,600
Total—Corporation Taxes	\$1,076,600	\$ 64,700	\$1,141,300
Consumption Taxes			
Sales and Use	\$1,295,300	\$ 9,800	\$1,305,100
Cigarette	216,700	300	217,000
Malt Beverage	25,500	-1,500	24,000
Liquor	78,300	. . . .	78,300
Total—Consumption Taxes	\$1,615,800	\$ 8,600	\$1,624,400
Other Taxes			
Personal Income Tax	\$ 993,200	\$ 7,900	\$1,001,100
Realty Transfer	52,500	-8,200	44,300
Inheritance	133,000	-12,900	120,100
Minor and Repealed	600	\$ 78,200	600
Total—Other Taxes	\$1,179,300	\$ -13,200	\$1,166,100
TOTAL TAX REVENUE	\$3,871,700	\$ 60,100	\$3,931,800
NON-TAX REVENUE			
Liquor Store Profits	\$ 44,000	. . . .	\$ 44,000
Institutional Reimbursements	600	6,100	6,700
Licenses, Fees and Miscellaneous			
Licenses and Fees	16,400	1,709	18,109
Miscellaneous	65,900	17,677	83,577
Fines, Penalties and Interest			
On Taxes	5,100	-1,179	3,921
Other	4,600	. . . .	4,600
TOTAL NON-TAX REVENUES	\$ 136,600	\$ 24,307	\$ 160,907
GENERAL FUND TOTAL	\$4,008,300	\$ 84,407	\$4,092,707

Corporate Net Income Tax

Actual	Estimated
1968-69 .....\$281,314,962	1974-75 \$587,500,000
1969-70 525,966,812	1975-76 .. (15 months) 586,000,000
1970-71 426,890,680	1976-77 574,000,000
1971-72 475,743,911	1977-78 554,500,000
1972-73 490,231,003	1978-79 572,500,000
1973-74 533,583,217	1979-80 634,200,000

The Corporate Net Income Tax is paid by all domestic and foreign corporations having capital-stock, by joint-stock associations and by limited partnerships for the privilege of doing business in Pennsylvania and is levied on the taxable income as returned to and ascertained by the Federal government. When the entire business of any corporation is not transacted within this Commonwealth, the taxable income in Pennsylvania is determined by an allocation formula.

Significant changes to the law as a result of the Tax Reform Code of 1971 provided that all insurance companies are exempted from the tax, the deduction of the Pennsylvania Corporate Net Income Tax is no longer allowed and must be added to Pennsylvania taxable income, and tax preference items as defined in Section 57 of the Internal Revenue Code are added to net taxable income. In addition, new allocation and apportionment provisions which essentially adopt the Uniform Division of Income for Tax Purposes Act are enacted. These new provisions are effective for the taxable year 1971.

Additional changes resulting from the amendments to the Tax Reform Code of 1971 are that "depletion" is eliminated as a tax preference item, and the rate of tax is reduced from twelve per cent to eleven per cent, effective July 1, 1972. This rate change provision is effective for the last six months of calendar year 1972 for calendar year filing companies and for the second six months of the fiscal year for companies whose fiscal year filing periods begin in calendar year 1972 and end in calendar year 1973 and for each year thereafter.

The tax was first enacted in 1935 as an emergency tax. It was continued every two years at various rates and now is permanent. A 1951 act required a 50 per cent prepayment of the current and subsequent year's corporate net income tax. An additional 30 per cent prepayment was enacted in 1961, and an additional 10 per cent prepayment was enacted in 1970 increasing the prepayment requirement to 90 per cent. In addition, the 1970 amendment eliminated the options previously allowed to determine the base for prepayment. Thus, all corporations affected were required to transmit annually tentative reports together with the prepayment on the current year's tax computed by applying the current rate of tax to 90 per cent of the tax base for the immediate prior year. These tentative reports and tax payments are due four months after the beginning of the current year. The remaining portion of the tax due is to be reported and paid within 105 days after the close of the calendar or fiscal year. Act 142 of the 1971 session provides for an alternative method of computing the tentative payment, based upon 90% of taxable income received or accrued during the first three months of the current calendar or fiscal year annualized.

The rate was increased from six to seven per cent for taxable years 1967 and 1968, and from seven to seven and one-half per cent for the taxable year 1969. Subsequently, the rate for the taxable year 1969 and later tax years was changed from seven and one-half to twelve per cent. The Tax Reform Code of 1971 was amended to reduce the rate from twelve per cent to eleven per cent effective for the last six months of calendar year 1972 for calendar year filing companies and for the second six months of the fiscal year filing companies whose fiscal year filing periods begin in calendar year 1972 and end in calendar year 1973 and each tax year thereafter. The Tax Reform Code of 1971 has been further amended and reduces the rate to nine and one-half percent effective January 1, 1974 and for each year thereafter.

The estimate for fiscal 1974-75 is \$587.5 million. We anticipate receiving \$586.0 million from this source in fiscal 1975-76.

GENERAL FUND REVENUE SOURCES

Capital Stock and Franchise Tax

Actual		Estimated	
1968-69	\$ 92,755,843	1974-75	\$189,200,000
1969-70	118,053,724	1975-76 .. (15 months)	227,000,000
1970-71	189,347,879	1976-77	220,200,000
1971-72	209,410,745	1977-78	230,600,000
1972-73	189,587,574	1978-79	241,700,000
1973-74	190,502,431	1979-80	253,300,000

The Capital Stock and Franchise Taxes are levied at the rate of ten mills on the actual value of capital stock allocable to Pennsylvania corporations, joint-stock associations, and limited partnerships.

The significant changes as a result of the Tax Reform Code of 1971 are that all insurance companies are exempted from these taxes, the statutory provisions relating to the manufacturing, processing and research and development exemptions were repealed, the rate of tax was increased from seven to ten mills and the allocation and apportionment provisions for the Corporate Net Income Tax now apply for computing the Capital Stock and Franchise Taxes. These new provisions are effective for the taxable year 1971. The optional allocation formula for capital stock taxes is still in effect. An exemption is provided for pollution control devices effective for taxable years beginning in 1971.

However, an additional change effected by an amendment to the Tax Reform Code of 1971 restores the manufacturing, processing, and research and development exemptions. The effective date for these allowable exemptions begins with the last six months of calendar year 1972 for calendar year filing companies and for the second six months of the fiscal year for companies whose fiscal year filing periods begin in calendar year 1972 and end in calendar year 1973 and for each year thereafter.

An 80 per cent prepayment requirement for both taxes was enacted in 1956. An additional 10 per cent prepayment was enacted in 1970 increasing the prepayment requirement to 90 per cent for both taxes. In addition, the 1970 amendment eliminated the options previously allowed to determine the base for prepayment. Thus, all firms subject to the taxes were required to transmit annually tentative reports together with their prepayment computed by applying the current rate of tax to 90% of the tax base for the immediate prior year. These tentative reports and tax payments are due four months after the beginning of the current taxable year. The remaining tax payments must be paid within 105 days following the close of the taxable year. However, Act 142 of the 1971 session restored the alternative method of computing the tentative payment at the 90% rate.

The rate for both taxes was increased from 5 to 6 mills effective January 1, 1967. Beginning with taxable year 1969 the rate for the two taxes was increased from six to seven mills. For the taxable year 1971 and thereafter the rate for both taxes was increased from seven to ten mills. Distilling companies were previously taxed at a ten-mill rate on the value of their capital stock employed within the State, but beginning in 1970 distilling companies became subject to the same rate as other corporations.

Our estimate for the Capital Stock and Franchise Taxes for fiscal 1974-75 is \$189.2 million. For fiscal 1975-76 we expect to receive \$227.0 million.

Utility Gross Receipts Tax

Actual	Estimated		
1968-69	\$ 47,330,099	1974-75	\$180,800,000
1969-70	108,194,708	1975-76 .. (15 months)	192,220,000
1970-71	98,713,375	1976-77	204,200,000
1971-72	171,987,372	1977-78	217,000,000
1972-73	162,330,230	1978-79	230,600,000
1973-74	171,045,051	1979-80	245,100,000

The Utility Gross Receipts Tax is levied on the gross receipts from business transacted within Pennsylvania by specified utilities owned, operated, or leased by corporations, associations or individuals. The tax rate is forty-five mills for all utilities except motor transportation companies which are taxed at the rate of eight mills. The permanent tax rate on non-motor transportation companies was increased from fourteen to twenty mills, effective July 1, 1967. A temporary rate rise from twenty to forty-five mills was enacted for the period January 1, 1970 to September 1, 1971. Sales of gas by municipally owned or operated utilities from business done inside the limits of the municipality are exempted.

The significant changes as a result of the Tax Reform Code of 1971 are that the temporary rate of forty-five mills was made permanent for the entire taxable year 1971 and taxable years thereafter and the prepayment requirement for this tax was changed. Companies are allowed to compute their tax prepayment by applying a rate of twenty-nine and one-third mills to the previous year's tax base or by applying a rate of one hundred and seventeen and one-third mills to their taxable gross receipts for the first three months of the current calendar year. These provisions are effective for the taxable year 1971. The tentative rate is then increased to 90% on any business conducted in the calendar year 1972 and each year thereafter. However, Act 142 of the 1971 session restores the alternative methods of computing the tentative payment at the 90% rate.

All firms, except municipally owned or operated public utilities and motor transportation companies, are required to transmit annually tentative reports, together with prepayment of current year's tax. The reports and prepayments must be submitted by April 30 of each year while the remaining amount due must be paid by April 15 of the following year.

The Utility Gross Receipts Tax is expected to produce \$180.8 million in fiscal 1974-75 and \$192.2 million in fiscal 1975-76.

GENERAL FUND REVENUE SOURCES

Utility Property Tax

Actual		Estimated	
(No collections of Utility Property Tax Prior to 1969-70.)			
1969-70	\$29,359,625	1974-75	\$46,300,000
1970-71	30,840,343	1975-76 .. (15 months)	50,600,000
1971-72	32,307,253	1976-77	55,000,000
1972-73	36,317,419	1977-78	58,300,000
1973-74	42,425,655	1978-79	61,800,000
		1979-80	65,500,000

The tax on Real Property of Utilities enacted during the 1970 legislative session is levied, at a rate of 30mills, on the "State Taxable Value" of utility realty belonging to a firm or other entity (1) furnishing utility service and (2) regulated by the Pennsylvania Public Utility Commission or similar regulatory body. The "State Taxable Value" is defined as the cost of utility realty, less reserves for depreciation or depletion as shown by the books of account of the utility. Excluded from "utility realty" for purposes of this tax are the following: (1) Easements, (2) Railroad rights of way, (3) Machinery and equipment, etc., and (4) Realty subject to local real estate taxation under any law in effect on April 23, 1968.

A 1970 amendment exempted from the Utility Property tax any public utility furnishing utility sewage services.

A 1971 amendment extended the exemption to any municipality or municipal authority furnishing any public utility service.

We expect to receive \$46.3 million in fiscal 1974-75 from Utility Property Tax and \$50.6 million in fiscal 1975-76.

GENERAL FUND REVENUE SOURCES

Insurance Premiums Tax

Actual		Estimated	
1968-69	\$32,203,672	1974-75	\$57,500,000
1969-70	39,413,558	1975-76 .. (15 months)	62,300,000
1970-71	40,986,729	1976-77	65,500,000
1971-72	49,702,517	1977-78	69,100,000
1972-73	52,755,335	1978-79	72,900,000
1973-74	55,899,848	1979-80	76,900,000

The Insurance Premiums Tax is levied at the rate of two per cent of the gross premiums (Subject to retaliatory provisions of the act) on all business of domestic and foreign insurance companies, done within the Commonwealth during each calendar year.

The Tax Reform Code of 1971 extended the tax to all domestic insurance companies except purely mutual beneficial associations and non-profit hospital and medical associations. However, those companies not subject to the tax prior to 1971 pay at the rate of one per cent on taxable gross premiums for the year 1971 and at the rate of two per cent for each year thereafter.

On foreign companies, the tax is based on the amount of business transacted in Pennsylvania. Receipts from the tax on foreign fire insurance and foreign casualty companies are not deposited in the General Fund, but are distributed for the benefit of local volunteer and paid fire companies and local police retirement systems. The portion of the tax in excess of two per cent due from retaliatory provisions with other states plus an amount for administration of the tax is, however, deposited in the General Fund as general revenue. That portion of the tax not deposited in the General Fund is not included in the estimate.

Marine insurance companies, both domestic and foreign, pay a five per cent tax on underwriting profits attributable to Pennsylvania in lieu of gross premiums tax.

An 80 per cent prepayment requirement for life and limited life insurance companies, both foreign and domestic, was enacted in 1961.

An additional 10 per cent prepayment was enacted in 1970 increasing the prepayment requirement to 90 per cent for such companies. In addition, the 1970 amendment eliminated the option of using taxable gross premiums for the first three months of the current calendar year to determine the base for prepayment. Thus, companies were required to transmit annually tentative reports, together with prepayment of current year's tax computed by applying the current rate of tax to 90 per cent of the tax base for the immediate prior year. The reports and prepayments must be submitted by April 30 of each year while the remaining amount due must be paid by April 15 of the following year. Act 142 of the 1971 session restores the alternative methods of computing the tentative payment at the 90% rate.

Receipts from the Insurance Premiums Tax are expected to amount to \$57.5 million in fiscal 1974-75 and \$62.3 million in fiscal 1975-76.

GENERAL FUND REVENUE SOURCES

Financial Institutions Taxes

Actual		Estimated
1967-68	\$26,484,155	
1968-69	25,458,162	1974-75
1969-70	35,634,803	\$67,400,000
1970-71	44,212,506	1975-76 .. (15 months)
1971-72	56,520,000	72,400,000
1972-73	60,677,691	1976-77
1973-74	62,955,827	77,400,000
		1977-78
		83,100,000
		1978-79
		89,100,000
		1979-80
		95,600,000

The Bank Shares Tax is levied at the rate of fifteen mills on the actual value of shares of State and National Banks, title insurance and trust companies located within the Commonwealth.

Actual value, as used in computing this tax, is ascertained by adding the amount of capital stock paid in and the amount of surplus and undivided profits, and dividing the result by the number of shares. Each institution functions on a self-assessing basis and may pay the tax from general funds or collect the amount from its shareholders. The date of ascertainment of the value of shares of capital stock is January 1.

The rate was increased from eight to ten mills effective for the calendar year 1967. Effective for calendar year 1969, the rate was increased from ten to thirteen mills. The Tax Reform Code of 1971 increased the rate from thirteen to fifteen mills effective for the taxable year 1971 and thereafter.

Taxes on bank shares are subject to a prepayment requirement. An 80% prepayment of the tax for the current year is due by April 15 of the current year. The balance is due by April 15 of the following year.

An excise tax of eleven and one-half per cent is levied on net earnings or income of mutual thrift institutions. The tax rate was increased from six to seven and one-half per cent for taxable years 1967 and thereafter. Beginning with calendar 1969 the tax rate was increased from seven and one-half to eleven and one-half per cent.

Taxes on mutual thrift institutions were subject to an 80 per cent prepayment requirement enacted in 1964. An additional 10 per cent prepayment was enacted in 1970 increasing the prepayment requirement to 90 per cent for such institutions. In addition, the 1970 amendment changed the method for determining the base for prepayment. Thus, such institutions were required to transmit annually tentative reports, together with prepayment of current year's tax computed by applying the current rate of tax to 90 per cent of the tax base for the immediate prior year. Tentative reports are due and tax prepayment payable by April 30 of the current calendar year, with the remaining amount due payable by April 15 of the next year. Act 142, of the 1971 session restores the alternative methods of computing the tentative payment at the 90% rate.

In fiscal 1974-75 we expect to receive \$67.4 million from Financial Institutions Taxes and \$72.4 million in fiscal 1975-76.

Other Selective Business Taxes

	Actual		Estimated
1968-69	\$10,899,237	1974-75	\$12,600,000
1969-70	11,914,911	1975-76 .. (15 months)	14,600,000
1970-71	11,953,022	1976-77	14,100,000
1971-72	13,900,517	1977-78	15,200,000
1972-73	12,321,090	1978-79	16,400,000
1973-74	11,511,363	1979-80	17,600,000

Other Selective Business Taxes include: Corporation Excise Tax-Foreign Act of July 25, 1953, P.L. 560; Loans Tax-Domestic and Foreign-Act of June 22, 1935, P.L. 414 as amended; Electric Cooperative Corporation Tax-Act of June 21, 1937, P.L. 1969; Agricultural Cooperative Associations CNI Tax-Act of May 23, 1945, P.L. 893; Gross Receipts-Private Banks-Act of May 16, 1861, P.L. 708 as amended; Boxing and Wrestling Exhibits Tax-Act of June 14, 1923, P.L. 710; and Corporation Income Tax-Act of August 24, 1951, P.L. 1417 as amended.

Of the taxes in this category, one of the most productive sources of revenue is the Corporation Income Tax. It is levied on corporations which own property or carry on business activities in Pennsylvania and are not subject to the Corporate Net Income Tax. The tax rate was increased from six to seven per cent for the taxable years 1967 and 1968 and from seven to seven and one-half per cent for taxable 1969. However, the rate for taxable 1969 and subsequent taxable years was raised from seven and one-half to twelve per cent by legislative amendment approved December 31, 1969. The tax is based on net income allocable to Pennsylvania and, like other business taxes, requires an 80 per cent prepayment. An additional 10 per cent prepayment was enacted in 1970, increasing the prepayment requirement to 90 per cent. The Tax Reform Code of 1971 reduces the Corporation Income Tax rate from twelve per cent to eleven per cent effective for the last six months of calendar year 1972 for calendar year filing companies and for the second six months of the fiscal year filing companies whose fiscal year filing periods begin in calendar year 1972 and ends in calendar year 1973 and each year thereafter. The Tax Reform Code of 1971 has been further amended and reduces the rate to nine and one-half per cent effective January 1, 1974 and for each year thereafter.

The Domestic Excise Tax-Act of July 25, 1953, P.L. 564 was repealed by an Act of July 12, 1972, Number 182 which became effective September 10, 1972.

Receipts from Other Selective Business Taxes are expected to amount to \$12.6 million in fiscal 1974-75 and \$14.6 million in fiscal 1975-76.

GENERAL FUND REVENUE SOURCES

Sales and Use Tax

Actual	Estimated
1968-69\$ 900,723,524	1974-75 .....\$1,305,100,000
1969-70 958,832,079	1975-76 .. (15 months) 1,829,300,000
1970-71 1,015,198,236	1976-77 1,639,500,000
1971-72 987,144,316	1977-78 1,821,900,000
1972-73 1,109,119,955	1978-79 2,003,200,000
1973-74 1,190,553,021	1979-80 2,192,500,000

The Sales and Use Tax is levied on the sale, use, storage, rental or consumption of personal property and certain services and upon the occupancy of hotel rooms. Take-home food and ordinary clothing are exempted. The present tax rate of six per cent based on a bracket system became effective January 1, 1968, and at the same time, the fifty-cent restaurant meal exemption was reduced to ten-cents.

As a result of the Tax Reform Code of 1971, items formerly taxable, but now exempt beginning July 1, 1971, are repair, alteration, dry cleaning, cleaning, etc. of wearing apparel, including shoes, residential use of steam, gas fuel oil, electricity and intrastate telephone and telegraph services, household supplies purchased at retail stores, and non-prescription medicines, drugs and medical supplies. In addition various sales, services and incidents of use which were exempt became taxable effective March 4, 1971. Among these are, the printing and imprinting of mail order catalogs and direct mail advertising materials, and rail transportation equipment for movement of personal property. A further amendment restored the exemption to the sale at retail or use of motion picture film and mail order catalogs and direct mail advertising literature or materials.

In the 1974 Legislative Session, several bills were passed concerning exemptions from the Sales and Use Tax. They are: (1) Act No. 75, effective May 2, 1974, exempting gratuities in connection with food, beverages or hotel and motel accommodations from taxation. (2) Act No. 18, effective retroactively to March 4, 1971, exempted certain therapeutic, prosthetic and artificial devices from taxation and (3) Act No. 192, effective retroactively to March 4, 1971, exempting motor vehicles which are used solely for driver education from taxation.

Vendors who collect \$600 or more in a calendar quarter are required to remit collections monthly within 45 days of the last day of the collection month, with the exception of April and May collections which are due 20 days after the end of the month. Those collecting more than \$75 annually but less than \$600 in a calendar quarter report quarterly and transmit collections within 30 days of the end of the collection quarter, except for the second calendar quarter when the vendor is required to file single returns for the months of April and May on or before the 15th day of June next following. The remainder is due by the end of July next following. Vendors collecting less than \$75 annually are required to remit on a semi-annual basis by February 20 and August 20, or in certain instances are required to remit an annual return by April 15.

Sales tax on motor vehicles is collected directly by the Department of Revenue when application for a certificate of title is

The Sales Tax and Use is expected to produce \$1,305.1 million in fiscal 1974-75 and: \$1,829.3 million in fiscal 1975-76.

GENERAL FUND REVENUE SOURCES

Cigarette Tax

Actual		Estimated	
1968-69	\$169,575,794	1974-75	\$217,000,000
1969-70	180,630,665	1975-76 (15 months)	271,900,000
1970-71	187,980,617	1976-77	219,300,000
1971-72	176,015,358	1977-78	221,500,000
1972-73	205,412,941	1978-79	223,700,000
1973-74	213,941,476	1979-80	225,900,000

The Cigarette Tax is imposed and assessed on the sale or possession of cigarettes within this State. It is levied on the ultimate consumer, but usually is collected by sale of stamps and meter units to dealers who affix these to each package.

On October 16, 1967, Act No. 202 was approved increasing the permanent tax rate from seven to thirteen cents per package of 20 cigarettes. At the same time, the one cent per package previous levied to finance the bonds issued for Korean Veteran's bonus was deleted. Effective January 15, 1970, Act No. 1 increased the rate per package of 20 cigarettes from thirteen to eighteen cents.

It should be noted that revenues in 1969-70 are reduced by \$5,041,124 due to Act No. 86 effective March 25, 1970 allocating 14% of cigarette tax collections to the Non-Public Elementary and Secondary Education Fund. The 1970-71 fiscal period represents an 86% residual after the transfer of 14% of tax collections to the same fund.

On August 27, 1971, Act No. 92, effective retroactively to July 1, 1971 allocated 23% of cigarette tax collections to The Parent Reimbursement Fund. The revenues for 1971-72 has 23% of the first eleven months transferred to that fund. That percentage was later reduced to 10% by Act No. 204, approved September 22, 1972, effective retroactively to July 1, 1972. Revenues in the 1972-73 and 1973-74 fiscal period represent 90% of collections.

Cigarette Tax revenues are expected to amount to \$217.0 million in fiscal 1974-75 and to \$271.9 million in fiscal 1975-76.

Malt Beverage Tax

	Actual		Estimated
1968-69	\$21,469,905		1974-75
1969-70	22,596,180		1975-76 .. (15 months)
1970-71	23,414,740		1976-77
1971-72	24,397,332		1977-78
1972-73	24,416,781		1978-79
1973-74	25,178,651		1979-80

The Malt Beverage Tax is levied on all malt or brewed beverages sold in Pennsylvania.

The Tax rate is two-thirds cent per half pint, one cent per pint and \$2.48 per barrel. The tax is paid monthly by the various manufacturers directly to the Department of Revenue.

The estimated revenues from the Malt Beverage Tax for fiscal 1974-75 are \$24.0 million and \$31.6 million in fiscal 1974-75.

GENERAL FUND REVENUE SOURCES

Liquor Tax Revenue

Actual		Estimated	
1968-69	\$60,156,199	1974-75	\$78,300,000
1969-70	65,662,516	1975-76 (15 months)	101,000,000
1970-71	62,229,148	1976-77	76,300,000
1971-72	71,433,122	1977-78	87,100,000
1972-73	73,925,623	1978-79	90,100,000
1973-74	75,153,919	1979-80	93,300,000

The Liquor Tax is levied at the rate of eighteen per cent of the net purchase price on all liquors sold by the Pennsylvania Liquor Control Board. The tax rate was increased from fifteen to eighteen per cent effective January 1, 1968.

In fiscal 1974-75 receipts from the Liquor Tax should be approximately \$78.3 million and \$101.0 million in fiscal 1975-76.

Personal Income Tax

Actual	Estimated
(No collections of Personal Income Tax prior to 1971.)	1974-75 \$1,001,100,000 1975-76 .. (15 months) 1,347,100,000 1976-77 1,217,300,000 1977-78 1,344,200,000 1978-79 1,425,600,000 1979-80 1,612,000,000
1971-72 \$ 890,662,496 1972-73 1,022,723,022 1973-74 1,124,649,675	

The Tax Reform Act of 1971 enacted a Personal Income Tax, effective on tax years ending after December 31, 1970. The Personal Income Tax was paid on taxable income by all residents, and resident trusts and estates and on "income derived from Pennsylvania" by non-residents, and non-resident trusts and estates. The tax was levied at a 3.5% rate, bearing upon "taxable income" as defined by the Internal Revenue Code. The actual withholding rate was accelerated to 5.2% in order to collect twelve months revenue in an eight month period. Also, there were two special credit allowances: (1) a credit equal to 30% of so-called local "nuisance" taxes and (2) a "vanishing" tax credit, graduated for taxpayers who "by reason of poverty, age, disability or infirmity were in need of special tax relief."

However, on June 24, 1971, that original Personal Income Tax law, as such, was declared unconstitutional by the Pennsylvania Supreme Court and collections were halted.

On August 31, 1971 a revised Personal Income Tax was signed into law, Act No. 93, imposing a flat rate of tax, at 2.3%, effective June 1, 1971, upon the gross income of all resident individuals, estates and trusts and non-resident individuals, estates and trusts having income derived from Pennsylvania. Credits for prepaid or withheld taxes and income taxes paid to other jurisdictions are standard. Payments made under the previous law are also allowed as a credit. For those individuals with taxable incomes, other than wages subject to withholding, over \$1,000, a declaration and partial payment of the estimated tax are required similar to those mandated by federal law. Payments may be made annually, April 15 for calendar-year taxpayers, twice yearly, three times yearly, or four times yearly, with special provisions for farm income with the reporting frequency dependent upon size of estimated income.

Withholding was effective October 1, 1971, and provision was made for remittance to the State by employers on a quarterly, monthly, and semi-monthly basis. The size of collections remitted determines the frequency.

On March 13, 1974, Act No. 32 was signed into law applicable retroactively to January 1974 with provisions providing that: (1) The rate of tax was reduced from 2.3% to 2.0% (2) The withholding rate would be 1.85% for the period May 1, 1974 to December 31, 1974. The 2% withholding rate is effective January 1, 1975 (3) for 1974 and following, full or partial exemptions (or refunds of tax paid) are allowed for taxpayers eligible under the Act's standards of poverty. An individual is eligible for a 100% "Poverty income" exemption or refund if his income for the taxable year is \$3,000 or less. The basic standard is increased to \$4,200 if the taxpayer has one dependent, and by another \$750 for each additional dependent. A partial exemption or refund of 90% of the tax is provided for a claimant whose income exceeds the applicable basic standard by no more than \$100. Thereafter, the allowable percentage is reduced by 10% for each additional \$100 excess income down to the final point of eligibility, 10%. Effective January 1, 1975 employers will not be required to withhold tax from employees who can certify a 100% exemption for the year (4) income from U. S. Government for active duty performed outside the Commonwealth while a member of the Armed Forces is exempt (5) tax payment will be considered timely if the letter transmitting payment is postmarked on or before the due date.

Act No. 105, approved June 17, 1974, effective retroactively to June 1, 1971, adjusts the acquisition date of property acquired prior to June 1, 1971 to that date. For property acquired thereafter, the actual date of acquisition is to be used.

**Personal Income Tax
(continued)**

Personal Income Tax receipt of \$890,662,496 for fiscal 1971-72 is the total of all collections under the old tax declared unconstitutional and collections under the revised tax. \$147,709,474 was collected under the unconstitutional tax in fiscal 1970-71 and all but \$12,642,166 had been transmitted to Treasury in that fiscal year. Thus the indicated amounts in the budget for fiscal years 1970-71 and 1971-72 reflect adjustments to the actual revenues of those two years respectively which are necessary to show the amounts that may lawfully be appropriated against. The Personal Income Tax is expected to produce \$1,001.1 million in the 1974-75 fiscal year and \$1,347.1 million in the 1975-76 fiscal year.

GENERAL FUND REVENUE SOURCES

Realty Transfer Tax

Actual		Estimated	
1968-69	\$30,699,824	1974-75	\$44,300,000
1969-70	30,113,919	1975-76 .. (15 months).	64,700,000
1970-71	32,691,297	1976-77	52,100,000
1971-72	40,502,147	1977-78	55,000,000
1972-73	49,646,922	1978-79	58,100,000
1973-74	49,717,130	1979-80	61,400,000

The Realty Transfer Tax is levied at the rate of one per cent of the value of the property transferred as represented by deed, instrument or other writing. The tax is paid through the purchase of stamps which are affixed to the legal document presented for recording.

Realty Transfer Tax Receipts are expected to be \$44.3 million in fiscal 1974-75 and \$64.7 million in fiscal 1975-76.

GENERAL FUND REVENUE SOURCES

Inheritance Tax

Actual		Estimated	
1968-69	\$ 99,054,292	1974-75	\$120,100,000
1969-70	98,839,502	1975-76	.. (15 months). 161,000,000
1970-71	110,810,834	1976-77	132,000,000
1971-72	127,259,239	1977-78	135,100,000
1972-73	134,767,165	1978-79	138,400,000
1973-74	132,059,291	1979-80	141,800,000

The Inheritance Tax is a transfer tax levied on the clear value of property to heirs of a deceased person. The rate is six per cent of the value, after a personal exemption, if passing to direct or lineal heirs and fifteen per cent, without exemption, if passing to collateral heirs. A tax rate increase from two to six per cent became effective December 29, 1967, for estates and transfers of persons dying on or after that date. Charities and other listed organizations are exempt.

Taxes are required to be collected for the State by counties within 9 months after the death of a person whose property is being transferred. The time limit for filing returns was reduced from 15 to 9 months by Act No. 15, effective June 17, 1971.

Act No. 130, effective June 27, 1974 increased the amount of the family exemption from \$1,500 to \$2,000.

An Estate Tax is levied on estates situated in Pennsylvania and applies to residents and non-residents. The tax is the difference between the Inheritance Tax imposed by the State and the credit allowed under the Federal Estate Tax.

Inheritance Tax receipts are expected to be \$120.1 million in fiscal 1974-75 and \$161.0 million in fiscal 1975-76.

GENERAL FUND REVENUE SOURCES

Minor and Repealed Taxes

Actual	Estimated
1968-69	1974-75
\$552,947	\$600,000
1969-70	1975-76 .. (15 months)
503,926	778,000
1970-71	1976-77
509,531	600,000
1971-72	1977-78
574,588	600,000
1972-73	1978-79
616,430	600,000
1973-74	1979-80
597,429	600,000

Minor taxes are those taxes whose potential individual annual yields are comparatively small. They include:

Tax on Legal Documents-Act of April 6, 1830, P.L. 272.

Spirituuous and Vinous Liquors Tax-Acts of December 5, 1933, P.L. 38 (Sp. Sess.) and December 22, 1933, P.L. 91 (Sp. Sess.)

Repealed taxes are those which are no longer in effect but for which revenues outstanding continue to be received. They include:

Consumers Sales Tax-Act of July 13, 1953, P.L. 389 - Expired August 31, 1955.

Anthracite Coal Tax-Act of May 11, 1921, P.L. 479 - Expired 1931.

Stock Transfer Tax-Repealed by Act of July 10, 1957, P.L. 671.

Documentary Stamp Tax-Act of May 16, 1935, P.L. 203 - Expired 1937.

Soft Drink Tax-Act of May 14, 1947, P.L. 249 - Expired May 31, 1951:

Personal Property Tax 1937-Act of June 22, 1935, P.L. 414 - Expired 1943.

Receipts from Minor and Repealed Taxes are relatively small and vary only slightly from year to year. For fiscal 1974-75 we estimate receipts of \$600,000 and \$778,000 in fiscal 1975-76.

GENERAL FUND REVENUE SOURCES

Liquor Store Profits

Actual	Estimated
1968-69 \$50,000,000	1974-75 \$44,000,000
1969-70 50,000,000	1975-76 .. (15 months) 57,000,000
1970-71 50,000,000	1976-77 46,000,000
1971-72 52,000,000	1977-78 46,000,000
1972-73 52,000,000	1978-79 46,000,000
1973-74 48,000,000	1979-80 46,000,000

Liquor Store Profits represent the amount of profit from the operation of State Liquor Stores less sufficient deductions for reserve and inventory. This amount is transferred to the General Fund from the State Stores Fund to be used for general appropriation purposes.

Liquor Store Profits are estimated by the Liquor Control Board at \$44.0 million for fiscal 1974-75 and at \$57.0 million in fiscal 1975-76.

GENERAL FUND REVENUE SOURCES

Institutional Reimbursements

Actual	Estimated
1968-69 \$40,712,174	1974-75 \$6,700,000
1969-70 38,782,378	1975-76 .. (15 months) 1,000,000
1970-71	1976-77
1971-72 14,220,852	1977-78
1972-73 13,196,060	1978-79
1973-74 10,337,721	1979-80

Institutional Reimbursements include all payments by patients or their families for care in State hospitals and institutions. Also included are payments by the counties for persons committed to correctional institutions by the courts of those counties.

During 1970-71 all Institutional Reimbursements were treated as augmentations to the institutions from which they were earned.

Institutional Reimbursements will continue to be treated as augmentations with the exceptions of the Correctional Institutions, Youth Development Centers and Forestry Camps which will be treated as revenues. Legislation has passed to reduce the counties' liabilities for persons committed to these institutions by the courts of their counties to 75% during 1971-72, 50% during 1972-73, 25% during 1973-74, and no liability thereafter. The total remaining liability of all counties in 1974-75 is estimated to be \$7.7 million of which \$1.0 million will be received in 1975-76 due to the estimated distribution of repayments.

GENERAL FUND REVENUE SOURCES

Licenses, Fees and Miscellaneous Revenue

Actual	Estimated
1968-69 .....\$30,264,399	1974-75 .....\$101,686,000
1969-70 36,046,018	1975-76 .. (15 months)..... 100,775,000
1970-71 45,997,710	1976-77 73,100,000
1971-72 78,284,067	1977-78 71,100,000
1972-73 90,188,131	1978-79 74,600,000
1973-74 99,596,498	1979-80 72,600,000

Licenses and Fees includes collections by State Agencies which 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. Certain licenses and fees are required in a multitude of laws designed to protect the public from indiscriminate and unsafe practices. Those which bring the largest amounts of revenue into the General Fund are Dog Licenses, Public Utility Assessment Fees, Insurance Licenses and Fees, Vital Statistics Fees, Professional License Fees and Cigarette License Fees. Licenses and Fees for fiscal 1974-75, and thereafter, includes anticipated Department of State fee increases.

The Miscellaneous category includes all other income to be used for general appropriation purposes in the General Fund except monies which are given to the State by individuals, or are provided by law to be used for a specific purpose only. Included in miscellaneous income are monies from such sources as escheats, sale of forest products, sale or rent of Commonwealth property, and interest on securities and deposits. Also included are transfers from Special Funds.

Collections from Licenses, Fees and Miscellaneous are estimated at \$101.7 million in fiscal 1974-75. Transfers included in this estimate are: from Harness Racing, \$6.6 million; and Horse Racing \$17.0 million.

For fiscal 1975-76 collections will be approximately \$100.8 million from these sources. Total transfers from Special Funds are expected to be \$39.1 million. Transfers from the State Harness Racing Fund and the State Horse Racing Fund of \$7.5 million and \$26.9 million respectively are estimated. In the 1975-76 Fiscal year transfers from two other funds will total \$4.7 million dollars. These funds are: World War II Compensation Sinking Fund and the Korean Conflict Veterans' Compensation Sinking Fund.

GENERAL FUND REVENUE SOURCES

Fines, Penalties and Interest

Actual		Estimated	
1968-69	\$4,519,933	1974-75	\$ 8,521,000
1969-70	4,656,744	1975-76 .. (15 months)	12,530,000
1970-71	6,361,605	1976-77	10,000,000
1971-72	6,457,494	1977-78	10,000,000
1972-73	8,375,499	1978-79	10,000,000
1973-74	9,816,985	1979-80	10,000,000

This source includes all penalties and interest collected in the enforcement of tax regulations. The largest portion is from corporation taxes, penalties and interest. Also included are fines and penalties other than those used to enforce tax regulations and those 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. By far the largest segment of the amounts received are fines for violations of the Vehicle Code.

It is estimated that \$8.5 million will be received in fiscal 1974-75 and \$12.5 million in fiscal 1975-76 from Fines, Penalties and Interest.

GENERAL FUND REVENUE DETAIL

The following is a detailed list of all General Fund revenues available for general appropriation. This listing does not include special restricted receipts and receipts augmenting appropriations.

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
TAX REVENUE			
Corporate Net Income Tax	\$ 533,583,217	\$ 587,500,000	\$ 586,000,000
Capital Stock and Franchise Taxes			
Capital Stock Taxes—Domestic	\$ 113,837,666	\$ 113,100,000	\$ 135,600,000
Franchise Taxes—Foreign	76,664,765	76,100,000	91,400,000
Total	\$ 190,502,431	\$ 189,200,000	\$ 227,000,000
Utility Gross Receipts			
Telephone and Telegraph	\$ 42,986,278	\$ 45,400,000	\$ 48,270,000
Electric Hydroelectric and Water Power	97,871,790	103,500,000	110,040,000
Transportation	3,757,445	4,000,000	4,250,000
Motor Transportation	709,236	700,000	740,000
Gas	25,720,303	27,200,000	28,920,000
Total	\$ 171,045,051	\$ 180,800,000	\$ 192,220,000
Utility Property Tax	\$ 42,425,655	\$ 46,300,000	\$ 50,600,000
Insurance Premiums Tax			
Domestic Casualty	\$ 5,397,195	\$ 5,550,000	\$ 6,010,000
Domestic Marine	46,991	50,000	50,000
Domestic Fire	4,902,063	5,040,000	5,460,000
Domestic Life and Previously Exempted Lines	4,963,747	5,105,000	5,530,000
Unauthorized Insurance	5,500	5,000	5,000
Foreign Life	38,224,644	39,320,000	42,610,000
Foreign Excess Casualty	1,341,738	1,380,000	1,500,000
Foreign Marine	40,578	40,000	45,000
Foreign Excess Fire	555,399	575,000	620,000
Excess Insurance Brokers	360,165	370,000	400,000
Title Insurance	61,828	65,000	70,000
Total	\$ 55,899,848	\$ 57,500,000	\$ 62,300,000
Financial Institutions Taxes			
Trust Companies	\$ 10,295,514	\$ 11,020,000	\$ 11,840,000
State Banks	7,389,823	7,910,000	8,500,000
National Banks	32,043,790	34,300,000	36,840,000
State Mutual Thrift Institutions	8,775,497	9,400,000	10,100,000
Federal Mutual Thrift Institutions	4,451,202	4,770,000	5,120,000
Total	\$ 62,955,827	\$ 67,400,000	\$ 72,400,000

GENERAL FUND REVENUE DETAIL

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Other Selective Business Taxes			
Excise—Domestic	\$ 66,528		
Excise—Foreign	3,725,657	4,149,500	4,808,500
Corporate Loans—Domestic	3,414,756	3,737,000	4,331,000
Corporate Loans—Foreign	204,517	224,000	259,700
Tax on Electric Cooperative Corporations	9,759	11,000	12,300
Bonus for Right of Way			
Corporate Net Income Tax on Agricultural Cooperative Association	73,875	81,000	93,600
Corporation Income	3,933,174	4,304,000	4,988,500
Gross Receipts—Private Bankers	17,793	20,000	22,300
Gross Receipts Boxing and Wrestling Exhibitions	65,304	73,500	84,100
Total	<u>\$ 11,511,363</u>	<u>\$ 12,600,000</u>	<u>\$ 14,600,000</u>
Sales and Use Tax	<u>\$1,190,553,021</u>	<u>\$1,305,100,000</u>	<u>\$1,829,300,000</u>
Cigarette Tax	<u>\$ 213,941,476</u>	<u>\$ 217,000,000</u>	<u>\$ 271,900,000</u>
Malt Beverage Tax	<u>\$ 25,178,651</u>	<u>\$ 24,000,000</u>	<u>\$ 31,600,000</u>
Liquor Tax	<u>\$ 75,153,919</u>	<u>\$ 78,300,000</u>	<u>\$ 101,000,000</u>
Personal Income Tax	<u>\$1,124,649,675</u>	<u>\$1,001,100,000</u>	<u>\$1,347,100,000</u>
Realty Transfer Tax	<u>\$ 49,717,130</u>	<u>\$ 44,300,000</u>	<u>\$ 64,700,000</u>
Inheritance Tax			
Resident Transfer Inheritance and Estate Tax	\$ 135,099,986	\$ 122,866,000	\$ 164,707,000
Non-Resident Transfer Inheritance and Estate Tax	629,724	572,000	768,000
Collateral Inheritance Tax	3,644	3,000	4,000
Expense Deduction from Resident Transfer, Direct Collateral Inheritance and Estate Tax	-3,674,063	-3,341,000	-4,479,000
Total	<u>\$ 132,059,291</u>	<u>\$ 120,100,000</u>	<u>\$ 161,000,000</u>
Minor and Repealed Taxes			
Minor			
Tax on Writs, Wills and Deeds	\$ 589,013	\$ 591,500	\$ 766,500
Distilled Spirits	2,540	2,600	3,600
Rectified Spirits	2,174	2,200	3,200
Wines	3,702	3,700	4,700
Total	<u>\$ 597,429</u>	<u>\$ 600,000</u>	<u>\$ 778,000</u>
TOTAL TAX REVENUE	<u><u>\$3,879,773,984</u></u>	<u><u>\$3,931,800,000</u></u>	<u><u>\$5,012,498,000</u></u>

GENERAL FUND REVENUE DETAIL

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
NON-TAX REVENUE			
Liquor Store Profits	\$ 48,000,000	\$ 44,000,000	\$ 57,000,000
Institutional Reimbursements			
Department of Justice	\$ 9,210,279	\$ 5,970,000	\$ 890,000
Department of Public Welfare	1,127,442	730,000	110,000
Total Institutional Reimbursement	\$ 10,337,721	\$ 6,700,000	\$ 1,000,000
Licenses, Fees and Miscellaneous			
Auditor General			
LICENSES AND FEES			
Miscellaneous Licenses	\$ 2,608	\$ 2,658	\$ 3,270
Subtotal	\$ 2,608	\$ 2,658	\$ 3,270
Treasury Department			
MISCELLANEOUS REVENUE			
Interest on Securities	\$ 42,139,160	\$ 47,552,000	\$ 25,357,000
Interest on Deposits	1,004,581	1,060,000	2,209,000
Allocation of Treasury Cost	315,641	370,000	. . . .
Premium on Discount on Tax Notes Sold	1,148	. . . .	. . . .
Interest on Securities-Liquor License Fund	146,193	110,000	224,500
Miscellaneous	393,416	. . . .	. . . .
Re-Deposit of Checks . . . . .	. . . .	350,000	561,400
Subtotal	\$ 44,000,139	\$ 49,442,000	\$ 28,351,900
Department of Agriculture			
LICENSES AND FEES			
Carbonated Beverage Licenses	\$ 37,200	\$ 38,000	\$ 43,600
Egg Certification Fees	21,362	18,000	20,900
Cold Storage Warehouse Licenses	4,954	4,800	4,830
Egg Opening Licenses	450	400	500
Seed Testing and Certification Fees	17,430	18,000	25,600
Bakery Licenses	31,100	32,000	35,500
Frozen Dessert Licenses	34,440	32,000	40,100
Livestock Dealers Licenses	4,802	5,500	5,600
Farm Products Dealer's Licenses	760	900	870
Abattoir Licenses	547	5,500	14,500
Rendering Plant Licenses	420	500	470
Horse Slaughtering License	150	150	170
Approved Inspector's Certificate and Registration Fees	3,810	4,000	4,700
Garbage Feeders Licenses	1,125	1,250	1,500
Poultry Technician Licenses	125	150	140
Miscellaneous Licenses and Fees	4,997	5,500	5,800
Farm Product Inspection Fees	5,848	7,500	9,900
Fertilizer Licenses . . . . .	. . . .	3,500	4,000
Egg Laying Fees . . . . .	. . . .	3,400	4,000
Coggins Test	22,979	10,000	23,300
Public Weighmaster's Liquid Fuels Licenses	4,083	4,500	4,400
Public Weighmaster's Solid Fuels Licenses	3,748	3,700	4,200

GENERAL FUND REVENUE DETAIL

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Département of Agriculture (Continued)			
MISCELLANEOUS REVENUE			
Sale of Surplus Products	\$ 83,482	\$ 55,000	\$ 69,500
Other	29,656	6,600	8,800
Subtotal	<u>\$ 313,468</u>	<u>\$ 260,850</u>	<u>\$ 332,880</u>
Department of Banking			
LICENSES AND FEES			
Securities Registration	\$ 201,683	\$ 585,000	\$ 894,800
Securities Dealers' Application Fees	69,853	75,000	101,000
Securities Dealers' Registration Fees .....	.....	.....	.....
Securities Salesmen Application Fees	350,226	275,000	379,600
Securities Salesmen Registration Fees .....	.....	.....	.....
Investment Advisors' Application Fees	2,352	40,000	7,200
Investment Advisors' Registration Fees .....	.....	.....	.....
Investment Solicitors' Application Fees .....	.....	.....	.....
Investment Solicitors' Registration Fees .....	.....	.....	.....
Duplicate Registration Certificates .....	.....	.....	.....
Exemption Certificates Fees	90,706	200,000	433,000
MISCELLANEOUS REVENUE			
Other	\$ 29,150	\$ 25,000	\$ 42,600
Subtotal	<u>\$ 743,970</u>	<u>\$ 1,200,000</u>	<u>\$ 1,858,200</u>
Department of Community Affairs			
LICENSES AND FEES			
Municipal Indebtedness Fees	\$ 8,310	\$ 45,000	\$ 55,400
Land Office Fees	5,269	5,000	6,100
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 514,290	\$ 400,000	\$ 496,100
Subtotal	<u>\$ 527,869</u>	<u>\$ 450,000</u>	<u>\$ 557,600</u>
Department of Commerce			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 9,831	\$ 10,000	\$ 13,200
Subtotal	<u>\$ 9,831</u>	<u>\$ 10,000</u>	<u>\$ 13,200</u>
Department of Education			
LICENSES AND FEES			
Secondary Education Evaluation Fees	\$ 63,145	\$ 70,000	\$ 90,100
Private Trade Schools License Fees	42,135	24,850	34,700
Business School License Fees	9,325	6,625	10,900
Correspondence School License Fees	5,040	7,700	7,100
Private Academic School License Fees	20,315	17,500	25,700
Private Driver Training School Fees	3,040	7,670	5,200
Sunday Concert Permit Fees	5	15	.....
Teachers Certification Fees	232,712	255,000	328,100
MISCELLANEOUS REVENUE			
Other	\$ 6,254	\$ 6,900	\$ 8,100
Subtotal	<u>\$ 381,971</u>	<u>\$ 396,260</u>	<u>\$ 509,900</u>

GENERAL FUND REVENUE DETAIL

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Department of Environmental Resources			
LICENSES AND FEES			
Bathing Place	\$ 2,410	\$ 2,434	\$ 2,700
Sewage and Industrial Waste Permit Fees	56,485	73,232	92,600
Restaurant Licenses	18,318	18,318	20,300
Miscellaneous Licenses and Fees	111,869	146,200	162,200
Registration Fees for Organized Camps	4,590	10,500	11,600
Explosive Storage Permit Fees	70,020	70,000	. . . . .
Blasters' Examination and Licensing Fees	22,831	22,000	3,900
Examination and Certificate Fees	2,128	3,500	4,400
Bituminous Miners' Examination and Certificate Fees	2,030	2,500	3,900
Bituminous Shot Firers and Machine Runners Examination and Certificates	1,749	1,500	2,800
Waste Disposal Permits . . . . .	. . . . .	. . . . .	. . . . .
Anthracite Miners' Examination and Certificate Fees	183	300	600
Water Power and Supply Permit Fees	68,770	69,000	77,500
Dams and Encroachment Fees	82,791	85,000	96,300
Miscellaneous Fees	41,133	72,000	79,700
Migrant Labor Camps . . . . .	. . . . .	. . . . .	. . . . .
Coal Refuse Disposal Areas-Permit Fees	34,363	50,000	11,100
MISCELLANEOUS REVENUE			
Stumpage	\$ 1,082,919	\$ 1,000,000	\$ 1,521,200
Minerals Sales	37,446	7,200	6,900
Camp Leases	253,791	736,000	1,037,200
Water Leases	5,541	5,800	8,600
Rights of Way	100,048	106,900	155,400
Recovered Damages	1,310	19,000	. . . . .
Housing Rents	295,032	292,300	402,800
Ground Rents	791,573	62,500	86,400
Royalties for Recovery of Materials- Schuylkill River	40,602	50,000	69,100
Costs of Extinguishing Forest Fires	12,871	15,000	20,800
Sale of Seedlings	62,958	74,000	110,600
Concession Revenues	298,627	250,000	345,700
Other	176,389	4,766	7,430
Surface Subsidant Assistance Loans	3,440	3,400	4,700
Subtotal	<u>\$ 3,682,217</u>	<u>\$ 3,253,350</u>	<u>\$ 4,346,430</u>
Governor's Office			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 1,879	\$ 4,000	\$ 6,150
Subtotal	<u>\$ 1,879</u>	<u>\$ 4,000</u>	<u>\$ 6,150</u>
Department of Health			
LICENSES AND FEES			
Vital Statistics Fees	\$ 1,104,618	\$ 1,105,000	\$ 1,294,000
Registration Fees-Drugs Devices and Cosmetics Act	87,204	96,000	118,900
Application Fees-Analytical, Ciochemist, Biological Laboratory Act	2,650	3,000	4,100
Profit Making Hospital Licenses	2,300	. . . . .	6,200
MISCELLANEOUS REVENUE			
Other	\$ 103,661	\$ 70,000	\$ 78,700
Subtotal	<u>\$ 1,300,433</u>	<u>\$ 1,274,000</u>	<u>\$ 1,501,900</u>

GENERAL FUND REVENUE DETAIL

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Pennsylvania Historical and Museum Commission			
MISCELLANEOUS REVENUE			
Other	\$ 4,733	\$ 1,200	\$ 2,485
Subtotal	<u>\$ 4,733</u>	<u>\$ 1,200</u>	<u>\$ 2,485</u>
Insurance Department			
LICENSES AND FEES			
Agents' Licenses	\$ 1,001,702	\$ 767,000	\$ 1,628,200
Brokers' Licenses	178,983	300,000	697,800
Examination Fees and Expenses	401,236	550,000	639,600
Valuation of Policies Fees	376,046	360,000	500,100
Examination Fees for Brokers and Agents			
Applications	236,517	170,000	348,900
Miscellaneous Fees	102,624	200,000	174,400
Miscellaneous Licenses	45,743	44,000	52,300
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 120	\$ 30	\$ 2,750
Subtotal	<u>\$ 2,342,971</u>	<u>\$ 2,391,030</u>	<u>\$ 4,044,050</u>
Department of Justice			
LICENSES AND FEES			
Boards of Pardons Fees	\$ 7,757	\$ 7,500	\$ 9,670
Weighmaster's Licenses Solid Fuel Licenses-			
State Share			
Public Weighmaster's Liquid Fuels Licenses-			
State Share			
MISCELLANEOUS REVENUE			
Anti-Trust Case Payments	\$ 7,404,015	\$ 500,000	\$ 903,900
Assessed Civil Penalties Payments	23,000	50,000	135,600
Miscellaneous	-14,231	900	1,780
Subtotal	<u>\$ 7,420,541</u>	<u>\$ 558,400</u>	<u>\$ 1,050,950</u>
Department of Labor and Industry			
LICENSES AND FEES			
Bedding and Upholstery Fees	\$ 228,105	\$ 275,000	\$ 330,500
Boiler Inspection Fees	349,107	410,000	495,740
Elevator Inspection Fees	223,724	250,000	330,500
Employment Agents' Licenses	92,850	100,000	132,200
Projectionists' Examination and License Fees	12,923	15,000	19,830
Approval of Elevator Plan Fees	17,507	18,000	23,790
Industrial Homework Permit Fees	4,325	4,500	5,950
Workmen's Compensation Exemption Fees	29,106	30,000	39,660
Employment Agents' Registration Fees . . . . .	. . . . .	2,000	. . . . .
Liquified Petroleum Gas Registration Fees	88,150	100,000	132,200
Stuffed Toys Manufacturers Registration Fees	6,475	10,000	9,250
Approval of Building Plan Fees	182,321	250,000	297,440

GENERAL FUND REVENUE DETAIL

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Department of Labor and Industry (Continued)			
MISCELLANEOUS REVENUE			
Other	\$ 933	\$ 151,000	\$ 1,000
Funds Received for Administration Services Rendered to Federal Funded Organization	204,318	.....	250,460
Subtotal	\$ 1,439,844	\$ 1,615,500	\$ 2,068,520
Milk Marketing Board			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 29,770		
Subtotal	\$ 29,770		
Department of Property and Supplies			
MISCELLANEOUS REVENUE			
Sale of State Property	\$ 15,499	\$ 115,000	\$ 22,000
Sale of Publications	62,791	46,200	72,600
Sale of Unserviceable Property	287,338	88,000	129,600
Rental of State Property	9,952	9,000	13,600
Recovery on Insurance and Surety Bonds	284	230	450
Mileage of State Automobiles	209,998	247,500	.....
Contract Forfeitures and Damages	3,748	2,000	3,500
Allocation of Property Costs	3,369,662	3,178,732	4,243,700
Real Estate and Insurance Service	94,563	67,200	91,300
Recovered Damages .....	.....	.....	.....
Other	6,390	6,300	8,600
Subtotal	\$ 4,060,225	\$ 3,760,162	\$ 4,585,350
Public Utility Commission			
LICENSES AND FEES			
General Assessment Fees	\$ 908	\$ 50	\$ 120
Subtotal	\$ 908	\$ 50	\$ 120
Department of Public Welfare			
LICENSES AND FEES			
Private Home and Hospital Licenses	\$ 16,952	\$ 10,600	\$ 17,900
Private Mental Hospital Licenses	333	2,100	2,200
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 3,729	\$ 2,100	\$ 5,250
Subtotal	\$ 21,014	\$ 14,800	\$ 25,350

GENERAL FUND REVENUE DETAIL

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Department of Military Affairs			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 17,787	\$ 5,000	\$ 5,000
Subtotal	\$ 17,787	\$ 5,000	\$ 5,000
Department of Revenue			
LICENSES AND FEES			
Cigarette Permit Fees	\$ 197,684	\$ 210,000	\$ 235,100
Certificate and Copy Fees	7,875	9,000	9,300
Dog Licenses	1,224,799	1,300,000	1,456,100
MISCELLANEOUS REVENUE			
Abandoned Property Revenue	\$ 1,562,316	\$ 1,806,000	\$ 2,001,800
Escheats	348	. . . . .	. . . . .
Reimbursement of Tax Liens	550	450	500
Waterway Obstruction Rents	46	50	60
Escheats-Act of 1973	32,441	. . . . .	. . . . .
Escheats-State and National Banks	3,312	. . . . .	. . . . .
Escheats-Estates	5,965	. . . . .	. . . . .
Escheats-Life Insurance Companies	4,354	. . . . .	. . . . .
Escheats-Federal and State Credit Unions	1,768	. . . . .	. . . . .
Escheats-Federal and State Building and Loan Associations	13,681	. . . . .	. . . . .
Miscellaneous	-8,673	-6,500	-7,200
Subtotal	\$ 3,046,466	\$ 3,319,000	\$ 3,695,660
Department of State			
LICENSES AND FEES			
Commission and Filing Fees	\$ 2,481,746	\$ 2,985,000	\$ 3,739,700
Recorder of Deeds Fees	24,605	19,500	25,600
Notary Public Commission Fees	269,580	290,000	350,100
Boxing and Wrestling Licenses	9,215	9,200	12,600
State Board of Medical Education and License Fees	184,606	1,344,000	283,700
State Board of Pharmacy Fees	66,836	360,000	92,200
State Dental Council and Examining Board Fees	112,613	26,000	154,500
State Board of Optometrical Examiners' Fees	3,874	90,000	5,600
State Board of Osteopathic Examiners' Fees	6,810	120,000	9,400
State Board of Examiners' for Registration of Nurses' Fees	105,523	2,025,000	203,700
State Board of Podiatry License Fees	775	30,000	1,500
State Board of Veterinary Medical Examiners' Fees	7,145	60,000	10,600
State Board of Public Accountant Fees	99,558	240,000	148,800
State Board of Examiners of Architects' Fees	13,010	28,000	59,000
State Board of Funeral Directors Fees	98,620	36,000	136,700
State Board of Professional Engineers Fees	53,854	962,000	81,600
State Real Estate Commissions License Fees	303,492	132,000	414,000
State Board of Barber Examiners Fees	109,314	19,000	149,900
State Board of Cosmetology Fees	569,508	74,000	770,900
State Board of Psychologist Examiners Fees	123,450	55,000	67,500
State Board of Chiropractic Examiners Fees	1,895	40,000	2,800
State Board of Landscape Architects	8,040	3,800	19,000
State Board of Motor Vehicle Salesman	271,256	89,000	404,300
State Board of Nursing Home Administrator Fees	8,454	30,000	17,800

GENERAL FUND REVENUE DETAIL

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Department of State (Continued)			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 27	\$ 30	\$ 30
Subtotal	<u>\$ 4,933,806</u>	<u>\$ 9,067,530</u>	<u>\$ 7,161,530</u>
Pennsylvania State Police			
MISCELLANEOUS REVENUE			
Reimbursement for Lost Property	\$ 1,396	\$ 500	\$ 500
Subtotal	<u>\$ 1,396</u>	<u>\$ 500</u>	<u>\$ 500</u>
Pennsylvania Public Television			
MISCELLANEOUS REVENUE			
Miscellaneous .....	.....	\$ 500	\$ 500
Subtotal	<u>.....</u>	<u>\$ 500</u>	<u>\$ 500</u>
Pennsylvania Department of Transportation			
MISCELLANEOUS REVENUE			
Miscellaneous .....	.....	\$ 30	\$ 30
Subtotal	<u>.....</u>	<u>\$ 30</u>	<u>\$ 30</u>
Other			
MISCELLANEOUS REVENUE			
Conscience Money	\$ 2,753	\$ 1,000	\$ 1,000
Refunds of Expenditures not Credited to			
Appropriations	2,856,540	1,058,000	1,552,300
Transfer from Banking Department Fund	100,000	.....	.....
Transfer from Harness Racing Fund	7,086,544	6,600,000	7,500,000
Transfer from Horse Racing Fund	15,266,814	17,000,000	26,900,000
Transfer from World War II Compensation			
Sinking Fund .....	.....	.....	1,200,000
Transfer from Korean Conflict Veterans'			
Compensation Sinking Fund .....	.....	.....	3,500,000
Sub-Total	<u>\$ 25,312,651</u>	<u>\$ 24,659,000</u>	<u>\$ 40,653,300</u>
Total Licenses, Fees and Miscellaneous	<u>\$ 99,596,498</u>	<u>\$ 101,685,820</u>	<u>\$ 100,774,775</u>
Fines, Penalties and Interest on Taxes			
Penalties on Excise Taxes—Corporations	\$ 559,500	\$ 425,000	\$ 734,700
Interest on Excise Taxes—Corporation			
(Department of Revenue)	2,062,759	1,570,000	2,708,700
Corporation Net Income Tax	2,513,230	1,912,000	3,300,200
Realty Transfer Tax	4,738	4,000	6,200
Personal Income Tax	13,209	10,000	17,400
Other Fines and Penalties			
Department of Agriculture			
General Food Fines	\$ 21,574	\$ 21,300	\$ 30,410
Egg Fines	1,545	1,500	2,075
Garbage Feeders Fines .....	.....	.....	.....
Marketing Law Fines	3,325	3,300	6,915
Miscellaneous	965	900	.....

GENERAL FUND REVENUE DETAIL

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Other Fines and Penalties (Continued)			
Department of Environmental Resources			
Migrant Labor Camps	1,125	2,250	3,220
Snowmobile Fines and Penalties	10	. . . .	. . . .
Air Pollution Fines and Penalties . . . . .	. . . .	. . . .	. . . .
Blasters Fines	1,125	1,500	. . . .
Miscellaneous Fines	8,493	1,000	1,430
Solid Waste Management	4,786	5,000	7,150
Department of Insurance			
Miscellaneous Fines	50,554	50,554	58,300
Department of Labor and Industry			
Miscellaneous Fines	750	760	1,350
Minor Labor Law Fines	300	300	400
Fire Alarm and Panic Fines	50	50	80
Boiler Inspection Fines	382	390	680
Bedding and Upholstery Fees	100	100	140
Elevator Inspection Fines . . . . .	. . . .	. . . .	. . . .
Department of Property and Supplies			
Traffic Violations	18,400	18,150	27,400
Department of Military Affairs			
Court Martial Fines	155	500	550
Public Utility Commission			
Violation of Order Fines	70,353	70,000	89,100
Department of Revenue			
Malt Liquor Fines and Penalties	284	285	360
Spirituos and Vinous Liquor Fines and Penalties	15	15	20
Motor Law Fines	4,468,130	4,407,200	5,512,300
Fire Prevention Fines	500	500	620
Department of State			
Professional Licensing Fines	10,278	14,000	19,500
Boxing and Wrestling Fines	350	800	875
Total Fines Penalties and Interest	\$ 9,816,985	\$ 8,521,354	\$ 12,530,075
TOTAL NON-TAX REVENUE	\$ 167,751,204	\$ 160,907,174	\$ 171,304,850
TOTAL GENERAL FUND REVENUES	\$4,047,525,188	\$4,092,707,174	\$5,183,802,850

Motor License Fund

The Motor License Fund is a special fund composed of monies received from The Liquid Fuels and Fuel Use Taxes, licenses and fees of motor vehicles, aviation revenues, Federal aid for highway and aviation purposes, contributions from local subdivisions for construction, and other miscellaneous highway revenues.

The Fund provides for highway construction, design, maintenance, and purchase of right of way, as well as aviation activities and Department of Transportation licensing and safety activities. It also finances State Police highway patrol operations and pays subsidies to local subdivisions for construction and maintenance of roads.

MOTOR LICENSE FUND

Financial Statement*

	(Dollar Amounts in Thousands)	
	1974-75 (12 months)	1975-76 (15 months)
Surplus, Beginning of Year	\$ 7,498	\$ 10,173
Receipts:		
Revenue Estimate	723,584	875,960
Prior Year Lapses	7,679	. . . . .
Funds Available	<u>\$738,761</u>	<u>\$886,133</u>
Expenditures:		
Appropriated	\$730,827	\$885,563
Deficiency and Pending Appropriations	1,100	. . . . .
Less Current Year Lapses	<u>-3,339</u>	<u>.</u>
Estimated Expenditures	-728,588	-885,563
Ending Surplus:	<u>\$ 10,173</u>	<u>\$ 570</u>

*Includes restricted revenue.

MOTOR LICENSE FUND

Summary by Department

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Department of Transportation				
General Government				
General Operations	\$ 345,916	\$ 371,334	\$ 330,781	\$ 416,303
Secondary Roads—Maintenance and Resurfacing		46,808	56,819	71,697
Appalachia Local Access Roads	1,173			
Aviation Operations	3,708	4,082	3,852	4,716
Sub-Total	<u>\$ 350,797</u>	<u>\$ 422,224</u>	<u>\$ 391,452</u>	<u>\$ 492,716</u>
Debt Service Requirements				
State Highway and Bridge Authority Rentals	\$ 37,983	\$ 37,600	\$ 35,000	\$ 35,000
Grants and Subsidies				
Local Road Maintenance and Construction				
Payments	\$ 85,000	\$ 86,800	\$ 94,400	\$ 94,400
Airport Development	1,998	1,400	1,550	2,100
Sub-Total	<u>\$ 86,998</u>	<u>\$ 88,200</u>	<u>\$ 95,950</u>	<u>\$ 96,500</u>
Total State Funds	<u>\$ 475,778</u>	<u>\$ 548,024</u>	<u>\$ 522,402</u>	<u>\$ 624,216</u>
Federal Funds	\$ 242,774	\$ 276,808	\$ 341,727	\$ 429,433
Other Funds	8,732	8,930	10,344	12,829
DEPARTMENT TOTAL	<u>\$ 727,284</u>	<u>\$ 833,762</u>	<u>\$ 874,473</u>	<u>\$1,066,478</u>
Treasury Department				
General Government				
Replacement Checks	\$ 35	\$ 35	\$ 50	\$ 50
Loan and Transfer Agent	60	60	75	90
Refunding Monies Collected Through Department of Transportation	650	650	650	650
Refunding Liquid Fuel Tax—Agricultural Use	4,000	5,000	5,000	5,000
Refunding Liquid Fuel Tax—State Share	2,700	4,600	5,000	5,000
Administration of Refunding Liquid Fuel Tax—Agricultural Use	109	151	157	190
Interest—Tax Anticipation Notes	2,000	2,000		
Expenses—Issuing Tax Anticipation Notes	25	25		
Refunding Emergency Liquid Fuel Tax	1	1	1	1
Refunding Liquid Fuel Tax—Political Subdivision Use	300	400	1,000	1,000
Administration of Refunding Liquid Fuel Tax—Political Subdivision Use	41	58	80	93
Refunding Marine Liquid Fuel Tax—Boating Fund	950	1,000	1,200	1,200
Sub-Total	<u>\$ 10,871</u>	<u>\$ 13,980</u>	<u>\$ 13,213</u>	<u>\$ 13,274</u>

Summary by Department
(continued)

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Treasury Department (continued)				
Debt Service Requirements				
Capital Debt—Transportation Projects	\$ 72,800	\$ 90,617	\$ 100,854	\$ 132,167
Capital Debt—General State Authority Projects	33	128	161	161
Sub-Total	\$ 72,833	\$ 90,745	\$ 101,015	\$ 132,328
DEPARTMENT TOTAL	\$ 83,704	\$ 104,725	\$ 114,228	\$ 145,602
Department of Education				
General Government				
Highway Safety Education	\$ 29	\$ 32	\$ 34	\$ 42
Driver Education Curriculum Development	157	160	106	112
Sub-Total	\$ 186	\$ 192	\$ 140	\$ 154
Grants and Subsidies				
Safe Driving Course	\$ 4,219	\$ 4,370	\$ 4,218	\$ 4,248
Total State Funds	\$ 4,405	\$ 4,562	\$ 4,358	\$ 4,402
Federal Funds	\$ 34	\$ 160	\$ 191	\$ 191
DEPARTMENT TOTAL	\$ 4,439	\$ 4,722	\$ 4,549	\$ 4,593
Department of Property and Supplies				
Debt Service Requirements				
General State Authority Rentals	\$ 1,510	\$ 1,543	\$ 1,543	\$ 1,543
Department of Revenue				
General Government				
Collection—Liquid Fuels Tax	\$ 1,990	\$ 2,370	\$ 2,700	\$ 3,304
Pennsylvania State Police				
General Government				
Transfer to General Fund	\$ 60,810	\$ 70,703	\$ 76,482	\$ 94,896
Transfer — Municipal Police Training			1,600	2,000
DEPARTMENT TOTAL	\$ 60,810	\$ 70,703	\$ 78,082	\$ 96,896

MOTOR LICENSE FUND

Summary by Department
(continued)

	1973-74 Actual	(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
General Salary Increase				
General Government				
General Salary Increase			\$ 7,620	\$ 9,600
Fund Summary				
State Funds—Transportation	\$ 475,778	\$ 548,024	\$ 522,402	\$ 624,216
State Funds—Other Departments	152,419	183,903	200,911	251,747
State Funds—General Salary Increase			7,620	9,600
Total State Funds	<u>\$ 628,197</u>	<u>\$ 731,927</u>	<u>\$ 730,933</u>	<u>\$ 885,563</u>
Federal Funds	\$ 242,808	\$ 276,968	\$ 341,918	\$ 429,624
Other Funds	8,732	8,930	10,344	12,829
FUND TOTAL	<u>\$ 879,737</u>	<u>\$1,017,825</u>	<u>\$1,083,195</u>	<u>\$1,328,016</u>

MOTOR LICENSE FUND REVENUE SUMMARY

Five Year Revenue Projections

(Dollar Amounts in Thousands)

	1973-74 Actual	1974-75 Estimated	1975-76 Estimate (12 months)	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Liquid Fuels Taxes	\$400,534	\$498,392	\$482,965	\$609,424	\$497,532	\$509,757	\$522,544	\$535,970
Motor Licenses and Fees	184,892	205,587	212,136	239,613	221,059	226,936	234,468	241,731
Aviation Revenues	4,427	5,162	5,325	6,944	5,731	5,922	6,280	6,866
Other Motor Receipts	11,914	14,443	15,552	19,979	16,317	16,979	17,693	18,461
TOTAL	<u>\$601,767</u>	<u>\$723,584</u>	<u>\$715,978</u>	<u>\$875,960</u>	<u>\$740,639</u>	<u>\$759,594</u>	<u>\$780,985</u>	<u>\$803,028</u>

ADJUSTMENTS TO REVENUE ESTIMATE

On June 27, 1974 the Secretary of Revenue submitted an official estimate for the 1974-75 fiscal year of \$685,201,000.

Since this estimate was submitted, various conditions* have made it apparent that the estimate should be revised. The adjustments are detailed below.

	(Dollar Amounts in Thousands)		
	1974-75 Official Estimate	Adjustments	1974-75 Revised Estimate
Liquid Fuels Taxes	\$466,478	\$ 31,914	\$498,392
Motor Licenses and Fees	206,518	-931	205,587
Aviation Revenues .....	. . . . **	5,162	5,162
Other Motor Receipts	12,205	2,238	14,443
TOTAL	<u>\$685,201</u>	<u>\$ 38,383</u>	<u>\$723,584</u>

* In addition to Act No. 161 raising the tax rates on Liquid Fuels effective September 1, 1974, by 1c per gallon and Act 334 increasing certain licenses, fees and other receipts, economic conditions and collection experience have indicated a smaller growth rate than previously anticipated.

** Aviation Revenues are not included in official estimate.

MOTOR LICENSE FUND REVENUE SOURCES

Liquid Fuels Taxes

Actual	Estimated
1968-69 \$284,290,403	1974-75 \$498,392,000
1969-70 321,589,302	1975-76 .. (15 months) 609,424,000
1970-71 355,155,237	1976-77 497,532,000
1971-72 372,381,204	1977-78 509,757,000
1972-73 418,162,967	1978-79 522,544,000
1973-74 400,533,990	1979-80 535,970,000

The revenues are derived from four separate sources: Liquid Fuel Taxes; Fuel Use Taxes; Motor Carriers Road Taxes; and Interstate Bus Compact Fuels Taxes.

The Liquid Fuels Tax is an excise tax imposed upon all liquid fuels used or sold and delivered within the Commonwealth. The Tax, ultimately borne by the consumer, is imposed upon and collected by the distributor. After discounts, all monies collected are placed in the Motor License Fund, except that an amount equal to one-half cent per gallon is placed in the Liquid Fuel Tax Fund. Fuels sold and delivered to the U.S. Government, the Commonwealth and any of its political subdivisions, public authorities and non-profit schools, and those under the Commerce Clause of the Constitution of the United States are exempt from payment of the tax. In addition to these exemptions, reimbursement is made for fuels used for certain agricultural purposes. The present rate of the Liquid Fuels Tax is nine cents per gallon.

The Fuel Use Tax is a tax levied upon all dealer-users for the use of fuels within the Commonwealth other than fuels taxed under the Liquid Fuels Tax Act. All monies collected, less discounts, allowance are paid into the Motor License Fund and the Liquid Fuels Tax Fund in the same proportion as the Liquid Fuels Tax monies. Exempt under this tax are fuels under the Commerce Clause of the Constitution of the United States, fuels used and sold by the Commonwealth and any of its political subdivisions, fuels sold and delivered to the U.S. Government, fuels (less than 50 gallons) brought into the Commonwealth in the fuel tanks of motor vehicles, fuels used by public authorities and non-profit non-public schools, and fuels used for certain agricultural purposes. The present rate of the Fuel Use Tax is nine cents per gallon.

The Motor Carriers Road Tax Act levies a tax on motor carriers operating commercial motor vehicles with more than two axles and truck tractors. The tax rate is nine cents per gallon computed on the basis of the number of gallons of fuel used within the State. In addition, the Act requires identification markers for each vehicle, except vehicles registered in Pennsylvania to be issued annually upon payment of a \$2.00 fee per vehicle.

The interstate Bus Compact Fuels Tax is a tax imposed on fuel consumed by interstate buses under compacts entered into with other states to avoid multiple taxation of fuels. Taxes in each state are computed on the basis of the number of gallons of fuel used within the state. The present tax rate is nine cents per gallon. The new nine cent rates became effective September 1, 1974.

MOTOR LICENSE FUND REVENUE SOURCES

MOTOR LICENSES AND FEES

Actual		Estimated	
1968-69	\$124,422,111	1974-75	\$205,587,000
1969-70	124,841,073	1975-76 .. (15 months)	239,613,000
1970-71	177,813,908	1976-77	221,059,000
1971-72	169,723,542	1977-78	226,936,000
1972-73	177,684,577	1978-79	234,468,000
1973-74	184,891,563	1979-80	241,731,000

The Commonwealth receives revenue from the licensing and collection of fees levied for the registering and titling of motor vehicles and for the issuance of learners permits, operators licenses, certificates of title and transfers of registration.

AVIATION REVENUES

Actual		Estimated	
1968-69	\$3,584,564	1974-75	\$5,162,000
1969-70	4,298,163	1975-76 .. (15 months)	6,944,000
1970-71	4,329,344	1976-77	5,731,000
1971-72	4,028,037	1977-78	5,922,000
1972-73	4,242,808	1978-79	6,280,000
1973-74	4,426,990	1979-80	6,866,000

Aviation revenue is derived from taxes levied on aviation gasoline and jet fuel: and from income earned at State-owned airports. The current tax rate is 1½c/gallon on fuel for propeller-driven aircraft, 1c/gallon on fuel for jet or turbo-jet aircraft. Airport income consists primarily of rents, concessions, utility refunds, and landing fees. (Airport income was accounted for as an augmentation prior to 1971-72, but is included in the above historic figures for purposes of comparison, Effective during the 1973-74 fiscal year, utility refunds become augmentations and are not included in the estimates nor in the history for comparison.)

MOTOR LICENSE FUND REVENUE SOURCES

OTHER MOTOR LICENSE FUND REVENUES

Actual	Estimated
1968-69\$ 8,160,704	1974-75 \$14,443,000
1969-70 10,017,005	1975-76 .. (15 months) 19,979,000
1970-71 11,292,157	1976-77 16,317,000
1971-72 12,030,162	1977-78 16,979,000
1972-73 13,564,084	1978-79 17,693,000
1973-74 11,914,450	1979-80 18,461,000

Other Motor License Fund revenues are derived from three sources:

Fines — This consists of aeronautics fines collected under the Fuel Use Tax Act.

Miscellaneous Revenue — The Commonwealth receives revenue from interest on deposited Motor Fund monies, investments and securities; from the sale of unserviceable properties, maps, plans, and inspection stickers and from the rental of State properties and equipment. The 1972-73 total includes a one-time transfer of funds remaining in the Abandoned Vehicle Fund upon its abolishment.

Gross Receipts Tax — This is an excise tax imposed upon the gross receipts of owners and operators of motor vehicles transporting passengers or property for hire on public highways. The current tax rate is eight mills. Only the tax received from companies operating over routes which are not entirely within the Commonwealth is deposited in the Motor License Fund.

MOTOR LICENSE FUND REVENUE DETAIL

The following is a detailed list of all revenues available for Motor License Fund appropriations.

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
LIQUID FUELS TAXES			
Liquid Fuels Tax			
Liquid Fuels Tax	\$351,753,958	\$435,126,000	\$527,855,000
Liquid Fuels Tax Penalties	5,046	6,000	8,000
Liquid Fuels Tax Interest	5,393	7,000	9,000
Total	<u>\$351,764,397</u>	<u>\$435,139,000</u>	<u>\$527,872,000</u>
Fuel Use Tax			
Fuel Use Tax	\$ 44,285,198	\$ 57,981,000	\$ 74,785,000
Fuel Use Tax Penalties	220,076	288,000	371,000
Fuel Use Tax Interest	180,823	237,000	305,000
Total	<u>\$ 44,686,097</u>	<u>\$ 58,506,000</u>	<u>\$ 75,461,000</u>
Motor Carriers Road Tax			
Motor Carriers Road—Fuels Tax	\$ 2,982,769	\$ 3,483,000	\$ 4,511,000
Motor Carriers Road Tax Penalties	102,062	120,000	155,000
Motor Carriers Road Tax Interest	5,344	6,000	8,000
Motor Carriers Road Tax Registration Fees and Special Permit Fees	535,641	627,000	812,000
Total	<u>\$ 3,625,815</u>	<u>\$ 4,236,000</u>	<u>\$ 5,486,000</u>
Interstate Bus Compact Fuels Tax			
Interstate Bus Compact Fuels Tax	\$ 456,255	\$ 509,300	\$ 603,000
Interstate Bus Compact Tax Penalties	1,019	1,200	1,400
Interstate Bus Compact Fuels Tax Interest	407	500	600
Total	<u>\$ 457,681</u>	<u>\$ 511,000</u>	<u>\$ 605,000</u>
TOTAL LIQUID FUELS TAXES	<u>\$400,533,990</u>	<u>\$498,392,000</u>	<u>\$609,424,000</u>
MOTOR LICENSES AND FEES			
Passenger Motor Vehicles Licenses	\$ 69,425,181.	\$ 72,545,000	\$ 78,141,000
Commercial Motor Vehicle and Truck Tractor Licenses	63,722,676	74,490,000	81,213,000
Motor Bus and Omnibus Licenses	4,015,529	3,221,000	5,397,000
Tractor Licenses	199,064	203,000	213,000
Trailer and Semi-Trailer Licenses	5,169,382	5,636,000	6,354,000

MOTOR LICENSE FUND REVENUE DETAIL

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
MOTOR LICENSES AND FEES (continued)			
Motorcycle and Motor Bicycle Licenses	\$ 2,121,749	\$ 2,753,000	\$ 3,608,000
Manufacturers' Jobbers' and Dealers Licenses	1,480,095	1,480,000	1,512,000
Suburban Licenses	10,678,800	11,096,000	11,819,000
Special License Plates	51,829	60,000	68,000
Temporary Registration Plates	564,881	1,039,000	2,036,000
Operators' Licenses	14,842,054	15,262,000	19,214,000
Certificates of Title Fees	5,447,389	8,594,000	15,973,000
Transferring Registration Fees	2,388,333	2,567,000	3,531,000
Duplicating Registration Card Fees	561,232	1,242,000	1,495,000
Certified Copies of Records Fees	117,066	340,000	731,000
Uncollectible Check Fees	135,057	139,000	171,000
Returned Checks Collected	813,035	957,000	1,311,000
Miscellaneous Licenses and Fees	580,833	394,000	405,000
Deduct Returned Checks	-742,668	-941,000	-1,201,000
Sale of Registration Lists	102,022	100,000	100,000
Special Hauling Permit Fees	2,841,840	4,010,000	7,423,000
Clearing Account and Adjustments	376,184	400,000	99,000
TOTAL MOTOR LICENSES AND FEES	<u>\$184,891,563</u>	<u>\$205,587,000</u>	<u>\$239,613,000</u>
 AVIATION REVENUES			
Aviation Liquid Fuels Tax	\$ 3,044,817	\$ 3,508,000	\$ 4,719,000
Harrisburg International Airport Operations	1,230,292	1,507,000	2,027,000
State Airport Operations	151,881	147,000	198,000
TOTAL AVIATION REVENUES	<u>\$ 4,426,990</u>	<u>\$ 5,162,000</u>	<u>\$ 6,944,000</u>
 OTHER MOTOR FUND REVENUES			
Gross Receipts Tax			
Gross Receipts Tax	\$ 92,914	\$ 89,815	\$ 89,815
Gross Receipts Penalties	102	100	100
Gross Receipts Interest	91	85	85
Total	<u>\$ 93,107</u>	<u>\$ 90,000</u>	<u>\$ 90,000</u>
 Fines and Penalties			
Department of Revenue			
Aeronautic Fines	\$ 850	\$ 1,000	\$ 1,000
Total	<u>\$ 850</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>
 Miscellaneous Revenue			
Treasury Department			
Interest on Securities	\$ 4,737,206	\$ 4,635,000	\$ 5,363,000
Interest on Deposits Liquid Fuels Tax Fund .....	.....	.....	.....
Interest on Securities Liquid Fuels Tax Fund	514,164	500,000	474,000
Redeposit of Checks .....	.....	.....	29,000

MOTOR LICENSE FUND REVENUE DETAIL

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
OTHER MOTOR FUND REVENUES (continued)			
Miscellaneous Revenue (continued)			
Department of Transportation			
Highway Encroachment Permits	\$ 474,875	\$ 500,000	\$ 680,000
Highway Bridges Income	43,193	52,000	59,000
Sale of Structures	90,334	440,000	593,000
Rentals of State Equipment .....	.....	.....	.....
Rentals of State Property	506,367	612,000	685,000
Sale of Maps and Plans	183,894	241,000	313,000
Sale of Gas, Oil and Anti-Freeze	881,241	1,500,000	2,062,000
Recovered Damages	643,604	800,000	1,127,000
Contract Deposit Forfeitures	4,813	5,000	9,000
Testing Fees	41,710	42,000	49,000
Sale of Inspection Stickers	2,173,726	3,020,000	4,836,000
Insurance Information and Certified			
Copy Fees	681,859	1,226,000	2,595,000
Miscellaneous Revenues	418,022	383,000	353,000
Refunds of Expenditures Not Credited to			
Appropriations or Allocations	261,097	264,000	479,000
Fees for Reclaiming Abandoned Vehicles	14,130	12,000	15,000
Sale of Abandoned Vehicles	1,938	2,000	2,000
Reimbursement of Group Life Insurance	2	.....	.....
Department of Property and Supplies			
Sale of Publications .....	.....	.....	.....
Sale of Unserviceable Property	134,911	107,300	141,000
Rent of State Property	222	200	.....
Recovery on Surety Bonds .....	.....	.....	.....
Sale of Real Estate	13,185	10,500	24,000
 Total Miscellaneous	 <u>\$ 11,820,493</u>	 <u>\$ 14,352,000</u>	 <u>\$ 19,888,000</u>
 TOTAL OTHER MOTOR FUND REVENUES	 <u>\$ 11,914,450</u>	 <u>\$ 14,443,000</u>	 <u>\$ 19,979,000</u>
 TOTAL MOTOR LICENSE FUND REVENUES ...	 <u>\$601,766,993</u>	 <u>\$723,584,000</u>	 <u>\$875,960,000</u>

Game Fund

The Game Fund is a special revenue fund composed of monies received from hunting license fees, fines, penalties, interest, rents, Federal contributions and sale of unserviceable property. It provides monies for the administration of the game laws and for the protection and propagation of game.

Financial Statement

	(Dollar Amounts in Thousands)	
	1974-75 (12 months)	1975-76 (15 months)
	<u> </u>	<u> </u>
Surplus, Beginning of Year	\$ 9,690	\$12,036
Receipts:		
Revenue Estimate	17,695	20,418
Prior Year Lapses	550	. . . .
Funds Available	<u>\$27,935</u>	<u>\$32,454</u>
Expenditures:		
Appropriated	\$16,099	\$21,341
Less Current Year Lapses	<u>-200</u>	<u>. . . .</u>
Estimated Expenditures	- 15,899	-21,341
Ending Surplus:	<u><u>\$12,036</u></u>	<u><u>\$11,113</u></u>

Summary by Department

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Game Commission				
General Operations	\$13,813	\$15,818	\$17,062	\$20,582
Treasury Department				
Replacement Checks	\$ 1	\$ 1	\$ 2	\$ 2
Department of Environmental Resources				
Annual Fixed Charges—Project 70	\$ 15	\$ 10	\$ 10	\$ 10
General Salary Increase . . . . .	. . . . .	. . . . .	\$ 362	\$ 456
Total State Funds	<u>\$13,829</u>	<u>\$15,829</u>	<u>\$17,436</u>	<u>\$21,050</u>
Federal Funds	\$ 41	. . . . .	. . . . .	. . . . .
Other Funds	220	\$ 270	\$ 290	\$ 291
FUND TOTAL	<u>\$14,090</u>	<u>\$16,099</u>	<u>\$17,726</u>	<u>\$21,341</u>

GAME FUND REVENUE SUMMARY

Five Year Revenue Projection

(Dollar Amounts in Thousands)

	1973-74 Actual	1974-75 Estimated	1975-76 Estimate (12 months)	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Licenses and Fees	\$12,580	\$12,980	\$13,230	\$14,040	\$13,640	\$14,050	\$14,500	\$14,900
Fines and Penalties	342	350	350	382	380	410	440	480
Miscellaneous Revenues	5,080	4,095	4,395	5,705	4,510	4,650	4,800	4,980
Total Game Fund Revenues	<u>\$18,002</u>	<u>\$17,425</u>	<u>\$17,975</u>	<u>\$20,127</u>	<u>\$18,530</u>	<u>\$19,110</u>	<u>\$19,740</u>	<u>\$20,360</u>
Augmentations	\$ 261	\$ 270	\$ 290	\$ 291	\$ 310	\$ 330	\$ 350	\$ 370
TOTAL GAME FUND RECEIPTS	<u>\$18,263</u>	<u>\$17,695</u>	<u>\$18,265</u>	<u>\$20,418</u>	<u>\$18,840</u>	<u>\$19,440</u>	<u>\$20,090</u>	<u>\$20,730</u>

GAME FUND REVENUE SOURCES

Licenses and Fees

Actual	Estimated
1968-69\$ 7,876,936	1974-75 .....\$12,980,000
1969-70 8,224,633	1975-76 .. (15 months) 14,040,310
1970-71 8,405,395	1976-77 13,640,000
1971-72 8,325,079	1977-78 14,050,000
1972-73 9,980,720	1978-79 14,500,000
1973-74 12,580,328	1979-80 14,900,000

The Game Commission issues resident hunting and trapping licenses for wild birds and animals upon payment by Pennsylvania residents of \$8.25 fee for persons 17 to 64 years of age and a \$5.25 fee for persons aged 12 to 16 and 65 and above effective for the hunting year beginning September 1, 1973. Non-resident hunter's licenses are issued following proper application and payment of a \$40.35 fee. Trapping licenses are also available to non-Pennsylvania residents upon payment of a \$40.00 fee. In addition, non-resident hunters may obtain a special three-day license for a fee of \$3.15, which allows hunting on regulated shooting grounds. In years when the Commission declares an open season, licenses for hunting antlerless deer are issued to residents and non-residents for \$3.15 fee effective for the hunting year beginning September 1, 1974. Other fees deposited in the Game Fund include receipts from the issuance of special game permits and special archery licenses.

The license fees, except for non-residents trapper's licenses, include the commissions of the issuing agents which are not reflected in the total revenue figures.

Fines and Penalties

Actual	Estimated
1968-69 \$248,761	1974-75 \$350,000
1969-70 265,039	1975-76 .. (15 months) 381,800
1970-71 268,705	1976-77 380,000
1971-72 307,155	1977-78 410,000
1972-73 312,270	1978-79 440,000
1973-74 341,793	1979-80 480,000

The Commonwealth receives revenue in the form of fines and penalties resulting from Game Law violations.

Miscellaneous Revenue

Actual	Estimated
1968-69 .....\$2,628,686	1974-75 .....\$4,095,000
1969-70 2,536,027	1975-76 .. (15 months) 5,705,125
1970-71 2,548,575	1976-77 4,510,000
1971-72 3,197,685	1977-78 4,650,000
1972-73 2,623,885	1978-79 4,800,000
1973-74 5,080,446	1979-80 4,980,000

The Commonwealth receives Game Fund revenue from various miscellaneous sources including interest on deposits and securities; monies from the sale of publications; funds from the sale of unserviceable property, skins and guns; monies from rental of State property; gas and oil ground rentals and royalties; Federal Government contributions and other miscellaneous revenues.

GAME FUND REVENUE DETAIL

The following is a detailed list of all Game Fund revenues available for appropriations and executive authorizations.

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Licenses and Fees			
Resident Hunting Licenses	\$ 7,183,950	\$ 7,220,000	\$ 7,786,200
Resident Junior Hunting Licenses	787,976	770,000	850,400
Non-resident Hunting Licenses	3,214,574	3,300,000	3,486,400
Special Game Permits	37,145	33,400	62,900
Special Antlerless Deer Licenses	708,899	1,000,000	1,140,130
Special Archery Licenses	388,393	400,000	436,200
Non-resident Trapping Licenses	760	360	930
Special Three-day Non-resident Regulated Shooting Ground Licenses	5,104	5,490	5,100
Roadside Menagerie Permit Fees .....	.....	750	750
Resident Senior Hunting Licenses	253,527	250,000	271,300
Hunting Licenses, Undistributed .....	.....	.....	.....
TOTAL	<u>\$12,580,328</u>	<u>\$12,980,000</u>	<u>\$14,040,310</u>
Fines and Penalties			
Game Law Fines	\$ 341,793	\$ 350,000	\$ 381,800
TOTAL	<u>\$ 341,793</u>	<u>\$ 350,000</u>	<u>\$ 381,800</u>
Miscellaneous Revenue			
Condemnation Awards Received .....	.....	\$ 12,000	\$ 12,000
Sale of Wood Products	\$ 616,500	500,000	553,100
Interest on Deposits	22,649	39,000	53,900
Sale of Publications	397,891	400,000	452,500
Sale of Unserviceable Property	18,077	2,625	17,800
Sale of Skins and Guns	18,320	10,000	18,050
Rental of State Property	23,487	22,000	28,300
Contributions by Federal Government	2,783,293	1,500,000	2,444,000
Miscellaneous Revenue	217,893	200,000	269,600
Interest on Securities	694,928	1,181,000	1,464,000
Gas and Oil Ground Rentals and Royalties	174,796	200,000	213,800
Refund of Expenditures Not Credited to Appropriation	105,571	18,400	164,000
Sale of Non-Usable Property	6,380	9,950	11,940
Miscellaneous Revenue-License Division	661	25	135
Redeposit of Checks .....	.....	.....	2,000
TOTAL	<u>\$ 5,080,446</u>	<u>\$ 4,095,000</u>	<u>\$ 5,705,125</u>
TOTAL REVENUES	<u>\$18,002,567</u>	<u>\$17,425,000</u>	<u>\$20,127,235</u>
Augmentations			
Sale of Automobiles and Other Vehicles	\$ 52,650	\$ 125,000	\$ 111,200
Reimbursement for Comptroller Services	167,405	145,000	180,000
Federal Reimbursement, Flood Relief	40,424	.....	.....
TOTAL	<u>\$ 260,479</u>	<u>\$ 270,000</u>	<u>\$ 291,200</u>
TOTAL RECEIPTS	<u>\$18,263,046</u>	<u>\$17,695,000</u>	<u>\$20,418,435</u>

Fish Fund

The Fish Fund is a special revenue fund composed of monies from fishing license fees, fines, penalties and other miscellaneous sources. It provides for the administration and enforcement of the fish laws and the protection and propagation of aquatic life.

Financial Statement

	(Dollar Amounts in Thousands)	
	1974-75 (12 months)	1975-76 (15 months)
	<u> </u>	<u> </u>
Surplus, Beginning of Year	\$ 3,703	\$ 3,516
Receipts:		
Revenue Estimate	10,367	12,345
Prior Year Lapses	115	. . . . .
Funds Available	<u>\$14,185</u>	<u>\$15,861</u>
Expenditures:		
Appropriated	\$10,744	\$12,739
Less Current Year Lapses	<u> -75</u>	<u> </u>
Estimated Expenditures	<u>-10,669</u>	<u>-12,739</u>
Ending Surplus:	<u><u>\$ 3,516</u></u>	<u><u>\$ 3,122</u></u>

Summary by Department

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Fish Commission				
General Operations	\$ 6,688	\$ 8,220	\$ 7,605	\$ 9,690
Treasury Department				
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1
Department of Environmental Resources				
Annual Fixed Charges—Project 70	\$ 1	\$ 2	\$ 2	\$ 2
Department of Property and Supplies				
General State Authority Rentals	\$ 71	\$ 75	\$ 75	\$ 75
General Salary Increase .....	.....	.....	\$ 169	\$ 219
Total State Funds	<u>\$ 6,761</u>	<u>\$ 8,298</u>	<u>\$ 7,852</u>	<u>\$ 9,987</u>
Federal Funds	\$ 2	.....	.....	.....
Other Funds	2	\$ 2,446	\$ 2,168	\$ 2,752
FUND TOTAL	<u>\$ 6,765</u>	<u>\$10,744</u>	<u>\$10,020</u>	<u>\$12,739</u>

FISH FUND REVENUE SUMMARY
Five Year Revenue Projections

(Dollar Amounts in Thousands)

	1973-74 Actual	1974-75 Estimated	1975-76 Estimate (12 months)	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Licenses and Fees	\$ 5,811	\$ 6,416	\$ 6,497	\$ 7,513	\$ 6,590	\$ 6,670	\$ 6,760	\$ 6,840
Fines and Penalties	129	129	135	177	140	145	150	160
Miscellaneous	1,188	1,376	1,411	1,903	1,410	1,400	1,395	1,390
Total Fish Fund Revenues	<u>\$ 7,128</u>	<u>\$ 7,921</u>	<u>\$ 8,043</u>	<u>\$ 9,593</u>	<u>\$ 8,140</u>	<u>\$ 8,215</u>	<u>\$ 8,305</u>	<u>\$ 8,390</u>
Augmentations	\$ 4	\$ 2,446	\$ 2,168	\$ 2,752	\$ 1,930	\$ 1,620	\$ 1,660	\$ 1,720
TOTAL FISH FUND RECEIPTS	<u>\$ 7,132</u>	<u>\$10,367</u>	<u>\$10,211</u>	<u>\$12,345</u>	<u>\$10,070</u>	<u>\$ 9,835</u>	<u>\$ 9,965</u>	<u>\$10,110</u>

FISH FUND REVENUE SOURCES

Licenses and Fees

Actual	Estimated
1968-69 \$3,656,111	1974-75 \$6,416,000
1969-70 3,758,381	1975-76 .. (15 months) 7,512,900
1970-71 4,149,307	1976-77 6,590,000
1971-72 4,288,435	1977-78 6,670,000
1972-73 4,786,140	1978-79 6,760,000
1973-74 5,811,419	1979-80 6,840,000

The Commonwealth issues resident fishing licenses to persons between the ages of 16 and 64 inclusive and to persons 65 years and over for a \$7.75 and \$2.25 fee respectively, if the applicant can prove he has been a resident of the Commonwealth for 60 days. Non-resident licenses are issued to all persons 16 years of age or older upon payment of a \$12.75 fee. Tourist licenses valid for a period of five consecutive days are issued for \$7.75. Other sources of revenue include special eel licenses, Lake Erie commercial fishing licenses and commercial hatchery licenses.

Fishing license fees include issuing agents' commissions but the revenue figures do not reflect the commissions.

Fines and Penalties

Actual	Estimated
1968-69 \$ 72,722	1974-75 \$129,000
1969-70 99,979	1975-76 .. (15 months) 176,800
1970-71 103,093	1976-77 140,000
1971-72 113,866	1977-78 145,000
1972-73 139,331	1978-79 150,000
1973-74 128,428	1979-80 160,000

The Commonwealth receives monies in the form of fines and penalties for violation of the Fish Law and the Frog and Terrapin Act.

Miscellaneous Revenue

Actual	Estimated
1968-69 \$ 520,062	1974-75 \$1,376,000
1969-70 644,132	1975-76 .. (15 months) 1,903,300
1970-71 748,005	1976-77 1,410,000
1971-72 1,411,158	1977-78 1,400,000
1972-73 924,940	1978-79 1,395,000
1973-74 1,187,679	1979-80 1,390,000

The Commonwealth receives contributions from the Federal Government for approved land and water acquisition and development for fishing purposes, and for approved research and fish management projects. Contributions for restocking of streams are received principally from persons or concerns that pollute, dam, or interfere with fish propagation and survival. Monies are received from the Commission publication, THE PENNSYLVANIA ANGLER, from the sale of unserviceable and confiscated property and from other miscellaneous sources.

FISH FUND REVENUE DETAIL

The following is a detailed list of all Fish Fund revenues available for appropriations and executive authorizations.

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Licenses and Fees			
Resident Fishing Licenses	\$5,159,407	\$5,682,000	\$6,577,510
Resident Senior Fishing Licenses	135,673	136,100	162,450
Non-resident Fishing Licenses	409,997	456,000	572,050
Special Eel Licenses .....	.....	.....	.....
Tourist Fishing Licenses	86,693	120,000	176,640
Lake Erie Licenses	728	900	1,000
Commercial Hatchery Licenses	5,950	6,500	7,170
Fee Fishing Lake Licenses	8,355	9,500	10,400
Miscellaneous Permits and Fees	4,616	5,000	5,680
Seine Licenses .....	.....	.....	.....
Farm Fish Pond Licenses .....	.....	.....	.....
TOTAL	<u>\$5,811,419</u>	<u>\$6,416,000</u>	<u>\$7,512,900</u>
Fines and Penalties			
Fish Law Fines	\$ 128,428	\$ 129,000	\$ 176,800
TOTAL	<u>\$ 128,428</u>	<u>\$ 129,000</u>	<u>\$ 176,800</u>
Miscellaneous Revenue			
Interest on Deposits	\$ 6,134	\$ 5,000	\$ 7,950
Sale of Publications	87,576	95,000	121,200
Sale of Unserviceable Property	10,714	11,000	24,200
Contributions for Restocking Streams	47,867	50,000	68,900
Contributions from Federal Government for Acquisition, Constructions and Research	387,780	519,000	765,300
Miscellaneous Revenue	50,524	30,000	51,100
Refund of Expenditures Not Credited to Appropriations	7,645	22,000	25,400
Interest on Securities	197,721	225,000	303,900
Rental of Fish Commission Property	13,834	14,000	15,650
Income From Sand and Gravel Dredging	302,883	330,000	444,100
In Lieu Payments for Fishways	75,000	74,900	75,000
Sale of Confiscated Property .....	.....	.....	.....
Miscellaneous Revenue—Licenses Division	1	100	100
Re-deposit of Checks .....	.....	.....	500
TOTAL	<u>\$1,187,679</u>	<u>\$1,376,000</u>	<u>\$1,903,300</u>
TOTAL REVENUES	<u>\$7,127,526</u>	<u>\$7,921,000</u>	<u>\$9,593,000</u>
Augmentations			
Sale of Automobiles and Other Vehicles	\$ 2,275	\$ 31,500	\$ 25,000
Emergency Employment Act	2,287	.....	.....
Aquatic Life Study—Environmental Resources .....	.....	75,000	.....
Reimbursement for Services—Boating Fund .....	.....	1,907,000	2,225,000
Reimbursement for Services—Land and Water Development Fund .....	.....	432,000	502,000
TOTAL	<u>\$ 4,562</u>	<u>\$ 2,445,500</u>	<u>\$ 2,752,000</u>
TOTAL RECEIPTS	<u>\$7,132,088</u>	<u>\$10,366,500</u>	<u>\$12,345,000</u>

Boating Fund

The Boating Fund is a special revenue fund composed of monies from license fees, fines, penalties and other sources under the Motor Boat Law and from liquid fuels taxes transferred from the Motor License and Liquid Fuels Tax Funds. This fund provides for the administration and enforcement of the Motor Boat Law.

Financial Statement

	(Dollar Amounts in Thousands)	
	1974-75 (12 months)	1975-76 (15 months)
Surplus, Beginning of Year	\$2,138	\$1,879
Receipts:		
Revenue Estimate	1,800	2,241
Prior Year Lapses	115	. . . . .
Funds Available	<u>\$4,053</u>	<u>\$4,120</u>
Expenditures:		
Appropriated	\$2,224	\$2,553
Less Current Year Lapses	<u>-50</u>	<u>.</u>
Estimated Expenditures	-2,174	-2,553
Ending Surplus	<u><u>\$1,879</u></u>	<u><u>\$1,567</u></u>

Summary by Department

	1973-74 Actual	(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
Fish Commission				
General Operations	\$1,265	\$1,838	\$1,680	\$2,110
Department of Property and Supplies				
General State Authority Rentals	\$ 2	\$ 2	\$ 2	\$ 2
Treasury Department				
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1
Department of Revenue				
Collecting Motorboat Registration Fees	\$ 161	\$ 210	\$ 224	\$ 285
Department of Transportation				
Navigation Office for the Delaware River	\$ 79	\$ 104	.....	.....
General Salary Increase .....	.....	.....	\$ 32	\$ 40
Total State Funds	<u>\$1,508</u>	<u>\$2,155</u>	<u>\$1,939</u>	<u>\$2,438</u>
Federal Funds	\$ 69	\$ 67	\$ 110	\$ 110
Other Funds	2	2	3	5
FUND TOTAL	<u>\$1,579</u>	<u>\$2,224</u>	<u>\$2,052</u>	<u>\$2,553</u>

BOATING FUND REVENUE SUMMARY

Five Year Revenue Projections

(Dollar Amounts in Thousands)

	1973-74 Actual	1974-75 Estimated	1975-76 Estimate (12 months)	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Licenses and Fees	\$ 600	\$ 617	\$ 690	\$ 771	\$ 717	\$ 750	\$ 783	\$ 806
Fines and Penalties	17	19	19	31	22	23	25	27
Miscellaneous	1,308	987	999	1,324	1,041	1,061	1,081	1,111
Restricted Revenue	61	62	.....	.....	.....	.....	.....	.....
Total Boating Fund Revenues	<u>\$1,986</u>	<u>\$1,685</u>	<u>\$1,708</u>	<u>\$2,126</u>	<u>\$1,780</u>	<u>\$1,834</u>	<u>\$1,889</u>	<u>\$1,944</u>
Augmentations	\$ 71	\$ 69	\$ 113	\$ 115	\$ 3	\$ 3	\$ 3	\$ 3
TOTAL BOATING FUND RECEIPTS	<u><u>\$2,057</u></u>	<u><u>\$1,754</u></u>	<u><u>\$1,821</u></u>	<u><u>\$2,241</u></u>	<u><u>\$1,783</u></u>	<u><u>\$1,837</u></u>	<u><u>\$1,892</u></u>	<u><u>\$1,947</u></u>

BOATING FUND REVENUE SOURCES

Licenses and Fees

Actual		Estimated	
1968-69	\$443,640	1974-75	\$617,000
1969-70	459,035	1975-76 .. (15 months)	770,800
1970-71	496,067	1976-77	717,000
1971-72	521,308	1977-78	750,000
1972-73	578,509	1978-79	783,000
1973-74	600,181	1979-80	806,000

The Commonwealth receives revenue from fees for registering motor boats. The annual registration fee is four dollars for boats less than 16 feet in length and six dollars for boats 16 feet in length or longer.

Fines and Penalties

Actual		Estimated	
1968-69	\$11,243	1974-75	\$18,500
1969-70	16,940	1975-76 .. (15 months)	31,100
1970-71	14,875	1976-77	22,000
1971-72	18,899	1977-78	23,000
1972-73	17,550	1978-79	25,000
1973-74	17,485	1979-80	27,000

The Commonwealth receives fines and penalties for violations of the Motor Boat Law.

Miscellaneous Revenue

Actual		Estimated	
1968-69	\$ 1,224	1974-75	\$ 986,650
1969-70	5,070	1975-76 .. (15 months)	1,323,600
1970-71	293,400	1976-77	1,041,000
1971-72	998,435	1977-78	1,061,000
1972-73	855,796	1978-79	1,081,000
1973-74	1,307,792	1979-80	1,111,000

The Boating Fund receives a portion of the Liquid Fuels Tax transferred from the Motor License Fund and the Liquid Fuels Tax Fund for fuel used by motorboats on the waters of the Commonwealth. This is a result of a change in law beginning in 1970-71. In addition, a small amount of revenue is collected annually from other miscellaneous sources.

BOATING FUND REVENUE DETAIL

The following is a detailed list of all Boating Fund Revenue available for appropriations and executives authorizations.

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Licenses and Fees			
Motor Boat Registration Fees	\$ 600,181	\$ 617,000	\$ 770,800
TOTAL	\$ 600,181	\$ 617,000	\$ 770,800
Fines and Penalties			
Motor Boat Fines	\$ 17,485	\$ 18,500	\$ 31,100
TOTAL	\$ 17,485	\$ 18,500	\$ 31,100
Miscellaneous			
Liquid Fuels Tax	\$1,157,131	\$ 819,000	\$1,144,900
Miscellaneous	10,938	8,200	11,300
Interest on Securities	127,710	135,000	147,300
Federal Programs, Reimbursement	12,013	24,450	20,000
Re-deposit of Checks .....	.....	.....	100
TOTAL	\$1,307,792	\$ 986,650	\$1,323,600
Restricted Revenue			
Motor Boat Registration Fees	\$ 60,072	\$ 62,000	.....
Motor Boat Fines	225	250	.....
Miscellaneous	195	100	.....
TOTAL	\$ 60,492	\$ 62,350	.....
TOTAL REVENUES	\$1,985,950	\$1,684,500	\$2,125,500
Augmentations			
Sale of Automobiles	\$ 2,421	\$ 2,000	\$ 5,000
U.S. Coast Guard Grant for Safety	68,742	67,000	110,000
TOTAL	\$ 71,163	\$ 69,000	\$ 115,000
TOTAL RECEIPTS	\$2,057,113	\$1,753,500	\$2,240,500

Banking Department Fund

The Banking Department Fund is a special revenue fund composed of monies received from fees, assessments, charges and penalties, collected or recovered from persons, firms, corporations or associations under supervision of the Department of Banking. It provides monies for the salaries and expenses of the Department of Banking other than the Pennsylvania Securities Commission.

BANKING DEPARTMENT FUND

Financial Statement

	(Dollar Amounts in Thousands)	
	1974-75 (12 months)	1975-76 (15 months)
	<u> </u>	<u> </u>
Surplus, Beginning of Year	\$ 54	\$ 129
Receipts:		
Revenue Estimate	3,676	4,941
Prior Year Lapses	37	. . . .
Funds Available	<u>\$3,767</u>	<u>\$5,070</u>
Expenditures:		
Appropriated	\$3,638	\$4,927
Less Current Year Lapses	<u>. . . .</u>	<u>. . . .</u>
Estimated Expenditures	<u>-3,638</u>	<u>-4,927</u>
Ending Surplus:	<u><u>\$ 129</u></u>	<u><u>\$ 143</u></u>

BANKING DEPARTMENT FUND

Summary by Department

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Banking Department				
General Operations	\$3,272	\$3,637	\$3,812	\$4,766
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
DEPARTMENT TOTAL	\$3,272	\$3,637	\$3,812	\$4,766
Treasury Department				
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1
General Salary Increase				
	.....	.....	\$ 128	\$ 160
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FUND TOTAL	<u>\$3,273</u>	<u>\$3,638</u>	<u>\$3,941</u>	<u>\$4,927</u>

BANKING DEPARTMENT FUND REVENUE SUMMARY

Five Year Revenue Projections

(Dollar Amounts in Thousands)

	1973-74 Actual	1974-75 Estimated	1975-76 Estimate (12 months)	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Licenses and Fees	\$3,064	\$3,660	\$3,849	\$4,917	\$4,083	\$4,286	\$4,500	\$4,723
Fines and Penalties . . . . .	. . . . .	1	1	1	1	1	1	1
Miscellaneous Revenues	11	15	15	23	16	18	19	22
TOTAL BANKING DEPARTMENT FUND REVENUES	<u>\$3,075</u>	<u>\$3,676</u>	<u>\$3,865</u>	<u>\$4,941</u>	<u>\$4,100</u>	<u>\$4,305</u>	<u>\$4,520</u>	<u>\$4,746</u>

BANKING DEPARTMENT FUND REVENUE DETAIL

The following is a detailed list of all revenue available for Banking Department
Fund appropriations and executive authorizations.

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Licenses and Fees			
Examination Fees	\$1,629,861	\$2,122,000	\$2,920,000
Overhead Assessment Fees	834,899	877,000	1,143,000
Money Lenders Licenses	69,600	64,600	95,000
Liquidation Fees	1,200	1,200	1400
Miscellaneous Fees	54,277	67,000	75,000
Pawnbrokers Fees	4,000	4,100	5300
Consumer Discount Company Licenses	282,800	350,000	475,000
Installment Sellers License Fees	58,400	54,600	47,600
Sales Finance Companies License Fees	119,600	110,000	142,000
Collector-Repossessor License Fees	3,400	4,500	6000
Money Transmitters License Fees	6,000	5,000	7000
TOTAL	\$3,064,037	\$3,660,000	\$4,917,300
 Fines and Penalties			
Fines and Penalties .....	.....	\$ 500	\$ 750
TOTAL .....	.....	\$ 500	\$ 750
 Miscellaneous Revenues			
Interest on Securities .....	.....	.....	\$ 5,650
Interest on Deposits	\$ 10,132	\$ 15,450	17,000
Miscellaneous	641	.....	100
Sale of Unserviceable Property	45	50	100
Redeposit of Checks .....	.....	.....	100
TOTAL	\$ 10,818	\$ 15,500	\$ 22,950
TOTAL REVENUES	\$3,074,855	\$3,676,000	\$4,941,000

BANKING DEPARTMENT FUND REVENUE SOURCES

Licenses and Fees

Actual	Estimated
1968-69 .....\$1,977,859	1974-75 .....\$3,660,000
1969-70 2,111,696	1975-76 .. (15 months) 4,917,300
1970-71 2,344,054	1976-77 4,083,000
1971-72 2,530,045	1977-78 4,286,000
1972-73 2,812,867	1978-79 4,500,000
1973-74 3,064,037	1979-80 4,723,000

The Commonwealth receives revenue from examination fees based on the actual cost of examining banks and trust companies, savings and private banks, savings, building and loan associations, pawnbrokers, consumer discount companies, small money lenders, and credit unions. Overhead assessment fees, based upon total assets also are charged against banks and trust companies, savings and private banks, credit unions and building and loan associations. Annual license fees are charged for the following categories of concerns and individuals; pawnbrokers, consumer discount companies, small loan companies, installment sellers, sales finance companies, collector-repossessors, money transmitters, and miscellaneous fees including those for branch banks and mergers.

Fines and Penalties

Actual	Estimated
(No collections prior to 1971-72)	1974-75 .....\$500
	1975-76 .. (15 months) 750
	1976-77 500
1971-72 .....\$850	1977-78 500
1972-73 490	1978-79 500
1973-74	1979-80 500

The Commonwealth receives fines and penalties for late payments and reports.

Miscellaneous Revenue

Actual	Estimated
1968-69 .....\$12,339	1974-75 .....\$15,500
1969-70 21,409	1975-76 .. (15 months) 22,950
1970-71 17,814	1976-77 16,500
1971-72 16,420	1977-78 18,500
1972-73 13,243	1978-79 20,500
1973-74 10,817	1979-80 22,500

The Commonwealth receives and deposits in the Banking Department Fund revenues from the sale of copies of the banking laws and the building and loan laws, interest on deposits and the sale of unserviceable property.

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. Also included is a transfer from the General Fund.

The purpose of this fund is to provide for the operation of the Milk Marketing Board and to serve as a depository for money due dairy farmers from underpayments by dealers.

Financial Statement

	(Dollar Amounts in Thousands)	
	1974-75 (12 months)	1975-76 (15 months)
Surplus, Beginning of Year	\$ 266	\$ 277
Receipts:		
Revenue Estimate	\$ 401	\$ 544
Appropriation from General Fund	700	750
Total Receipts	1,101	1,294
Prior Year Lapses . . . . .	.....	.....
Funds Available	\$1,367	\$1,571
Expenditures:		
Appropriated	\$1,090	\$1,571
Less Current Year Lapses . . . . .	.....	.....
Estimated Expenditures	-1,090	-1,571
Ending Surplus:	\$ 277	.....

MILK MARKETING FUND

Summary by Department

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Milk Marketing Board				
General Government	\$ 362	\$ 383	\$ 617	\$ 779
Treasury Department				
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1
Refund Milk Marketing License and Fees	1	1	1	1
DEPARTMENT TOTAL	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>
General Salary Increase .....	.....	.....	\$ 32	\$ 40
Total State Funds	<u>\$ 364</u>	<u>\$ 385</u>	<u>\$ 651</u>	<u>\$ 821</u>
Other Funds	\$ 650	\$ 705	\$ 660	\$ 750
FUND TOTAL	<u>\$1,014</u>	<u>\$1,090</u>	<u>\$1,311</u>	<u>\$1,571</u>

MILK MARKETING FUND REVENUE SUMMARY
Five Year Revenue Projections

(Dollar Amounts in Thousands)

	1973-74 Actual	1974-75 Estimated	1975-76 Estimate (12 months)	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Licenses and Fees	\$ 616	\$ 370	\$ 346	\$ 510	\$ 346	\$ 346	\$ 346	\$ 346
Fines and Penalties	15	10	12	17	12	12	12	12
Miscellaneous Revenue	17	16	16	17	16	16	16	16
Total Milk Marketing Fund Revenues	<u>\$ 648</u>	<u>\$ 396</u>	<u>\$ 374</u>	<u>\$ 544</u>	<u>\$ 374</u>	<u>\$ 374</u>	<u>\$ 374</u>	<u>\$ 374</u>
Augmentations	\$ 650	\$ 705	\$ 660	\$ 750	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL MILK MARKETING FUND RECEIPTS	<u>\$1,298</u>	<u>\$1,101</u>	<u>\$1,034</u>	<u>\$1,294</u>	<u>\$ 374</u>	<u>\$ 374</u>	<u>\$ 374</u>	<u>\$ 374</u>

MILK MARKETING FUND REVENUE SOURCES

Licenses and Fees

Actual	Estimated
1968-69 \$396,866	1974-75 \$369,800
1969-70 422,104	1975-76 .. (15 months) 509,980
1970-71 403,970	1976-77 345,850
1971-72 227,280	1977-78 345,850
1972-73 386,698	1978-79 345,850
1973-74 616,206	1979-80 345,850

The Commonwealth receives revenues from licenses and fees collected annually by the Milk Marketing Board. A flat rate fee is based on the daily average number of pounds of milk handled by dealers and an additional fee, levied on milk for which the Board fixes minimum prices, is based on the number of pounds of such milk sold by dealers. Additional license fees are for weighing and measuring permits, tester's certificates of proficiency weigher's and sampler's certificates of proficiency and applications for examination.

Fines and Penalties

Actual	Estimated
1968-69 \$ 2,600	1974-75 \$10,000
1969-70 2,650	1975-76 .. (15 months) 17,300
1970-71 4,250	1976-77 12,000
1971-72 1,150	1977-78 12,000
1972-73 56,370	1978-79 12,000
1973-74 14,700	1979-80 12,000

The Commonwealth receives revenue in the form of fines and penalties collected from milk dealers and other persons convicted of violating the Milk Marketing Law.

Miscellaneous Revenue

Actual	Estimated
1968-69 \$ 279	1974-75 \$16,200
1969-70 1,271	1975-76 .. (15 months) 16,520
1970-71 3,706	1976-77 16,300
1971-72 848	1977-78 16,300
1972-73 3,151	1978-79 16,300
1973-74 17,273	1979-80 16,300

Miscellaneous Revenues consists of legal fees for transcripts of hearings and refunds of expenditures not credited to appropriations.

MILK MARKETING FUND REVENUE DETAIL

The following is a detailed list of all revenue available for Milk Marketing Fund appropriations and executive authorizations.

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Licenses and Fees			
Milk Dealers Licenses	\$ 590,160	\$ 343,000	\$ 481,830
Milk Dealers Licenses Transfer Fees	1	2	2
Weighing or Measuring Permit Fees	4,130	4,500	4,080
Milk Testers Certificate Fees	3,390	3,900	3,550
Milk Weighers Certificate Fees	8,515	8,400	8,680
Milk Testers and Weighers Examination Fees	1,210	1,398	1,518
Milk Haulers License Fees	8,800	8,600	10,320
TOTAL	\$ 616,206	\$ 369,800	\$ 509,980
Fines and Penalties			
Milk Marketing Act Fines	\$ 14,700	\$ 10,000	\$ 17,300
TOTAL	\$ 14,700	\$ 10,000	\$ 17,300
Miscellaneous Revenue			
Refunds of Expenditures Not Credited			
to Appropriations	\$ 804	.....	.....
Interest on Securities	16,187	\$ 16,000	\$ 16,200
Other	281	200	220
Redeposit of Checks .....		.....	100
TOTAL	\$ 17,272	\$ 16,200	\$ 16,520
TOTAL REVENUES	\$ 648,178	\$ 396,000	\$ 543,800
Augmentations			
Appropriation from General Fund	\$ 650,000	\$ 700,000	\$ 750,000
Sale of Motor Vehicles .....	.....	5,275	.....
TOTAL	\$ 650,000	\$ 705,275	\$ 750,000
TOTAL RECEIPTS	\$1,298,178	\$1,101,275	\$1,293,800

State Farm Products Show Fund

The State Farm Products Show Fund is a special revenue fund made up of monies received from the leasing of space to exhibitors and from rental, entry fees, and other monies received or collected by the State Farm Products Show Commission. It also includes a transfer from the General Fund.

The fund is used for salaries and expenses of the State Farm Products Show Commission, for maintenance of the Farm Show Building and for prizes and premiums.

STATE FARM PRODUCTS SHOW FUND

Financial Statement

	(Dollar Amounts in Thousands)	
	1974-75 (12 months)	1975-76 (15 months)
Surplus, Beginning of Year	\$ 50	. . . . .
Receipts:		
Revenue Estimate	\$ 713	\$1,082
Transfer from General Fund	<u>300</u>	<u>625</u>
Total Receipts	\$1,013	\$1,707
Prior Year Lapses	<u>128</u>	. . . . .
Funds Available	\$1,191	\$1,707
Expenditures:		
Appropriated	\$1,191	. . . . .
Less Current Year Lapses . . . . .	<u>. . . . .</u>	. . . . .
Estimated Expenditures	-1,191	-1,702
Ending Surplus:	<u>.</u>	<u><u>\$ 5</u></u>

STATE FARM PRODUCTS SHOW FUND

Summary by Department

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Department of Agriculture				
General Operations	\$ 768	\$ 890	\$ 782	\$1,039
 Treasury Department				
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1
 General Salary Increase .....	.....	.....	\$ 30	\$ 37
Total State Funds	<u>\$ 769</u>	<u>\$ 891</u>	<u>\$ 812</u>	<u>\$1,077</u>
 Federal Funds	\$ 9	.....	.....	.....
Other Funds	305	\$ 300	\$ 500	\$ 625
 FUND TOTAL	<u><u>\$1,083</u></u>	<u><u>\$1,191</u></u>	<u><u>\$1,313</u></u>	<u><u>\$1,702</u></u>

STATE FARM PRODUCTS SHOW FUND REVENUE SUMMARY

Five Year Revenue Projections

(Dollar Amounts in Thousands)

	1973-74 Actual	1974-75 Estimated	1975-76 Estimate (12 months)	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Fees	\$ 120	\$ 120	\$ 121	\$ 211	\$ 121	\$ 121	\$ 121	\$ 121
Miscellaneous	470	593	793	871	814	839	866	892
Total State Farm Products Show Fund Revenues	<u>\$ 590</u>	<u>\$ 713</u>	<u>\$ 914</u>	<u>\$1,082</u>	<u>\$ 935</u>	<u>\$ 960</u>	<u>\$ 987</u>	<u>\$1,013</u>
Augmentations	\$ 314	\$ 300	\$ 500	\$ 625	\$ 475	\$ 500	\$ 550	\$ 600
TOTAL STATE FARM PRODUCTS SHOW FUND RECEIPTS	<u>\$ 904</u>	<u>\$1,013</u>	<u>\$1,414</u>	<u>\$1,707</u>	<u>\$1,410</u>	<u>\$1,460</u>	<u>\$1,537</u>	<u>\$1,613</u>

STATE FARM PRODUCTS SHOW FUND REVENUE SOURCES

Licenses and Fees

Actual		Estimated	
1968-69	\$ 99,327	1974-75	\$120,000
1969-70	109,683	1975-76 .. (15 months)	210,900
1970-71	110,295	1976-77	120,500
1971-72	108,139	1977-78	120,500
1972-73	120,328	1978-79	120,500
1973-74	120,224	1979-80	120,500

The Commonwealth receives all competitive exhibitor and commercial exhibitor fees and those fees from department boards and commissions of the State government having exhibits at the show.

Miscellaneous Revenue

Actual		Estimated	
1968-69	\$255,719	1974-75	\$593,000
1969-70	398,751	1975-76 .. (15 months)	870,700
1970-71	320,744	1976-77	814,000
1971-72	352,211	1977-78	839,000
1972-73	438,411	1978-79	866,000
1973-74	469,731	1979-80	892,000

Miscellaneous revenue is raised through the leasing of the State Farm Show Buildings for exhibitions, conventions or other purposes; through the collection of service charges, net proceeds and commissions from the sale of exhibits; and through sale of unserviceable property, the collection of interest on securities and deposits, and fees for parking.

STATE FARM PRODUCTS SHOW FUND REVENUE DETAIL

The following is a detailed list of all State Farm Products Show Fund revenues available for appropriations and executive authorizations.

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Fees			
Exhibit Fees—Competitive	\$ 5,694	\$ 7,000	\$ 7,000
Exhibit Fees—Commercial	111,660	110,000	200,400
Exhibit Fees—State Agencies	2,870	3,000	3,500
TOTAL	<u>\$ 120,224</u>	<u>\$ 120,000</u>	<u>\$ 210,900</u>
Miscellaneous Revenue			
Concession Revenue	\$ 129,512	\$ 120,000	\$ 153,500
Service Charges	66,686	60,000	77,000
Rentals	256,006	250,000	316,900
Sale of Exhibits—Net Proceeds	91	100	100
Sale of Exhibits—Commission	3,411	2,600	2,600
Miscellaneous Revenue	3,635	5,000	5,000
Sale of Unserviceable Property .....	.....	.....	.....
Refund of Expenditures Not Credited			
to Appropriations	11	300	340
Interest on Securities	10,380	5,000	14,760
Parking Fees .....	.....	150,000	300,000
Redeposit of Checks .....	.....	.....	500
TOTAL	<u>\$ 469,732</u>	<u>\$ 593,000</u>	<u>\$ 870,700</u>
TOTAL REVENUES	<u>\$ 589,956</u>	<u>\$ 713,000</u>	<u>\$ 1,081,600</u>
Augmentation			
Transfer from General Fund	\$ 155,000	\$ 300,000	\$ 625,000
Transfer from General Fund—Emergency and Disaster Relief	150,000	.....	.....
Federal Reimbursement for Emergency Employment Act	8,946	.....	.....
TOTAL	<u>\$ 313,946</u>	<u>\$ 300,000</u>	<u>\$ 625,000</u>
TOTAL RECEIPTS	<u>\$ 903,902</u>	<u>\$ 1,013,000</u>	<u>\$ 1,706,600</u>

State Harness Racing Fund

The State Harness Racing Fund is a special fund composed of monies received from taxes, license fees and penalties collected by the State Harness Racing Commission in the regulation of harness racing in Pennsylvania. It provides for the operation of the State Harness Racing Commission. The balance is transferred to the Pennsylvania Fair Fund and to the General Fund.

STATE HARNESS RACING FUND

Financial Statement

	(Dollar Amounts in Thousands)	
	1974-75 (12 months)	1975-76 (15 months)
Surplus, Beginning of Year	\$ 4,481	\$ 3,766
Receipts:		
Revenue Estimate	9,229	7,526
Prior Year Lapses	3	. . . .
Funds Available	<u>\$13,713</u>	<u>\$11,292</u>
Expenditures:		
Appropriated	\$ 9,947	\$ 9,595
Less Current Year Lapses	<u>. . . .</u>	<u>. . . .</u>
Estimated Expenditures	-9,947	-9,595
Ending Surplus:	<u><u>\$ 3,766</u></u>	<u><u>\$ 1,697</u></u>

STATE HARNESS RACING FUND

Summary by Department

	(Dollar Amounts in Thousands)			
	1973-74	1974-75	1975-76	1975-76
	Actual	Available	Estimate (12 months)	Budget (15 months)
Department of Agriculture				
State Harness Racing Commission	\$ 731	\$ 864	\$ 941	\$ 1,199
Pennsylvania Fair Fund Administration	170	203	218	253
Transfer to Pennsylvania Fair Fund	2,362	1,678	688	1,032
Transfer to General Fund	7,087	7,094	4,602	6,903
DEPARTMENT TOTAL	<u>\$10,350</u>	<u>\$ 9,839</u>	<u>\$6,449</u>	<u>\$ 9,387</u>
Department of Revenue				
Administration of Collections—Harness Racing	\$ 97	\$ 107	\$ 148	\$ 168
Treasury Department				
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1
General Salary Increase .....	.....	.....	\$ 29	\$ 39
TOTAL STATE FUNDS	<u>\$10,448</u>	<u>\$ 9,947</u>	<u>\$6,627</u>	<u>\$ 9,595</u>
Other Funds	3	.....	.....	.....
FUND TOTAL	<u>\$10,451</u>	<u>\$ 9,947</u>	<u>\$6,627</u>	<u>\$ 9,595</u>

STATE HARNESS RACING FUND REVENUE SUMMARY

Five Year Revenue Projections

(Dollar Amounts in Thousands)

	1973-74 Actual	1974-75 Estimated	1975-76 Estimate (12 months)	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Tax Revenue	\$ 9,123	\$ 8,538	\$ 5,543	\$ 6,870	\$ 5,543	\$ 5,543	\$ 5,543	\$ 5,543
Licenses and Fees	52	115	115	129	115	115	115	115
Miscellaneous	501	576	460	527	460	460	460	460
Augmentation	3	.....	.....	.....	.....	.....	.....	.....
TOTAL STATE HARNESS RACING FUND RECEIPTS	\$ 9,679	\$ 9,229	\$ 6,118	\$ 7,526	\$ 6,118	\$ 6,118	\$ 6,118	\$ 6,118

STATE HARNESS RACING FUND REVENUE SOURCES

Tax Revenue

Actual	Estimated
1968-69 .....\$7,442,486	1974-75 \$8,538,000
1969-70 8,180,937	1975-76 .. (15 months) 6,870,000
1970-71 8,847,555	1976-77 5,543,000
1971-72 8,338,657	1977-78 5,543,000
1972-73 7,618,638	1978-79 5,543,000
1973-74 9,122,980	1979-80 5,543,000

A State Admission Tax is levied at the rate of five percent of the admission price. In addition a tax of one and one-half percent is imposed on the amount wagered each day at races held within school districts of the first class. An additional tax of 4 percent of the amount wagered each day is paid directly to the 1st class school district. For races held in school districts of other than the first class, a tax of 5½% of the amount wagered each day is levied. Of this tax 36-1/3% is restricted for the use of local municipal authorities. The wagering tax shown for this fund does not reflect the monies set aside for the use of either the first class school district nor the local municipal authorities. The wagering tax reported in this fund from races held prior to December 30, 1974 was at a 5% rate.

License and Fees

Actual	Estimated
1968-69 .....\$28,705	1974-75 \$115,000
1969-70 26,765	1975-76 .. (15 months) 129,000
1970-71 32,434	1976-77 115,000
1971-72 31,232	1977-78 115,000
1972-73 31,131	1978-79 115,000
1973-74 52,282	1979-80 115,000

For the purpose of maintaining a proper control over harness racing, the State Harness Racing Commission may license drivers and such other persons participating in meets as the Commission may by rule prescribe.

Miscellaneous Revenue

Actual	Estimated
1968-69 .....\$329,169	1974-75 \$576,000
1969-70 441,506	1975-76 .. (15 months) 527,000
1970-71 386,292	1976-77 460,000
1971-72 219,449	1977-78 460,000
1972-73 302,315	1978-79 460,000
1973-74 500,430	1979-80 460,000

The Commonwealth receives miscellaneous revenue in the form of penalties and interest on taxes due, interest on securities and uncashed tickets.

STATE HARNESS RACING FUND REVENUE DETAIL

The following is a detailed list of all revenue available for State Harness Racing Fund appropriations and executive authorizations.

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Tax Revenue			
State Admission Tax	\$ 120,885	\$ 152,000	\$ 183,000
Wagering Tax	9,002,095	8,386,000	6,687,000
TOTAL	<u>\$ 9,122,980</u>	<u>\$8,538,000</u>	<u>\$6,870,000</u>
 Licenses and Fees			
Occupational License Fees	\$ 31,217	\$ 35,000	\$ 38,000
Pre and Post Racing Testing Laboratory Service Fees	21,065	80,000	91,000
TOTAL	<u>\$ 52,282</u>	<u>\$ 115,000</u>	<u>\$ 129,000</u>
 Miscellaneous			
Uncashed Tickets	\$ 136,489	\$ 150,000	\$ 175,000
Interest on Securities	354,356	421,000	346,000
Miscellaneous	9,585	5,000	6,000
Redeposit of Checks .....	.....	.....	.....
TOTAL	<u>\$ 500,430</u>	<u>\$ 576,000</u>	<u>\$ 527,000</u>
TOTAL REVENUE	<u>\$ 9,675,692</u>	<u>\$9,229,000</u>	<u>\$7,526,000</u>
 Augmentations			
Sale of Motor Vehicles	\$ 2,600	.....	.....
TOTAL RECEIPTS	<u>\$9,678,292</u>	<u>\$9,229,000</u>	<u>\$7,526,000</u>

State Horse Racing Fund

The State Horse Racing Fund is a special revenue fund composed of monies received from taxes, license fees and penalties collected by the State Horse Racing Commission in the regulation of thoroughbred racing in the State. It provides for the operation of the State Horse Racing Commission. The balance is transferred to the General Fund and the Pennsylvania Fair Fund.

STATE HORSE RACING FUND

Financial Statement

	(Dollar Amounts in Thousands)	
	1974-75 (12 months)	1975-76 (15 months)
	<u> </u>	<u> </u>
Surplus, Beginning of Year	\$ 7,847	\$10,487
Receipts:		
Revenue Estimate	20,516	28,018
Prior Year Lapses . . . . .	. . . . .	. . . . .
Funds Available	<u>\$28,363</u>	<u>\$38,265</u>
Expenditures:		
Appropriated	\$18,116	\$27,778
Less Current Year Lapses	<u>.</u>	<u>.</u>
Estimated Expenditures	-18,116	-27,778
Ending Surplus:	<u><u>\$10,247</u></u>	<u><u>\$10,247</u></u>

STATE HORSE RACING FUND

Summary by Department

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
State Horse Racing Commission				
General Operations	\$ 642	\$ 814	\$ 884	\$ 1,080
Transfer to General Fund	15,267	15,983	15,370	23,055
Transfer to Fair Fund . . . . .	. . . .	1,216	2,296	3,445
DEPARTMENT TOTAL	<u>\$15,909</u>	<u>\$18,013</u>	<u>\$18,550</u>	<u>\$27,580</u>
 Department of Revenue				
Administration of Collections—Horse Racing	\$ 82	\$ 102	\$ 133	\$ 166
 Department of Treasury				
Replacement Checks . . . . .	. . . .	. . . .	\$ 1	\$ 1
 General Salary Increase				
	. . . .	. . . .	\$ 23	\$ 31
Total State Funds	<u>\$15,991</u>	<u>\$18,115</u>	<u>\$18,709</u>	<u>\$27,778</u>
 Other Funds				
	\$ 1	\$ 1	. . . .	. . . .
DEPARTMENT TOTAL	<u>\$15,992</u>	<u>\$18,116</u>	<u>\$18,709</u>	<u>\$27,778</u>

STATE HORSE RACING FUND REVENUE SUMMARY

Five Year Revenue Projections

(Dollar Amounts in Thousands)

	1973-74 Actual	1974-75 Estimated	1975-76 Estimate (12 months)	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Tax Revenues	\$15,545	\$19,586	\$20,570	\$26,853	\$20,964	\$21,273	\$21,585	\$21,905
Licenses and Fees	111	112	112	134	112	112	112	112
Miscellaneous	699	817	890	1,031	904	915	926	938
TOTAL STATE HORSE RACING FUND REVENUES	<u>\$16,355</u>	<u>\$20,515</u>	<u>\$21,572</u>	<u>\$28,018</u>	<u>\$21,980</u>	<u>\$22,300</u>	<u>\$22,623</u>	<u>\$22,955</u>
Augmentation	\$ 1	\$ 1	.....	.....	.....	.....	.....	.....
TOTAL STATE HORSE RACING FUND RECEIPTS	<u>\$16,356</u>	<u>\$20,516</u>	<u>\$21,572</u>	<u>\$28,018</u>	<u>\$21,980</u>	<u>\$22,300</u>	<u>\$22,623</u>	<u>\$22,955</u>

STATE HORSE RACING FUND REVENUE SOURCES

Tax Revenues

Actual		Estimated	
1968-69	\$ 722,277	1974-75	\$19,586,000
1969-70	8,350,146	1975-76 .. (15 months)	26,853,000
1970-71	9,223,268	1976-77	20,964,000
1971-72	11,167,085	1977-78	21,273,000
1972-73	15,403,819	1978-79	21,585,000
1973-74	15,545,034	1979-80	21,905,000

Tax revenues consist of an admission tax levied at the rate of fifteen percent of the admission price and a tax of 4-3/4% of the amount wagered each day at the track. Also a breakage tax is collected at the rate of fifty percent of the odd cents retained after redistribution of all pari-mutuel contributions exceeding a sum equal to the next lowest multiple of ten cents. The rate of the wagering tax prior to December 30, 1974 was 5%.

Licenses and Fees

Actual		Estimated	
1968-69	\$ 200	1974-75	\$112,000
1969-70	33,703	1975-76 .. (15 months)	134,000
1970-71	46,581	1976-77	112,000
1971-72	72,000	1977-78	112,000
1972-73	128,112	1978-79	112,000
1973-74	110,760	1979-80	112,000

Licenses and Fees are revenues derived from the licensing of jockeys and such other persons participating in horse racing meets as prescribed by the State Horse Racing Commission.

Miscellaneous Revenue

Actual		Estimated	
1968-69	\$ 23,162	1974-75	\$ 817,000
1969-70	264,167	1975-76 .. (15 months)	1,031,000
1970-71	325,744	1976-77	904,000
1971-72	352,389	1977-78	915,000
1972-73	461,646	1978-79	926,000
1973-74	699,064	1979-80	938,000

Penalties and interest on taxes due, interest on securities and uncashed tickets comprise Miscellaneous Revenue.

STATE HORSE RACING FUND REVENUE DETAIL

The following is a detailed list of all revenue available for State Horse Racing Fund appropriations and executive authorizations.

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Tax Revenues			
State Admission Tax	\$ 476,368	\$ 563,000	\$ 858,000
Wagering Tax	13,977,767	17,735,000	23,943,000
Breakage Tax	1,090,899	1,288,000	2,052,000
TOTAL	\$15,545,034	\$19,586,000	\$26,853,000
 Licenses and Fees			
License Fees	\$ 110,760	\$ 112,000	\$ 134,000
TOTAL	\$ 110,760	\$ 112,000	\$ 134,000
 Miscellaneous			
Uncashed Tickets	\$ 254,949	\$ 293,000	\$ 300,000
Interest on Securities	420,076	496,000	691,000
Miscellaneous	24,039	28,000	40,000
Penalties and Interest .....	.....	.....	.....
Redeposit of Checks .....	.....	.....	.....
TOTAL REVENUES	\$ 699,064	\$ 817,000	\$1,031,000
TOTAL REVENUES	\$16,354,858	\$20,515,000	\$28,018,000
 Augmentations			
Sale of Automobiles	\$ 1,075	\$ 1,000	.....
TOTAL RECEIPTS	\$16,355,933	\$20,516,000	\$28,018,000

State Lottery Fund

The Lottery Fund is a special revenue fund composed of monies received from the sale of lottery tickets and license fees. It provides funds for payment of prizes to winners in the lottery, for property tax and rent assistance for the elderly and for mass transit fare subsidies for the elderly.

Financial Statement

	(Dollar Amounts in Thousands)	
	1974-75 (12 months)	1975-76 (15 months)
	<u> </u>	<u> </u>
Surplus, Beginning of Year	\$ 44,164	\$ 21,679
Receipts:		
Revenue Estimate	97,348	116,584
Prior Year Lapses	11,431	. . . .
Funds Available	<u>\$152,943</u>	<u>\$138,263</u>
Expenditures:		
Appropriated	\$146,309	\$138,263
Less Current Year Lapses	<u>15,045</u>	<u>. . . .</u>
Estimated Expenditures	-131,264	-138,263
Ending Surplus	<u><u>\$ 21,679</u></u>	<u>. . . .</u>

STATE LOTTERY FUND

Summary by Department

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Department of Revenue				
General Government				
General Operations	\$ 10,357	\$ 13,077	\$ 14,168	\$ 17,840
Payment of Prize Money	56,894	58,332	46,587	56,340
Payment of Commissions	547	450	200	200
Sub-Total	<u>\$ 67,798</u>	<u>\$ 71,859</u>	<u>\$ 60,955</u>	<u>\$ 74,380</u>
Grants and Subsidies				
Property Tax, and Rent Assistance for the Elderly	\$ 35,149	\$ 62,300	\$ 44,243*	\$ 47,879*
DEPARTMENT TOTAL	<u>\$102,947</u>	<u>\$134,159</u>	<u>\$105,198</u>	<u>\$122,259</u>
Treasury Department				
General Government				
Refunding State Lottery Monies	\$ 1	\$ 1	\$ 1	\$ 1
Replacement Checks	1	1	2	2
DEPARTMENT TOTAL	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 3</u>	<u>\$ 3</u>
Department of Transportation				
Grants and Subsidies				
Free Transit for the Elderly	\$ 10,755	\$ 12,000	\$ 12,480	\$ 15,600
General Salary Increase . . . . .	. . . . .	. . . . .	\$ 198	\$ 244
Total State Funds	<u>\$113,704</u>	<u>\$146,161</u>	<u>\$117,879</u>	<u>\$138,106</u>
Other Funds	\$ 136	\$ 148	\$ 148	\$ 157
FUND TOTAL	<u>\$113,840</u>	<u>\$146,309</u>	<u>\$118,027</u>	<u>\$138,263</u>

* Assumes payments will be prorated.

STATE LOTTERY FUND REVENUE SUMMARY
Five Year Revenue Projections

(Dollar Amounts in Thousands)

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (12 months)	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Collections	\$121,400	\$ 95,200	\$ 95,200	\$115,130	\$ 95,200	\$ 95,200	\$ 95,200	\$ 95,200
Miscellaneous Revenue	4,359	2,000	1,000	1,297	1,000	1,000	1,000	1,000
Total Lottery Fund Revenues	<u>\$125,759</u>	<u>\$ 97,200</u>	<u>\$ 96,200</u>	<u>\$116,427</u>	<u>\$ 96,200</u>	<u>\$ 96,200</u>	<u>\$ 96,200</u>	<u>\$ 96,200</u>
Augmentations	\$ 136	\$ 148	\$ 148	\$ 157	\$ 148	\$ 148	\$ 148	\$ 148
TOTAL LOTTERY FUND RECEIPTS	<u>\$125,895</u>	<u>\$ 97,348</u>	<u>\$ 96,348</u>	<u>\$116,584</u>	<u>\$ 96,348</u>	<u>\$ 96,348</u>	<u>\$ 96,348</u>	<u>\$ 96,348</u>

STATE LOTTERY FUND REVENUE SOURCES

Collections

Actual	Estimated
(No collections prior to 1971-72)	1974-75 \$ 95,200,000
	1975-76 .. (15 months) 115,130,000
	1976-77 95,200,000
1971-72 \$ 50,093,524	1977-78 95,200,000
1972-73 117,015,902	1978-79 95,200,000
1973-74 121,399,971	1979-80 95,200,000

Collections consist of the proceeds of State Lottery ticket sales less commissions and fees. Tickets are \$.50 for the regular lottery and \$1.00 for the Special lotteries. In addition it is possible to purchase reserve tickets on the regular lottery at \$25.00 for either 1 ticket valid for 52 weeks or two tickets valid for 26 weeks or at \$12.00 for either 1 ticket valid for 24 weeks or two tickets valid for 12 weeks.

Miscellaneous Revenue

Actual	Estimated
(No Miscellaneous Revenue prior to 1971-72)	1974-75 \$2,000,000
	1975-76 .. (15 months) 1,297,300
	1976-77 1,000,000
1971-72 \$1,205,289	1977-78 1,000,000
1972-73 1,663,722	1978-79 1,000,000
1973-74 4,359,299	1979-80 1,000,000

Miscellaneous revenue includes fines, interest earned on securities, interest on deposits, premiums on sale of securities, and refund of expenditures. The 1971-72 amount also includes a \$1,000,000 temporary loan from the General Fund to provide initial working capital.

STATE LOTTERY FUND REVENUE DETAIL

The following is a detailed list of all State Lottery Fund Revenues.

	1973-74 Actual	1974-75 Estimated	1975-76 Estimated (15 months)
Collections	\$121,399,971	\$ 95,200,000	\$115,130,000
Miscellaneous	\$ 4,359,299	\$ 2,000,000	\$ 1,297,300
TOTAL REVENUES	\$125,759,270	\$ 97,200,000	\$116,427,300
 Augmentations			
Licenses and Fees	\$ 114,718	\$ 126,000	\$ 130,470
Legal Service to State Employees			
Retirement Board	10,627	11,000	13,370
Legal Services to School Employees			
Retirement Board	10,710	11,000	13,460
Total	\$ 136,055	\$ 148,000	\$ 157,300
TOTAL RECEIPTS	\$125,895,325	\$ 97,348,000	\$116,584,600

Revenue Sharing Trust Fund

The Revenue Sharing Trust Fund is composed of monies received under the provisions of the Federal State and Local Fiscal Assistance Act of 1972 and interest earned on that money.

The Federal State and Local Fiscal Assistance Act places no restrictions upon purposes for which the funds are spent; however, expenditures must be in accordance with the laws and procedures applicable to expenditures of State revenues, including appropriation, accounting and audit. Revenue Sharing Funds may not be used to match other Federal funds.

Pennsylvania will use its revenue sharing funds for assistance to local governments and school districts, to continue programs which would terminate because of revisions in Federal Statutes and regulations, and for improvement to educational programs.

REVENUE SHARING TRUST FUND

Financial Statement

	(Dollar Amounts in Thousands)	
	1974-75 (12 months)	1975-76 (15 months)
Surplus, Beginning of Year	\$ 21,501	\$ 900
Receipts:		
Revenue Estimate	115,000	145,000
Funds Available	<u>\$136,501</u>	<u>\$145,900</u>
Expenditures:		
Appropriated	\$135,601	\$144,639
Less Current Year Lapses	<u> </u>	<u> </u>
Estimated Expenditures	-135,601	-144,639
Ending Surplus:	<u>\$ 900</u>	<u>\$ 1,261</u>

REVENUE SHARING TRUST FUND

Summary by Department

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Executive Offices				
General Government				
Office of the Budget	\$ 10	\$ 10	\$ 10	\$ 10
 Department of Education				
Grants and Subsidies				
Pupil Transportation		\$ 26,000	\$ 26,000	\$ 26,000
Special Education	\$ 45,000	45,000	54,000	54,000
Special Education—Approved Private Schools	2,500	2,500	2,500	2,500
DEPARTMENT TOTAL	<u>\$ 47,500</u>	<u>\$ 73,500</u>	<u>\$ 82,500</u>	<u>\$ 82,500</u>
 Department of Environmental Resources				
Grants and Subsidies				
Sewage Treatment Plant Operations Grants	\$ 10,241	\$ 11,076	\$ 12,283	\$ 12,283
 Department of Labor and Industry				
Grants and Subsidies				
Occupational Disease Payments		\$ 22,115	\$ 31,800	\$ 39,846
 Department of Public Welfare				
Supplemental Grants for Aged, Blind, and Disabled	\$ 11,000			
Aging Programs	1,800			
Day Care Services	6,400	\$ 4,900		
DEPARTMENT TOTAL	<u>\$ 19,200</u>	<u>\$ 4,900</u>		
 Department of Transportation				
Grants and Subsidies				
Mass Transportation Assistance	\$ 70,000			
 Judiciary				
Grants and Subsidies				
Reimbursement of County Court	\$ 17,000	\$ 24,000	\$ 10,000	\$ 10,000
Community Courts—District Justices	8,151			
DEPARTMENT TOTAL	<u>\$ 25,151</u>	<u>\$ 24,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>
FUND TOTAL	<u>\$172,102</u>	<u>\$135,601</u>	<u>\$136,593</u>	<u>\$144,639</u>

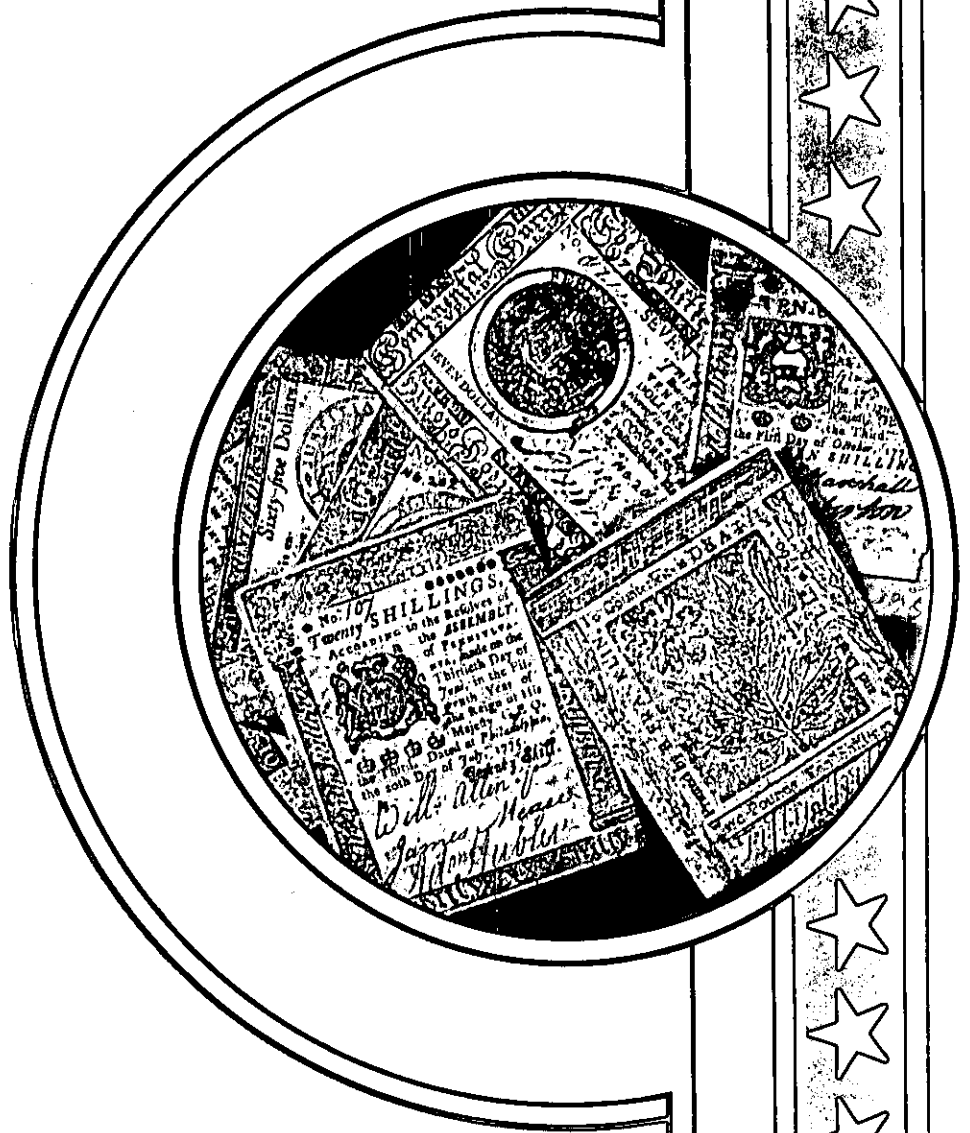
REVENUE SHARING TRUST FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)							
	1973-74 Actual	1974-75 Estimated	1975-76 Estimate (12 months)	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Miscellaneous Revenues	<u>\$116,231</u>	<u>\$115,000</u>	<u>\$116,000</u>	<u>\$145,000</u>	<u>\$121,800</u>	<u>\$127,890</u>	<u>\$134,285</u>	<u>\$140,999</u>

The Commonwealth receives funds under the provisions of the Federal State and Local Fiscal Assistance Act of 1972, commonly referred to as the Revenue Sharing Act and interest on deposits and securities.

The Federal State and Local Fiscal Assistance Act authorizes payment of revenue sharing funds to state and local government for the period January 1, 1972 through December 31, 1976. It is our assumption that Congress will extend the Revenue Sharing legislation when the current Act erminates, therefore, projections are being made beyond the current 1976 termination date.



Capital Budget

*A waggon load of money will scarcely purchase a waggon load of provisions!
Washington comments on inflation, April 1779*

Continental Currency

Capital Budget

This section contains the 1975-76 Capital Budget and Five Year Capital Program. The bonded indebtedness required to support the construction program is projected and, along with currently outstanding debt, is compared to the Constitutional debt limit.

The projects shown will be financed by general obligation bonds, with the exception of a few minor projects which will be financed from current revenues. These projects are grouped into the following categories:

Public Improvement Projects – These include all types of new buildings and renovation projects. Also included are non-structural improvements and the acquisition of land. Bond financed projects are constructed through The General State Authority and current revenue projects are constructed through various Departments.

Public Improvements—Furnishings and Equipment – This category provides for the equipping of completed public improvement projects, by purchasing original furniture and equipment through the Department of Property and Supplies.

Mass Transportation Projects – These projects include the purchase of rolling stock and construction or improvement of facilities operated by mass transportation agencies throughout the Commonwealth. The projects are implemented by the Pennsylvania Transportation Assistance Authority.

Highway Projects – This category includes the design, purchase of right-of-way, construction, reconstruction, and other improvements to highways and bridges on the state

highway system. These projects are constructed through the Department of Transportation and the State Highway and Bridge Authority.

The Capital Budget section consists of the following subsections:

1975-76 New Project Authorizations – This section itemizes and describes the new capital projects recommended for authorization in 1975-76, and their proposed source of funding. The projects are listed by department and program.

Forecast of Future Projects – This section contains a forecast of new capital projects to be initiated during each of the fiscal years 1976-77 through 1979-80. The projections are grouped by department and capital project category.

Estimate of Capital Expenditures – This section provides an estimate of expenditures for capital projects during each of the next five fiscal years. Since design, acquisition and construction of a project is not generally completed during the fiscal year in which the project is initiated, payment of costs incurred usually occurs over several fiscal years. The estimated expenditures determine the amount of bonds which must be issued each fiscal year. The projections are listed by capital project category and sub-divided by projects currently authorized, projects requested for 1972-73 through 1974-75 (legislation pending), new projects proposed for 1975-76 and future projects (1976-80).

**FORECAST OF DEBT LIMIT AND OUTSTANDING DEBT
1974-75 Through 1979-80**

	(Dollar Amounts in Thousands)					
	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Average Tax Revenues Previous Five Years . . .	\$3,917,174	\$4,375,572	\$5,122,482	\$5,498,108	\$ 5,835,191	\$ 6,178,986
Debt Limit (a)	6,855,055	7,657,251	8,964,344	9,621,689	10,211,584	10,813,226
Outstanding debt—Beginning of fiscal year . . .	3,431,921	3,667,611	4,104,479	4,386,685	4,632,263	4,854,745
Bonds to be issued	332,000	558,000	412,000	393,000	388,000	373,000
Bonds to be retired	-96,310	-121,132	-129,794	-147,422	-165,518	-182,105
Outstanding debt—End of fiscal year	<u>\$3,667,611</u>	<u>\$4,104,479</u>	<u>\$4,386,685</u>	<u>\$4,632,263</u>	<u>\$ 4,854,745</u>	<u>\$ 5,045,640</u>
% of debt to debt limit	53.5%	53.6%	48.9%	48.1%	47.5%	46.7%

(a) 1.75 times the average tax revenues of previous five years.

FORECAST OF OUTSTANDING DEBT BY CATEGORY OF PROJECT
1974-75 Through 1979-80

	1974-75	(Dollar Amounts in Thousands) 1975-76 (15 months)				1978-79	1979-80
		1975-76	1976-77	1977-78			
Public Improvement Projects							
Outstanding Debt — Beginning	\$1,628,156	\$1,627,436	\$1,726,801	\$1,785,874	\$1,841,696	\$1,891,171	
Bonds to be issued	50,000	160,000	120,000	120,000	120,000	120,000	
Bonds to be retired	-50,720	-60,635	-60,927	-64,178	-70,525	-75,129	
Outstanding Debt — End	<u>\$1,627,436</u>	<u>\$1,726,801</u>	<u>\$1,785,874</u>	<u>\$1,841,696</u>	<u>\$1,891,171</u>	<u>\$1,936,042</u>	
Highway Projects							
Outstanding Debt — Beginning	\$1,706,500	\$1,922,540	\$2,222,615	\$2,415,130	\$2,571,265	\$2,713,538	
Bonds to be issued	257,000	350,000	250,000	225,000	220,000	210,000	
Bonds to be retired	-40,960	-49,925	-57,485	-68,865	-77,727	-88,423	
Outstanding Debt — End	<u>\$1,922,540</u>	<u>\$2,222,615</u>	<u>\$2,415,130</u>	<u>\$2,571,265</u>	<u>\$2,713,538</u>	<u>\$2,835,115</u>	
Mass Transit Projects							
Outstanding Debt — Beginning	\$ 23,855	\$ 37,945	\$ 74,950	\$ 105,572	\$ 139,318	\$ 171,173	
Bonds to be issued	15,000	40,000	35,000	40,000	40,000	35,000	
Bonds to be retired	-910	-2,995	-4,378	-6,254	-8,145	-9,997	
Outstanding Debt — End	<u>\$ 37,945</u>	<u>\$ 74,950</u>	<u>\$ 105,572</u>	<u>\$ 139,318</u>	<u>\$ 171,173</u>	<u>\$ 196,176</u>	
Community College Projects							
Outstanding Debt — Beginning	\$ 34,740	\$ 34,150	\$ 33,500	\$ 32,805	\$ 32,075	\$ 31,300	
Bonds to be issued	.....	.....	.....	.....	.....	.....
Bonds to be retired	-590	-650	-695	-730	-775	-1,035	
Outstanding Debt — End	<u>\$ 34,150</u>	<u>\$ 33,500</u>	<u>\$ 32,805</u>	<u>\$ 32,075</u>	<u>\$ 31,300</u>	<u>\$ 30,265</u>	
Furnishings and Equipment							
Outstanding Debt — Beginning	\$ 38,670	\$ 45,540	\$ 46,613	\$ 47,304	\$ 47,909	\$ 47,563	
Bonds to be issued	10,000	8,000	7,000	8,000	8,000	8,000	
Bonds to be retired	-3,130	-6,927	-6,309	-7,395	-8,346	-7,521	
Outstanding Debt — End	<u>\$ 45,540</u>	<u>\$ 46,613</u>	<u>\$ 47,304</u>	<u>\$ 47,909</u>	<u>\$ 47,563</u>	<u>\$ 48,042</u>	
Total-Projects							
Outstanding Debt — Beginning	\$3,431,921	\$3,667,611	\$4,104,479	\$4,386,685	\$4,632,263	\$4,854,745	
Bonds to be issued	332,000	558,000	412,000	393,000	388,000	373,000	
Bonds to be retired	-96,310	-121,132	-129,794	-147,422	-165,518	-182,105	
Outstanding Debt — End	<u>\$3,667,611</u>	<u>\$4,104,479</u>	<u>\$4,386,685</u>	<u>\$4,632,263</u>	<u>\$4,854,745</u>	<u>\$5,045,640</u>	

FORECAST OF BOND ISSUES
1974-75 Through 1979-80

	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
		1975-76 (15 months)	1976-77	1977-78			
Public Improvement Projects (GSA)	\$ 50,000	\$160,000	\$120,000	\$120,000	\$120,000	\$120,000	
Furnishings and Equipment	10,000	8,000	7,000	8,000	8,000	8,000	
Highway Projects	257,000	350,000*	250,000	225,000	220,000	210,000	
Mass Transit Projects	15,000	40,000	35,000	40,000	40,000	35,000	
TOTAL	<u>\$332,000</u>	<u>\$558,000 *</u>	<u>\$412,000</u>	<u>\$393,000</u>	<u>\$388,000</u>	<u>\$373,000</u>	

*Includes \$150 million for redemption of \$150 million Bond Anticipation Note in August, 1975.

**FINANCIAL STATEMENT(a)
1975-76 Through 1979-80**

(Dollar Amounts in Thousands)

	Public Improvement Projects	Highway Projects	Mass Transit Projects	Furnishings and Equipment	Total
Balance, July 1, 1975	\$ 9,000	\$ 124,500	\$ 10,900	\$ 1,658	\$ 146,058
Revenue: Bond Issues	160,000	350,000 *	40,000	8,000	558,000 *
Estimated Expenditures	<u>-147,916</u>	<u>-445,000 *</u>	<u>-35,500</u>	<u>-8,952</u>	<u>-637,368 *</u>
Balance, October 1, 1976	\$ 21,084	\$ 29,500	\$ 15,400	\$ 706	\$ 66,690
Revenue: Bond Issues	120,000	250,000	35,000	7,000	412,000
Estimated Expenditures	<u>-118,000</u>	<u>-225,000</u>	<u>-36,000</u>	<u>-6,703</u>	<u>-385,703</u>
Balance, October 1, 1977	\$ 23,084	\$ 54,500	\$ 14,400	\$ 1,003	\$ 92,987
Revenue: Bond Issues	120,000	225,000	40,000	8,000	393,000
Estimated Expenditures	<u>-118,000</u>	<u>-220,000</u>	<u>-39,000</u>	<u>-7,208</u>	<u>-384,208</u>
Balance, October 1, 1978	\$ 25,084	\$ 59,500	\$ 15,400	\$ 1,795	\$ 101,779
Revenue: Bond Issues	120,000	220,000	40,000	8,000	388,000
Estimated Expenditures	<u>-118,000</u>	<u>-215,000</u>	<u>-39,000</u>	<u>-8,064</u>	<u>-380,064</u>
Balance, October 1, 1979	\$ 27,084	\$ 64,500	\$ 16,400	\$ 1,731	\$ 109,715
Revenue: Bond Issues	120,000	210,000	35,000	8,000	373,000
Estimated Expenditures	<u>-118,000</u>	<u>-210,000</u>	<u>-31,000</u>	<u>-8,108</u>	<u>-367,108</u>
Balance, October 1, 1980	<u>\$ 29,084</u>	<u>\$ 64,500</u>	<u>\$ 20,400</u>	<u>\$ 1,623</u>	<u>\$ 115,607</u>

(a) Bonds are issued to meet the cash requirements of each category of projects and to maintain minimum cash balances.

* Includes \$150 million for redemption of \$150 million Bond Anticipation Note in August, 1975.

ESTIMATED CAPITAL PROJECT EXPENDITURES
State Funds
1975-76 through 1979-80

	(Dollar Amounts in Thousands)				
	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
FROM GENERAL OBLIGATION BONDS					
Public Improvement Projects—GSA Construction	\$147,916	\$118,000	\$118,000	\$118,000	\$118,000
Public Improvement Projects—Furnishings and Equipment	8,952	6,703	7,208	8,064	8,108
Highway Projects	295,000	225,000	220,000	215,000	210,000
Mass Transportation Assistance Projects	35,500	36,000	39,000	39,000	31,000
Total—Bond Funds	<u>\$487,368</u>	<u>\$385,703</u>	<u>\$384,208</u>	<u>\$380,064</u>	<u>\$367,108</u>
FROM CURRENT REVENUES					
Public Improvement Projects—General Fund	\$ 989	\$ 172	. . . . .	. . . . .	. . . . .
Public Improvement Projects—Game Fund	1,000	1,000	\$ 1,000	\$ 1,000	\$ 1,000
Public Improvement Projects—Fish Fund	127	235	220	220	205
Public Improvement Projects—Boating Fund	127	350	250	250	250
Total—Current Revenues	<u>\$ 2,243</u>	<u>\$ 1,757</u>	<u>\$ 1,470</u>	<u>\$ 1,470</u>	<u>\$ 1,455</u>
TOTAL—ALL STATE FUNDS	<u><u>\$489,611</u></u>	<u><u>\$387,460</u></u>	<u><u>\$385,678</u></u>	<u><u>\$381,534</u></u>	<u><u>\$368,563</u></u>

FORECAST OF DEBT SERVICE REQUIREMENTS
1975-76 THROUGH 1979-80

	(Dollar Amounts in Thousands)				
	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND					
Department of Property and Supplies					
General State Authority Rentals	\$ 59,591	\$ 58,890	\$ 56,004	\$ 55,964	\$ 53,828
Department of Education					
General State Authority Rentals	4,607	4,607	4,607	4,607	4,607
Treasury Department					
Capital Debt Fund					
—General State Authority Projects	83,901	69,890	79,350	88,719	98,145
—Mass Transit Projects	7,731	10,492	14,340	18,016	21,289
—Community College Projects (a)	2,269	1,972	1,973	1,982	2,183
—Original Capital Equipment and Furniture	10,025	9,102	10,140	11,003	10,035
TOTAL—GENERAL FUND	<u>\$168,124</u>	<u>\$154,953</u>	<u>\$166,414</u>	<u>\$180,291</u>	<u>\$190,087</u>
MOTOR LICENSE FUND					
Department of Property and Supplies					
General State Authority Rentals	\$ 1,423	\$ 1,423	\$ 1,423	\$ 1,423	\$ 1,423
Department of Transportation					
Highway and Bridge Authority Rentals	36,579	36,693	36,685	34,307	34,489
Treasury Department					
Capital Debt Fund					
—Highway Projects (including S.H.B.A.)	144,167	126,418	147,717	165,701	183,198
—General State Authority Projects	161	365	456	570	713
TOTAL—MOTOR LICENSE FUND	<u>\$182,330</u>	<u>\$164,899</u>	<u>\$186,281</u>	<u>\$202,001</u>	<u>\$219,823</u>
FISH FUND					
Department of Property and Supplies					
General State Authority Rentals	\$ 63	\$ 63	\$ 63	\$ 63	\$ 63
TOTAL—FISH FUND	<u>\$ 63</u>	<u>\$ 63</u>	<u>\$ 63</u>	<u>\$ 63</u>	<u>\$ 63</u>
BOATING FUND					
Department of Property and Supplies					
General State Authority Rentals	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2
TOTAL—BOATING FUND	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>
PUBLIC SCHOOL BUILDING AUTHORITY(b)					
Community Colleges	\$ 559	\$ 564	\$ 558	\$ 562	\$ 560
TOTAL—PUBLIC SCHOOL BUILDING AUTHORITY	<u>\$ 559</u>	<u>\$ 564</u>	<u>\$ 558</u>	<u>\$ 562</u>	<u>\$ 560</u>
TOTAL DEBT SERVICE—ALL FUNDS	<u>\$351,078</u>	<u>\$320,481</u>	<u>\$353,318</u>	<u>\$382,919</u>	<u>\$410,535</u>

(a) Fifty percent of this amount is reimbursed by the appropriate colleges.

(b) To be paid by the appropriate college in the form of rentals. Fifty percent of this amount is reimbursed from the General Fund through grants and subsidies paid by the Department of Education.

NEW PROJECT AUTHORIZATIONS FINANCED FROM STATE FUNDS
Five Year Forecast by Department

	(Dollar Amounts in Thousands)					Total
	1975-76	1976-77	1977-78	1978-79	1979-80	
Department of Agriculture	\$ 621	\$ 203	\$ 143	\$ 166	\$ 143	\$ 1,276
Department of Education	13,759	29,631	26,367	25,961	24,849	120,567
Department of Environmental Resources	3,036	10,592	9,866	10,056	6,398	39,948
Fish Commission	254	585	470	470	455	2,234
Game Commission	1,000	1,000	1,000	1,000	1,000	5,000
Historical and Museum Commission	576	5,106	5,758	1,994	3,218	16,652
Department of Justice	6,410	12,356	5,150	4,503	4,621	33,040
Department of Labor and Industry	385	267	328	298	401	1,679
Department of Military Affairs	508	719	900	821	771	3,719
Department of Property and Supplies	1,353	331	3,567	.....	.....	5,251
Department of Public Welfare	4,387	11,743	12,386	10,009	7,383	45,908
Department of Transportation	11,370	218,936	219,391	215,934	216,715	882,346
TOTAL	\$ 43,659	\$291,469	\$285,326	\$271,212	\$265,954	\$1,157,620

**RECOMMENDED 1975-76 NEW PROJECT AUTHORIZATIONS
STATE FUNDS
Summary by Department**

	Bond Funds			Current Revenues	
	Public Improvement Projects	Original Furniture and Equipment	Mass Transportation Projects	Public Improvement Projects	Total All Funds
Department of Agriculture	\$ 621	.....	.....	.....	\$ 621
Department of Education	10,888	\$ 2,821	.....	\$ 50	13,759
Department of Environmental Resources	2,849	19	.....	168	3,036
Fish Commission .....	.....	.....	.....	254	254
Game Commission .....	.....	.....	.....	1,000	1,000
Historical and Museum Commission	406	38	.....	132	576
Department of Justice	6,229	.....	.....	181	6,410
Department of Labor and Industry	385	.....	.....	.....	385
Department of Military Affairs	508	.....	.....	.....	508
Department of Property and Supplies	1,353	.....	.....	.....	1,353
Department of Public Welfare	3,925	300	.....	162	4,387
Department of Transportation	1,595	.....	\$ 9,775	.....	11,370
TOTAL	<u><u>\$28,759</u></u>	<u><u>\$ 3,178</u></u>	<u><u>\$ 9,775</u></u>	<u><u>\$ 1,947</u></u>	<u><u>\$43,659</u></u>

DEPARTMENT OF AGRICULTURE

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1975-76 PUBLIC IMPROVEMENT PROJECTS				
Farm Show Facility Management	\$505	.....	\$116	\$621
TOTAL PROJECTS	<u>\$505</u>	.....	<u>\$116</u>	<u>\$621</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
General State Authority	\$505	.....	\$116	\$621
TOTAL	<u>\$505</u>	.....	<u>\$116</u>	<u>\$621</u>

CAPITAL BUDGET

Department of Agriculture 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Farm Show Facility Management				
<p>PARKING LOT AND FENCING: This project will provide for the grading, paving, and lighting of a ten acre parcel of land. Also included, is the installation of fencing for the entire complex area to facilitate controlled parking. Contracting Agency, The General State Authority.</p>				
	\$505	. . . . .	\$116	\$621
PROGRAM TOTAL—BOND FUNDS	\$505	. . . . .	\$116	\$621

DEPARTMENT OF EDUCATION

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1975-76 PUBLIC IMPROVEMENT PROJECTS				
Higher Education				
State-Owned Colleges and University	\$ 7,245	.....	\$ 1,404	\$ 8,649
State-Related Universities	3,144	.....	438	3,582
Special and Vocational Education Services				
State-Owned Schools	1,271	.....	257	1,528
TOTAL PROJECTS	<u>\$11,660</u>	.....	<u>\$ 2,099</u>	<u>\$13,759</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
General State Authority	\$ 8,852	.....	\$ 2,036	\$10,888
Department of Property and Supplies (Original Furniture and Equipment)	2,766	.....	55	2,821
Sub-Total	<u>\$11,618</u>	.....	<u>\$ 2,091</u>	<u>\$13,709</u>
Current Revenues				
General Fund	\$ 42	.....	\$ 8	\$ 50
TOTAL	<u>\$11,660</u>	.....	<u>\$ 2,099</u>	<u>\$13,759</u>

CAPITAL BUDGET

Department of Education 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Higher Education – State-Owned Colleges and University				
<i>Bloomsburg State College</i>				
HUMAN SERVICES CENTER: This project will provide for construction of a 73,000 gross square foot instructional facility for programs devoted to mental and physical health care and services. The facility will include laboratories, classrooms and other instructional space as well as support areas, for Health Sciences, Behavioral Sciences, Professional Studies and Communications. Contracting Agency, The General State Authority.	\$ 4,013	. . . . .	\$ 923	\$ 4,936
<i>Cheyney State College</i>				
RENOVATION OF BROWNE HALL: This project will provide for the renovation of Browne Hall to provide offices, student and faculty lounges, and laboratory space. Contracting Agency, The General State Authority.	150	. . . . .	35	185
RENOVATION OF PENNSYLVANIA HALL: This project will provide for the renovation of Pennsylvania Hall to provide space for a theatre-arts center. Contracting Agency, The General State Authority.	1,361	. . . . .	313	1,674
<i>Clarion State College Venango Campus</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 404-41: This project will provide original furnishings for the library – classroom building estimated to be completed in 1976. Contracting Agency, Department of Property and Supplies.	71	. . . . .	1	72
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 404-42: This project will provide original furnishings for the instructional complex scheduled to be completed in 1975. Contracting Agency, Department of Property and Supplies.	73	. . . . .	1	74

CAPITAL BUDGET

Department of Education 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<i>East Stroudsburg State College</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 405-41: This project will provide original furnishings and equipment for the science classroom building scheduled to be completed in 1976. Contracting Agency, Department of Property and Supplies.	\$ 228	. . . .	\$ 5	\$ 233
<i>Indiana University of Pennsylvania</i>				
IMPROVEMENTS TO ELECTRICAL DISTRIBUTION SYSTEM: This project will convert the remaining 2,300 volt electrical system to 12,470 volts. A new 12,470 volt circuit will be extended from the main substation to six buildings south of Maple Street to balance the electrical load. New protective relays will also be installed in the existing switchgear. Contracting Agency, The General State Authority.	440	. . . .	101	541
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 407-47: This project will provide original furnishings and equipment for the woman's health and physical education building scheduled to be completed in 1976. Contracting Agency, Department of Property and Supplies.	384	. . . .	8	392
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 407-48: This project will provide original furnishings for the education center estimated to be completed in 1976. Contracting Agency, Department of Property and Supplies. . .	255	. . . .	5	260
<i>Kutztown State College</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 408-36: This project will provide original furnishings for the new classroom building estimated to be completed in 1976. Contracting Agency, Department of Property and Supplies. . .	169	. . . .	3	172
<i>Slippery Rock State College</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 413-31: This project will provide original furnishings and equipment for the maintenance-garage building scheduled to be completed in 1975. Contracting Agency, Department of Property and Supplies.	59	. . . .	1	60
PROGRAM TOTAL—BOND FUNDS	\$ 7,203	. . . .	\$ 1,396	\$ 8,599

CAPITAL BUDGET

Department of Education 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
Program: Higher Education — State-Related Universities				
<i>Lincoln University</i>				
ADDITION TO SEWAGE TREATMENT PLANT: This project will increase the capacity of the existing sewage treatment to accomodate additional planned facilities and increased enrollments. This addition will occupy 45,000 square feet, including a laboratory for mandatory testing. Contracting Agency, The General State Authority.	\$ 495	.....	\$ 114	\$ 609
IMPROVEMENTS TO ELECTRICAL DISTRIBUTION SYSTEM: This project will replace and expand the 5 KV distribution cables and provide new switch gears and transformers to serve increased power demands of campus facilities. Contracting Agency, The General State Authority.	193	.....	44	237
<i>Pennsylvania State University DuBois Campus</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 800-131: This project will provide original furnishings for the student study-learning center scheduled to be completed in 1975. Contracting Agency, Department of Property and Supplies.	153	.....	3	156
<i>Pennsylvania State University Hazelton Campus</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 800-152: This project will provide original furnishings and equipment for the physical education building scheduled to be completed in 1976. Contracting Agency, Department of Property and Supplies.	245	.....	5	250
<i>Pennsylvania State University York Campus</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 800-140: This project will provide original furnishings for a new classroom building scheduled to be completed in 1976. Contracting Agency, Department of Property and Supplies. ...	196	.....	4	200

Department of Education 1975-76 Projects

(Dollar Amounts in Thousands)

**Program: Higher Education -
State Related Universities (continued)**

*University of Pittsburgh
Main Campus*

ELECTRONIC ENVIRONMENTAL MONITORING AND CONTROL SYSTEM: This project will expand the central control and monitoring system to 25 major campus buildings and expand the system in three buildings being connected to the chilled water distribution system (GSA 1103-17). Contracting Agency, The General State Authority.

\$ 1,100 \$ 253 \$ 1,353

ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 1103-23: This project provides for original furnishings and equipment for the school of nursing and allied health center project scheduled to be completed in 1976. Contracting Agency, Department of Property and Supplies.

762 15 777

PROGRAM TOTAL—BOND FUNDS

\$ 3,144 \$ 438 \$ 3,582

**Program: Special and Vocational Education Services
State-Owned Schools**

State Oral School

RENOVATION OF BUILDINGS: This project will provide for renovations of the entire complex of eight buildings. It will consist of new roofs, heating, ventilating and electrical system rehabilitation and interior remodeling as required. Contracting Agency, The General State Authority.

\$ 1,100 \$ 253 \$ 1,353

Scotland School for Veterans' Children

ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 415-24: This project will provide original furnishings for cottage additions scheduled to be completed in 1975. Contracting Agency, Department of Property and Supplies. . .

13 13

Thaddeus Stevens Trade School

ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 417-10: This project will provide original furnishings for the student center-dining hall estimated to be completed in 1976. Contracting Agency, Department of Property and Supplies. . .

29 1 30

ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 417-11: This project will provide original furnishings for two dormitories estimated to be completed in 1976. Contracting Agency, Department of Property and Supplies.

129 3 132

PROGRAM TOTAL—BOND FUNDS

\$ 1,271 \$ 257 \$ 1,528

CAPITAL BUDGET

Department of Education 1975-76 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

**Program: Higher Education – State-Owned
Colleges and University**

East Stroudsburg State College

STADIUM RESTROOM FACILITIES: This project will provide public restroom facilities at the college's stadium to accommodate approximately 5,500 spectators at sporting and public events. Contracting Agency, Department of Property and Supplies.

PROGRAM TOTAL—CURRENT REVENUES

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
\$ 42	42	.....	\$ 8	\$ 50
<u>\$ 42</u>	<u>42</u>	.....	<u>\$ 8</u>	<u>\$ 50</u>

DEPARTMENT OF ENVIRONMENTAL RESOURCES

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1975-76 PUBLIC IMPROVEMENT PROJECTS				
Forestry	\$ 644	.....	\$148	\$ 792
Flood Control	1,672	.....	385	2,057
Recreation	159	.....	28	187
TOTAL PROJECTS	<u><u>\$2,475</u></u>	.....	<u><u>\$561</u></u>	<u><u>\$3,036</u></u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
General State Authority	\$2,316	.....	\$533	\$2,849
Department of Property and Supplies (Original Furniture and Equipment)	19	.....	.....	19
Sub-Total	<u><u>\$2,335</u></u>	.....	<u><u>\$533</u></u>	<u><u>\$2,868</u></u>
 Current Revenues				
General Fund	\$ 140	.....	\$ 28	\$ 168
TOTAL	<u><u>\$2,475</u></u>	.....	<u><u>\$561</u></u>	<u><u>\$3,036</u></u>

CAPITAL BUDGET

Department of Environmental Resources 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Forestry				
<i>Connellsville, Fayette County</i>				
FOREST FIRE CONTROL STATION: This will provide a strategically located headquarters for local fire control officials. The building (approximately 1,800 sq. ft.) will include storage space for fire fighting vehicles and other equipment, a radio base and telephone center and repair and maintenance workspace. Contracting Agency, The General State Authority.	\$ 165	. . . . .	\$ 38	\$ 203
<i>Forest District No. 6</i>				
FM RADIO SYSTEM: This will provide for installation of a new FM two-way radio communications system. It will replace an outmoded FM system installed in 1963. Contracting Agency, The General State Authority.	149	. . . . .	34	183
<i>Long Pond, Monroe County</i>				
FOREST FIRE CONTROL STATION: This will provide a strategically located headquarters (approximately 1,800 sq. ft.) for local fire control officials. The building will include storage space for fire fighting vehicles and other equipment, a radio base and telephone center and repair and maintenance workspace. Contracting Agency, The General State Authority.	165	. . . . .	38	203
<i>Mahanoy City, Schuylkill County</i>				
FOREST FIRE CONTROL STATION: This will provide a strategically located headquarters (approximately 1,800 sq. ft.) for local fire control officials. The building will include storage space for fire fighting vehicles and other equipment, a radio base and telephone center and repair and maintenance workspace. Contracting Agency, The General State Authority.	165	. . . . .	38	203
PROGRAM TOTAL—BOND FUNDS	<u>\$ 644</u>	. . . . .	<u>\$148</u>	<u>\$ 792</u>

CAPITAL BUDGET

Department of Environmental Resources 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
Program: Flood Control				
<i>Danville Borough</i>				
FLOOD PROTECTION: This project will consist of the construction of a levee along the right bank of Mahoning Creek from Center Street to the sewage treatment plant, and steepening the grade and/or relocation of Mahoning Creek from Sechler Run to its mouth. Contracting Agency, The General State Authority.	\$ 836	. . . .	\$192	\$1,028
<i>Glenside Area-</i>				
FLOOD PROTECTION—UNIT II: This will consist of the construction of concrete channel above and riprap protection below the upper Reading Railroad Bridge and relocation of the two-span Reading Railroad Bridge at the confluence with Baeder Run. Contracting Agency, The General State Authority.	638	. . . .	147	785
<i>Johnstown Area</i>				
ELK RUN DEBRIS DAM: This will consist of a 12 foot earth-fill dam with a concrete spillway and a grass-lined emergency spillway. Natural terrain supplemented by earth excavation will provide storage capacity for debris and bed load. Contracting Agency, The General State Authority. . . .	198	. . . .	46	244
PROGRAM TOTAL—BOND FUNDS	\$1,672	. . . .	\$385	\$2,057
Program: Recreation				
<i>Little Pine State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 191-23: This will provide original furnishings for the Camping Area Improvements project estimated to be completed in 1976. Contracting Agency, Department of Property and Supplies.	\$ 19	. . . .	. . . .	\$ 19
PROGRAM TOTAL—BOND FUNDS	\$ 19	. . . .	. . . .	\$ 19

Department of Environmental Resources 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM CURRENT REVENUES				
Program: Recreation				
<i>Poe Valley State Park</i>				
SANITARY FACILITIES: This project will provide a sanitary dumping station and kindred facilities necessary to fulfill sewage removal requirements for campers to empty trailer holding tanks. Contracting Agency, The Department of Environmental Resources.	\$ 30	. . . . .	\$ 6	\$ 36
<i>Promised Land State Park</i>				
SANITARY FACILITIES: This project will provide four sanitary dumping stations and kindred facilities necessary to fulfill sewage removal requirements for campers to empty trailer holding tanks. Contracting Agency, The Department of Environmental Resources.	65	. . . . .	13	78
<i>Pymatuning State Park</i>				
SANITARY FACILITIES: This project will provide three sanitary dumping stations and kindred facilities necessary to fulfill sewage removal requirements for campers to empty trailer holding tanks. Contracting Agency, The Department of Environmental Resources.	45	. . . . .	9	54
PROGRAM TOTAL—CURRENT REVENUES	<u>\$ 140</u>	. . . . .	<u>\$ 28</u>	<u>\$ 168</u>

FISH COMMISSION

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1975-76 PUBLIC IMPROVEMENT PROJECTS				
Recreation	\$60	\$182	\$12	\$254
TOTAL PROJECTS	<u>\$60</u>	<u>\$182</u>	<u>\$12</u>	<u>\$254</u>
 SOURCE OF FUNDS				
Current Revenues				
Fish Fund	\$30	\$ 91	\$ 6	\$127
Boating Fund	30	91	6	127
TOTAL	<u>\$60</u>	<u>\$182</u>	<u>\$12</u>	<u>\$254</u>

Fish Commission 1975-76 Projects

(Dollar Amounts in Thousands)

		Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM CURRENT REVENUES					
Program: Recreation					
<i>Beaver County</i>					
LAND ACQUISITION: This will provide for the purchase of the third portion of the six segment purchase of Hereford Manor Lake. When completed, total acquisition will include approximately 463 acres of ground and 2 lakes totalling approximately 67 acres. Contracting Agency, The Fish Commission.					
	Fish	.....	\$ 60	.....	\$ 60
<i>Centre County</i>					
EXPANSION AND RENOVATION: This project will provide for expansion and renovation of the Stackhouse School and Administration Building used for in-house training. Contracting Agency, The Fish Commission.					
	Fish	\$ 30	.....	\$ 6	36
	Boating	30	.....	6	36
<i>Delaware County</i>					
LAND ACQUISITION: This will provide for the purchase of approximately 3.5 acres for subsequent development as an access area to the Delaware River. Contracting Agency, The Fish Commission.					
	Boating	.....	91	.....	91
<i>Erie County</i>					
LAND ACQUISITION: This will provide for the purchase of approximately 15 acres on which are situated water-filled gravel pits which will be used as holding ponds for the coho salmon program. Contracting Agency, The Fish Commission.					
	Fish	.....	31	.....	31
	<i>Total—Fish Fund</i>	\$ 30	\$ 91	\$ 6	\$127
	<i>Total—Boating Fund</i>	\$ 30	\$ 91	\$ 6	\$127
PROGRAM TOTAL—CURRENT REVENUES		<u>\$ 60</u>	<u>\$182</u>	<u>\$ 12</u>	<u>\$254</u>

GAME COMMISSION

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1975-76 PUBLIC IMPROVEMENT PROJECTS				
Recreation	\$1,000	.....	\$1,000
TOTAL PROJECTS	<u>\$1,000</u>	.....	<u>\$1,000</u>
 SOURCE OF FUNDS				
Current Revenues				
Game Fund	\$1,000	.....	\$1,000
TOTAL	<u>\$1,000</u>	.....	<u>\$1,000</u>

CAPITAL BUDGET

Game Commission 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM CURRENT REVENUES				
Program: Recreation				
<i>State Game Lands</i>				
LAND ACQUISITION: This will provide for acquisition of additional State Game lands at sites to be determined as land becomes available. Tracts to be purchased are those contiguous to existing holdings or interior holdings. Contracting Agency, The Game Commission.				
	\$1,000	. . . . .	\$1,000
PROGRAM TOTAL—CURRENT REVENUES	<u>\$1,000</u>	. . . . .	<u>\$1,000</u>

HISTORICAL AND MUSEUM COMMISSION

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1975-76 PUBLIC IMPROVEMENT PROJECTS				
Museums	\$440	.....	\$ 98	\$538
Sites and Properties	37	.....	1	38
TOTAL PROJECTS	<u>\$477</u>	.....	<u>\$ 99</u>	<u>\$576</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
General State Authority	\$330	.....	\$ 76	\$406
Department of Property and Supplies (Original Furniture and Equipment)	37	.....	1	38
Sub-Total	<u>\$367</u>	.....	<u>\$ 77</u>	<u>\$444</u>
Current Revenues				
General Fund	\$110	.....	\$ 22	\$132
TOTAL	<u>\$477</u>	.....	<u>\$ 99</u>	<u>\$576</u>

Historical and Museum Commission 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Sites and Properties				
<i>Brandywine Battlefield Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 997-1, VISTOR-ORIENTATION CENTER: This project will provide for original furnishings and equipment for the new visitor-orientation center estimated to be completed in 1976. Contracting Agency, The Department of Property and Supplies.	\$ 37	. . . . .	\$ 1	\$ 38
PROGRAM TOTAL—BOND FUNDS	<u>\$ 37</u>	. . . . .	<u>\$ 1</u>	<u>\$ 38</u>
Program: Museums				
<i>Pennsylvania Farm Museum</i>				
EXTENSION OF SECURITY SYSTEM: This project will provide for the extension of the fire and intrusion security alarm system, for protection of museum structures and their contents, to all outlying structures of the museum complex. Contracting Agency, The General State Authority.	\$330	. . . . .	\$76	\$406
PROGRAM TOTAL—BOND FUNDS	<u>\$330</u>	. . . . .	<u>\$76</u>	<u>\$406</u>

Historical and Museum Commission 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM CURRENT REVENUES				
Program: Museums				
<i>Railroad Museum</i>				
INSTALLATION OF SECURITY SYSTEM: This project will provide design and installation of an electronic and mechanical security system to protect the Railroad Museum building and its contents. It will include TV monitoring, as well as intrusion and fire detection systems throughout the entire museum. Contracting Agency, The Department of Property and Supplies.	\$ 75	. . . . .	\$15	\$ 90
<i>Fort Pitt Museum</i>				
INSTALLATION OF SECURITY SYTEM: This project provides for the design and installation of electronic and mechanical security systems to protect the Fort Pitt Museum and its contents. It will include TV monitoring, as well as intrusion and fire detection systems. Contracting Agency, The Department of Property and Supplies.	35	. . . . .	7	42
PROGRAM TOTAL—CURRENT REVENUES	\$110	. . . . .	\$22	\$132

DEPARTMENT OF JUSTICE

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1975-76 PUBLIC IMPROVEMENT PROJECTS				
State Correctional Institutions	\$5,214	. . .	\$1,196	\$6,410
TOTAL PROJECTS	<u>\$5,214</u>	. . . .	<u>\$1,196</u>	<u>\$6,410</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
General State Authority	\$5,064	. . . .	\$1,165	\$6,229
Current Revenues				
General Fund	\$ 150	. . . .	\$ 31	\$ 181
TOTAL	<u>\$5,214</u>	. . . .	<u>\$1,196</u>	<u>\$6,410</u>

Department of Justice 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: State Correctional Institutions				
<i>State Correctional Institution – Graterford</i>				
REHABILITATE WATER SYSTEMS: This project is intended to rehabilitate the hot and cold water systems serving all the buildings within the compound. This project will replace all interior domestic water piping with copper tubing and replace the underground domestic water piping supplying the Maximum Security Building. In addition, new water heaters, thermostats, a high pressure steam supply line, and new shower heads will be added to the system. Contracting Agency, The General State Authority.	\$2,896	.....	\$ 666	\$3,562
REHABILITATE ELECTRICAL SYSTEMS: This project will enlarge the main electrical substation and main distribution panel in the power plant. In addition, wiring, transformers and various smaller distribution panels will be replaced. Contracting Agency, The General State Authority.	495	.....	114	609
ADDITIONAL FUNDS FOR GSA 577-12, RENOVATE BOILER PLANT: This project will provide for the replacement of six (6) hand fired boilers with three (3) 35,000 lb. per hour No. 2 oil/gas fired steam boilers. In addition, it is necessary that new storage tanks, instrumentation, pumps and piping be installed to accomodate the boiler. Also structural modifications must be made to the existing building. Contracting Agency, The General State Authority.	1,343	.....	309	1,652
<i>State Correctional Institution – Rockview</i>				
INSTALL PERIMETER SECURITY FENCE: This project will provide approximately 5,000 feet of security fencing around the institution. The fence will be a 12 foot high cyclone mesh that is topped with barbed wire. The existing gates will be replaced with electrically inter-locking sliding ones. Contracting Agency, The General State Authority.	330	.....	76	406
PROGRAM TOTAL—BOND FUNDS	<u><u>\$5,064</u></u>	.....	<u><u>\$1,165</u></u>	<u><u>\$6,229</u></u>

CAPITAL BUDGET

Department of Justice 1975-76 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM CURRENT REVENUES				
<i>State Correctional Institution – Muncy</i>				
INSTALL PLUMBING FACILITIES IN SMITH COTTAGE: This project will install water closets and lavatories in the 37 resident rooms. This project also includes the necessary pipes and fixtures to install the facilities. Contracting Agency, Department of Property and Supplies.				
	\$ 38	.....	\$ 8	\$ 46
INSTALL PLUMBING FACILITIES IN McCAULEY COTTAGE: This project is for the installation of lavatories and water closets in 37 resident rooms. Included in the project is the necessary piping and other plumbing fixtures needed to install the facilities. Contracting Agency, Department of Property and Supplies.				
	38	.....	8	46
INSTALL PLUMBING FACILITIES IN NEWMAN COTTAGE: This project is for the installation of lavatories and water closets in 36 resident rooms. Included in the project is the necessary piping and other plumbing fixtures needed to install the facilities. Contracting Agency, Department of Property and Supplies.				
	38	.....	8	46
INSTALL PLUMBING FACILITIES IN SENES COTTAGE: This project is for the installation of lavatories and water closets in 31 resident rooms. Included in the project is the necessary piping and other plumbing fixtures needed to install the facilities. Contracting Agency, Department of Property and Supplies.				
	36	.....	7	43
PROGRAM TOTAL—CURRENT REVENUES	\$ 150	.....	\$ 31	\$ 181

DEPARTMENT OF LABOR AND INDUSTRY

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1975-76 PUBLIC IMPROVEMENT PROJECTS				
Bureau of Employment Security	\$260	\$61	\$64	\$385
TOTAL PROJECTS	<u>\$260</u>	<u>\$61</u>	<u>\$64</u>	<u>\$385</u>
SOURCE OF FUNDS				
General Obligations Bond Issues				
General State Authority	\$260	\$61	\$64	\$385
TOTAL	<u>\$260</u>	<u>\$61</u>	<u>\$64</u>	<u>\$385</u>

Department of Labor and Industry 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Bureau of Employment Security				
<i>Monroe County</i>				
STROUDSBURG BUREAU OF EMPLOYMENT SECURITY BUILDING: This will provide a 5,400 gross square foot office building for a Bureau of Employment Security Office. Site acquisition of 11,000 square feet is also included. Contracting Agency, The General State Authority.	\$260	\$61	\$64	\$385
PROGRAM TOTAL-BOND FUNDS	<u>\$260</u>	<u>\$61</u>	<u>\$64</u>	<u>\$385</u>

DEPARTMENT OF MILITARY AFFAIRS

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design Admin. & Misc.	Total Project Cost
1975-76 PUBLIC IMPROVEMENT PROJECTS				
Disaster Assistance	\$1,438	. . . .	\$139	\$1,577
TOTAL PROJECTS	<u>\$1,438</u>	. . . .	<u>\$139</u>	<u>\$1,577</u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
General State Authority	\$ 413	. . . .	\$ 95	\$ 508
Federal Funds	\$1,025	. . . .	\$ 44	\$1,069
TOTAL	<u>\$1,438</u>	. . . .	<u>\$139</u>	<u>\$1,577</u>

CAPITAL BUDGET

Department of Military Affairs 1975-76 Projects

(Dollar Amounts in Thousands)

		Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS					
Program: Disaster Assistance					
National Guard Armory – Connellsville					
NEW NATIONAL GUARD ARMORY: This project will replace and consolidate the units at Connellsville, Mt. Pleasant and Scottsdale. The new facility will have a gross area of 30,000 square feet and will provide classroom, training, and storage space for 299 troops including a Marine Corps Reserve unit. Contracting Agency, The General State Authority.					
	Bond	\$ 413	. . . . .	\$ 95	\$ 508
	Fed.	1,025	. . . . .	44	1,069
		<u> </u>		<u> </u>	<u> </u>
		<u>\$1,438</u>	. . . . .	<u>\$139</u>	<u>\$1,577</u>
		<u> </u>		<u> </u>	<u> </u>

DEPARTMENT OF PROPERTY AND SUPPLIES

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1975-76 PUBLIC IMPROVEMENT PROJECTS				
Management and Operation of Facilities	\$1,100	. . . . .	\$253	\$1,353
TOTAL PROJECTS	<u>\$1,100</u>	. . . . .	<u>\$253</u>	<u>\$1,353</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
General State Authority	\$1,100	. . . . .	\$253	\$1,353
TOTAL	<u>\$1,100</u>	. . . . .	<u>\$253</u>	<u>\$1,353</u>

CAPITAL BUDGET

Department of Property and Supplies 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Management and Operation of Facilities				
<i>Capitol Complex Area</i>				
NEW FIRE ALARM SYSTEM: This project will provide an automated fire alarm system for the capitol complex buildings to replace the many different and obsolesent ones now being used. Contracting Agency, The General State Authority. . . .	\$1,100	. . . .	\$253	\$1,353
PROGRAM TOTAL—BOND FUNDS	<u>\$1,100</u>	<u>. . . .</u>	<u>\$253</u>	<u>\$1,353</u>

DEPARTMENT OF PUBLIC WELFARE

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1975-76 PUBLIC IMPROVEMENT PROJECTS				
State General Hospitals	\$ 90	.....	\$ 21	\$ 111
Institutions for the Mentally Ill	2,297	.....	526	2,823
Institutions for the Mentally Retarded	1,233	.....	220	1,453
TOTAL PROJECTS	<u><u>\$3,620</u></u>	.....	<u><u>\$ 767</u></u>	<u><u>\$4,387</u></u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
General State Authority	\$3,191	.....	\$ 734	\$3,925
Department of Property and Supplies (Original Furniture and Equipment)	294	.....	6	300
Sub-Total	<u><u>\$3,485</u></u>	.....	<u><u>\$ 740</u></u>	<u><u>\$4,225</u></u>
Current Revenues				
General Fund	\$ 135	.....	\$ 27	\$ 162
TOTAL	<u><u>\$3,620</u></u>	.....	<u><u>\$ 767</u></u>	<u><u>\$4,387</u></u>

CAPITAL BUDGET

Department of Public Welfare 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: State General Hospitals				
<i>Philipsburg State General Hospital</i>				
ADDITIONAL FUNDS FOR GSA 537-8, RENOVATE PHARMACY, ADMISSIONS AND REVENUE OFFICE: To provide funds in addition to the \$60,000 allocated through Act 524 (1968), to permit letting of contract for the project. Contracting Agency, The General State Authority.	\$ 90	. . . . .	\$ 21	\$ 111
PROGRAM TOTAL—BOND FUNDS	\$ 90	. . . . .	\$ 21	\$ 111
 Program: Institutions for the Mentally III				
<i>Clarks Summit State Hospital</i>				
RENOVATE BOILER PLANT: This project will provide for the installation of three (3) high-draft loss collectors on three (3) existing stoker boilers; repairs to refractory walls and arches in three (3) boilers; renovation of the coal and ash handling systems; renovation of the stokers in three (3) boilers; replacement of one (1) steam turbine-driven boiler feed-water pump with an electric motor driven pump; renovation of deserator/condensate and boiler feedwater pump controls; installation of a collection tank for blowdown and boiler plant waste water and connection into the existing sanitary sewer system; construction of an outside coal storage paved area, including drainage to the sanitary sewer system; and installation of an emergency generator to carry the boiler plant load. Contracting Agency, The General State Authority.	\$ 440	. . . . .	\$ 101	\$ 541
 <i>Danville State Hospital</i>				
ELEVATOR FOR HOSPITAL BUILDING: This project will replace an existing inadequate sized elevator with a larger unit for transporting non-ambulatory patients and food service personnel. Contracting Agency, The General State Authority.	135	. . . . .	31	166
 <i>Dixmont State Hospital</i>				
AIR CONDITION HUTCHINSON BUILDING: This project will provide an air-conditioning system for the Hutchinson Building. Contracting Agency, The General State Authority.	250	. . . . .	58	308

CAPITAL BUDGET

Department of Public Welfare 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<i>Embreeville State Hospital</i>				
BOILER PLANT IMPROVEMENTS: Provides for the installation of air pollution control equipment. Major items included are high draft loss precipitators and an automatic start emergency generator. Contracting Agency, The General State Authority.	\$ 215	.....	\$ 49	\$ 264
 <i>Fairview State Hospital</i>				
ALTERATIONS TO BOILER PLANT: To provide for the installation of dust collectors on the existing boilers, replace the related appurtenances as necessary, and the installation of an emergency generator. Contracting Agency, The General State Authority.	248	.....	57	305
RENOVATE SEWAGE TREATMENT PLANT: This project will provide an additional contact chamber tank and appurtenances in order to provide tertiary treatment for Biochemical Oxygen Demand (BOD) and nutrient removal. Contracting Agency, The General State Authority.	248	.....	57	305
 <i>Retreat State Hospital</i>				
RENOVATE SEWAGE TREATMENT PLANT AND SEWAGE SYSTEM: This project will provide for the renovation of the existing sewage disposal plant by updating the plant to include secondary treatment. Major items involved are: new re-aeration chamber, communitor, chlorine tank and appurtenances and raising the discharge line. Contracting Agency, The General State Authority.	350	.....	81	431
 <i>Woodville State Hospital</i>				
IMPROVEMENTS TO FIRE MAIN AND HYDRANTS: This project will restore the existing fire hydrants and lines to a dependable protective water system. The project includes relocation, replacement and increasing capacity of water lines, stabilize slopping land areas where main water fire hydrant lines are located, replacement of fire hydrants and installation of additional fire hydrants. Contracting Agency, The General State Authority.	336	.....	77	413
PROGRAM TOTAL—BOND FUNDS	\$2,222	.....	\$ 511	\$2,733

CAPITAL BUDGET

Department of Public Welfare 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
Program: Institutions for the Mentally Retarded				
<i>C. Howard Marcy State School and Hospital</i>				
CARE STANDARDS, LIFE SAFETY CODE AND MISCELLANEOUS IMPROVEMENTS: To provide improvements in the Main Hospital and Dormitory Buildings in order to meet Life Safety Code Standards and Care Standards. Also provides funds for the conversion of the theater to a skilled workshop. Contracting Agency, The General State Authority.	\$ 879	.....	\$ 202	\$1,081
 <i>Pennhurst State School and Hospital</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 551-17, FEMALE I BUILDING: This will provide original furniture and equipment for the Female I Building, which is being converted to program use (sheltered workshops, canteen, dining, volunteer services, etc.), which is scheduled for completion in 1976. Contracting Agency, Department of Property and Supplies.	147	.....	3	150
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 551-18, FEMALE II BUILDING: This will provide original furniture and equipment for Female II Building which is being converted to program use (occupational therapy and education), which is estimated to be completed in 1976. Contracting Agency, Department of Property and Supplies. ...	147	.....	3	150
 PROGRAM TOTAL—BOND FUNDS	\$1,173	.....	\$ 208	\$1,381

CAPITAL BUDGET

Department of Public Welfare 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM CURRENT REVENUES				
Program: Institutions for the Mentally III				
<i>Danville State Hospital</i>				
DUAL ELECTRIC SERVICE TO DIETARY BUILDING: This project will provide a more dependable source of power. The project includes the installation of a new three-wire 5KV shielded cable, a new automatic transfer switch and oil fuse cutouts on both primary feeders and a new three phase transformer. Contracting Agency, Department of Property and Supplies.	\$ 75	.....	\$ 15	\$ 90
	<u> </u>		<u> </u>	<u> </u>
PROGRAM TOTAL—CURRENT REVENUES .....	<u> </u>	.....	<u> </u>	<u> </u>
 Program: Institutions for the Mentally Retarded				
<i>Pennhurst State School and Hospital</i>				
DEMOLITION OF "K" BUILDING: This will provide for the razing of the old "K" Building. Contracting Agency, Department of Property and Supplies.	\$ 60	.....	\$ 12	\$ 72
	<u> </u>		<u> </u>	<u> </u>
PROGRAM TOTAL—CURRENT REVENUES .....	<u> </u>	.....	<u> </u>	<u> </u>

Department of Transportation

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1975-76 PUBLIC IMPROVEMENT PROJECTS				
Highway Administration and Support	\$ 928	.....	\$ 213	\$ 1,141
Aviation	860	.....	209	1,069
1975-76 MASS TRANSPORTATION PROJECTS				
Mass Transportation	\$51,010	.....	\$ 1,274	\$52,284
TOTAL PROJECTS	<u>\$52,798</u>	.....	<u>\$ 1,696</u>	<u>\$54,494</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
General State Authority	\$ 1,297	.....	\$ 298	\$ 1,595
Transportation Assistance Authority	8,501	.....	1,274	9,775
Sub-Total	<u>\$ 9,798</u>	.....	<u>\$ 1,572</u>	<u>\$11,370</u>
Federal Contributions	\$39,364	.....	\$ 124	\$39,488
Other Contributions	\$ 3,636	.....	.....	\$ 3,636
TOTAL	<u>\$52,798</u>	.....	<u>\$ 1,696</u>	<u>\$54,494</u>

Department of Transportation 1975-76 Projects

					(Dollar Amounts in Thousands)		
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost			
FROM BOND FUNDS							
Program: Highway Administration and Support							
<i>Forest County</i>							
MAINTENANCE BUILDING – TIONESTA TOWNSHIP: This proposed one-story brick and block building would provide maintenance facilities including shops, storage area and offices (air conditioned) for approximately 85 people. Approximately 80 parking spaces provided. Contracting Agency, The General State Authority.							
	\$ 928	. . . .	\$ 213	\$ 1,141			
PROGRAM TOTAL—BOND FUNDS	<u>\$ 928</u>	. . . .	<u>\$ 213</u>	<u>\$ 1,141</u>			
Program: Aviation							
<i>Capital City Airport</i>							
INSTALLATION OF SAFETY EQUIPMENT: This project would provide the installation of visual approach slope indicator (VASI) systems on Runways 8-26 and 12-30, and runway end identifier lights (REIL) on Runways 26 and 30. Also included is replacement of existing underground cable for the taxiway lighting systems. Contracting Agency, The General State Authority.							
	\$ 92	. . . .	\$ 21	\$ 113			
Bond			21	113			
Fed.	141	. . . .	36	177			
			36	177			
<i>Mid-State Airport</i>							
CONSTRUCT PARALLEL TAXIWAY: This project consists of the construction of a parallel taxiway from the terminal apron to the end of Runway 16. The project will eliminate the present need for aircraft to taxi, turn or await clearance on the runway, thereby improving safety and air traffic flow. Contracting Agency, The General State Authority.							
	117	. . . .	27	144			
Bond			27	144			
Fed.	350	. . . .	88	438			

Department of Transportation 1975-76 Projects

(Dollar Amounts in Thousands)

		Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
Program: Aviation (continued)					
<i>Grand Canyon Airport</i>					
EXTEND RUNWAY WITH TAXIWAY TURNAROUND, INCLUDING SAFETY EQUIPMENT: This project consists of extending the runway pavement (900' x 75') to provide a total runway pavement length of 3000' x 75' and the construction of a taxiway turnaround at the Runway 9 end. Also included is the installation of a medium intensity lighting system with lighted wind cone, and a visual approach slope indicator (VASI) system for both runway ends. Contracting Agency, The General State Authority.					
	Bond	\$ 160	.....	\$ 37	\$ 197
	<i>Total—Bond Funds</i>	\$ 369	.....	\$ 85	\$ 454
	<i>Total—Federal Funds</i>	\$ 491	.....	\$ 124	\$ 615
PROGRAM TOTAL		<u>\$ 860</u>	.....	<u>\$ 209</u>	<u>\$1,069</u>

Program: Mass Transit

Berks Area Reading Transportation Authority (BARTA)

CONSTRUCT MAINTENANCE FACILITY AND PURCHASE RELATED EQUIPMENT: This project would provide for the construction of a new operations-maintenance facility for BARTA. Also included are purchases of underground fuel storage tanks, office equipment and equipment for servicing the bus fleet. Contracting Agency, Pennsylvania Transportation Assistance Authority.

Bond	\$ 363	.....	\$ 54	\$ 417
Fed.	1,742	.....	.....	1,742
Local	72	.....	.....	72

Department of Transportation 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
Program: Mass Transit (continued)				
<i>Centre Area Transportation Authority</i>				
PURCHASE NEW BUSES AND RELATED EQUIPMENT:				
This project would provide for the purchase of eight new buses featuring improved comfort and reliability and new pollution control equipment. Buses will be equipped with communications equipment to establish a two-way radio link between vehicle operators and dispatchers. Also included are purchases of bus shelters, maintenance and office equipment, fare boxes and one service vehicle. Contracting Agency, Pennsylvania Transportation Assistance Authority.				
Bond	\$ 49	....	\$ 7	\$ 56
Fed.	236	....	....	236
Local	10	....	....	10
CONSTRUCT OPERATIONS – MAINTENANCE FACILITY:				
This project would provide for the construction of a 80' x 100' prefabricated steel building (including an automatic bus washer) to be used for the storage, repair and cleaning of buses. A parking lot and driveways will also be provided. Contracting Agency, Pennsylvania Transportation Assistance Authority.				
Bond	36	....	5	41
Fed.	174	....	....	174
Local	7	....	....	7
<i>Erie Metropolitan Transit Authority</i>				
ADDITIONAL COSTS FOR BUSES AND RELATED EQUIPMENT:				
This project would provide additional funds for the purchase of new buses authorized in the 1972-74 Mass Transportation Capital Act. Also requested are two more buses which would permit service on an additional line. Contracting Agency, Pennsylvania Transportation Assistance Authority. . .				
Bond	35	....	5	40
Fed.	171	....	....	171
Local	7	....	....	7
<i>Luzerne County Transportation Authority</i>				
PURCHASE THREE BUSES AND RELATED EQUIPMENT:				
This project would provide for the purchase of 3 buses needed to expand operations to an area once serviced by an independent bus line. Also requested are 3 fareboxes, 3 two-way radios, 10 bus shelters, 3 bus waiting stations and 200 bus stop markers. Contracting Agency, Pennsylvania Transportation Assistance Authority.				
Bond	40	....	6	46
Fed.	192	....	....	192
Local	8	....	....	8

Department of Transportation 1975-76 Projects

(Dollar Amounts in Thousands)

Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
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Program: Mass Transit (continued)

New Castle Transit Authority

RENOVATION OF BUS GARAGE AND PURCHASE OF RELATED EQUIPMENT: This project consists of renovations to the transit maintenance garage in New Castle, which are necessary to meet local safety standards. Such items as lighting, heating, roofing, plumbing and office space require upgrading. Also included are purchases of garage and office equipment. Contracting Agency, Pennsylvania Transportation Assistance Authority.

Bond	\$ 19	. . . .	\$ 3	\$ 22
Fed.	90	. . . .	. . . .	90
Local	3	. . . .	. . . .	3

City of Philadelphia

ADDITIONAL FUNDS FOR FRANKFORD ELEVATED RELOCATION: This project would provide for added costs due mainly to inflation. The Frankford Elevated Relocation project involves; the relocation of a 1.3 mile segment between the 2nd Street Station on Market Street and Bent No. 106 at Front and Wildey Streets; the extension and rehabilitation of the 2nd Street Station on Market Street; a new station at Spring Garden Street; and a new electrical substation at Ellen Street. Contracting Agency, Pennsylvania Transportation Assistance Authority.

Bond	2,330	. . . .	350	2,680
Fed.	9,249	. . . .	. . . .	9,249
Local	2,403	. . . .	. . . .	2,403

ADDITIONAL FUNDS FOR EASTWICK HIGH SPEED LINE: This project would provide for added costs due mainly to inflation. The Eastwick Highspeed Line project involves the relocation of the present Route 36 tracks on Eastwick Avenue to a separated right-of-way. Work is being performed in conjunction with the Eastwick redevelopment project. Contracting Agency, Pennsylvania Transportation Assistance Authority.

Bond	99	. . . .	15	114
Fed.	475	. . . .	. . . .	475
Local	20	. . . .	. . . .	20

CAPITAL BUDGET

Department of Transportation 1975-76 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
Program: Mass Transit (continued)				
<i>Southeastern Pennsylvania Transportation Authority</i>				
TRANSIT OPERATING FACILITIES MODERNIZATION – PHASE II: This project includes such items as; replacement of the fare collection system at 9 locations; improved telephone and radio communications; improvements to various maintenance shops; instituting phase I of a signal refurbishment program; improved fire protection in subway tunnels; rehabilitation of bridges; substation improvements; power improvements; replacement of overhead trolley wire; track renewal; etc. Contracting Agency, Pennsylvania Transportation Assistance Authority.				
Bond	\$ 3,623	. . . .	\$ 543	\$ 4,166
Fed.	17,392	. . . .	. . . .	17,392
Local	725	. . . .	. . . .	725
PURCHASE OF NEW TROLLEYS: This project would provide for the purchase of 25 trolleys for the Red Arrow Division to replace vehicles between 25 and 42 years old. Trolleys will be 106" wide, double-ended, air conditioned and will have couplers at each end. Contracting Agency, Pennsylvania Transportation Assistance Authority.				
Bond	1,666	. . . .	250	1,916
Fed.	7,995	. . . .	. . . .	7,995
Local	333	. . . .	. . . .	333
<i>York Area Transportation Authority</i>				
PURCHASE OF NEW BUSES AND RELATED EQUIPMENT: This project would provide for the purchase of 19 new buses to permit the recently established York Area Transportation Authority to commence operations. Also included are purchases of 19 new registering fare boxes and related tools and equipment. Contracting Agency, Pennsylvania Assistance Authority.				
Bond	241	. . . .	36	277
Fed.	1,157	. . . .	. . . .	1,157
Local	48	. . . .	. . . .	48
<i>Total—Bond Funds</i>	\$ 8,501	. . . .	\$ 1,274	\$ 9,775
<i>Total—Federal Funds</i>	38,873	. . . .	. . . .	38,873
<i>Total—Local Funds</i>	3,636	. . . .	. . . .	3,636
PROGRAM TOTAL	<u>\$51,010</u>	. . . .	<u>\$ 1,274</u>	<u>\$52,284</u>

**SUMMARY OF FUTURE NEW PROJECT AUTHORIZATIONS
STATE FUNDS**

	(Dollar Amounts in Thousands)			
	1976-77	1977-78	1978-79	1979-80
Department of Agriculture	\$ 203	\$ 143	\$ 166	\$ 143
Department of Education	29,631	26,367	25,961	24,849
Department of Environmental Resources	10,592	9,866	10,056	6,398
Fish Commission	585	470	470	455
Game Commission	1,000	1,000	1,000	1,000
Historical and Museum Commission	5,106	5,758	1,994	3,218
Department of Justice	12,356	5,150	4,503	4,621
Department of Labor and Industry	267	328	298	401
Department of Military Affairs	719	900	821	771
Department of Property and Supplies	331	3,567	.....	.....
Department of Public Welfare	11,743	12,386	10,009	7,383
Department of Transportation	218,936	219,391	215,934	216,715
TOTAL	<u>\$291,469</u>	<u>\$285,326</u>	<u>\$271,212</u>	<u>\$265,954</u>

CAPITAL BUDGET

Forecast of Future Projects

This section contains estimated authorizations (State Funds only) for future capital improvements for the years 1976-77 through 1979-80. Amounts in this section have been grouped by department and are identified by capital project category. The source of funding for the projects will be from bond funds, with the exception of possible minor capital improvements which would be financed from current revenues.

	1976-77	(Dollar Amounts in Thousands)		
		1977-78	1978-79	1979-80
Department of Agriculture				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction of regional offices and improvements at the Farm Show Complex—Contracting Agency, The General State Authority.				
	\$ 203	\$ 143	\$ 166	\$ 143
 Department of Education				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction, expansion, renovation and conversion of classroom and auxiliary buildings, (dining hall, library, administration, infirmary, student union and maintenance—storage etc.) utilities, recreational facilities and land acquisition for the State-owned colleges, university and schools and for the State-related universities—Contracting Agency, The General State Authority. Also includes purchase of original furniture and equipment to furnish such facilities—Contracting Agency, Department of Property and Supplies.				
	29,631	26,367	25,961	24,849
 Department of Environmental Resources				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of day use and camping facilities, and utility systems at State parks, construction of central garages, forest fire observation towers, and radio communication systems in State forest districts and construction of flood protection projects—Contracting Agency, The General State Authority. Also includes purchase of original furniture and equipment to furnish such facilities—Contracting Agency, Department of Property and Supplies.				
	10,592	9,866	10,056	6,398

CAPITAL BUDGET

Forecast of Future Projects

	1976-77	(Dollar Amounts in Thousands)		1979-80
		1977-78	1978-79	
Fish Commission				
PUBLIC IMPROVEMENT PROJECTS: Provides for acquisition and development of access areas and renovation and improvements to hatchery facilities—Contracting Agency, Fish Commission.				
	\$ 585	\$ 470	\$ 470	\$ 455
Game Commission				
PUBLIC IMPROVEMENT PROJECTS: Provides for acquisition of additional State game lands—Contracting Agency, Game Commission.				
	1,000	1,000	1,000	1,000
Historical and Museum Commission				
PUBLIC IMPROVEMENT PROJECTS: Provides for restoration, and renovation of historic facilities, construction of museum—visitor center facilities, and development of fixed exhibits at Commonwealth owned museums and historical sites—Contracting Agency, The General State Authority. Also includes the purchase of original furniture and equipment to furnish such facilities—Contracting Agency, Department of Property and Supplies.				
	5,106	5,758	1,994	3,218
Department of Justice				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of buildings and facilities, such as dining halls, educational buildings, and industrial shops at the various state correctional institutions. Contracting Agency—The General State Authority				
	12,356	5,150	4,503	4,621
Department of Labor and Industry				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction of Bureau of Employment Security office buildings—Contracting Agency, The General State Authority.				
	267	328	298	401

CAPITAL BUDGET

Forecast of Future Projects

	1976-77	(Dollar Amounts in Thousands)		1979-80
		1977-78	1978-79	
Department of Military Affairs				
PUBLIC IMPROVEMENT PROJECTS: Provides for land acquisition, renovations, additions and construction of state armories and facilities. Contracting Agency—The General State Authority.				
	\$ 719	\$ 900	\$ 821	\$ 771
Department of Property and Supplies				
PUBLIC IMPROVEMENT PROJECTS: Provides for renovations and improvements of existing buildings in the Capitol Complex—Contracting Agency, The General State Authority.				
	331	3,567	.....	.....
Department of Public Welfare				
PUBLIC IMPROVEMENT PROJECTS: Provides for new construction and renovation of patient buildings, supporting facilities (therapeutic—activities) and utilities, at the state institutions for the mentally ill and mentally retarded—Contracting Agency, The General State Authority. Also includes the purchase of original furniture and equipment to furnish such facilities—Contracting Agency, Department of Property and Supplies.				
	11,743	12,386	10,009	7,383
Department of Transportation				
HIGHWAY PROJECTS: Provides for the purchase of right-of-way, construction, and reconstruction of highways and bridges on the Commonwealth road system—Contracting Agency, Department of Transportation.				
	200,000	200,000	200,000	200,000
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of hangers, cargo facilities, taxiways and aprons at the state-owned airports, and construction of and additions to highway maintenance and district office buildings.—Contracting Agency, The General State Authority.				
	3,936	4,391	934	1,715

CAPITAL BUDGET

Forecast of Future Projects

	1976-77	(Dollar Amounts in Thousands)		1979-80
		1977-78	1978-79	
Department of Transportation (continued)				
TRANSPORTATION ASSISTANCE PROJECTS: Includes mass transportation projects for local transportation authorities to modernize and extend their facilities—Contracting Agency, Pennsylvania Transportation Assistance Authority.				
	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Total—Public Improvement Projects	\$ 76,469	\$ 70,326	\$ 56,212	\$ 50,954
Total—Transportation Assistance Projects	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Total—Highway Projects	\$200,000	\$200,000	\$200,000	\$200,000
TOTAL	\$291,469	\$285,326	\$271,212	\$265,954

SUMMARY OF ESTIMATED CAPITAL PROJECT EXPENDITURES
STATE FUNDS

Department	(Dollar Amounts in Thousands)				
	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Agriculture	\$ 8,178	\$ 2,893	\$ 320	\$ 379	\$ 396
Commerce	5,801	13,422	16,711	16,633	14,210
Drug and Alcohol Abuse Council	185	462	883	526	297
Education	74,402	55,018	43,397	42,992	44,766
Environmental Resources	3,897	6,414	10,674	10,874	11,909
Fish Commission	254	585	470	470	455
Game Commission	1,000	1,000	1,000	1,000	1,000
Health	396	262	287	171	97
Historical and Museum Commission	11,860	5,282	2,853	3,454	4,266
Justice	2,325	6,788	11,544	13,825	14,907
Labor and Industry	224	605	1,070	965	864
Military Affairs	593	698	1,002	1,120	1,221
Property and Supplies	961	2,172	8,537	5,721	3,729
Public Welfare	47,104	25,448	19,439	18,809	18,756
State Police	329	835	1,552	1,017	640
Transportation	332,102	265,576	265,939	263,578	251,050
TOTAL	\$489,611	\$387,460	\$385,678	\$381,534	\$368,563

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
BOND FUNDS					
Department of Agriculture					
Public Improvement Projects					
Projects Currently Authorized					
General State Authority	\$ 8,124	\$ 2,767	\$ 129	\$ 77	\$ 43
Projects in 1972-75 Budgets (Pending)					
General State Authority	8	23	30	45	45
Projects in 1975-76 Budget					
General State Authority	31	93	124	187	186
Future Projects (1976-80)					
General State Authority .....	.....	10	37	70	122
TOTAL--AGRICULTURE	<u><u>\$ 8,163</u></u>	<u><u>\$ 2,893</u></u>	<u><u>\$ 320</u></u>	<u><u>\$ 379</u></u>	<u><u>\$ 396</u></u>
 Council on Drug and Alcohol Abuse					
Public Improvement Projects					
Projects Currently Authorized					
General State Authority	\$ 185	\$ 462	\$ 883	\$ 526	\$ 297
TOTAL--DRUG AND ALCOHOL ABUSE ..	<u><u>\$ 185</u></u>	<u><u>\$ 462</u></u>	<u><u>\$ 883</u></u>	<u><u>\$ 526</u></u>	<u><u>\$ 297</u></u>
 Department of Commerce					
Public Improvement Projects					
Projects Currently Authorized					
General State Authority	\$ 3,956	\$ 7,887	\$ 9,331	\$ 5,563	\$ 3,140
Projects in 1972-75 Budgets (Pending)					
General State Authority	1,845	5,535	7,380	11,070	11,070
TOTAL--COMMERCE	<u><u>\$ 5,801</u></u>	<u><u>\$ 13,422</u></u>	<u><u>\$ 16,711</u></u>	<u><u>\$ 16,633</u></u>	<u><u>\$ 14,210</u></u>
 Department of Education					
Public Improvement Projects					
Projects Currently Authorized					
General State Authority	\$ 64,833	\$ 42,743	\$ 24,647	\$ 14,696	\$ 8,295
Property and Supplies	7,296	3,700	1,387	524	.....
Projects in 1972-75 Budgets (Pending)					
General State Authority	1,153	3,458	4,610	6,915	6,915
Projects in 1975-76 Budget					
General State Authority	544	1,633	2,178	3,267	3,266
Property and Supplies	282	1,269	846	282	142
Future Projects (1976-80)					
General State Authority .....	.....	1,482	5,763	11,179	19,298
Property and Supplies .....	.....	721	3,966	6,129	6,850
TOTAL--EDUCATION	<u><u>\$ 74,108</u></u>	<u><u>\$ 55,006</u></u>	<u><u>\$ 43,397</u></u>	<u><u>\$ 42,992</u></u>	<u><u>\$ 44,766</u></u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
BOND FUNDS (continued)					
Department of Environmental Resources					
Public Improvement Projects					
Projects Currently Authorized					
General State Authority	\$ 3,268	\$ 4,497	\$ 6,820	\$ 4,067	\$ 2,296
Property and Supplies	71	40	15	6	.....
Projects in 1972-75 Budgets (Pending)					
General State Authority	288	863	1,150	1,725	1,725
Projects in 1975-76 Budget					
General State Authority	142	427	570	855	855
Property and Supplies	2	9	6	2	.....
Future Projects (1976-80)					
General State Authority .....	.....	530	2,082	4,171	6,979
Property and Supplies .....	.....	6	31	48	54
TOTAL-ENVIRONMENTAL RESOURCES	<u>\$ 3,771</u>	<u>\$ 6,372</u>	<u>\$ 10,674</u>	<u>\$ 10,874</u>	<u>\$ 11,909</u>
Department of Health					
Public Improvement Projects					
Projects Currently Authorized					
General State Authority	\$ 396	\$ 262	\$ 287	\$ 171	\$ 97
TOTAL-HEALTH	<u>\$ 396</u>	<u>\$ 262</u>	<u>\$ 287</u>	<u>\$ 171</u>	<u>\$ 97</u>
Historical and Museum Commission					
Public Improvement Projects					
Projects Currently Authorized					
General State Authority	\$ 11,441	\$ 4,586	\$ 1,313	\$ 783	\$ 442
Property and Supplies	168	98	34	15	.....
Projects in 1972-75 Budgets (Pending)					
General State Authority	73	220	293	441	440
Projects in 1975-76 Budget					
General State Authority	20	61	81	122	122
Property and Supplies	4	17	11	4	2
Future Projects (1975-79)					
General State Authority .....	.....	255	1,054	1,985	3,144
Property and Supplies .....	.....	12	67	104	116
TOTAL-HISTORICAL AND MUSEUM	<u>\$ 11,706</u>	<u>\$ 5,249</u>	<u>\$ 2,853</u>	<u>\$ 3,454</u>	<u>\$ 4,266</u>
Department of Justice					
Public Improvement Projects					
Projects Currently Authorized					
General State Authority	\$ 880	\$ 2,199	\$ 4,199	\$ 2,504	\$ 1,413
Projects in 1972-75 Budgets (Pending)					
General State Authority	997	2,991	3,989	5,983	5,983
Projects in 1975-76 Budget					
General State Authority	312	935	1,245	1,869	1,868
Future Projects (1976-80)					
General State Authority .....	.....	618	2,111	3,469	5,643
TOTAL-JUSTICE	<u>\$ 2,189</u>	<u>\$ 6,743</u>	<u>\$ 11,544</u>	<u>\$ 13,825</u>	<u>\$ 14,907</u>
Department of Labor and Industry					
Public Improvement Projects					
Projects Currently Authorized					
General State Authority	\$ 157	\$ 391	\$ 746	\$ 445	\$ 251
Projects in 1972-75 Budgets (Pending)					
General State Authority	48	143	191	287	287
Projects in 1975-76 Budget					
General State Authority	19	58	77	116	115
Future Projects (1976-80)					
General State Authority .....	.....	13	56	117	211
TOTAL-LABOR AND INDUSTRY	<u>\$ 224</u>	<u>\$ 605</u>	<u>\$ 1,070</u>	<u>\$ 965</u>	<u>\$ 864</u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
BOND FUNDS (continued)					
Department of Military Affairs					
Public Improvement Projects					
Projects Currently Authorized					
General State Authority	\$ 487	\$ 418	\$ 524	\$ 312	\$ 176
Projects in 1972-75 Budgets (Pending)					
General State Authority	56	168	223	335	335
Projects in 1975-76 Budget					
General State Authority	25	76	102	153	152
Future Projects (1976-80)					
General State Authority .....	.....	36	153	320	558
TOTAL—MILITARY AFFAIRS	<u><u>\$ 568</u></u>	<u><u>\$ 698</u></u>	<u><u>\$ 1,002</u></u>	<u><u>\$ 1,120</u></u>	<u><u>\$ 1,221</u></u>
Department of Property and Supplies					
Public Improvement Projects					
Projects Currently Authorized					
General State Authority	\$ 808	\$ 1,697	\$ 7,859	\$ 4,686	\$ 2,645
Projects in 1972-75 Budgets (Pending)					
General State Authority	85	255	339	509	509
Projects in 1975-76 Budget					
General State Authority	68	203	271	406	405
Future Projects (1976-80)					
General State Authority .....	.....	17	68	120	170
TOTAL—PROPERTY AND SUPPLIES	<u><u>\$ 961</u></u>	<u><u>\$ 2,172</u></u>	<u><u>\$ 8,537</u></u>	<u><u>\$ 5,721</u></u>	<u><u>\$ 3,729</u></u>
Department of Public Welfare					
Public Improvement Projects					
Projects Currently Authorized					
General State Authority	\$ 44,864	\$ 21,372	\$ 12,723	\$ 7,915	\$ 4,706
Property and Supplies	1,099	598	217	89	.....
Projects in 1972-75 Budgets (Pending)					
General State Authority	676	2,029	2,706	4,059	4,059
Projects in 1975-76 Budget					
General State Authority	196	589	785	1,178	1,177
Property and Supplies	30	135	90	30	15
Future Projects (1976-80)					
General State Authority .....	.....	587	2,380	4,707	7,870
Property and Supplies .....	.....	98	538	831	929
TOTAL—PUBLIC WELFARE	<u><u>\$ 46,865</u></u>	<u><u>\$ 25,408</u></u>	<u><u>\$ 19,439</u></u>	<u><u>\$ 18,809</u></u>	<u><u>\$ 18,756</u></u>
State Police					
Public Improvement Projects					
Projects Currently Authorized					
General State Authority	\$ 304	\$ 759	\$ 1,450	\$ 864	\$ 488
Projects in 1972-75 Budgets (Pending)					
General State Authority	25	76	102	153	152
TOTAL—STATE POLICE	<u><u>\$ 329</u></u>	<u><u>\$ 835</u></u>	<u><u>\$ 1,552</u></u>	<u><u>\$ 1,017</u></u>	<u><u>\$ 640</u></u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
BOND FUNDS (continued)					
Department of Transportation					
Public Improvement Projects					
Projects Currently Authorized					
General State Authority	\$ 376	\$ 703	\$ 1,227	\$ 732	\$ 413
Projects in 1972-75 Budgets (Pending)					
General State Authority	1,146	3,437	4,583	6,874	6,874
Projects in 1975-76 Budget					
General State Authority	80	239	319	479	478
Future Projects (1976-80)					
General State Authority .....	.....	197	810	1,493	2,285
Sub-Total	<u>\$ 1,602</u>	<u>\$ 4,576</u>	<u>\$ 6,939</u>	<u>\$ 9,578</u>	<u>\$ 10,050</u>
Highway Projects					
Projects Currently Authorized					
State Highway and Bridge Authority	\$ 3,000	.....	.....	.....	.....
Department of Transportation	292,000	\$218,000	\$198,000	\$164,000	\$115,000
Future Projects (1976-80)					
Department of Transportation .....	.....	7,000	22,000	51,000	95,000
Sub-Total	<u>\$295,000</u>	<u>\$225,000</u>	<u>\$220,000</u>	<u>\$215,000</u>	<u>\$210,000</u>
Mass Transportation Assistance Projects					
Projects Currently Authorized					
Transportation Assistance Authority	\$ 32,300	\$ 27,800	\$ 24,800	\$ 23,500	\$ 12,000
Projects in 1975-76 Budget					
Transportation Assistance Authority	3,200	4,500	2,100	.....	.....
Future Projects (1976-80)					
Transportation Assistance Authority .....	.....	3,700	12,100	15,500	19,000
Sub-Total	<u>\$ 35,500</u>	<u>\$ 36,000</u>	<u>\$ 39,000</u>	<u>\$ 39,000</u>	<u>\$ 31,000</u>
TOTAL--TRANSPORTATION	<u>\$332,102</u>	<u>\$265,576</u>	<u>\$265,939</u>	<u>\$263,578</u>	<u>\$251,050</u>
TOTAL--BOND FUNDS					
Public Improvement Projects					
General State Authority	\$147,916	\$118,000	\$118,000	\$118,000	\$118,000
Property and Supplies	8,952	6,703	7,208	8,064	8,108
Highway Projects					
State Highway and Bridge Authority	3,000	.....	.....	.....	.....
Department of Transportation	292,000	225,000	220,000	215,000	210,000
Mass Transportation Assistance Projects					
Transportation Assistance Authority	35,500	36,000	39,000	39,000	31,000
TOTAL	<u>\$487,368</u>	<u>\$385,703</u>	<u>\$384,208</u>	<u>\$380,064</u>	<u>\$367,108</u>

CAPITAL BUDGET

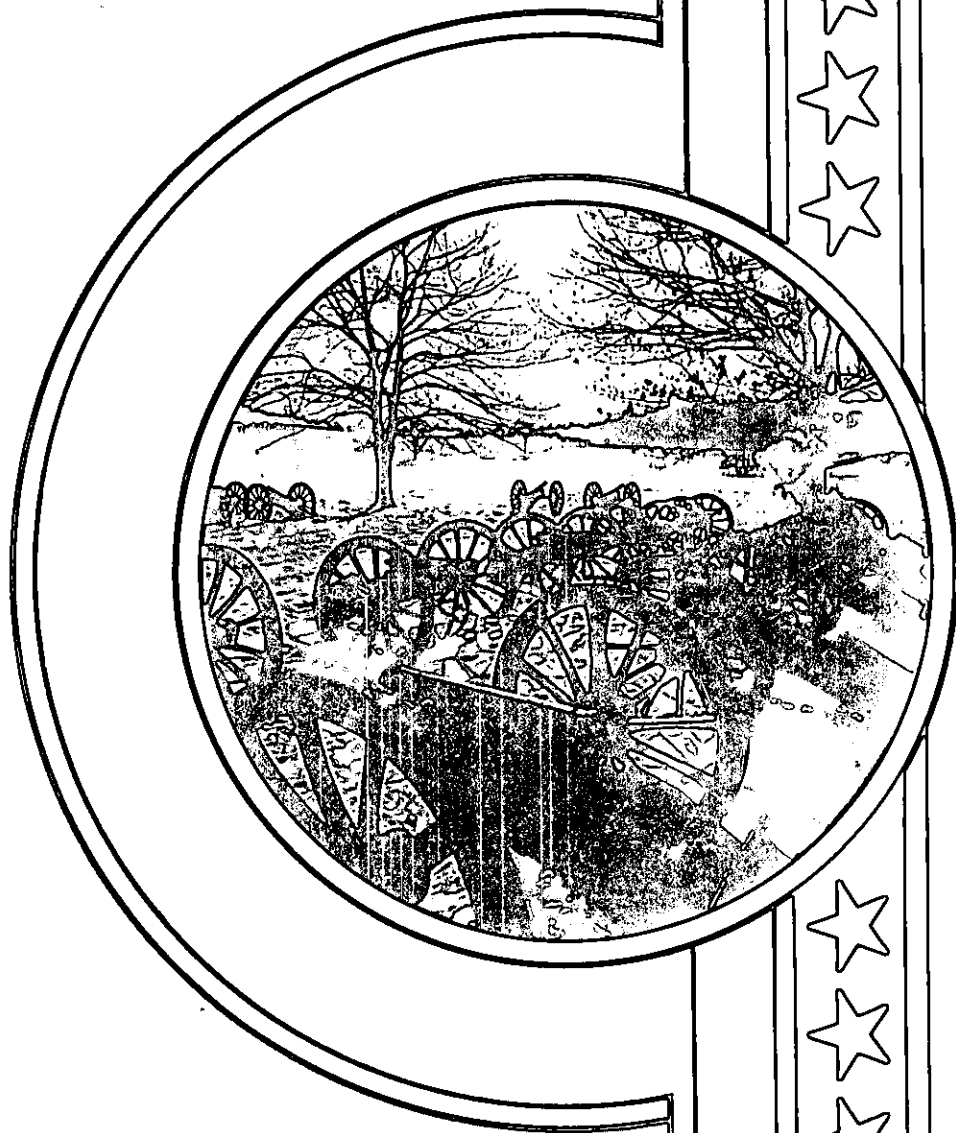
Estimate of Capital Expenditures

	1975-76 (15 months)	(Dollar Amounts in Thousands)			1979-80
		1976-77	1977-78	1978-79	
CURRENT REVENUES					
Department of Agriculture					
Public Improvement Projects					
Projects Currently Authorized					
General Fund	\$ 15				
TOTAL-AGRICULTURE	<u>\$ 15</u>				
Department of Education					
Public Improvement Projects					
Projects Currently Authorized					
General Fund	\$ 256				
Projects in 1975-76 Budget					
General Fund	38	\$ 12			
TOTAL-EDUCATION	<u>\$ 294</u>	<u>\$ 12</u>			
Department of Environmental Resources					
Public Improvement Projects					
Projects in 1975-76 Budget					
General Fund	\$ 126	\$ 42			
TOTAL-ENVIRONMENTAL RESOURCES	<u>\$ 126</u>	<u>\$ 42</u>			
Fish Commission					
Public Improvement Projects					
Projects in 1975-76 Budget					
Boating Fund	\$ 127				
Fish Fund	127				
Future Projects (1976-80)					
Boating Fund		\$ 350	\$ 250	\$ 250	\$ 250
Fish Fund		235	220	220	205
TOTAL-FISH COMMISSION	<u>\$ 254</u>	<u>\$ 585</u>	<u>\$ 470</u>	<u>\$ 470</u>	<u>\$ 455</u>
Game Commission					
Public Improvement Projects					
Projects in 1975-76 Budget					
Game Fund	\$ 1,000				
Future Projects (1976-80)					
Game Fund		\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
TOTAL-GAME COMMISSION	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>
Historical and Museum Commission					
Public Improvement Projects					
Projects Currently Authorized					
General Fund	\$ 55				
Projects in 1975-76 Budget					
General Fund	99	\$ 33			
TOTAL-HISTORICAL AND MUSEUM	<u>\$ 154</u>	<u>\$ 33</u>			

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
CURRENT REVENUES (continued)					
Department of Justice					
Public Improvement Projects					
Projects in 1975-76 Budget					
General Fund	\$ 136	\$ 45	.....	.....	.....
TOTAL—JUSTICE	<u>\$ 136</u>	<u>\$ 45</u>	.....	.....	.....
Department of Military Affairs					
Public Improvement Projects					
Projects Currently Authorized					
General Fund	\$ 25	.....	.....	.....	.....
TOTAL—MILITARY AFFAIRS	<u>\$ 25</u>	.....	.....	.....	.....
Department of Public Welfare					
Public Improvement Projects					
Projects Currently Authorized					
General Fund	\$ 117	.....	.....	.....	.....
Projects in 1975-76 Budget					
General Fund	122	\$ 40	.....	.....	.....
TOTAL—PUBLIC WELFARE	<u>\$ 239</u>	<u>\$ 40</u>	.....	.....	.....
TOTAL—CURRENT REVENUES					
Public Improvement Projects					
Boating Fund	\$ 127	\$ 350	\$ 250	\$ 250	\$ 250
Fish Fund	127	235	220	220	205
Game Fund	1,000	1,000	1,000	1,000	1,000
General Fund	989	172	.....	.....	.....
TOTAL	<u>\$ 2,243</u>	<u>\$ 1,757</u>	<u>\$ 1,470</u>	<u>\$ 1,470</u>	<u>\$ 1,455</u>
TOTAL—ALL STATE FUNDS	<u><u>\$489,611</u></u>	<u><u>\$387,460</u></u>	<u><u>\$385,678</u></u>	<u><u>\$381,534</u></u>	<u><u>\$368,563</u></u>



Sinking Funds and the Public Debt.

*The gradual progression of the sound from the cannon and musketry, swelling and rebounding from the neighboring hills and gently sweeping along the Schuylkill, with intermingled huzzas to "Long Live the King of France".
A soldier's letter, May 7, 1778, describes reaction to the news of the French Alliance.*

Artillery Park, Valley Forge

SINKING FUND AND THE PUBLIC DEBT

The Commonwealth issues bonds for special purposes which cannot be financed from current revenues. Issues have been made for Public Buildings Construction, Korean Conflict Veterans' Compensation, Project 70, Land and Water Development, Vietnam Veterans' Compensation, Disaster Relief and for Capital Facilities and Highway Construction.

The following statement reflects the bonded indebtedness of the Commonwealth as of December 31, 1974. Issues which have been completely redeemed are not included.

	(Dollar Amounts in Thousands)				
	Total Bonds Issued	Bonds Redeemed To Date	Bonds Outstanding	Sinking Fund	Net Indebtedness
Public Buildings Construction*	\$ 50,000	\$ 46,000	\$ 4,000	. . . . .	\$ 4,000
Korean Conflict Veterans' Compensation*	120,000	109,400	10,600	\$ 58	10,542
Project 70 Land Acquisition*	70,000	13,030	56,970	1,420	55,550
Land and Water Development*	301,000	7,165	293,835	12,001	281,834
Vietnam Veterans' Compensation*	62,000	2,630	59,370	42	59,328
Disaster Relief*	100,000	. . . . .	100,000	. . . . .	100,000
Matured Loans Unclaimed* . . . . .	. . . . .	. . . . .	141	270	(-129,000)
General State Authority	1,165,250	437,809	727,441	. . . . .	727,441
State Highway and Bridge Authority	580,000	187,790	392,210	. . . . .	392,210
State Public School Building Authority	8,150	730	7,420	. . . . .	7,420
Capital Facilities	2,365,330	70,475	2,294,855	. . . . .	2,294,855
Total Outstanding Debt	<u>\$4,821,730</u>	<u>\$ 875,029</u>	<u>\$3,946,842</u>	<u>\$13,791</u>	<u>\$3,933,051</u>

* Not applicable to the Constitutional Debt Limit.

TERMS OF BONDS

The following chart reflects the terms of the Commonwealth's outstanding bonds as of December 31, 1974. Date of issue and net interest rate is shown for each bond issue as well as the first and last years of scheduled principal payments.

Purpose of Bonds	Series	Date of Issue	Net Interest Rate	First and Last Year of Maturity	Original Amounts in Thousands
Public Buildings Construction	K	October 1, 1947	1.38%	1952-76	\$ 50,000
Korean Conflict Veterans Compensation	O	August 1, 1959	3.40%	1962-75	120,000
Project 70 Land Acquisition	Q	July 15, 1965	3.03%	1971-85	27,000
	Q	March 15, 1969	3.36%	1973-87	23,000
	Q	June 15, 1969	5.85%	1970-84	10,000
	Q	November 15, 1970	6.26%	1973-00	10,000
Land and Water Development	S	May 1, 1969	5.62%	1971-98	25,000
	U	June 15, 1969	5.85%	1971-98	40,000
	U	November 15, 1970	6.36%	1973-00	13,000
	U	March 1, 1971	5.23%	1973-00	25,000
	U	October 15, 1971	5.13%	1974-01	50,000
	U	April 15, 1972	5.26%	1975-02	50,000
	U	September 15, 1973	5.48%	1976-03	48,000
	U	October 1, 1974	7.12%	1977-04	50,000
Vietnam Veterans' Compensation	V	June 15, 1969	5.85%	1971-98	28,000
	V	November 15, 1970	6.11%	1973-00	27,000
	V	April 1, 1974	5.36%	1976-03	7,000
Capital Facilities	S	October 15, 1968	4.15%	1971-98	75,000
	S	May 1, 1969	5.62%	1971-98	75,000
	S	January 1, 1970	6.82%	1972-99	50,000
	S	March 15, 1970	5.92%	1972-99	75,000
	S	October 15, 1970	6.08%	1973-00	25,000
	S	January 15, 1971	5.57%	1973-00	25,000
	S	April 15, 1971	5.11%	1973-00	50,000
	S	August 1, 1971	5.79%	1974-01	52,000
	S	January 1, 1972	5.31%	1974-01	75,000
	S	June 1, 1972	4.99%	1974-01	50,000
	S	September 15, 1972	5.09%	1975-02	25,000
	S	December 1, 1972	4.82%	1975-02	65,000
	S	April 15, 1973	5.29%	1975-02	60,000
	S	August 1, 1973	5.49%	1976-03	50,000
	S	April 1, 1974	5.36%	1976-03	50,000
Capital Facilities—Equipment	S	October 1, 1974	7.12%	1977-04	50,000
	S	October 15, 1968	4.15%	1969-79	13,530
	S	October 15, 1970	6.08%	1971-80	8,000
	S	August 1, 1971	5.79%	1972-81	8,000
	S	April 15, 1973	5.29%	1973-82	10,000
Capital Facilities—Highways	S	June 15, 1974	6.39%	1974-83	10,000
	T	February 15, 1969	4.79%	1971-98	75,000
	T	August 15, 1969	5.84%	1972-99	100,000
	T	January 1, 1970	6.78%	1972-99	75,000
	T	June 1, 1970	6.44%	1972-99	100,000
	T	September 1, 1970	6.03%	1973-00	75,000
	T	January 1, 1971	5.57%	1973-00	75,000
	T	March 1, 1971	5.17%	1973-00	50,000
	T	April 15, 1971	5.11%	1973-00	50,000
	T	June 15, 1971	5.75%	1973-00	100,000

PUBLIC DEBT

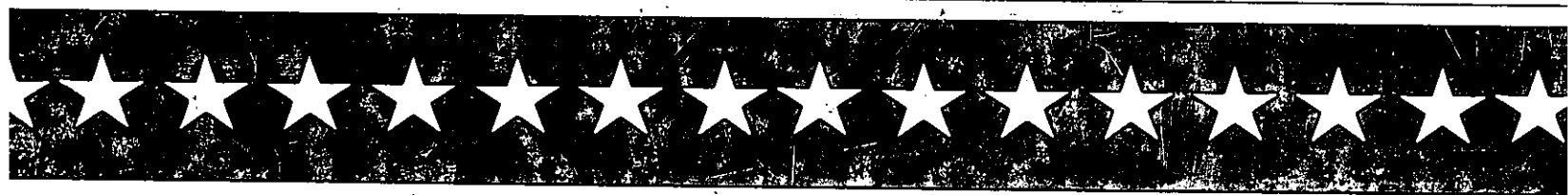
Purpose of Bonds	Series	Date of Issue	Net Interest Rate	First and Last Year of Maturity	Original Amounts in Thousands
Capital Facilities—Highways (continued) . .	T	January 1, 1972	5.31%	1974-01	50,000
	T	March 1, 1972	5.03%	1974-01	50,000
	T	June 1, 1972	4.99%	1974-01	50,000
	T	July 1, 1972	5.32%	1975-02	50,000
	T	December 1, 1972	4.82%	1975-02	80,000
	T	April 15, 1973	5.29%	1975-02	70,000
	T	August 1, 1973	5.49%	1976-03	85,000
	T	April 1, 1974	5.36%	1976-03	93,000
Capital Facilities—Community Colleges	T	June 15, 1974	6.39%	1976-03	157,000
	S	May 1, 1969	5.62%	1971-98	6,000
	S	October 15, 1970	6.08%	1973-00	10,000
	S	August 1, 1971	5.79%	1974-01	10,000
Capital Facilities—Transportation Assistance	S	September 15, 1973	5.49%	1976-03	2,000
	S	May 1, 1969	5.62%	1970-98	10,800
Disaster Relief	S	August 1, 1973	5.49%	1974-03	15,000
	D	February 1, 1973	4.91%	1975-02	25,000
State Public School Building Authority	D	September 15, 1973	5.48%	1976-03	75,000
	X	April 1, 1968	5.06%	1970-97	8,150

PRINCIPAL AND INTEREST REQUIREMENT

1975-76

The following statement shows the General Fund amounts necessary to meet the principal and interest requirements during 1975-76 on currently outstanding bonds. Differences between the appropriations requested for each item and the principal requirements are made up by interest earned on securities and certain augmentations. Funds are also requested for interest on anticipated issues.

	(Dollar Amounts in Thousands)		
	Principal	Interest (15 months)	Total
Public Buildings Construction Bonds	\$ 2,000	\$ 41	\$ 2,041
Project 70 Land Acquisition Bonds	5,570	2,515	8,085
Land and Water Development Bonds	4,830	18,834	23,664
Vietnam Veterans' Compensation Bonds	1,105	3,557	4,662
Disaster Relief Bonds	2,065	8,094	10,159
Capital Facilities	19,725	59,887	79,612
Capital Facilities—Equipment	6,315	2,540	8,855
Capital Facilities—Community Colleges	480	1,789	2,269
Capital Facilities—Transportation Assistance	1,015	1,656	2,671
TOTAL REQUIREMENTS—BONDS	<u>\$43,105</u>	<u>\$98,913</u>	<u>\$142,018</u>
Authority Rentals			60,486
Requirements for Anticipated Issues			15,930
Estimated Interest Earned and Accumulated Surplus			-33,207
Miscellaneous Requirements			197
Estimated Interest on Tax Notes			8,000
TOTAL GENERAL FUND DEBT SERVICE			<u>\$193,424</u>



*Commonwealth
of
Pennsylvania*
BUDGET

1975

1976



Milton J. Shapp, Governor

FOREWORD

This volume, Volume II, contains the departmental budgetary detail presented both on a departmental—appropriation and a program—subcategory basis. In order to expedite use of the volume, pages containing departmental—appropriation materials are tinted.

Financial statements for all funds, revenue summaries and detail and fund summaries as well as the proposed Capital Budget are carried in Volume I.

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Commonwealth Summaries

*MONDAY. At ten the delegates all met at the City Tavern, and walked to the
Carpenters' Hall.*

John Adams' Diary, September 5, 1774

Carpenters Hall, meeting place of the First Continental Congress

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Governor's Office							
General Fund	\$ 1,551	\$ 1,764	\$ 2,680	\$ 2,100	\$ 2,268	\$ 2,449	\$ 2,644
Executive Offices							
General Fund	\$ 7,998	\$ 10,327	\$ 13,884	\$ 12,540	\$ 13,676	\$ 14,818	\$ 15,944
Revenue Sharing Trust Fund	10	10	10	10	10	10	10
TOTAL	\$ 8,008	\$ 10,337	\$ 13,894	\$ 12,550	\$ 13,686	\$ 14,828	\$ 15,954
Lieutenant Governor's Office							
General Fund	\$ 193	\$ 212	\$ 290	\$ 254	\$ 267	\$ 280	\$ 294
Auditor General							
General Fund	\$ 9,694	\$ 10,914	\$ 14,086	\$ 11,992	\$ 13,041	\$ 14,140	\$ 15,305
Treasury							
General Fund	\$ 106,793	\$ 116,427	\$ 141,140	\$ 159,148	\$ 175,505	\$ 194,079	\$ 207,846
Motor License Fund	83,704	104,725	145,602	141,995	163,403	181,521	199,182
Game Fund	1	1	2	2	2	2	2
Fish Fund	1	1	1	1	1	1	1
Boating Fund	1	1	1	1	1	1	1
Banking Department Fund	1	1	1	1	1	1	1
Milk Marketing Fund	2	2	2	2	2	2	2
State Farm Products Show Fund	1	1	1	1	1	1	1
State Harness Racing Fund	1	1	1	1	1	1	1
State Horse Racing Fund .....	.....	.....	1	1	1	1	1
State Lottery Fund	2	2	3	3	3	3	3
TOTAL	\$ 190,507	\$ 221,162	\$ 286,755	\$ 301,156	\$ 338,921	\$ 375,613	\$ 407,041
Agriculture							
General Fund	\$ 10,104	\$ 12,421	\$ 18,169	\$ 15,076	\$ 15,800	\$ 16,584	\$ 17,405
State Farm Products Show Fund	768	890	1,039	890	933	954	979
State Harness Racing Fund	10,350	9,839	9,387	6,463	5,896	5,928	5,886
TOTAL	\$ 21,222	\$ 23,150	\$ 28,595	\$ 22,429	\$ 22,629	\$ 23,466	\$ 24,270
Banking							
General Fund	\$ 509	\$ 690	\$ 932	\$ 797	\$ 828	\$ 872	\$ 918
Banking Department Fund	3,272	3,637	4,766	3,969	4,166	4,375	4,594
TOTAL	\$ 3,781	\$ 4,327	\$ 5,698	\$ 4,766	\$ 4,994	\$ 5,247	\$ 5,512
Civil Defense							
General Fund	\$ 428	\$ 400	\$ 526	\$ 460	\$ 475	\$ 513	\$ 523

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(continued)

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Civil Service							
General Fund	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Commerce							
General Fund	\$ 7,124	\$ 19,599	\$ 15,624	\$ 8,969	\$ 9,654	\$ 9,954	\$ 10,266
Community Affairs							
General Fund	\$ 20,551	\$ 28,642	\$ 30,693	\$ 29,159	\$ 29,564	\$ 29,924	\$ 30,303
Council on Drug and Alcohol Abuse							
General Fund	\$ 14,171	\$ 18,620	\$ 24,854	\$ 21,097	\$ 22,177	\$ 23,312	\$ 24,505
Education							
General Fund	\$2,035,918	\$2,333,485	\$2,588,779	\$2,621,060	\$2,655,639	\$2,721,321	\$2,793,426
Motor License Fund	4,405	4,562	4,402	4,302	4,274	4,139	4,064
Revenue Sharing Trust Fund	47,500	73,500	82,500	67,500	69,500	77,500	80,500
TOTAL	<u>\$2,087,823</u>	<u>\$2,411,547</u>	<u>\$2,675,681</u>	<u>\$2,692,862</u>	<u>\$2,729,413</u>	<u>\$2,802,960</u>	<u>\$2,877,990</u>
Environmental Resources							
General Fund	\$ 57,834	\$ 85,954	\$ 88,123	\$ 76,171	\$ 80,091	\$ 84,075	\$ 88,293
Game Fund	15	10	10	10	10	10	10
Fish Fund	1	2	2	2	2	2	2
Revenue Sharing Trust Fund	10,241	11,076	12,283	13,383	14,583	15,883	17,283
TOTAL	<u>\$ 68,091</u>	<u>\$ 97,042</u>	<u>\$ 100,418</u>	<u>\$ 89,566</u>	<u>\$ 94,686</u>	<u>\$ 99,970</u>	<u>\$ 105,588</u>
Fish Commission							
General Fund	\$ 1	\$ 1	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
Fish Fund	6,688	8,220	9,690	8,004	8,550	8,670	8,957
Boating Fund	1,265	1,838	2,110	1,557	1,597	1,637	1,697
TOTAL	<u>\$ 7,954</u>	<u>\$ 10,059</u>	<u>\$ 11,803</u>	<u>\$ 9,564</u>	<u>\$ 10,150</u>	<u>\$ 10,310</u>	<u>\$ 10,657</u>
Game Commission							
Game Fund	\$ 13,813	\$ 15,818	\$ 20,582	\$ 17,910	\$ 18,970	\$ 20,150	\$ 21,330
Health							
General Fund	\$ 50,920	\$ 58,461	\$ 62,244	\$ 54,137	\$ 55,991	\$ 57,871	\$ 59,841
Historical and Museum Commission							
General Fund	\$ 5,629	\$ 6,877	\$ 8,821	\$ 7,713	\$ 8,198	\$ 8,713	\$ 9,267

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(continued)

	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Horse Racing Commission							
State Horse Racing Fund	\$ 15,909	\$ 18,013	\$ 27,580	\$ 23,274	\$ 22,109	\$ 22,411	\$ 22,720
Insurance							
General Fund	\$ 3,983	\$ 4,504	\$ 5,867	\$ 4,987	\$ 6,524	\$ 7,188	\$ 8,100
Justice							
General Fund	\$ 56,282	\$ 69,873	\$ 95,642	\$ 84,680	\$ 92,807	\$ 100,836	\$ 107,260
Labor and Industry							
General Fund	\$ 39,625	\$ 24,864	\$ 21,596	\$ 23,067	\$ 21,893	\$ 23,180	\$ 24,753
Revenue Sharing Trust Fund .....	.....	22,115	39,846	31,800	31,800	31,800	31,800
TOTAL	<u>\$ 39,625</u>	<u>\$ 46,979</u>	<u>\$ 61,442</u>	<u>\$ 54,867</u>	<u>\$ 53,693</u>	<u>\$ 54,980</u>	<u>\$ 56,553</u>
Military Affairs'							
General Fund	\$ 7,876	\$ 8,578	\$ 10,690	\$ 9,739	\$ 10,425	\$ 11,164	\$ 12,024
Milk Marketing Board							
General Fund	\$ 650	\$ 700	\$ 750	.....	.....	.....	.....
Milk Marketing Fund	362	383	779	\$ 387	\$ 406	\$ 426	\$ 448
TOTAL	<u>\$ 1,012</u>	<u>\$ 1,083</u>	<u>\$ 1,529</u>	<u>\$ 387</u>	<u>\$ 406</u>	<u>\$ 426</u>	<u>\$ 448</u>
Probation and Parole							
General Fund	\$ 7,402	\$ 8,106	\$ 11,238	\$ 9,769	\$ 10,274	\$ 10,805	\$ 11,371
Property and Supplies							
General Fund	\$ 78,774	\$ 81,472	\$ 87,829	\$ 86,429	\$ 88,543	\$ 91,146	\$ 93,629
Motor License Fund	1,510	1,543	1,543	1,543	1,543	1,543	1,543
Fish Fund	71	75	75	75	75	75	75
Boating Fund	2	2	2	2	2	2	2
TOTAL	<u>\$ 80,357</u>	<u>\$ 83,092</u>	<u>\$ 89,449</u>	<u>\$ 88,049</u>	<u>\$ 90,163</u>	<u>\$ 92,766</u>	<u>\$ 95,249</u>
Public Welfare							
General Fund	\$1,040,405	\$1,239,970	\$1,914,196	\$1,566,899	\$1,606,978	\$1,667,807	\$1,734,709
Revenue Sharing Trust Fund	19,200	4,900	.....	.....	.....	.....	.....
TOTAL	<u>\$1,059,605</u>	<u>\$1,244,870</u>	<u>\$1,914,196</u>	<u>\$1,566,899</u>	<u>\$1,606,978</u>	<u>\$1,667,807</u>	<u>\$1,734,709</u>

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(continued)

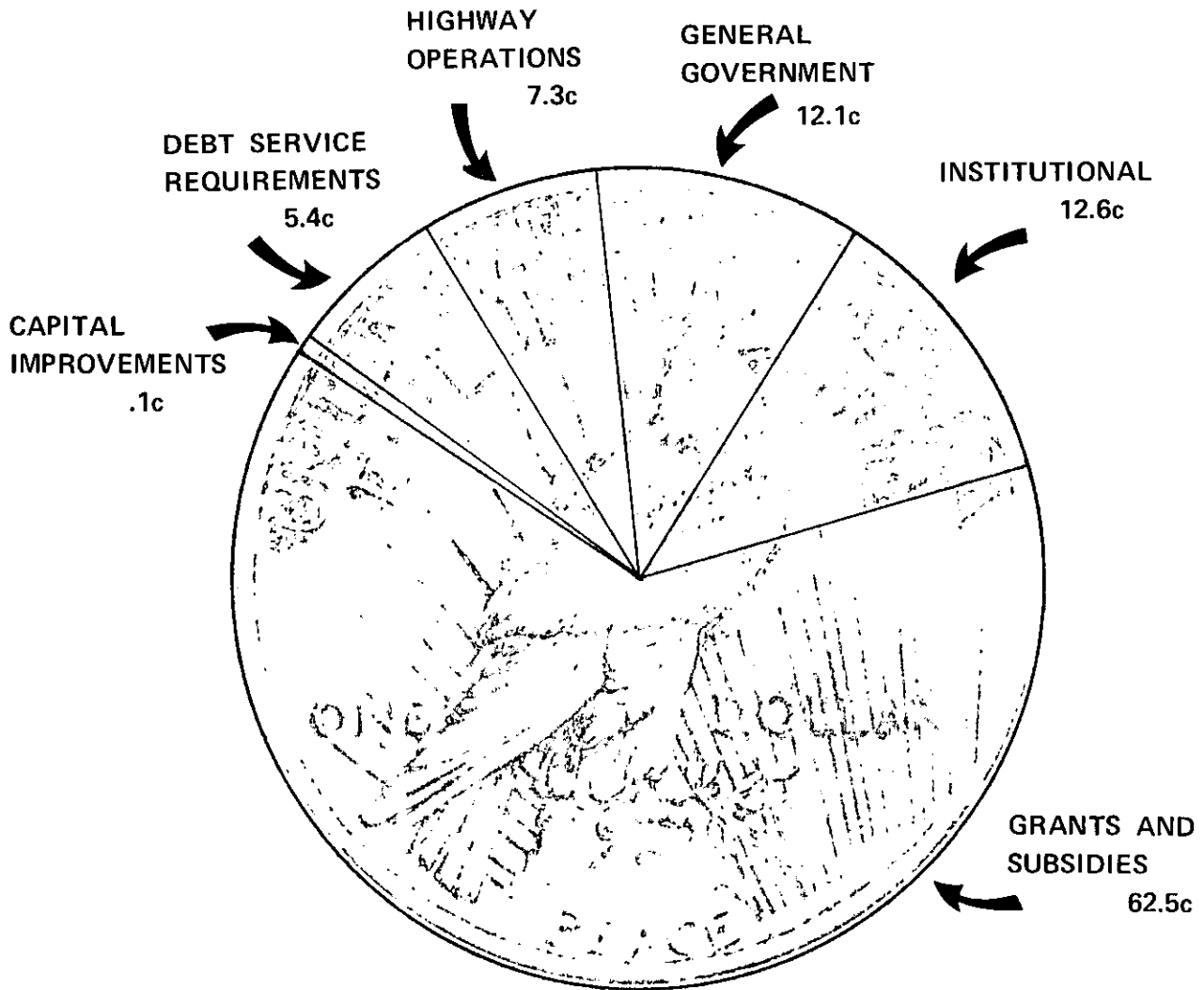
	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
Revenue							
General Fund	\$ 55,461	\$ 61,655	\$ 78,017	\$ 70,279	\$ 74,130	\$ 78,290	\$ 82,782
Motor License Fund	1,990	2,370	3,304	2,916	3,141	3,392	3,662
Boating Fund	161	210	285	245	261	282	305
State Harness Racing Fund	97	107	168	159	172	186	201
State Horse Racing Fund	82	102	166	144	155	168	181
State Lottery Fund	102,947	134,159	122,259	115,689	117,597	119,735	122,128
TOTAL	\$ 160,738	\$ 198,603	\$ 204,199	\$ 189,432	\$ 195,456	\$ 202,053	\$ 209,259
State							
General Fund	\$ 3,935	\$ 4,837	\$ 6,289	\$ 5,507	\$ 6,184	\$ 6,641	\$ 7,194
State Employees Retirement System							
General Fund	\$ 2,452	\$ 12,695	\$ 2,520	\$ 2,200	\$ 2,332	\$ 2,465	\$ 2,600
State Police							
General Fund	\$ 21,620	\$ 25,740	\$ 36,271	\$ 34,892	\$ 36,140	\$ 37,866	\$ 39,543
Motor License Fund	60,810	70,703	96,896	93,039	98,926	104,534	110,299
TOTAL	\$ 82,430	\$ 96,443	\$ 133,167	\$ 127,931	\$ 135,066	\$ 142,400	\$ 149,842
Tax Equalization Board							
General Fund	\$ 640	\$ 710	\$ 940	\$ 816	\$ 865	\$ 910	\$ 954
Transportation							
General Fund	\$ 1,882	\$ 80,852	\$ 76,861	\$ 80,748	\$ 85,392	\$ 92,141	\$ 100,995
Motor License Fund	475,778	548,024	624,216	563,111	561,215	580,913	603,952
Boating Fund	79	104	.....	.....	.....	.....	.....
State Lottery Fund	10,755	12,000	15,600	12,979	13,498	14,038	14,600
Revenue Sharing Trust Fund	70,000	.....	.....	.....	.....	.....	.....
TOTAL	\$ 558,494	\$ 640,980	\$ 716,677	\$ 656,838	\$ 660,105	\$ 687,092	\$ 719,547
Legislature							
General Fund	\$ 27,922	\$ 29,451	\$ 42,621	\$ 36,806	\$ 39,421	\$ 41,850	\$ 44,393
Judiciary							
General Fund	\$ 18,420	\$ 30,665	\$ 36,930	\$ 31,815	\$ 33,510	\$ 35,470	\$ 37,480
Revenue Sharing Trust Fund	25,151	24,000	10,000	10,000	10,000	10,000	10,000
TOTAL	\$ 43,571	\$ 54,665	\$ 46,930	\$ 41,815	\$ 43,510	\$ 45,470	\$ 47,480

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(continued)

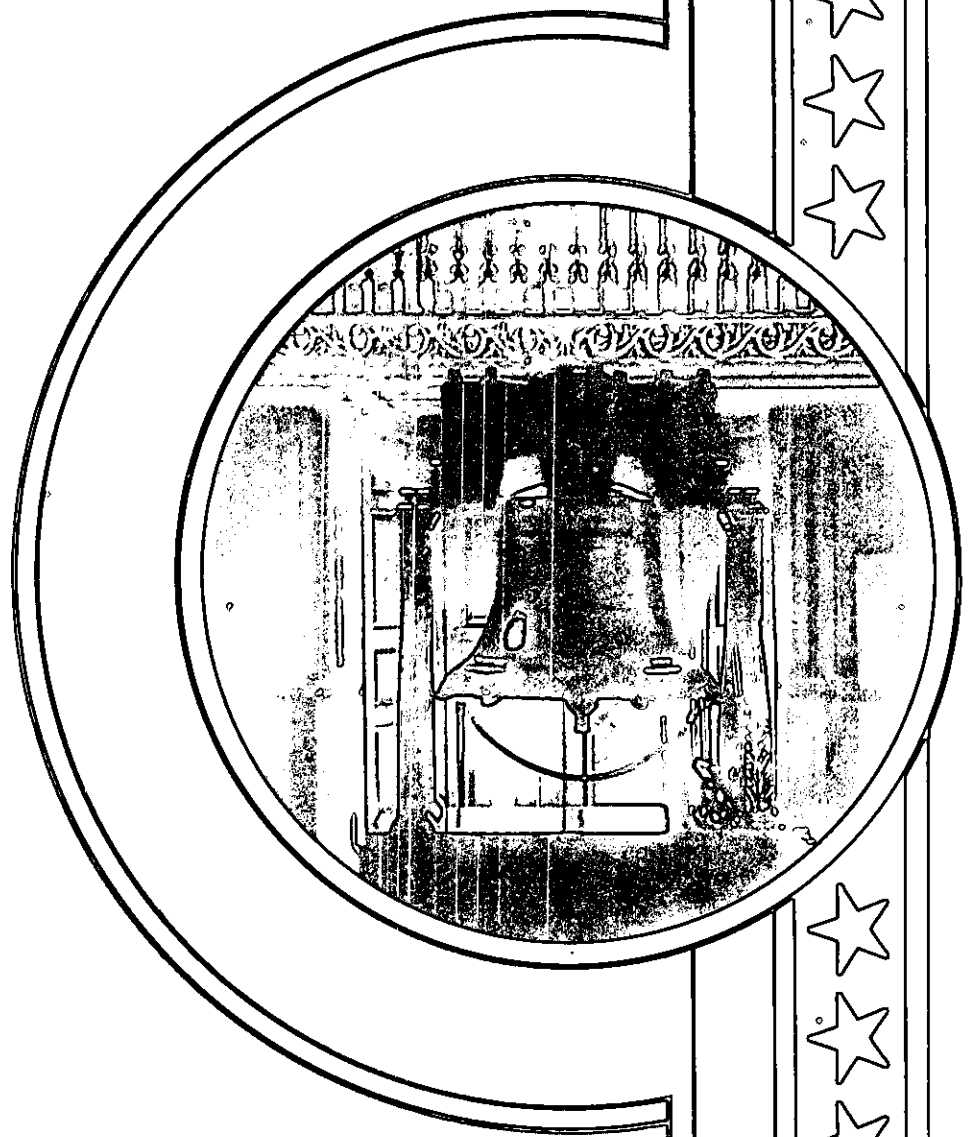
	(Dollar Amounts in Thousands)						
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated
General Salary Increase							
General Fund			\$ 34,400	\$ 28,900	\$ 30,300	\$ 31,800	\$ 33,400
Motor License Fund			9,600	8,000	8,400	8,820	9,260
Game Fund			456	380	399	419	440
Fish Fund			219	177	186	196	205
Boating Fund			40	33	36	38	39
Banking Department Fund			160	134	141	148	155
Milk Marketing Fund			40	14	15	16	17
State Farm Products Show Fund			37	31	32	34	36
State Harness Racing Fund			39	30	31	34	35
State Horse Racing Fund			31	25	27	28	29
State Lottery Fund			244	208	218	229	241
TOTAL			<u>\$ 45,266</u>	<u>\$ 37,932</u>	<u>\$ 39,785</u>	<u>\$ 41,762</u>	<u>\$ 43,857</u>
Commonwealth Totals							
General Fund	\$3,696,748	\$4,389,467	\$5,473,506	\$5,098,210	\$5,228,896	\$5,418,468	\$5,617,971
Motor License Fund	628,197	731,927	885,563	814,906	840,902	884,862	931,962
Game Fund	13,829	15,829	21,050	18,302	19,381	20,581	21,782
Fish Fund	6,761	8,298	9,987	8,259	8,814	8,944	9,240
Boating Fund	1,508	2,155	2,438	1,838	1,897	1,960	2,044
Banking Department Fund	3,273	3,638	4,927	4,104	4,308	4,524	4,750
Milk Marketing Fund	364	385	821	403	423	444	467
State Farm Products Show Fund	769	891	1,077	922	966	989	1,016
State Harness Racing Fund	10,448	9,947	9,595	6,653	6,100	6,149	6,123
State Horse Racing Fund	15,991	18,115	27,778	23,444	22,292	22,608	22,931
State Lottery Fund	113,704	146,161	138,106	128,879	131,316	134,005	136,972
Revenue Sharing Trust Fund	172,102	135,601	144,639	122,693	125,893	135,193	139,593
GRAND TOTAL	<u><u>\$4,663,695</u></u>	<u><u>\$5,462,414</u></u>	<u><u>\$6,719,487</u></u>	<u><u>\$6,228,613</u></u>	<u><u>\$6,391,188</u></u>	<u><u>\$6,638,727</u></u>	<u><u>\$6,894,851</u></u>

Use of the Commonwealth Dollar (General and Special Funds)

1975-76 Fiscal Year



\$1.00



*Department
Presentations*

*PROCLAIM LIBERTY THROUGHOUT ALL THE LAND UNTO ALL THE
INHABITANTS THEREOF'
Philadelphia, July 4, 1776*



Governor's Office

The Governor directs and coordinates the work of State Government and guides the programs of the agencies in the direction that assures compliance with existing legislation, definable needs and administration goals.

GOVERNOR'S OFFICE

Summary by Fund and Appropriation

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
General Fund				
General Government				
Governor's Office	\$1,551	\$1,764	\$1,945	\$2,430
Bicentennial Year—National Governors' Conference ..	.....	.....	250	250
Total State Funds—General Fund	<u>\$1,551</u>	<u>\$1,764</u>	<u>\$2,195</u>	<u>\$2,680</u>
Other Funds .....	.....	\$ 13	.....	.....
GENERAL FUND TOTAL	<u>\$1,551</u>	<u>\$1,777</u>	<u>\$2,195</u>	<u>\$2,680</u>

General Government

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Governor's Office			
State Funds	\$1,551	\$1,764	\$2,430
Other Funds .....	.....	13	.....
TOTAL	\$1,551	\$1,777	\$2,430

Provides the Governor with the necessary staff to perform the legislative and administrative functions required of his office. Also provides for the Office of the Governor's Special Representative in Washington, D.C.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Governor's Office	\$1,551	\$1,764	\$2,430
Other Funds:			
Supplemental Retirement Contribution .....	.....	13	.....
TOTAL	\$1,551	\$1,777	\$2,430

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Bicentennial Year—National Governors' Conference			
State Funds	\$ 250

As part of the Bicentennial celebration, Pennsylvania will host the 1976 National Governors' Conference. This provides for the support services incumbent upon the host state.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Bicentennial Year—National Governors' Conference	<u>\$ 250</u>

GOVERNOR'S OFFICE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Administration and Support	\$1,551	\$1,764	\$2,680	\$2,100	\$2,268	\$2,449	\$2,644
Executive Direction	1,551	1,764	2,680	2,100	2,268	2,449	2,644

Executive Direction

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Commonwealth can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$1,551	\$1,764	\$2,680	\$2,100	\$2,268	\$2,449	\$2,644
Other Funds . . . . .	.....	13	.....	.....	.....	.....	.....
TOTAL	<u>\$1,551</u>	<u>\$1,777</u>	<u>\$2,680</u>	<u>\$2,100</u>	<u>\$2,268</u>	<u>\$2,449</u>	<u>\$2,644</u>

Program Analysis:

This program provides for the Office of the Governor in whom the executive power of the Commonwealth is vested. The Governor approves or disapproves all legislative bills and also appoints all department or agency heads except those elected by the people.

Other activities include providing for expenses in regard to the Governor's official duties and functions, maintaining the Office of the Governor's representative in Washington, D.C.

which provides liaison between the Commonwealth and members of Congress and Federal officials in matters affecting the interests of the Commonwealth. This subcategory also includes the Commonwealth's pro rata share of support to the National Governors' Conference, Interstate Oil Compact Commission and the Advisory Commission on Intergovernmental Relations.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Governor's Office	\$1,551	\$1,764	\$2,430	\$2,100	\$2,268	\$2,449	\$2,644
Bicentennial Year--National Governors' Conference . . . . .	.....	.....	250	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$1,551</u>	<u>\$1,764</u>	<u>\$2,680</u>	<u>\$2,100</u>	<u>\$2,268</u>	<u>\$2,449</u>	<u>\$2,644</u>

Executive Office

To aid the Governor, the Office of Administration performs the duties of a central management agency while the Office of the Budget prepares the annual Governor's Budget and Five Year Financial Plan based upon the Governor's priorities and analysis of program effectiveness. The Human Relations Commission and the Commission on the Status of Women promote equal opportunities for all people in employment, housing public accommodations and education. The Governor's Energy Council studies the Commonwealth's entire energy program from production to demand while the Delaware Valley Regional Planning Commission coordinates all planning activities in that area of the Commonwealth. Complete coordination of human services activities is provided by the Office for Human Resources while the Council on the Arts provides for encouragement and development of the arts in Pennsylvania. The Office of State Planning and Development provides the Governor with long range planning capability.

EXECUTIVE OFFICES

Summary by Fund and Appropriations

		(Dollar Amounts in Thousands)			
	1973-74	1974-75	1975-76	1975-76	
	Actual	Available	Estimate (12 months)	Budget (15 months)	
General Fund					
General Government					
Office for Human Resources	\$ 117	\$ 142	\$ 154	\$ 188	
Office of Administration	2,852	3,296	3,605	4,414	
Office of State Planning and Development	917	1,034	1,142	1,432	
Office of the Budget	1,046	1,289	1,368	1,719	
Bicentennial Year—National Budget Conference .....	.....	.....	25	25
Human Relations Commission	2,105	2,870	3,492	4,149	
Council on the Arts	759	1,490	1,558	1,634	
Commission on the Status of Women	77	106	109	133	
Governor's Energy Council	50	100	115	115	
Delaware Valley Regional Planning Commission	75	.....	75	75
Total State Funds—General Fund	<u>\$ 7,998</u>	<u>\$10,327</u>	<u>\$11,643</u>	<u>\$13,884</u>	
Federal Funds	\$ 3,669	\$ 3,858	\$ 6,923	\$ 8,470	
Other Funds	5,795	6,712	7,254	9,063	
GENERAL FUND TOTAL	<u>\$17,462</u>	<u>\$20,897</u>	<u>\$25,820</u>	<u>\$31,417</u>	
Revenue Sharing Trust Fund					
General Government					
Office of the Budget	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 10</u>	
Department Total — All Funds					
General Fund	\$ 7,998	\$10,327	\$11,643	\$13,884	
Special Funds	10	10	10	10	
Federal Funds	3,669	3,858	6,923	8,470	
Other Funds	5,795	6,712	7,254	9,063	
TOTAL ALL FUNDS	<u>\$17,472</u>	<u>\$20,907</u>	<u>\$25,830</u>	<u>\$31,427</u>	

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Office for Human Resources			
State Funds	\$ 117	\$ 142	\$ 188
Federal Funds	1,744	2,223	6,185
Other Funds .....	.....	4	.....
TOTAL	<u>\$1,861</u>	<u>\$ 2,369</u>	<u>\$ 6,373</u>

Provides for overall coordination of human services within the Commonwealth and submits to the Governor recommendations for making current programs more effective.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Office for Human Resources	\$ 117	\$ 142	\$ 188
Federal Funds:			
Appalachian Regional Commission			
Development Act	51	99	130
Federal Social Security Act	154	286	530
Community Health Services Act	113	124	.....
Developmental Disabilities Services and Facilities Construction Act	1,426	1,714	5,525
Other Funds:			
Supplemental Retirement Contribution .....	.....	4	.....
TOTAL	<u>\$1,861</u>	<u>\$ 2,369</u>	<u>\$ 6,373</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Office of Administration			
State Funds	\$2,852	\$ 3,296	\$ 4,414
Federal Funds	495	460	857
Other Funds	5,777	6,452	8,844
TOTAL	<u>\$9,124</u>	<u>\$10,208</u>	<u>\$14,115</u>

Provides for central management services which insure administrative efficiency and permit the control of specific administrative actions.

GENERAL FUND

EXECUTIVE OFFICES

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Office of Administration	\$ 2,852	\$ 3,296	\$ 4,414
Federal Funds:			
Intergovernmental Personnel Act	351	250	563
Emergency Employment Act	144	85	.....
Comprehensive Employment and Training Act .....	.....	125	294
Other Funds:			
Reimbursement--Classification and Pay	295	300	375
Reimbursement--C.M.I.C	3,810	4,160	5,906
Reimbursement--B.M.S.	1,409	1,175	1,625
Reimbursement--H.E.M.I.C.	263	724	938
Reimbursement--Financial Management .....	.....	29	.....
Supplemental Retirement Contribution .....	.....	64	.....
TOTAL	<u>\$ 9,124</u>	<u>\$10,208</u>	<u>\$14,115</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Office of State Planning and Development			
State Funds	\$ 917	\$ 1,034	\$ 1,432
Federal Funds	969	363	454
Other Funds .....	.....	170	199
TOTAL	<u>\$ 1,886</u>	<u>\$ 1,567</u>	<u>\$ 2,085</u>

Provides for advancing the development of the Commonwealth through comprehensive planning. Effective January, 1974, in accordance with Reorganization Plan VIII, the State Plan Review and Project Notification Review functions were transferred to the Office of the Budget.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Office of State Planning and Development	\$ 917	\$ 1,034	\$ 1,432
Federal Funds:			
Appalachian Regional Commission			
Development Act	8	25	31
Housing Act	961	256	320
Land and Water Conservation Fund Act .....	.....	82	103
Other Funds:			
Reimbursement for Services .....	.....	159	199
Supplemental Retirement Contribution .....	.....	11	.....
TOTAL	<u>\$ 1,886</u>	<u>\$ 1,567</u>	<u>\$ 2,085</u>

GENERAL FUND

EXECUTIVE OFFICES

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Office of the Budget			
State Funds	\$1,046	\$1,289	\$1,719
Federal Funds	11	12	.....
Other Funds	11	13	.....
TOTAL	<u>\$1,068</u>	<u>\$1,314</u>	<u>\$1,719</u>

Provides the Governor with analytical and administrative capability necessary to prepare and oversee the annual Commonwealth budget. Effective January, 1974, in accordance with Reorganization Plan VIII, the State Plan Review and Project Notification Review functions were transferred from the Office of State Planning and Development to the Office of the Budget.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Office of the Budget	\$1,046	\$1,289	\$1,719
Federal Funds:			
Housing Act	11	.....	.....
Omnibus Crime Control and Safe Streets Act .....	.....	12	.....
Other Funds:			
Reimbursement for Services	11	1	.....
Supplemental Retirement Contribution .....	.....	12	.....
TOTAL	<u>\$1,068</u>	<u>\$1,314</u>	<u>\$1,719</u>

GENERAL FUND

EXECUTIVE OFFICES

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Bicentennial Year—National Budget Conference			
State Funds	\$ 25

As part of the Bicentennial celebration the National Association of State Budget Officers is having its national meeting in Pennsylvania. This will enable the Commonwealth to provide the necessary support services incumbent upon the host state.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Bicentennial Year—National Budget Conference	<u>\$ 25</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Human Relations Commission			
State Funds	\$2,105	\$2,870	\$4,149
Federal Funds	235	330	281
Other Funds .....	.....	23	.....
TOTAL	<u>\$2,340</u>	<u>\$3,223</u>	<u>\$4,430</u>

Administers the Pennsylvania Human Relations Act and the Fair Educational Opportunities Act, both of which prohibit discrimination because of race, color, religious creed, national origin, age or sex.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Human Relations Commission	\$2,105	\$2,870	\$4,149
Federal Funds:			
Equal Opportunity Employment Act	198	330	281
Emergency Employment Act	37	.....	.....
Other Funds:			
Supplemental Retirement Contributions .....	.....	23	.....
TOTAL	<u>\$2,340</u>	<u>\$3,223</u>	<u>\$4,430</u>

GENERAL FUND

EXECUTIVE OFFICES

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Council on the Arts			
State Funds	\$ 759	\$1,490	\$1,634
Federal Funds	215	470	493
Other Funds	7	49	20
TOTAL	\$ 981	\$2,009	\$2,147

Maintains a program to help enrich the artistic and cultural experience of Pennsylvanians.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Council on the Arts	\$ 759	\$1,490	\$1,634
Federal Funds:			
National Endowment for the Arts	215	470	471
Public Works and Economic Development Act .....	.....	.....	22
Other Funds:			
Contributions—Local School Districts	5	12	20
Contributions—Department of Education	2	36	.....
Supplemental Retirement Contribution .....	.....	1	.....
TOTAL	\$ 981	\$2,009	\$2,147

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Commission on the Status of Women			
State Funds	\$ 77	\$ 106	\$ 133
Other Funds .....	.....	1	.....
TOTAL	\$ 77	\$ 107	\$ 133

Provides women with information in regard to their legal rights as well as handling inquiries and helping to eliminate discriminatory practices at all levels of our society.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Commission on the Status of Women	\$ 77	\$ 106	\$ 133
Other Funds:			
Supplemental Retirement Contribution .....	.....	1	.....
TOTAL	\$ 77	\$ 107	\$ 133

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Governor's Energy Council			
State Funds	\$ 50	\$ 100	\$ 115
Federal Funds .....	.....	.....	200
TOTAL	<u>\$ 50</u>	<u>\$ 100</u>	<u>\$ 315</u>

Provides for coordinated analysis of the Commonwealth's energy needs and priorities to insure that the demands for energy are met in order of their importance and also to guarantee the economic stability and environmental sanctity of the Commonwealth.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Governor's Energy Council	\$ 50	\$ 100	\$ 115
Federal Funds:			
Special Energy Research and Development Act .....	.....	.....	200
TOTAL	<u>\$ 50</u>	<u>\$ 100</u>	<u>\$ 315</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Delaware Valley Regional Planning Commission			
State Funds	\$ 75	.....	\$ 75

Provides for a continuing, comprehensive, coordinated Regional Planning Program including transportation planning.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Delaware Valley Regional Planning Commission	<u>\$ 75</u>	.....	<u>\$ 75</u>

REVENUE SHARING TRUST FUND

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Office of the Budget			
State Funds	\$ 10	\$ 10	\$ 10

Provides for the cost of publishing reports for the United States Treasury Department as required by the Federal State and Local Fiscal Assistance Act of 1972.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Office of the Budget	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 10</u>

EXECUTIVE OFFICES

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1878-79	1979-80
General Administration and Support	\$5,067	\$ 5,871	\$ 7,978	\$ 6,978	\$ 7,650	\$ 8,289	\$ 8,872
Executive Direction	5,067	5,871	7,978	6,978	7,650	8,289	8,872
Reduction of Discriminatory Practices	\$2,182	\$ 2,976	\$ 4,282	\$ 3,889	\$ 4,219	\$ 4,576	\$ 4,962
Prevention and Elimination of Discriminatory Practices	2,182	2,976	4,282	3,889	4,219	4,576	4,962
Cultural Enrichment	\$ 759	\$ 1,490	\$ 1,634	\$ 1,683	\$ 1,817	\$ 1,963	\$ 2,210
Development of Artists and Audiences	759	1,490	1,634	1,683	1,817	1,963	2,210
DEPARTMENT TOTAL	<u>\$8,008</u>	<u>\$10,337</u>	<u>\$13,894</u>	<u>\$12,550</u>	<u>\$13,686</u>	<u>\$14,828</u>	<u>\$15,954</u>

Executive Direction

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Commonwealth can be achieved.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 5,057	\$ 5,861	\$ 7,968	\$ 6,968	\$ 7,640	\$ 8,279	\$ 8,862
Special Funds	10	10	10	10	10	10	10
Federal Funds	3,219	3,058	7,696	6,998	7,738	8,437	9,298
Other Funds	5,788	6,639	9,043	7,946	8,785	9,550	10,716
TOTAL	\$14,074	\$15,568	\$24,717	\$21,922	\$24,173	\$26,276	\$28,886

Program Analysis:

This program provides those administrative and overhead systems which are necessary for the achievement of substantive Commonwealth programs. Some of the functions provided are computer programming and systems analysis, personnel management including a comprehensive classification and training program, centralized accounting and preparation of financial reports, developing and managing programs in the area of automatic data processing,

coordination of human resource services, regional and long-range planning, preparation of the Commonwealth's annual budget and five year financial plan and the performing of program audits to measure the effectiveness of a program in meeting its objectives.

A primary concern of the Commonwealth is to minimize these administrative costs in relation to the costs of the substantive programs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Office for Human Resources	\$ 117	\$ 142	\$ 188	\$ 166	\$ 183	\$ 201	\$ 221
Office of Administration	2,852	3,296	4,414	3,893	4,325	4,700	5,000
Office of State Planning and Development	917	1,034	1,432	1,233	1,330	1,437	1,553
Office of the Budget	1,046	1,289	1,719	1,477	1,593	1,721	1,857
Bicentennial Year—National Budget Conference .....	.....	.....	25	.....	.....	.....	.....
Governor's Energy Council	50	100	115	124	134	145	156
Delaware Valley Regional Planning Commission	75	.....	75	75	75	75	75
GENERAL FUND TOTAL	\$5,057	\$5,861	\$7,968	\$6,968	\$7,640	\$8,279	\$8,862
REVENUE SHARING TRUST FUND							
Office of the Budget	\$10	\$10	\$10	\$10	\$10	\$10	\$10

Prevention and Elimination of Discriminatory Practices

OBJECTIVE: To insure equal opportunities and participation for all individuals regardless of race, color, religious creed, ancestry, age or sex in all areas of employment, housing, public accommodations and education.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
General Fund	\$2,182	\$2,976	\$4,282	\$3,889	\$4,219	\$4,576	\$4,962	
Federal Funds	235	330	281	250	250	250	250	
Other Funds . . . . .	.....	24	.....	.....	.....	.....	.....
TOTAL	\$2,417	\$3,330	\$4,563	\$4,139	\$4,469	\$4,826	\$5,212	

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Pattern complaints:							
Backlog	302	300	310	325	315	322	374
New cases	234	310	375	413	454	499	549
Cases closed	236	300	360	423	447	447	447
Individual complaints:							
Backlog	1,125	1,565	2,372	3,128	3,744	4,405	5,725
New cases	1,539	1,907	2,288	2,746	3,295	3,954	4,745
Cases closed	1,099	1,100	1,532	2,130	2,634	2,634	2,634
Informal complaints and inquires	2,673	3,208	3,849	4,620	5,544	6,653	7,983

Program Analysis:

The functional responsibility of this program as administered by the Human Relations Commission is the identification, prevention and elimination of discriminatory practices within the various segments of our society. Some of the main areas of operation to accomplish this are investigating complaints of unlawful discrimination which are filed by individuals, organizations or the Commonwealth itself; holding hearings on the complaints and, where applicable, issuing cease and desist orders or securing court orders to insure compliance with the laws of the Commonwealth; publishing official guidelines and providing technical assistance to organizations or industry in an effort to obtain voluntary compliance with equal rights legislation and to help identify and eliminate unconsciously perpetuated discrimination.

As the result of a commitment this program made a few years ago to identify and eliminate systematic discrimination based on sex, this year reflects some significant deviations from the traditional complaints handled by this program. For example, based on recent trends it is anticipated that employment discrimination cases, as a whole, will increase by

about 18.5 percent between 1974-75 and 1975-76 while those based on sex will increase by about 70 percent. The increase in the number of cases alleging sex discrimination is a direct result of this program's efforts to provide women with an increased awareness of their legal rights and the procedures involved in obtaining those rights if they have been denied. This trend is expected to continue and accounts for some of the projected increase in workload for this program.

The other factor causing an increase in the Human Relations Commission's caseload is economic in nature. With no segment of the employment spectrum immune from worker layoffs, the policy of last hired-first fired, which has long been a nonnegotiable point with unions, is creating serious problems. Many of the most recently hired workers, and thus many of those that have been among the first fired, are those that have only recently begun to reap the benefits of years of struggle against job discrimination. Situations have, therefore, arisen where women and minorities may represent only 10 percent to 12 percent of a company's employees, but represent 60 percent to 70 percent of those laid off. Workers

Prevention and Elimination of Discriminatory Practices (continued)

Program Analysis: (continued)

thus affected are filing complaints against their employers alleging violation of equal employment laws by implementing a system of layoffs based on seniority. However, if companies were to disregard seniority in formulating procedure for layoffs, unions would file complaints based on the relatively new phenomenon of reverse discrimination. This is essentially the practice of using a heretofore illegal discriminatory procedure in order to insure compliance with an equal rights agreement. As this is not only an extremely complex but also relatively new facet in the area of discrimination, there are no legal precedents to provide a basis for an out of court settlement. Therefore, it is felt that this program will become involved in an increasing number of complex court cases in this area that will utilize a large percentage of the manpower supporting this program.

Also, additional emphasis will be given to the processing of pattern and practice cases. This type of case involves systematic discrimination against a whole class of people and therefore, unlike an individual complaint, when resolved will provide relief, or at least a basis for relief, to considerable more than just an individual. Increased emphasis in this area is not without its drawbacks, however, since it means that individual complaints will receive lower priority. This accounts for the fact that, as the measures illustrate, the backlog of individual complaints is increasing at a much faster rate than the backlog for pattern cases. By stressing pattern cases, though, the Commonwealth is assuring that relief is being provided to the greatest number of persons.

Also aiding the Human Relations Commission in support of this program is the Commission on the Status of Women.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
Human Relations Commission	\$2,105	\$2,870	\$4,149	\$3,771	\$4,092	\$4,439	\$4,814
Commission on the Status of Women	77	106	133	118	127	137	148
GENERAL FUND TOTAL	<u>\$2,182</u>	<u>\$2,976</u>	<u>\$4,282</u>	<u>\$3,889</u>	<u>\$4,219</u>	<u>\$4,576</u>	<u>\$4,962</u>

Development of Artists and Audiences

OBJECTIVE: To increase public exposure to quality artistic and cultural programs and to stimulate a climate that offers opportunities and encouragement to artists in every art form.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 759	\$1,490	\$1,634	\$1,683	\$1,817	\$1,963	\$2,120
Federal Funds	215	470	493	532	575	621	670
Other Funds	7	49	20	20	20	20	20
TOTAL	<u>\$ 981</u>	<u>\$2,009</u>	<u>\$2,147</u>	<u>\$2,235</u>	<u>\$2,412</u>	<u>\$2,604</u>	<u>\$2,810</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Attendance at supported events (in thousands)	3,583	8,804	17,608	18,488	18,578	19,503	20,478
Dollar value of Federal and local support (in thousands)	\$3,598	\$7,323	\$14,645	\$15,377	\$16,146	\$16,953	\$17,800
Applications for grants	267	345	700	750	800	850	900
Awards made	137	285	600	650	700	750	800

Program Analysis:

In response to the constantly increasing demand from the public for more and better arts programs, cultural groups have instituted some significant changes. Orchestras, for example, have lengthened their seasons and developed new concert formats while museums have expanded their hours and undertaken community involvement programs. Such innovations, however, have placed a large financial strain on cultural groups.

Cultural groups are facing an ever increasing gap between income and operating costs. This is due to their long standing policy of charging only nominal admission charges, in order that the broadest segment of the population may avail themselves of the services offered, and the impact of our inflationary economy. This program is concerned with helping to minimize the gap by not only providing cultural groups

with grants, but also with technical assistance in securing direct aid from both Federal and local sources. As a result of this type of assistance, it is estimated that the amount of local and Federal aid will more than double by next year and will provide five dollars for every one dollar the Commonwealth provides.

A further activity of this program is the administration of the joint Federal-State programs which provide statewide services. An example of this would be the "Artists in the Schools Program" which enables any elementary or secondary school, either public or nonpublic, to engage poets, dance ensembles, craftsmen, artists or writers to work with children in helping to develop a deeper understanding and appreciation of the arts.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Council on the Arts	<u>\$ 759</u>	<u>\$1,490</u>	<u>\$1,634</u>	<u>\$1,683</u>	<u>\$1,817</u>	<u>\$1,963</u>	<u>\$2,120</u>

Lieutenant Governor

The Lieutenant Governor serves as President of the Senate and Chairman of the Board of Pardons. In the case of the death, conviction on impeachment, failure to qualify or resignation of the Governor, the Lieutenant Governor shall become Governor for the remainder of the term and in the case of the disability of the Governor, the powers, duties and emoluments of the office shall devolve upon the Lieutenant Governor until the disability is removed.

OFFICE OF THE LIEUTENANT GOVERNOR

Summary by Fund and Appropriation

	1973-74	(Dollar Amounts in Thousands)		1975-76
	Actual	1974-75	1975-76	1975-76
		Available	Estimate	Budget
			(12 months)	(15 months)
General Fund				
General Government				
Lieutenant Governor's Office	\$193	\$212	\$235	\$289
Portrait of Lieutenant Governor .....	.....	.....	1	1
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Sub-Total	\$193	\$212	\$236	\$290
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total State Funds	<u><u>\$193</u></u>	<u><u>\$212</u></u>	<u><u>\$236</u></u>	<u><u>\$290</u></u>
Other Funds .....	.....	\$ 2	.....	.....
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
GENERAL FUND TOTAL	<u><u>\$193</u></u>	<u><u>\$214</u></u>	<u><u>\$236</u></u>	<u><u>\$290</u></u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Lieutenant Governor's Office			
State Funds	\$193	\$212	\$289
Other Funds .....	.....	2	.....
TOTAL	<u>\$193</u>	<u>\$214</u>	<u>\$289</u>

Provides for the staff and expenses of the Lieutenant Governor in the execution of his duties and expenses of the residence at Edward Martin Military Reservation.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Lieutenant Governor's Office	\$193	\$212	\$289
Other Funds:			
Supplemental Retirement Contribution .....	.....	2	.....
TOTAL	<u>\$193</u>	<u>\$214</u>	<u>\$289</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Portrait of Lieutenant Governor			
State Funds	\$ 1

Provides for a portrait of the Lieutenant Governor.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Portrait of Lieutenant Governor	<u>\$ 1</u>

LIEUTENANT GOVERNOR
Summary of Agency Program by Category and Subcategory
General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$193	\$212	\$290	\$254	\$267	\$280	\$294
Executive Direction	193	\$212	\$290	\$254	\$267	\$280	\$294

LIEUTENANT GOVERNOR

Executive Direction

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$193	\$212	\$290	\$254	\$267	\$280	\$294
Other Funds .....	.....	2	.....	.....	.....	.....	.....
TOTAL	\$193	\$214	\$290	\$254	\$267	\$280	\$294

Program Analysis:

The Lieutenant Governor provides direction and carries out all executive and administrative functions required of the office. Included in these functions are duties prescribed by the Constitution, such as presiding over the Senate, serving as chairman of the Board of Pardons, and assumption of the Office of the Governor for the remainder of the Governor's term, if necessary, as a result of death, conviction on

impeachment, failure to qualify or resignation of the Governor. In addition to these functions prescribed by law, he also serves the Governor in many other important areas and is Chairman of the Affirmative Action Council, the State Council of Civil Defense, the Energy Council, and the Bicentennial Commission.

Program Costs by Appropriation

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Lieutenant Governor's Office	\$193	\$212	\$289	\$254	\$267	\$280	\$294
Portrait of Lieutenant Governor .....	.....	.....	1	.....	.....	.....	.....
GENERAL FUND TOTAL	\$193	\$212	\$290	\$254	\$267	\$280	\$294

Auditor General

The Department of the Auditor General post-audits the affairs of State Government agencies and certain local government agencies, officials, and organizations. The objective is to insure conformance with established legislative and administrative regulations and to assure that all money has been disbursed legally and properly. In addition, the Auditor General examines the accounts of revenue collecting agents to assure that all money due the Commonwealth was reported and transmitted properly.

DEPARTMENT OF THE AUDITOR GENERAL

Summary by Fund and Appropriation

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
General Fund				
General Government				
Auditor General's Office	\$ 7,544	\$ 8,459	\$ 8,617	\$10,846
Public Assistance Audits	2,029	2,283	2,287	2,870
Board of Arbitration of Claims	103	152	276	345
Sub-Total	<u>\$ 9,676</u>	<u>\$10,894</u>	<u>\$11,180</u>	<u>\$14,061</u>
 Grants and Subsidies				
National Guard Pension	\$ 18	\$ 20	\$ 20	\$ 25
Total State Funds—General Fund	<u>\$ 9,694</u>	<u>\$10,914</u>	<u>\$11,200</u>	<u>\$14,086</u>
 Other Funds	 \$ 1,631	 \$ 2,615	 \$ 2,603	 \$ 3,276
GENERAL FUND TOTAL	<u>\$11,325</u>	<u>\$13,529</u>	<u>\$13,803</u>	<u>\$17,362</u>

General Government

	1973-74	(Dollar Amounts in Thousands) 1974-75	1975-76
	Actual	Available	Budget (15 months)
Auditor General's Office			
State Funds	\$ 7,544	\$ 8,459	\$10,846
Other Funds	1,631	2,598	3,276
TOTAL	\$ 9,175	\$11,057	\$14,122

Performs regular and special post-audits of accounts and records of State agencies, liquor stores and tax collecting agents of the Commonwealth.

	1973-74	(Dollar Amounts in Thousands) 1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Appropriations:			
Auditor General's Office	\$ 7,544	\$ 8,459	\$10,846
Other Funds:			
Reimbursement for Auditing Services	1,631	2,524	3,276
Supplemental Retirement Contribution .....	.....	74	.....
TOTAL	\$ 9,175	\$11,057	\$14,122

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Public Assistance Audits			
State Funds	\$ 2,029	\$ 2,283	\$ 2,870
Other Funds .....	.....	16	.....
TOTAL	<u>\$ 2,029</u>	<u>\$ 2,299</u>	<u>\$ 2,870</u>

Audits public assistance payments to confirm eligibility of recipients.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Public Assistance Audits	\$ 2,029	\$ 2,283	\$ 2,870
Other Funds:			
Supplemental Retirement Contribution .....	.....	16	.....
TOTAL	<u>\$ 2,029</u>	<u>\$ 2,299</u>	<u>\$ 2,870</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Board of Arbitration of Claims			
State Funds	\$ 103	\$ 152	\$ 345
Other Funds .....	.....	1	.....
TOTAL	<u>\$ 103</u>	<u>\$ 153</u>	<u>\$ 345</u>

Hears and determines all claims against the Commonwealth arising from contracts that involve amounts in excess of \$300.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Board of Arbitration of Claims	\$ 103	\$ 152	\$ 345
Supplemental Retirement Contribution .....	.....	1	.....
TOTAL	<u>\$ 103</u>	<u>\$ 153</u>	<u>\$ 345</u>

Grants and Subsidies

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
National Guard Pension			
State Funds	\$ 18	\$ 20	\$ 25

Provides pension payments to the family of any soldier of the National Guard of Pennsylvania who died of injuries or was killed in the line of duty while in active service under orders of the Governor.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
National Guard Pension	<u>\$ 18</u>	<u>\$ 20</u>	<u>\$ 25</u>

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Insurance Premium—Police Retirement	\$17,769	\$18,327	\$22,909
Flood Control Payments—Federal	66	40	50
National Forest Allotment—Federal	226	226	282
Pennsylvania State University—Federal Aid	538	309	386
TOTAL	<u>\$18,599</u>	<u>\$18,902</u>	<u>\$23,627</u>

AUDITOR GENERAL

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Fiscal Management	\$7,647	\$ 8,611	\$11,191	\$ 9,502	\$10,261	\$11,070	\$11,945
Auditing	7,647	8,611	11,191	9,502	10,261	11,070	11,945
 Economic Development of the Disadvantaged and Handicapped	 \$2,047	 \$ 2,303	 \$ 2,895	 \$ 2,490	 \$ 2,780	 \$ 3,070	 \$ 3,360
Income Maintenance	2,047	2,303	2,895	2,490	2,780	3,070	3,360
 DEPARTMENT TOTAL	 <u>\$9,694</u>	 <u>\$10,914</u>	 <u>\$14,086</u>	 <u>\$11,992</u>	 <u>\$13,041</u>	 <u>\$14,140</u>	 <u>\$15,305</u>

Auditing

OBJECTIVE: To insure that all revenue to which the Commonwealth is entitled is deposited in the State Treasury and that public money is disbursed legally and properly.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$7,647	\$ 8,611	\$11,191	\$ 9,502	\$10,261	\$11,070	\$11,945
Other Funds	1,631	2,599	3,276	2,805	2,982	3,220	3,478
TOTAL	<u>\$9,278</u>	<u>\$11,210</u>	<u>\$14,467</u>	<u>\$12,307</u>	<u>\$13,243</u>	<u>\$14,290</u>	<u>\$15,423</u>

Program Analysis:

The Auditor General is required by the Fiscal Code to make all audits necessary in connection with the financial affairs of State Government. Each year, the Department makes thousands of regular and special post audits of Commonwealth agencies, persons, associations, corporations and public agencies receiving State funds to assure that this public money is disbursed legally and properly. Also, the Auditor General examines the accounts of revenue collecting agents to assure that all money due the Commonwealth, totaling several billions of dollars, was reported and transmitted properly.

In addition to the Auditor General's fiscal duties, there are other responsibilities imposed by law such as serving as a member of General State Authority, the State Public School Building Authority and other major Commonwealth boards and commissions.

The Board of Arbitration of Claims operates within this program exercising its function as an independent judicial and administrative body with jurisdiction to hear and determine claims that equal or exceed \$300 against the Commonwealth.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$ 7,544	\$ 8,459	\$10,846	\$ 9,205	\$ 9,941	\$10,735	\$11,595
Board of Arbitration of Claims	103	152	345	297	320	335	350
GENERAL FUND TOTAL	<u>\$ 7,647</u>	<u>\$ 8,611</u>	<u>\$11,191</u>	<u>\$ 9,502</u>	<u>\$10,261</u>	<u>\$11,070</u>	<u>\$11,945</u>

Income Maintenance

OBJECTIVE: To provide an economic base for individuals who, because of social, mental, physical or other disability, are unable to sustain a minimally acceptable level of existence.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
General Fund	\$2,047	\$2,303	\$2,895	\$2,490	\$2,780	\$3,070	\$3,360	
Other Funds		16						
TOTAL	<u>\$2,047</u>	<u>\$2,319</u>	<u>\$2,895</u>	<u>\$2,490</u>	<u>\$2,780</u>	<u>\$3,070</u>	<u>\$3,360</u>	

Program Analysis:

The Auditor General is required by the Fiscal Code to conduct audits of public assistance payments to determine the eligibility of persons receiving public assistance grants. Recipients of public assistance are subject to continuous audit. These audits serve to adjust grants to persons either not eligible, receiving overpayments or underpayments.

The latest audit report issued, covering the 1972-73 fiscal year, shows that the Auditor General reviewed 57,259 cases and conducted 29,822 investigations. The cases audited

covered 18.9 percent of the statewide caseload and, of those, 8.7 percent were found to be totally or partially ineligible. Thus, the rate of ineligibility has declined steadily from a rate of 10.1 percent in 1970-71 and 9.5 percent in 1971-72.

Also under this program, payments are made to either the widow, minor children or dependent parent of any soldier of the National Guard or Naval Force of Pennsylvania, who died as a result of injuries received or was killed in the line of duty while in active service under orders of the Governor.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
GENERAL FUND								
Public Assistance Audits	\$2,029	\$2,283	\$2,870	\$2,470	\$2,760	\$3,050	\$3,340	
National Guard Pension	18	20	25	20	20	20	20	
GENERAL FUND TOTAL	<u>\$2,047</u>	<u>\$2,303</u>	<u>\$2,895</u>	<u>\$2,490</u>	<u>\$2,780</u>	<u>\$3,070</u>	<u>\$3,360</u>	

Treasury Department

The Treasury Department is responsible for receiving all Commonwealth monies and for depositing such monies in State depositories approved by the Board of Finance and Revenue; for managing all securities in its custody to the best advantage of the Commonwealth; for preauditing all requisitions for the expenditures of funds; and for disbursement of all State monies upon proper authorization to those entitled to receive payment.

TREASURY DEPARTMENT

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)			
1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)	
General Fund				
General Government				
State Treasurer's Office	\$ 3,045	\$ 3,660	\$ 3,746	\$ 4,700
Public Assistance Disbursements	1,712	2,215	2,184	2,711
Board of Finance and Revenue	235	308	368	448
Commission on Interstate Cooperation	30	30	30	30
Council on State Government	74	74	128	128
Great Lakes Commission	15	15	15	15
Replacement Checks	30	30	70	70
Sub-Total	<u>\$ 5,141</u>	<u>\$ 6,332</u>	<u>\$ 6,541</u>	<u>\$ 8,102</u>
Debt Service Requirements				
Interest Obligations—Penn State University	\$ 15	\$ 15	\$ 15	\$ 15
Publishing Monthly Statements	15	15	17	17
Loan and Transfer Agent	60	60	70	85
Tax Note Expenses	80	80	80	80
Interest-Tax Notes	9,567	.....	8,000	8,000
Sinking Funds:				
Public Buildings	2,097	2,070	2,041	2,041
Project 70	6,498	6,389	4,986	6,785
Land and Water Development	15,000	18,379	11,847	14,164
Capital Debt	60,700	69,608	66,296	86,880
Vietnam Veterans' Compensation	4,185	4,841	4,662	4,662
Disaster Relief	3,335	8,538	4,343	7,459
Nursing Home Loan .....	.....	.....	2,125	2,750
Sub-Total	<u>\$101,552</u>	<u>\$109,995</u>	<u>\$104,482</u>	<u>\$132,938</u>
Grants and Subsidies				
Capitol Fire Protection	\$ 100	\$ 100	\$ 100	\$ 100
Total State Funds	<u>\$106,793</u>	<u>\$116,427</u>	<u>\$111,123</u>	<u>\$141,140</u>
Other Funds	\$ 165	\$ 353	\$ 320	\$ 394
GENERAL FUND TOTAL	<u>\$106,958</u>	<u>\$116,780</u>	<u>\$111,443</u>	<u>\$141,534</u>
Motor License Fund				
General Government				
Replacement Checks	\$ 35	\$ 35	\$ 50	\$ 50
Refunding Monies Collected Through				
Department of Transportation	650	650	650	650
Refunding Liquid Fuel Tax—Agricultural Use	4,000	5,000	5,000	5,000
Refunding Liquid Fuel Tax—State Share	2,700	4,600	5,000	5,000
Administration of Refunding Liquid				
Fuel Tax—Agricultural Use	109	151	157	190

TREASURY DEPARTMENT

**Summary by Fund and Appropriation
(continued)**

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Motor License Fund (Continued)				
General Government (Continued)				
Refunding Emergency Liquid Fuel Tax	1	1	1	1
Refunding Liquid Fuel Tax—Political				
Subdivision Use	300	400	1,000	1,000
Administration of Refunding Liquid Fuel				
Tax—Political Subdivision Use	41	58	80	93
Refunding Marine Liquid Fuel Tax—Boating				
Fund	950	1,000	1,200	1,200
Sub-Total	<u>\$ 8,786</u>	<u>\$ 11,895</u>	<u>\$ 13,138</u>	<u>\$ 13,184</u>
Debt Service Requirements				
Capital Debt—Transportation Projects	\$ 72,800	\$ 90,617	\$100,854	\$132,167
Capital Debt—General State Authority				
Projects	33	128	161	161
Loan and Transfer Agent	60	60	75	90
Interest—Tax Anticipation Notes	2,000	2,000	.....	.....
Expenses—Issuing Tax Anticipation Notes	25	25	.....	.....
Sub-Total	<u>\$ 74,918</u>	<u>\$ 92,830</u>	<u>\$101,090</u>	<u>\$132,418</u>
MOTOR LICENSE FUND TOTAL	<u><u>\$ 83,704</u></u>	<u><u>\$104,725</u></u>	<u><u>\$114,228</u></u>	<u><u>\$145,602</u></u>
Game Fund				
General Government				
Replacement Checks	\$ 1	\$ 1	\$ 2	\$ 2
GAME FUND TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ 2</u>
Fish Fund				
General Government				
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1
FISH FUND TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
Boating Fund				
General Government				
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1
BOATING FUND TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
Banking Department Fund				
General Government				
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1
BANKING DEPARTMENT FUND				
TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

TREASURY DEPARTMENT

**Summary by Fund and Appropriation
(continued)**

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Milk Marketing Fund				
General Government				
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1
Refund Milk Marketing Licenses and Fees	1	1	1	1
MILK MARKETING FUND TOTAL	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>
State Farm Products Show Fund				
General Government				
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1
STATE FARM PRODUCTS SHOW FUND TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
State Harness Racing Fund				
General Government				
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1
STATE HARNESS RACING FUND TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
State Horse Racing Fund				
General Government				
Replacement Checks .....	.....	.....	\$ 1	\$ 1
STATE HORSE RACING FUND TOTAL .....	.....	.....	<u>\$ 1</u>	<u>\$ 1</u>
State Lottery Fund				
General Government				
Replacement Checks	\$ 1	\$ 1	\$ 2	\$ 2
Refunding State Lottery Monies	1	1	1	1
STATE LOTTERY FUND TOTAL	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 3</u>	<u>\$ 3</u>
Department Total -- All Funds				
General Funds	\$106,793	\$116,427	\$111,123	\$141,140
Special Funds	83,714	104,735	114,241	145,615
Other Funds	165	353	320	394
TOTAL ALL FUNDS	<u>\$190,672</u>	<u>\$221,515</u>	<u>\$225,684</u>	<u>\$287,149</u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
State Treasurer's Office			
State Funds	\$ 3,045	\$ 3,660	\$ 4,700
Other Funds	165	337	394
TOTAL	\$ 3,210	\$ 3,997	\$ 5,094

Receives and deposits all monies of the Commonwealth, disburses those monies, and invests surplus monies of operating funds.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
State Treasurer's Office	\$ 3,045	\$ 3,660	\$ 4,700
Other Funds:			
Expenses—Unemployment Compensation			
Disbursements	165	301	394
Supplemental Retirement Contribution .....	.....	36	.....
TOTAL	\$ 3,210	\$ 3,997	\$ 5,094

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Income Maintenance—Public Assistance Disbursements			
State Funds	\$ 1,712	\$ 2,215	\$ 2,711
Other Funds .....	.....	13	.....
TOTAL	\$ 1,712	\$ 2,228	\$ 2,711

Audits the disbursement records and checks for public assistance payments, maintains the accounting controls for the allocation of funds, and disburses all checks to recipients of those payments.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Public Assistance Disbursements	\$ 1,712	\$ 2,215	\$ 2,711
Other Funds:			
Supplemental Retirement Contribution .....	.....	13	.....
TOTAL	\$ 1,712	\$ 2,228	\$ 2,711

GENERAL FUND

TREASURY

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Board of Finance and Revenue			
State Funds	\$ 235	\$ 308	\$ 448
Other Funds .....	.....	3	.....
TOTAL	\$ 235	\$ 311	\$ 448

Reviews settlements made with persons, associations, or corporations by the departments of Revenue, Auditor General, and Treasury. Hears and determines petitions for monies to which the Commonwealth is not legally entitled.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Board of Finance and Revenue	\$ 235	\$ 308	\$ 448
Other Funds:			
Supplemental Retirement Contribution .....	.....	3	.....
TOTAL	\$ 235	\$ 311	\$ 448

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Commission on Interstate Cooperation			
State Funds	\$ 30	\$ 30	\$ 30

Assists in the promotion of interstate cooperation through a commission, composed of members from the General Assembly and the Executive Branch.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Commission on Interstate Cooperation	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ 30</u>

GENERAL FUND

TREASURY

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Council on State Government			
State Funds	\$ 74	\$ 74	\$ 128

Promotes interstate progress, interstate cooperation, and Federal-State relations through a council, composed of representatives from all the states.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Council on State Government	<u>\$ 74</u>	<u>\$ 74</u>	<u>\$ 128</u>

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Development, Utilization and Regulation of Water Resources			
State Funds	\$ 15	\$ 15	\$ 15

Plans and promotes a balanced program for the development, use and conservation of the water resources of the Great Lakes Basin through a commission, composed of members from states bordering the Great Lakes.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Great Lakes Commission	<u>\$ 15</u>	<u>\$ 15</u>	<u>\$ 15</u>

GENERAL FUND

TREASURY

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Replacement Checks			
State Funds	\$ 30	\$ 30	\$ 70

Provides for issuance of replacement checks in lieu of outstanding checks too old when presented and to adjust errors.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ 70</u>

Debt Service Requirements

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Financing Commonwealth Obligations			
State Funds	\$101,552	\$109,995	\$132,938

Provides for interest and principal requirements of notes and bonds issued by the Commonwealth and other expenses related to debt service.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Interest Obligations—Penn State University	\$ 15	\$ 15	\$ 15
Publishing Monthly Statements	15	15	17
Loan and Transfer Agents	60	60	85
Tax Note Expenses	80	80	80
Sinking Funds:			
Public Buildings	2,097	2,070	2,041
Project 70	6,498	6,389	6,785
Land and Water Development	15,000	18,379	14,164
Capital Debt	60,700	69,608	86,880
Vietnam Veterans' Compensation	4,185	4,841	4,662
Disaster Relief	3,335	8,538	7,459
Nursing Home Loan .....	.....	.....	2,750
Executive Authorizations:			
Interest—Tax Notes	9,567	.....	8,000
TOTAL	<u>\$101,552</u>	<u>\$109,995</u>	<u>\$132,938</u>

Grants and Subsidies

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Capitol Fire Protection			
State Funds	\$ 100	\$ 100	\$ 100

Provides payment to the city of Harrisburg for fire protection rendered to the Capitol Buildings.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Capitol Fire Protection	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 100</u>

General Government

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Board of Finance and Revenue Administration			
State Funds	\$ 8,786	\$ 11,895	\$ 13,184

Composed of five members, three of whom shall constitute a quorum, the Board is concerned generally with the approval and payment of claims against the Commonwealth for funds improperly or illegally paid into the State Treasury and with the payment of approved refund claims for taxes on liquid fuels used for agricultural purposes within the State, and provides for the reimbursement of marine fuels taxes as required by Act 65 of June 15, 1969.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Replacement Checks	\$ 35	\$ 35	\$ 50
Refunding Monies Collected through			
Department of Transportation	650	650	650
Refunding Liquid Fuel Tax—Agricultural Use	4,000	5,000	5,000
Refunding Liquid Fuel Tax—State Share	2,700	3,500	5,000
Refunding Liquid Fuel Tax—State Share— Additional		1,100	
Administration of Refunding Liquid Fuel			
Tax—Agriculture Use	109	151	190
Refunding Emergency Liquid Fuel Tax	1	1	1
Refunding Liquid Fuel Tax—Political			
Subdivision Use	300	400	1,000
Administration of Refunding Liquid Fuel			
Tax—Political Subdivision Use	41	58	93
Refunding Marine Liquid Fuel Tax—Boating Fund	950	1,000	1,200
TOTAL	\$ 8,786	\$ 11,895	\$ 13,184

Debt Service Requirements

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Financing Commonwealth Obligations			
State Funds	\$ 74,918	\$ 92,830	\$132,418

Provides for interest and principal payments on General Obligation Bonds issued for highway purposes. Also provides for interest and expenses of issuing Tax Anticipation notes used to preserve the cash balance in the Motor License Fund, and for the Loan and Transfer Agents.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Capital Debt—Transportation Projects	\$ 72,800	\$ 90,617	\$132,167
Capital Debt—General State Authority			
Projects	33	128	161
Loan and Transfer Agent	60	60	90
Interest—Tax Anticipation Notes	2,000	2,000	.....
Expenses—Issuing Tax Anticipation Notes	25	25	.....
TOTAL	\$ 74,918	\$ 92,830	\$132,418

Game Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Replacement Checks			
State Funds	\$ 1	\$ 1	\$ 2

Provides for the issuance of checks to replace those lost or too old to cash.

Source of Funds

Appropriation:

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 2</u>

Fish Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Replacement Checks			
State Funds	\$ 1	\$ 1	\$ 1

Provides for the issuance of checks to replace those lost or too old to cash.

Source of Funds

Appropriation:

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

Boating Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Replacement Checks			
State Funds	\$ 1	\$ 1	\$ 1

Provides for the issuance of checks to replace those lost or too old to cash.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

Banking Department Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Replacement Checks			
State Funds	\$ 1	\$ 1	\$ 1

Provides for the issuance of checks to replace those lost or too old to cash.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

Milk Marketing Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Replacement and Refund Checks			
State Funds	\$ 2	\$ 2	\$ 2

Provides for the issuance of checks to replace those lost or too old to cash. Also provides for refund checks when an excess or duplicate fee is incorrectly paid.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Replacement Checks	\$ 1	\$ 1	\$ 1
Executive Authorization:			
Refund Milk Marketing Licenses and Fees	1	1	1
TOTAL	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>

State Farm Products Show Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Replacement Checks			
State Funds	\$ 1	\$ 1	\$ 1

Provides for the issuance of checks to replace those lost or too old to cash.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

State Harness Racing Fund

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Replacement Checks			
State Funds	\$ 1	\$ 1	\$ 1

Provides for the issuance of checks to replace those lost or too old to cash.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

State Horse Racing Fund

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Replacement Checks			
State Funds	\$ 1

Provides for the issuance of checks to replace those lost or too old to cash.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 1</u>

State Lottery Fund

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Replacement and Refund Checks			
State Funds	\$ 2	\$ 2	\$ 3

Provides for the issuance of checks to replace those lost or too old to cash. Also enables the Commonwealth to refund those monies to which it is not legally entitled.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Replacement Checks	\$ 1	\$ 1	\$ 2
Executive Authorization:			
Refunding State Lottery Monies	\$ 1	\$ 1	\$ 1
TOTAL	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 3</u>

TREASURY

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Fiscal Management	\$ 12,106	\$ 15,903	\$ 18,415	\$ 17,591	\$ 17,960	\$ 18,304	\$ 18,661
Disbursement	12,106	15,903	18,415	17,591	17,960	18,304	18,661
Economic Development of the Disadvantaged and Handicapped	\$ 1,712	\$ 2,215	\$ 2,711	\$ 2,336	\$ 2,523	\$ 2,725	\$ 2,943
Income Maintenance	1,712	2,215	2,711	2,336	2,523	2,725	2,943
Financing Commonwealth Obligations . . .	\$176,470	\$202,825	\$265,356	\$280,956	\$318,165	\$354,311	\$385,164
Debt Service	176,470	202,825	265,356	280,956	318,165	354,311	385,164
Improving Interstate Cooperation	\$ 104	\$ 104	\$ 158	\$ 158	\$ 158	\$ 158	\$ 158
Interstate Relations	104	104	158	158	158	158	158
Natural Resource Development and Management	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
Development, Utilization and Regulation of Water Resources	15	15	15	15	15	15	15
Physical Facilities Management	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Provision and Operation of Facilities . .	100	100	100	100	100	100	100
AGENCY TOTAL	<u>\$190,507</u>	<u>\$221,162</u>	<u>\$286,755</u>	<u>\$301,156</u>	<u>\$338,921</u>	<u>\$375,613</u>	<u>\$407,041</u>

Disbursement

OBJECTIVE: To receive and safeguard the monies of the Commonwealth; to manage the funds to the best advantage of the Commonwealth; and to assure that all disbursements of funds are legal and proper.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$ 3,310	\$ 3,998	\$ 5,218	\$ 4,451	\$ 4,802	\$ 5,126	\$ 5,462
Special Funds	8,796	11,905	13,197	13,140	13,158	13,178	13,199
Other Funds	165	340	394	380	400	410	420
TOTAL	\$12,271	\$16,243	\$18,809	\$17,971	\$18,360	\$18,714	\$19,081

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Checks issued	9,250,000	10,050,000	10,750,000	N/A	N/A	N/A	N/A
Interest earned on investments:							
General Fund	\$43,143,741	\$48,612,000	\$27,566,000*	N/A	N/A	N/A	N/A
Motor Fund	\$ 4,737,206	\$ 4,635,000	\$ 5,363,000*	N/A	N/A	N/A	N/A

* 15 month estimate.

Program Analysis:

The Treasury Department is required by statute to receive and deposit all monies of the Commonwealth; to invest in short-term securities any Commonwealth monies which accumulate beyond the daily needs of the various funds; to manage to the best possible advantage all securities in its custody; to preaudit all requisitions for the expenditure of funds; and to disburse all State monies upon proper authorization to those entitled to receive payment. In this connection the State Treasury is responsible for the receipt, custody and disbursement of several billions of dollars each year. The amounts shown above for interest earned on investments indicate larger than normal earnings for the years 1973-74 and 1974-75 with a decline to a more normal level in 1975-76. This is due to the large surplus which was used to

provide tax relief and will not be available for investment in 1975-76.

In addition, the State Treasurer is Chairman of the Board of Finance and Revenue and serves as a member of the General State Authority, various public retirement boards, the State Highway and Bridge Authority and several other important boards and commissions.

The Board of Finance and Revenue operates within this program by reviewing and deciding appeals concerning settlements made between the Commonwealth and persons, associations and corporations. The Board also administers the program for refunding any monies to which the Commonwealth is not legally entitled.

Disbursement: (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 3,045	\$ 3,660	\$ 4,700	\$ 3,990	\$ 4,310	\$ 4,600	\$ 4,900
Board of Finance and Revenue	235	308	448	391	422	456	492
Replacement Checks	30	30	70	70	70	70	70
GENERAL FUND TOTAL	<u>\$ 3,310</u>	<u>\$ 3,998</u>	<u>\$ 5,218</u>	<u>\$ 4,451</u>	<u>\$ 4,802</u>	<u>\$ 5,126</u>	<u>\$ 5,462</u>
MOTOR LICENSE FUND							
Replacement Checks	\$ 35	\$ 35	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Refunding Monies Collected Through Department of Transportation	650	650	650	650	650	650	650
Refunding Liquid Fuels Tax-Agricultural Use	4,000	5,000	5,000	5,000	5,000	5,000	5,000
Refunding Liquid Fuels Tax-State Share	2,700	4,600	5,000	5,000	5,000	5,000	5,000
Administration of Refunding Liquid Fuels Tax-Agricultural Use	109	151	190	163	176	191	206
Refunding Emergency Liquid Fuels Tax	1	1	1	1	1	1	1
Refunding Liquid Fuel Tax-Political Subdivisions	300	400	1,000	1,000	1,000	1,000	1,000
Administration of Refunding Liquid Fuel Tax-Political Subdivision Use	41	58	93	63	68	73	79
Refunding Marine Liquid Fuel Tax-Boating Fund	950	1,000	1,200	1,200	1,200	1,200	1,200
MOTOR LICENSE FUND TOTAL	<u>\$ 8,786</u>	<u>\$11,895</u>	<u>\$13,184</u>	<u>\$13,127</u>	<u>\$13,145</u>	<u>\$13,165</u>	<u>\$13,186</u>
GAME FUND							
Replacement Checks	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2
FISH FUND							
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
BOATING FUND							
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
BANKING DEPARTMENT FUND							
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
MILK MARKETING FUND							
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Refunding Milk Marketing Licenses and Fees	1	1	1	1	1	1	1
MILK MARKETING FUND TOTAL	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>

Disbursement: (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
STATE FARM PRODUCTS SHOW FUND							
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
STATE HARNESS RACING FUND							
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
STATE HORSE RACING FUND							
Replacement Checks			\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
STATE LOTTERY FUND							
Replacement Checks	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2
Refunding State Lottery Monies	1	1	1	1	1	1	1
STATE LOTTERY FUND							
TOTAL	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3

Income Maintenance

OBJECTIVE: To provide an economic base for individuals who, because of social, mental, physical or other disability, are unable to sustain a minimally acceptable level of existence.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$1,712	\$2,215	\$2,711	\$2,336	\$2,523	\$2,725	\$2,943
Other Funds .....	.....	13	.....	.....	.....	.....	.....
TOTAL	<u>\$1,712</u>	<u>\$2,228</u>	<u>\$2,711</u>	<u>\$2,336</u>	<u>\$2,523</u>	<u>\$2,725</u>	<u>\$2,943</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Persons receiving cash grants	732,819	744,500	902,400	830,000	805,800	813,900	830,200

Program Analysis:

The Treasury Department audits the disbursement records, maintains accounting controls, and disburses all checks to recipients of Public Assistance. Approximately 28,000 Public Assistance checks are processed each working day for distribution to the recipients. This processing includes preauditing, collating, authenticating and mailing the checks to individual recipients and banks.

The Direct Delivery system, whereby checks are distributed through participating banks, has continued to grow steadily since its inception. There are presently 254 banks which

distribute approximately 12,000 checks daily. The system is in effect in Philadelphia, Pittsburgh, Harrisburg, Chester, Norristown, Bristol, Bethlehem, Erie, Scranton, Lancaster, Allentown, Marcus Hook, Reading, and York. This program has reduced substantially the number of lost, stolen and forged checks. Information from the Department of Public Welfare for the first six month of 1974 shows a fifty percent reduction of double payments in Philadelphia, Allegheny, Dauphin and Delaware counties and a reduction of ten percent in the remaining counties covered by the Direct Delivery system.

Program Costs by Appropriations:

GENERAL FUND	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Public Assistance Disbursements	<u>\$1,712</u>	<u>\$2,215</u>	<u>\$2,711</u>	<u>\$2,336</u>	<u>\$2,523</u>	<u>\$2,725</u>	<u>\$2,943</u>

Debt Service

OBJECTIVE: To provide for interest and principal requirements of notes and bonds issued by the Commonwealth and other expenses related to debt service.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$101,552	\$109,995	\$132,938	\$152,088	\$167,907	\$185,955	\$199,168
Special Funds	74,918	92,830	132,418	128,868	150,258	168,356	185,996
TOTAL	\$176,470	\$202,825	\$265,356	\$280,956	\$318,165	\$354,311	\$385,164

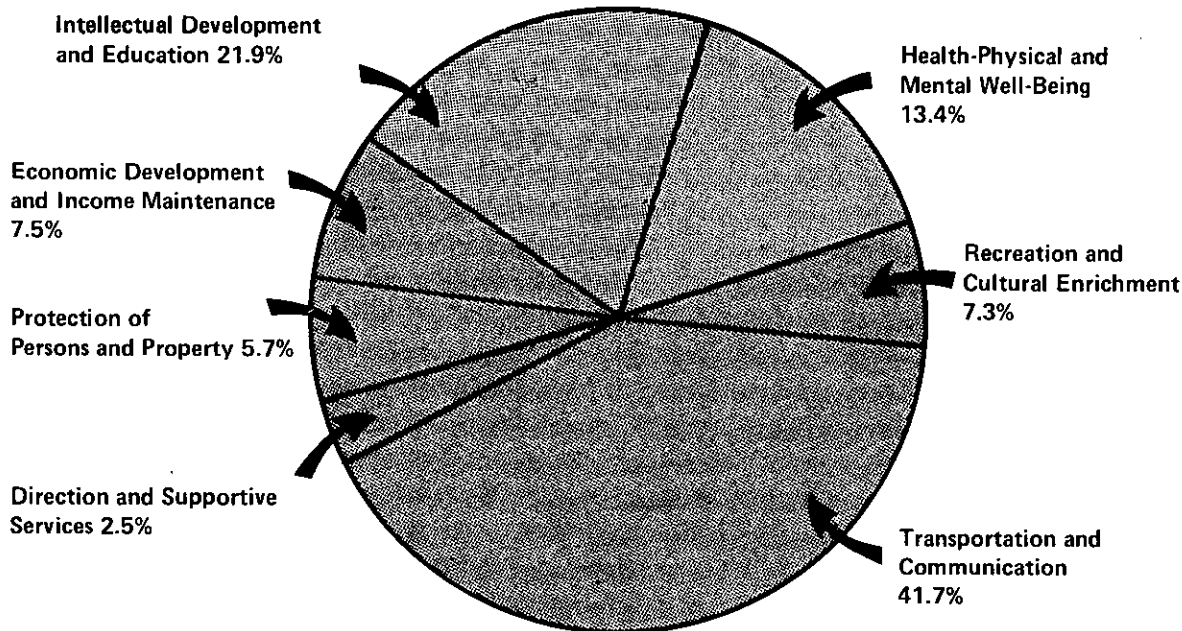
Program Analysis:

The Commonwealth, through the Treasury Department, is obligated to meet the principal and interest requirements and other expenses related to debt service.

Long-term bonds are issued by the State to cover the cost of financing public improvements which are needed at an early date but represent such a heavy financial burden that they cannot be funded through current revenues. These bond issues have provided funds over the years for projects such as the

acquisition and development of public recreation and historic sites and facilities; the payment of compensation to veterans of the Vietnam Conflict; relief for victims of disasters; and a wide variety of construction and renovation projects including hospitals, higher education facilities, State parks, flood control, correctional institutions, and various public buildings. Debt service is provided for the first time on a bond issue to provide funds to bring nursing homes up to the standards of the Life Safety Code.

1975-76
DISTRIBUTION OF DEBT SERVICE BY MAJOR PROGRAM
GENERAL FUND AND MOTOR FUND



Debt Service: (continued)

Program Analysis: (continued)

In previous budgets these debt service costs were distributed and reflected in the programs which the bond expenditures supported. This has not been done in this budget. However,

the chart above reflects the major programs which have benefited from Commonwealth bond expenditures.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Interest Obligations—Penn State							
University	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
Publishing Monthly Statements	15	15	17	17	20	20	20
Loan and Transfer Agents	60	60	85	80	80	85	85
Tax Note Expenses	80	80	80	80	80	80	80
Interest-Tax Notes	9,567	.....	8,000	8,000	8,000	8,000	8,000
Sinking Funds:							
Public Buildings	2,097	2,070	2,041	2,014	.....	.....	.....
Project 70	6,498	6,389	6,785	6,162	6,056	5,947	5,839
Land and Water Development	15,000	18,379	14,164	28,502	32,169	36,359	37,784
Capital Debt	60,700	69,608	86,880	91,331	105,643	119,640	131,567
Vietnam Veterans' Compensation ...	4,185	4,841	4,662	4,659	4,641	4,630	4,628
Disaster Relief	3,335	8,538	7,459	7,000	6,978	6,955	6,928
Nursing Home Loan .....	.....	.....	2,750	4,228	4,225	4,224	4,222
GENERAL FUND TOTAL	\$101,552	\$109,995	\$132,938	\$152,088	\$167,907	\$185,955	\$199,168
MOTOR LICENSE FUND							
Loan and Transfer Agent	\$ 60	\$ 60	\$ 90	\$ 60	\$ 60	\$ 60	\$ 60
Interest on Tax Anticipation Notes ...	2,000	2,000	.....	2,000	2,000	2,000	2,000
Expenses-Issuing Tax Notes	25	25	.....	25	25	25	25
Capital Debt—Transportation							
Projects	72,800	90,617	132,167	126,418	147,717	165,701	183,198
Capital Debt—General State							
Authority	33	128	161	365	456	570	713
MOTOR LICENSE FUND							
TOTAL	\$ 74,918	\$ 92,830	\$132,418	\$128,868	\$150,258	\$168,356	\$185,996

Interstate Relations

OBJECTIVE: To promote interstate cooperation and progress.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$104</u>	<u>\$104</u>	<u>\$158</u>	<u>\$158</u>	<u>\$158</u>	<u>\$158</u>	<u>\$158</u>

Program Analysis:

Pennsylvania helps promote interstate progress and cooperation through participation, both regionally and nationally, with other states and other units of government.

The Commission on Interstate Cooperation is composed of members from the General Assembly and the Executive

Branch, and assists in the promotion of interstate cooperation.

The Council on State Government is composed of representatives from all the states and is concerned with intrastate progress, interstate cooperation and Federal-state relations.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Commission on Interstate Cooperation	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30
Council on State Governments	74	74	128	128	128	128	128
GENERAL FUND TOTAL	<u>\$104</u>	<u>\$104</u>	<u>\$158</u>	<u>\$158</u>	<u>\$158</u>	<u>\$158</u>	<u>\$158</u>

Development, Utilization and Regulation of Water Resources

OBJECTIVE: To maximize economic benefits from the utilization of water resources at the same time insuring the availability of a sufficient quantity of water to meet the current and future needs of the Commonwealth.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$15</u>	<u>\$15</u>	<u>\$15</u>	<u>\$15</u>	<u>\$15</u>	<u>\$15</u>	<u>\$15</u>

Program Analysis:

Provides for Pennsylvania's share of the cost of the Great Lakes Commission. Established in 1956 to plan and promote a unified and balanced program for the development, use and

conservation of the Great Lakes Basin water resources, this Commission is composed of members from Pennsylvania and other states bordering the Great Lakes.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Great Lakes Commission	<u>\$15</u>	<u>\$15</u>	<u>\$15</u>	<u>\$15</u>	<u>\$15</u>	<u>\$15</u>	<u>\$15</u>

Provision and Operation of Facilities

OBJECTIVE: To insure that the Commonwealth's requirements for real property and facilities are met in the most efficient and economical manner possible.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Square feet of State-owned buildings in City of Harrisburg	5,164,212	5,164,212	5,164,212	5,164,212	5,164,212	5,164,212	5,164,212

Program Analysis:

This program provides fire protection coverage for all Capitol buildings by making an appropriation to the City of Harrisburg for the use of personnel and emergency equipment.

This program helps assure the safe conduct of government through safeguarding the tremendous value of the buildings and contents and the safety of Commonwealth employees.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
Capitol Fire Protection	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>

Department of Agriculture

The Department of Agriculture carries out activities to ensure wholesome and quality agricultural products for consumers; to expand existing and develop new domestic and foreign markets for Pennsylvania's agricultural products; to develop and encourage proper farming and conservation practices; to prevent, control and eradicate diseases among livestock, poultry and plants and to improve the quality of life in rural Pennsylvania.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	Details on Page	1975-76 State Funds (in thousands) (15 months)
General Government Operations	Rural Transportation	104	\$600

This recommended Program Revision will enable the Commonwealth to make transportation resources available to rural persons, especially the elderly, the handicapped and the disadvantaged.

DEPARTMENT TOTAL \$600

DEPARTMENT OF AGRICULTURE

Summary by Fund and Appropriations

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
General Fund				
General Government				
General Government Operations	\$ 9,211	\$11,292	\$13,389	\$16,879
Reciprocal Milk Inspections	150	.....	.....	.....
Pesticide Control .....	.....	354	.....	.....
Sub-Total	<u>\$ 9,361</u>	<u>\$11,646</u>	<u>\$13,389</u>	<u>\$16,879</u>
 Grants and Subsidies				
Animal Indemnities	\$ 245	\$ 200	\$ 360	\$ 450
Reimbursement for Kennel Construction	33	50	50	50
Control of Stem Rust	20	20	20	20
Transfer to State Farm Products				
Show Fund	155	300	500	625
Livestock Show	55	60	60	60
Open Dairy Show	55	60	60	60
Junior Dairy Show	20	25	25	25
Purchase of Horse Stalls and Storage Shed	160	.....	.....	.....
Sub-Total	<u>\$ 743</u>	<u>\$ 715</u>	<u>\$ 1,075</u>	<u>\$ 1,290</u>
 Capital Improvements				
Capital Improvements .....	.....	\$ 60	.....	.....
Sub-Total	<u>.....</u>	<u>\$ 60</u>	<u>.....</u>	<u>.....</u>
Total State Funds	<u>\$10,104</u>	<u>\$12,421</u>	<u>\$14,464</u>	<u>\$18,169</u>
 Federal Funds				
Federal Funds	\$ 808	\$ 1,527	\$ 1,493	\$ 1,493
Other Funds	639	792	600	749
GENERAL FUND TOTAL	<u>\$11,551</u>	<u>\$14,740</u>	<u>\$16,557</u>	<u>\$20,411</u>
 State Farm Products Show Fund				
General Government				
General Operations	\$ 768	\$ 890	\$ 782	\$ 1,039
Total State Funds	<u>\$ 768</u>	<u>\$ 890</u>	<u>\$ 782</u>	<u>\$ 1,039</u>
 Federal Funds				
Federal Funds	\$ 9	.....	.....	.....
Other Funds	150	.....	.....	.....
STATE FARM PRODUCTS SHOW FUND-TOTAL	<u>\$ 927</u>	<u>\$ 890</u>	<u>\$ 782</u>	<u>\$ 1,039</u>

DEPARTMENT OF AGRICULTURE

Summary by Fund and Appropriations
(continued)

	1973-74 Actual	(Dollar Amounts in Thousands)		
		1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
State Harness Racing Fund				
General Government				
Harness Racing Commission	\$ 731	\$ 864	\$ 941	\$ 1,199
Pennsylvania Fair Fund Administration	170	203	218	253
Transfer to Pennsylvania Fair Fund	2,362	1,678	688	1,032
Transfer to General Fund	7,087	7,094	4,602	6,903
Total State Funds	<u>\$10,350</u>	<u>\$ 9,839</u>	<u>\$ 6,449</u>	<u>\$ 9,387</u>
Other Funds	\$ 3	.....	.....	.....
STATE HARNESS RACING FUND-TOTAL	<u>\$10,353</u>	<u>\$ 9,839</u>	<u>\$ 6,449</u>	<u>\$ 9,387</u>
Department Total - All Funds				
General Fund	\$10,104	\$12,421	\$14,464	\$18,169
Special Funds	11,118	10,728	7,231	10,426
Federal Funds	817	1,527	1,493	1,493
Other Funds	792	793	600	749
TOTAL ALL FUNDS	<u>\$22,837</u>	<u>\$25,469</u>	<u>\$23,788</u>	<u>\$30,837</u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Government Operations			
State Funds	\$ 9,361	\$11,646	\$16,879
Federal Funds	808	1,527	1,493
Other Funds	639	792	749
TOTAL	\$10,808	\$13,965	\$19,121

Provides the overall planning, policy guidance and coordination for agency programs and supplies administrative, legal, public information, planning and research, personnel, fiscal management and supply services to the various substantive operational programs.

Protects the consumer by insuring that certain commodities comply with quality, grade and weight standards.

Engages in the protection and improvement of plant and animal health through the evaluation and control of disease.

Attempts to strengthen the agricultural economy through activities aimed at improving farm family income and promotes the self-sufficiency of rural residents through programs which provide access to vitally needed family services.

Also, provides for regulation of the labeling, distribution, transportation, use, application and storage of pesticides.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
General Government Operations	\$ 9,211	\$11,292	\$16,879
Reciprocal Milk Inspections	150	.....	.....
Pesticide Control .....	.....	354	.....
Federal Funds:			
Egg Products Inspection Act	104	100	110
Emergency Employment Act	21	.....	.....
Food Inspection	234	276	276
Labeling and Packaging Inspection	30	.....	.....
Feed Mill Inspection	21	23	35
Laboratory Services	22	35	55
Marketing Activities	42	.....	.....
Rural Services	208	520	.....
Rural Transportation	126	181	1,000
Federal Grant — Mite Research .....	.....	17	17
Comprehensive Employment and Training Act .....	.....	375	.....

GENERAL FUND

AGRICULTURE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds (Continued)			
Other Funds:			
Feed, Fertilizer, Lime and Pesticide Funds	260	265	337
Counties Share—Rural Transportation Project	68	79	. . . .
Reimbursement for Land Use and Food Policy Conferences	16	. . . .	. . . .
Reimbursement for Duplicating and Accounting Services	237	302	412
Pesticides Fees and Training	58	58	. . . .
Supplemental Retirement Contribution . . . . .	. . . .	88	. . . .
TOTAL	<u>\$10,808</u>	<u>\$13,965</u>	<u>\$19,121</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget
Animal Health			
State Funds	\$278	\$250	\$ 500

Provides indemnity payments as compensation for diseased or exposed animals which are destroyed to prevent the spread of disease. Payments are also made to the owners of poultry, game birds and livestock destroyed by dogs if restitution cannot be obtained from the identified dog owners. Also reimburses county, local and certain humane organizations for costs incurred by the expansion and construction of kennels.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Animal Indemnities	\$245	\$200	\$ 450
Reimbursement for Kennel Construction	33	50	50
TOTAL	<u>\$278</u>	<u>\$250</u>	<u>\$ 500</u>

GENERAL FUND

AGRICULTURE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Control of Stem Rust			
State Funds	\$ 20	\$ 20	\$ 20

Participates in an effort aimed at the eradication of the stem rust disease. State funds are used to match funds of participating counties.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Control of Stem Rust	\$ 20	\$ 20	\$ 20

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Agribusiness Development			
State Funds	<u>\$445</u>	<u>\$445</u>	<u>\$770</u>

Supports that portion of the Farm Show activities that is not covered by State Farm Products Show Fund revenues and stimulates the improvement and development of Pennsylvania's agricultural Products through competitive shows. Also aids these activities through the purchase of equipment for the various shows, sales and competitive events.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Transfer to State Farm Products Show Fund	\$155	\$300	\$625
Livestock Show	55	60	60
Open Dairy Show	55	60	60
Junior Dairy Show	20	25	25
Purchase of Horse Stalls and Storage Shed	160	.....	.....
TOTAL	<u><u>\$445</u></u>	<u><u>\$445</u></u>	<u><u>\$770</u></u>

Capital Improvements

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Animal Health			
State Funds	\$ 60	.....

Provided for installation of an incinerator adjacent to the Summerdale laboratory to handle the disposition of diseased animal carcasses.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Capital Improvements	<u>\$ 60</u>	.....

State Farm Products Show Fund,

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
General Operations			
State Funds	\$ 768	\$ 890	\$1,039
Federal Funds	9	.....	.....
Other Funds	305	300	625
TOTAL	\$1,082	\$1,190	\$1,664

Stimulates the improvement and development of Pennsylvania's agricultural products by encouraging and staging competitive shows at the State Farm Show Complex. Provides facilities for educational, cultural, religious, sport and other activities of interest to the public.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
General Operations	\$ 768	\$ 890	\$1,039
Federal Funds:			
Emergency Employment Act	9	.....	.....
Other Funds:			
Transfer from General Fund*	155	300	625
Flood Emergency and Disaster Relief	150	.....	.....
TOTAL	\$1,082	\$1,190	\$1,664

* The Transfer from the General Fund is not carried forward as other funds to the Summary by Fund and Appropriation to avoid double counting.

State Harness Racing Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Harness Racing Commission			
State Funds	\$ 731	\$ 864	\$1,199
Other Funds	2	.....	.....
TOTAL	<u>\$ 733</u>	<u>\$ 864</u>	<u>\$1,199</u>

Develops and implements rules, regulations and procedures to insure the public and harness horse owners of honest and safe competitive pari-mutuel harness racing. Also administers the Pennsylvania Sire Stakes activity which is financed from a restricted revenue account within the Harness Racing Fund.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorization:			
Harness Racing Commission	\$ 731	\$ 864	\$1,199
Other Funds:			
Sale of Automobiles	2	.....	.....
TOTAL	<u>\$ 733</u>	<u>\$ 864</u>	<u>\$1,199</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Pennsylvania Fair Fund Administration			
State Funds	\$ 170	\$ 203	\$ 253
Other Funds	1	.....	.....
TOTAL	<u>\$ 171</u>	<u>\$ 203</u>	<u>\$ 253</u>

Provides for the expenses incurred by the Secretary and the Department of Agriculture in administering the Pennsylvania Fair Fund.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorization:			
Pennsylvania Fair Fund Administration	\$ 170	\$ 203	\$ 253
Other Funds:			
Sale of Automobiles	1	.....	.....
TOTAL	<u>\$ 171</u>	<u>\$ 203</u>	<u>\$ 253</u>

OTHER SPECIAL FUNDS

AGRICULTURE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Transfer of Other Funds			
State Funds	\$9,449	\$8,772	\$7,935

Beginning in 1975-76, thirteen percent of all monies derived from harness racing and not required for administrative expenses is transferred to the Pennsylvania Fair Fund for support of specific programs. In previous years, this transfer was twenty-five percent.

Beginning in 1975-76, eighty-seven percent of all monies derived from harness racing and not required for administrative expenses is transferred as miscellaneous revenue to the General Fund, these revenues do not support a specific program. In previous years this transfer was seventy-five percent.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorizations:			
Transfer to Pennsylvania Fair Fund	\$2,362	\$1,678	\$1,032
Transfer to General Fund	7,087	7,094	6,903
TOTAL	<u><u>\$9,449</u></u>	<u><u>\$8,772</u></u>	<u><u>\$7,935</u></u>

Restricted Receipts Not Included in Department Total

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
General Fund			
Federal—State Cooperation in Marketing	\$ 15	.....	.....
Apple Marketing Program	41	\$ 66	\$ 82
Domestic Mink Applications .....	.....	.....	.....
	<u>.....</u>	<u>.....</u>	<u>.....</u>
TOTAL	<u>\$ 56</u>	<u>\$ 66</u>	<u>\$ 82</u>

DEPARTMENT OF AGRICULTURE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 2,151	\$ 2,426	\$ 3,371	\$ 2,800	\$ 2,939	\$ 3,086	\$ 3,240
Consumer Protection	\$12,891	\$12,858	\$13,729	\$ 9,945	\$ 9,552	\$ 9,766	\$ 9,916
Consumable Agricultural Products	2,712	3,222	4,595	3,705	3,890	4,084	4,288
Regulation of Horse Racing	10,179	9,636	9,134	6,240	5,662	5,682	5,628
Property Protection	\$ 4,178	\$ 5,075	\$ 7,153	\$5,906	\$ 6,180	\$ 6,467	\$ 6,768
Plant Health	694	1,145	1,446	1,325	1,390	1,458	1,529
Animal Health	3,484	3,930	5,707	4,581	4,790	5,009	5,239
Agribusiness Development	\$ 1,990	\$ 2,291	\$ 3,132	\$ 2,603	\$ 2,725	\$ 2,853	\$ 2,988
Development of Agricultural Industries	1,990	2,291	3,132	2,603	2,725	2,853	2,988
Development of Rural Areas	\$ 12	\$ 500	\$ 1,210	\$ 1,175	\$ 1,233	\$ 1,294	\$ 1,358
Maintaining Family and Individual Self-Sufficiency	12	500	1,210	1,175	1,233	1,294	1,358
DEPARTMENT TOTAL	<u>\$21,222</u>	<u>\$23,150</u>	<u>\$28,595</u>	<u>\$22,429</u>	<u>\$22,629</u>	<u>\$23,466</u>	<u>\$24,270</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$2,064	\$2,313	\$3,216	\$2,671	\$2,804	\$2,944	\$3,091
Special Funds	87	113	155	129	135	142	149
Federal Funds	140	.....	.....	.....	.....	.....	.....
Other Funds	617	790	812	730	730	730	730
TOTAL	<u>\$2,908</u>	<u>\$3,216</u>	<u>\$4,183</u>	<u>\$3,530</u>	<u>\$3,669</u>	<u>\$3,816</u>	<u>\$3,970</u>

Program Analysis:

This program provides the administrative and overhead systems which support the operations of the substantive programs of the Department. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

Funds are also provided to support the Pennsylvania Crop Reporting Service. The Service is a cooperative effort of the State and Federal governments which assembles and distributes essential facts pertaining to the agriculture of the

State. It produces an annual "Crop and Livestock Summary", periodic reports on segments of the agriculture industry, and in cooperation with the National Weather Bureau and Statistical Reporting Service a weekly weather and crop report during the growing season.

Also included in this program is funding for the Administration of the Pennsylvania Fair Fund. Expenses for these administrative costs come from the Pennsylvania Fair Fund and are shown as other funds.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$2,064</u>	<u>\$2,313</u>	<u>\$3,216</u>	<u>\$2,671</u>	<u>\$2,804</u>	<u>\$2,944</u>	<u>\$3,091</u>
STATE HARNESS RACING FUND							
Fair Fund Administration	<u>\$ 87</u>	<u>\$ 113</u>	<u>\$ 155</u>	<u>\$ 129</u>	<u>\$ 135</u>	<u>\$ 142</u>	<u>\$ 149</u>

Consumable Agricultural Products

OBJECTIVE: To lower the incidence of misrepresented or substandard products.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$2,712	\$3,222	\$4,595	\$3,705	\$3,890	\$4,084	\$4,288
Federal Funds	410	399	421	421	421	421	421
Other Funds	261	265	337	270	270	270	270
TOTAL	\$3,383	\$3,886	\$5,353	\$4,396	\$4,581	\$4,775	\$4,979

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Food establishments requiring inspection	58,350	58,650	58,700	58,900	59,100	59,300	59,500
Incidence of consumer complaints	1,843	1,910	1,980	2,045	2,110	2,175	2,240
Incidence of food products showing major discrepancies	24,100	24,870	25,435	25,600	25,800	26,000	26,200
Dollar value of products removed from the market	\$1,105,000	\$1,163,000	\$1,216,000	\$1,269,000	\$1,322,000	\$1,375,000	\$1,427,000
Weight and measure inspections performed	98,352	99,550	99,050	98,550	98,050	97,500	97,050
Incidence of shortweight	36,420	36,420	36,420	36,420	36,420	36,420	36,420

Program Analysis:

The objective of this program within the Department of Agriculture is to lower the incidence of misrepresented or substandard products thus affording the Pennsylvania consumer a quality product. The primary activities in this area deal with food inspection. Food establishments which are subject to the Department's inspection program include all licensed food stores, processing plants, warehouses, transportation facilities, bakeries, bottling plants and certain restaurants and concession stands. It is estimated that these establishments will total 58,700 in 1975-76. Additional activities guarantee the quality of animal feeds, fertilizers, liming materials and pesticides.

As the data indicate the incidence of consumer complaints, which represents those received from all sources including other agencies and State institutions, is expected to increase largely due to increased consumer awareness. In 1974-75 these

complaints coupled with ongoing inspection activities will account for the discovery and removal from the market of 24,870 major product discrepancies with a dollar value of \$1,163,000. These discrepancies represent significant violation of laws, regulation or production practices observed by inspection, product analysis or label review. In instances of significant violations follow-up actions consist of warning letters, reinspection, product destruction or prosecution.

Also included in this program are activities which regulate and maintain uniform standards of legal weights and measures of Commonwealth products. It is anticipated that there will be 99,500 weight and measure inspections performed in 1974-75 accounting for 36,420 incidences of shortweight. With present staffing conditions this number is expected to remain constant.

Consumable Agricultural Products (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$2,562	\$3,222	\$4,595	\$3,705	\$3,890	\$4,084	\$4,288
Reciprocal Milk Inspections	150	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$2,712</u>	<u>\$3,222</u>	<u>\$4,595</u>	<u>\$3,705</u>	<u>\$3,890</u>	<u>\$4,084</u>	<u>\$4,288</u>

Regulation of Horse Racing

OBJECTIVE: To prevent consumer fraud in harness racing.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Special Funds	\$10,180	\$ 5,628	\$ 9,134	\$ 6,240	\$ 5,662	\$ 5,682	\$ 5,682
Other Funds	1,184	1,322	1,425	1,197	1,255	1,313	1,322
TOTAL	<u>\$11,364</u>	<u>\$ 6,950</u>	<u>\$10,559</u>	<u>\$ 7,437</u>	<u>\$ 6,917</u>	<u>\$ 6,995</u>	<u>\$ 6,950</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Incidence of patron complaints	10	10	10	10	10	10	10
Incidence of noncompliance with established rules and regulations	615	450	625	625	635	640	645
Investigations to insure compliance with established rules and regulations	380	280	400	425	430	445	455
Participants to be licensed	10,500	9,000	10,700	10,800	10,900	11,000	11,100
Races to be conducted	2,790	4,000	5,000	7,500	9,000	9,000	9,000

Program Analysis:

The activities of this program are aimed at insuring that harness racing events are fair and unbiased. It is estimated that there will be 5,000 harness races conducted in the Commonwealth in 1975-76 with 10,700 participants to be licensed. The data indicate that the number of investigations to insure compliance with established rules and regulations will total approximately 400 in 1975-76 with 625 anticipated incidences of noncompliance. The establishment of a system of pre-licensing screening is expected to reduce the incidence of noncompliance proportionately to the

number of racing days. Additionally, the up-grading of the enforcement controls through the expansion of the pre-race testing program will further protect the wagering public. These enforcement procedures are designed to contribute to the overall confidence factor of patrons, thus assuming a continuation of the current wagering level and concomitant revenues for the Commonwealth.

The decline in the individual measurements for 1974-75 represents the lack of a participating association at Pocono Downs during 1974.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
STATE HARNESS RACING FUND							
Harness Racing Commission	\$ 733	\$ 864	\$ 1,199	\$ 950	\$ 997	\$ 1,097	\$ 1,151
Transfer to the General Fund	7,087	7,094	6,903	4,602	4,059	3,989	3,895
Transfer to the Pennsylvania Fair Fund	2,362	1,678	1,032	688	606	596	582
STATE HARNESS RACING FUND TOTAL	<u>\$10,180</u>	<u>\$ 9,636</u>	<u>\$ 9,134</u>	<u>\$ 6,240</u>	<u>\$ 5,662</u>	<u>\$ 5,682</u>	<u>\$ 5,628</u>

Plant Health

OBJECTIVE: To reduce plant loss and damage caused by plant pests and diseases.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$694	\$1,145	\$1,446	\$1,325	\$1,390	\$1,458	\$1,529
Federal Funds .....	.....	17	17	17	17	17	17
Other Funds	58	58	.....	.....	.....	.....	.....
TOTAL	\$752	\$1,220	\$1,463	\$1,342	\$1,407	\$1,475	\$1,546

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Samples processed	3,867	3,867	3,867	3,867	3,867	3,867	3,867
New plant pests detected as a percent of the processed samples .....	.7%	.7%	.7%	.7%	.7%	.7%	.7%
Plant pests of economic or regulatory importance as a percent of the processed samples	8.5%	8.7%	8.7%	8.7%	8.7%	8.7%	8.7%
Crops surveyed for plant pests	16	15	15	15	15	15	15
Plant pest surveys required	60	61	61	61	61	61	61
Total farm acres and percent of these acres employing forecasting, integrated or biological pest control	5,000 18.5%	5,500 20.3%	5,500 20.3%	5,500 20.3%	5,500 20.3%	5,500 20.3%	5,500 20.3%

Program Analysis:

As implied by its objective this program seeks to discover or identify new or unknown plant pests and diseases and monitors established pests and diseases in order to locate problems before destructive population and disbursement levels are reached.

It is estimated that 3,867 plant samples are routinely submitted to the Department of Agriculture's laboratories for pest identification in the course of regulatory and survey operations. Additionally, as the data indicate 61 crops have been determined by the State - Federal Crop Reporting Service to be of such significant economic importance to the Commonwealth that they merit continual surveys. Crops fall into this category once the farm value production of an individual crop exceeds \$1 million. Fifteen of these crops will be surveyed during 1974-75 with the remainder to be surveyed in subsequent years.

Also included in this program is funding for continued implementation of the Pesticide Control Law. This law

provides for the regulation of the use and storage of pesticide and the licensing of pesticide dealers in order to prevent the presence of pesticides in the food chain. In conjunction with this activity, current data indicate that 20.3 percent of all crop acreage within the Commonwealth will be employing forecasting and integrated or biological pest control. It has been demonstrated that by monitoring pest populations to determine types and levels of pests and by applying pesticides or biological controls to match the level and type of pest reduced amounts of pesticides are required to produce a saleable crop.

Another area which deserves attention is the Fruit Tree Improvement Program which is designed to obtain, propagate, maintain and supply disease free propagating stock. Currently this clean stock program is limited to peaches and cherries but its success will result in its expansion to other fruit crops with the eventual possible expansion to certain greenhouse crops.

Plant Health (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$674	\$ 771	\$1,426	\$1,305	\$1,370	\$1,438	\$1,509
Pesticide Control .....	.....	354	.....	.....	.....	.....	.....
Control of Stem Rust	20	20	20	20	20	20	20
GENERAL FUND TOTAL	<u>\$694</u>	<u>\$1,145</u>	<u>\$1,446</u>	<u>\$1,325</u>	<u>\$1,390</u>	<u>\$1,458</u>	<u>\$1,529</u>

Animal Health

OBJECTIVE: To improve the health and reduce the incidence of damage to and by animals.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$3,484	\$3,930	\$5,707	\$4,581	\$4,790	\$5,009	\$5,239
Federal Funds	22	35	55	55	55	55	55
TOTAL	<u>\$3,506</u>	<u>\$3,965</u>	<u>\$5,762</u>	<u>\$4,636</u>	<u>\$4,845</u>	<u>\$5,064</u>	<u>\$5,294</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Animal population	87,000,000	87,200,000	87,400,000	87,600,000	87,800,000	88,000,000	88,200,000
Animals examined to determine disease	4,760,000	4,765,000	4,770,000	4,775,000	4,780,000	4,785,000	4,790,000
Animals certified disease free	1,441,000	1,442,000	1,443,000	1,444,000	1,445,000	1,446,000	1,447,000
Incidence of disease among livestock and poultry	18,100	18,000	17,900	17,800	17,750	17,600	17,500
Quarantines imposed	8,200	8,150	8,100	8,050	8,000	7,950	7,900
Animals destroyed to eradicate or prevent disease	6,600	6,550	6,500	6,450	6,400	6,350	6,300
Dogs licensed	969,000	1,008,000	1,048,000	1,066,000	1,044,000	1,022,000	1,000,000
Unlicensed dogs	325,000	315,000	306,000	299,000	284,000	270,000	255,000
Incidence of complaints concerning dogs	22,410	22,300	22,100	22,000	21,900	21,800	21,700
Dogs destroyed	68,500	71,000	74,000	75,000	74,000	73,000	72,000
Local enforcement and shelter activities supported	1,460	1,500	1,500	1,500	1,500	1,500	1,500

Program Analysis:

This program supports a wide range of activities aimed at the prevention, control and eradication of transmissible diseases of domestic animals and poultry. Data generated from these activities indicate that in 1973-74 there were 18,100 incidences of disease among livestock. This figure represents a new sampling method which accounts for individual livestock

and poultry as opposed to the gross number of outbreaks displayed in previous presentations. These individual outbreaks of disease in turn led to the imposition of a total of 8,200 quarantines consisting of entire herds or individual animals with the eventual destruction of 6,600 animals in an attempt to eradicate the infection or disease. Data on these destroyed

Animal Health (continued)

Program Analysis: (continued)

animals has changed from previous estimates due to better accounting procedures.

The on-going surveillance and certification programs accounted for the testing of 4,760,000 animals in 1973-74 with an additional 1,441,000 being certified through a voluntary test program. This year's data designating certification is based on individual animals rather than on the previously measured herds. Efforts in this area have been generally successful — leveling off to mainly a surveillance and maintenance operation. With the continued emphasis on disease control programs coupled with improved training methods the incidence of disease among livestock and poultry is expected to experience some minor decreases. However, because of the Commonwealth's large livestock population along with the increased volume of livestock being transported interstate and internationally, the potential for emergency disease outbreaks is constantly present. A case in point is the

1972 outbreak of hog cholera within the Commonwealth.

Also included in this program is dog law enforcement. Based upon a survey conducted by various municipalities of the State, it is estimated that there were 315,000 unlicensed dogs in 1974-75. While the measure designating the number of stray dogs reportedly running at large has been eliminated because of the inability to confirm the data, an extrapolation of the limited amount of confirmed reports indicates that the stray dog population is substantial, probably in excess of 50 percent of those classified as unlicensed. The slight increase in the number of dogs destroyed is indicative of accelerated enforcement and increased participation by local municipalities. The decrease in future years projections anticipates a perfection of pet contraceptives, better control of stray dogs through cooperative efforts with local municipalities and a possible introduction of low cost spaying and neutering clinics.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$3,206	\$3,620	\$5,207	\$4,181	\$4,390	\$4,609	\$4,839
Animal indemnities	245	200	450	350	350	350	350
Reimbursement for Kennel Construction	33	50	50	50	50	50	50
Capital Improvement . . . . .	.....	60	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$3,484</u>	<u>\$3,930</u>	<u>\$5,707</u>	<u>\$4,581</u>	<u>\$4,790</u>	<u>\$5,009</u>	<u>\$5,239</u>

Development of Agricultural Industries

OBJECTIVE: To strengthen the agricultural economy and related enterprises.

Recommended Program Costs

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$1,138	\$1,311	\$1,995	\$1,619	\$1,693	\$1,795	\$1,900
Special Funds	852	980	1,137	984	1,032	1,058	1,088
Federal Funds	259	.....	.....	.....	.....	.....	.....
Other Funds	2,146	2,494	4,077	3,199	2,960	2,978	3,003
TOTAL	\$4,395	\$4,785	\$7,209	\$5,802	\$5,685	\$5,831	\$5,991

Program Measures

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Farm population	248,000	240,000	230,000	229,000	228,000	227,000	226,000
Farms	71,000	70,000	69,000	68,000	67,000	66,000	65,000
Average farm family income	\$4,990	\$5,100	\$5,200	\$5,330	\$5,440	\$5,550	\$5,660
Cash receipts from sale of farm products (thousands)	\$1,349,500	\$1,390,000	\$1,432,000	\$1,475,000	\$1,579,000	\$1,565,000	\$1,612,000
Increase in market contacts	200	240	260	270	280	290	300
New market areas opened to State products	4	4	4	4	4	4	4
Event days at Farm Show complex	502	492	495	485	485	485	485
Promotional activities for Pennsylvania products	150	150	150	150	150	150	150

Program Analysis:

In seeking to strengthen the agricultural economy, agribusiness development programs are designed to promote Pennsylvania's crops and livestock, especially those products that significantly affect farm incomes. According to the 1973 Statistical Abstract of the United States, during 1973 approximately 71,000 farms in Pennsylvania generated slightly in excess of \$1.1 billion in cash receipts from the sale of crops and livestock products. The sale of milk and related dairy products generated 44 percent of total cash receipts, with cattle and eggs generating 12 percent and 9 percent respectively. All other categories account for the remaining 35 percent of total cash receipts.

In promoting these products the Department of Agriculture sponsors the Dairy Princess Promotion program to promote milk consumption and inform the public of the dairy farmer's role in agriculture. Televised appearances on children's

programs, guest appearances at shopping malls and fair activities are the primary mediums for promoting Pennsylvania dairy products. Additionally, Pennsylvania's Crop Reporting Service, working in conjunction with the Pennsylvania Department of Agriculture, gathers data on the cost of producing and marketing of milk. This data is then used to support requests for various pricing policies in hearings before the Milk Marketing Board whose decisions can affect approximately 16,500 commercial milk producers.

The Department has recently implemented the Product Information Exchange Line to match commodity buyer with commodity seller. The livestock industry has been relying on this service, especially in the area of product grading. The Department, when requested by a distant buyer, will inspect and grade livestock offered for sale by a Pennsylvania producer. The Department's findings are then forwarded to

Development of Agricultural Industries (continued)

Program Analysis: (continued)

the prospective buyer. This service protects the purchaser against product misrepresentation and strengthens the credibility of the State's livestock industry.

Programs designed to stimulate consumption of eggs are conducted for purchasing agents of the leading grocery chains. Firms are encouraged to display eggs in an appealing manner and in strategic locations throughout the store. The Department is also attempting to inform the public of the nutritional benefits of eggs, especially in light of recent reports on the adverse effects that cholesterol can have on one's health.

Since the Department's objective is to strengthen all markets, it also has programs designed to promote such commodities as apples, potatoes, cherries, plums, grapes, mushrooms, turf grass and nursery products. In most instances, the promotion of these products is coordinated with councils representing product interest. Members of these councils assess themselves a fee based on their productivity. These funds are then used for promotional activities. Of current special interest to the Department is the mushroom industry and the apparent loss of consumer confidence in that product because of published recalls involving botulinal toxin. Activities in this area are now aimed at reassuring the consumer that Pennsylvania's canned mushrooms are safe for human consumption.

A publication entitled "Export Market News" is published and distributed throughout the agricultural industry, informing Pennsylvania farmers of potential foreign markets for their products. Products, product specifications and financial intermediaries are listed by the prospective buyer so that the potential seller can contact the prospective buyer for further negotiations.

While the data indicate that the number of farms continues to decline, a year-to-year growth rate of 3 percent is anticipated in cash receipts from sale of crops and livestock. This figure is most conservative since inflation and continued strong demand for farm products might significantly contribute to a growth in cash receipts.

The new market areas which represent newly discovered consuming area for Pennsylvania's farm products are expected to remain constant at four while market contacts are expected to increase by approximately 8 percent due to the increased demand for agricultural commodities. Promotional activities for Pennsylvania products are expected to remain constant at 150. These activities include the farm show events with some major attractions being the Livestock Show, the Junior Dairy Show, the Open Dairy Show and the annual Farm Show Week which all receive substantial State support.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 693	\$ 866	\$1,225	\$ 919	\$1,048	\$1,100	\$1,155
Transfer to State Farm Products							
Show Fund	155	300	625	475	500	550	600
Livestock Show	55	60	60	60	60	60	60
Open Dairy Show	55	60	60	60	60	60	60
Junior Dairy Show	20	25	25	25	25	25	25
Purchase of Horse Stalls and Storage Shed	160	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$1,138</u>	<u>\$1,311</u>	<u>\$1,995</u>	<u>\$1,619</u>	<u>\$1,693</u>	<u>\$1,795</u>	<u>\$1,900</u>
STATE FARM PRODUCTS SHOW FUND							
General Operations	\$ 768	\$ 890	\$1,039	\$ 890	\$ 933	\$ 954	\$ 979
STATE HARNESS RACING FUND							
Fair Fund Administration	\$ 84	\$ 90	\$ 98	\$ 94	\$ 99	\$ 104	\$ 109

Maintaining Family and Individual Self-sufficiency

OBJECTIVE: To promote family and individual self-sufficiency by reinforcing family functioning and basic living needs of low income families and other persons eligible for services.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 12	\$ 500	\$1,210	\$1,175	\$1,223	\$1,294	\$1,358
Federal Funds	126	1,076	1,000	1,000	1,000	1,000	1,000
Other Funds	68	79	.....	.....	.....	.....	.....
TOTAL	<u>\$206</u>	<u>\$1,655</u>	<u>\$2,210</u>	<u>\$2,175</u>	<u>\$2,233</u>	<u>\$2,294</u>	<u>\$2,358</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Pennsylvania rural population	3,408,000	3,423,000	3,348,000	3,453,000	3,468,000	3,483,000	3,498,000
Persons below poverty level in rural Pennsylvania	1,948,000	1,953,000	1,964,000	1,974,000	1,987,000	1,999,000	2,111,000
Total population service potential	2,283,000	3,500,000	5,100,000	5,200,000	5,250,000	5,250,000	5,250,000
Rural citizens provided transportation services	72,000	250,000	350,000	850,000	1,000,000	1,000,000	1,000,000
Passenger miles traveled	N/A	1,400,000	1,900,000	2,300,000	3,000,000	3,000,000	3,000,000
Social service agencies visited	250	750	1,000	1,500	1,750	1,750	2,000

Program Analysis:

The rural population of Pennsylvania is the largest of any state in the nation. As the data indicate, it is estimated that there will be 1,953,000 people below the poverty level in rural Pennsylvania in 1974-75. The Department of Agriculture has been engaged in a number of programs which, while minor in scope, have attempted to draw attention to this situation in order to encourage the necessary commitments and investments to alleviate this problem.

As part of their program the Department has been involved in a rural transportation project which will increase the accessibility of the rural poor to doctors, food stores, social service agencies and other amenities. This program which began as a limited four county project in 1972 has most recently been expanded into a 23 county project with the Governor's Interdepartmental Task Force on Rural Transportation outlining criteria necessary for a statewide system. A total of \$1,000,000 in State funds has been included in the Department's budget for continuation of this

program. Additionally, a proposal has been submitted to the Federal Government which, if approved, will provide additional funding for rural transportation under Section 147 of the Federal Highway Act of 1973. In 1974-75 it is estimated that 250,000 rural citizens will be serviced through this program with an estimated 1,400,000 passenger miles traveled.

Another area of departmental concern has been rural housing. Conceptually, the Rural Housing Rehabilitation program proposed is envisioned as serving rural home owners particularly the handicapped, welfare recipients and senior citizens. Also receiving a high priority would be farm houses and generally the isolated rural and small town rural resident. The program, which would also be utilized as work training, would provide work for the unemployed and the underemployed. Federal funds totaling \$375,000 will be available from the Comprehensive Employment and Training Act (CETA) for a pilot program in this area in 1975.

Maintaining Family and Individual Self-sufficiency (Continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	<u>\$12</u>	<u>\$500</u>	<u>\$1,210</u>	<u>\$1,175</u>	<u>\$1,233</u>	<u>\$1,294</u>	<u>\$1,358</u>

**Maintaining Family and Individual Self-Sufficiency
Program Revision: Rural Transportation**

Recommended Program Revision Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund			<u>\$600</u>	<u>\$650</u>	<u>\$702</u>	<u>\$757</u>	<u>\$812</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Citizens Provided Transport							
Current	72,000	250,000	250,000	250,000	250,000	250,000	250,000
Program Revision			675,000	725,000	725,000	725,000	725,000
Vehicle Miles							
Current	N/A	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
Program Revision			1,300,000	1,300,000	1,300,000	1,300,000	1,300,000

Program Analysis:

This Program Revision will enable the Commonwealth to make transportation services available to an increased number of rural citizens, especially the elderly, the handicapped and the disadvantaged. At the current funding level the rural transportation program serves 23 counties and 250,000 citizens. The recommended funding level will enable further expansion within these counties to an additional 425,000 rural residents.

The present cost per person served is \$3.75, carrying passengers an average of thirteen miles. It is anticipated that

cost per person will decline as more passengers are served on each trip, while improved routing, within each county, will reduce the number of excess miles that each passenger and vehicle must travel. As more experience is gained by program operators rural transportation will improve its efficiency and quality as well as its scope. The State's Rural Transportation Task Force is currently attempting to coordinate and structure the Commonwealth's efforts toward the goal of an adequate level of transportation service for rural persons throughout Pennsylvania.

Program Revision Costs by Appropriations:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations			<u>\$600</u>	<u>\$650</u>	<u>\$702</u>	<u>\$757</u>	<u>\$812</u>

Department of Banking

The Department of Banking protects the public through the examination of records, accounts, and policies of State-chartered financial institutions.

Through the activities of the Pennsylvania Security Commission, the Department oversees the State controlled securities industry to insure compliance with Commonwealth statutes. The Commission is an administrative commission within the Department consisting of three members appointed by the Governor.

DEPARTMENT OF BANKING
Summary by Fund and Appropriation

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
General Fund				
General Government				
Pennsylvania Securities Commission	\$ 509	\$ 690	\$ 749	\$ 932
GENERAL FUND TOTAL	<u>\$ 509</u>	<u>\$ 690</u>	<u>\$ 749</u>	<u>\$ 932</u>
Banking Department Fund				
General Government				
General Operations	\$3,272	\$3,637	\$3,812	\$4,766
Transfer of Surplus to General Fund .....	.....	.....	.....	.....
BANKING DEPARTMENT FUND TOTAL	<u>\$3,272</u>	<u>\$3,637</u>	<u>\$3,812</u>	<u>\$4,766</u>
Department Total -- All Funds				
General Fund	\$ 509	\$ 690	\$ 749	\$ 932
Special Funds	3,272	3,637	3,812	4,766
Other Funds .....	.....	6	.....	.....
TOTAL ALL FUNDS	<u>\$3,781</u>	<u>\$4,333</u>	<u>\$4,561</u>	<u>\$5,698</u>

General Government

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Pennsylvania Securities Commission			
State Funds	\$509	\$690	\$932
Other Funds .....	.....	6	.....
TOTAL	<u>\$509</u>	<u>\$696</u>	<u>\$932</u>

Protects the investing public through the registration and regulation of salesmen and companies dealing in securities. Issues cease and desist orders to persons and corporations attempting to sell securities without approval and seeks prosecution of violators of the Pennsylvania Securities Act. Determines the eligibility for exemption from registration of securities proposed to be issued in the Commonwealth.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Pennsylvania Securities Commission	\$509	\$690	\$932
Other Funds:			
Supplemental Retirement Contribution .....	.....	6	.....
TOTAL	<u>\$509</u>	<u>\$696</u>	<u>\$932</u>

Banking Department Fund

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
General Operations			
State Funds	\$ 3,272	\$ 3,637	\$ 4,766

Supervises and examines the records, accounts, and policies of State-chartered banking institutions, State-chartered savings associations, sales finance companies, installment sellers, small loan companies, consumer discount companies, pawnbrokers, and State-chartered credit unions. Examines business development credit corporations and the Pennsylvania Higher Education Assistance Agency. Conducts special investigations when warranted.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorization:			
General Operations	<u>\$ 3,272</u>	<u>\$ 3,637</u>	<u>\$ 4,766</u>

BANKING

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 312	\$ 323	\$ 505	\$ 435	\$ 456	\$ 478	\$ 501
Consumer Protection	\$3,469	\$4,004	\$5,193	\$4,331	\$4,538	\$4,769	\$5,011
Regulation of Financial Institutions . . .	2,960	3,314	4,261	3,534	3,710	3,897	4,093
Regulation of Securities Industry	509	690	932	797	828	872	918
DEPARTMENT TOTAL	<u>\$3,781</u>	<u>\$4,327</u>	<u>\$5,698</u>	<u>\$4,766</u>	<u>\$4,994</u>	<u>\$5,247</u>	<u>\$5,512</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Special Funds	<u>\$312</u>	<u>\$323</u>	<u>\$505</u>	<u>\$435</u>	<u>\$456</u>	<u>\$478</u>	<u>\$501</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure

of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
BANKING DEPARTMENT FUND							
General Operations	<u>\$312</u>	<u>\$323</u>	<u>\$505</u>	<u>\$435</u>	<u>\$456</u>	<u>\$478</u>	<u>\$501</u>

Regulation of Financial Institutions

OBJECTIVE: To insure the maintenance of an economically sound and competitive system of State-chartered financial institutions.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Special Funds	<u>\$2,960</u>	<u>\$3,314</u>	<u>\$4,261</u>	<u>\$3,534</u>	<u>\$3,710</u>	<u>\$3,897</u>	<u>\$4,093</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Total loans from consumer credit agencies (in millions)	\$2,000	\$2,000	\$2,200	\$2,300	\$2,400	\$2,500	\$2,500
Total resources of State-chartered banks (in millions)	\$23,573	\$25,000	\$27,000	\$30,000	\$33,000	\$36,000	\$40,000
Assets in State-chartered credit unions (in millions)	\$100	\$120	\$130	\$140	\$150	\$160	\$165

Program Analysis:

The program data indicates that State-chartered financial institutions are undergoing a number of changes.

Until recently, State-chartered banks have maintained a constant percentage, approximately 45 percent, of the total assets held by all banks in the Commonwealth. However, there are two factors that have temporarily slowed future growth. First, the largest State-chartered bank has switched from a State-chartered institution to a Federally-chartered one. Also, the current recession and the possibility of it continuing has played a role in reducing their rate of growth.

A similar slowdown is occurring in the State-chartered credit unions. After a two year period in which the total assets increased annually an average of 19 percent, future growth is predicted to increase only at a 6.5 percent rate.

The smaller State-chartered institutions are experiencing an actual decline. These institutions, such as sales finance companies and small loan companies, have a statutory limit as to how much they can lend to consumers. These limits, ranging up to \$3,500 for consumer discount companies, have severely restricted their use as lending agents. In addition, the policy has been to phase these into larger institutions. Small loan companies which have a statutory limit of \$600 are expected to decline from the present 700 to less than a 100 by 1979-80. Likewise sales finance companies which primarily handle automobile financing are expected to decrease from 1,038 to less than 700.

From the above, it can be readily seen that increases over and above inflation cost would not be warranted at this time.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
BANKING DEPARTMENT FUND							
General Operations	<u>\$2,960</u>	<u>\$3,314</u>	<u>\$4,261</u>	<u>\$3,534</u>	<u>\$3,710</u>	<u>\$3,897</u>	<u>\$4,093</u>

Regulation of Securities Industry

OBJECTIVE: To reduce the incidence of fraud to the investing public in securities transactions.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$509	\$690	\$932	\$797	\$828	\$872	\$918
Other Funds .....	.....	6	.....	.....	.....	.....	.....
TOTAL	<u>\$509</u>	<u>\$696</u>	<u>\$932</u>	<u>\$797</u>	<u>\$828</u>	<u>\$872</u>	<u>\$918</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Dollar amount of securities registered (in billions)	\$8	\$9	\$10	\$12	\$14	\$16	\$18
Broker-dealer failures	3	3	3	3	3	3	3
Dealers licensed	500	500	525	550	575	600	625
Agents licensed	12,000	12,000	12,500	13,000	13,500	14,000	14,500

Program Analysis:

This program seeks to protect the public from unfair or fraudulent practices in the securities industry. Due to the implementation of the Pennsylvania Securities Act of 1972, major emphasis is now being placed on the review of security offerings, as all securities proposed for sale in the Commonwealth must be registered and reviewed prior to being marketed. Prospectuses are reviewed for full and accurate disclosure of all relevant data and to assure that promoters of new issues do not derive an excessive profit. In addition to new issues, proxy materials for mergers involving Pennsylvania companies or out-of-state corporations where 25% or more of the shares are held by Pennsylvania residents are also subject to review.

The most significant change of the new law is that the Pennsylvania Securities Commission now registers securities, whereas under the old law only a filing was necessary. Before a security can be sold to the public, the Commission scrutinizes the prospectus to insure that it presents a fair and accurate account of the companies position. Also special attention is focused upon the prospectus to insure that funds are being used for the purposes specified.

The new law has also altered the procedures for filing. This has drastically reduced the number of filings and registrations that take place. For example, the number of dealers licensed annually under the old law was about 1,700. The new law requires approximately 500 dealers to be licensed. A similar pattern can be seen in the number of agents licensed. Under the old securities law about 19,000 agents were required to be licensed with the Commission, under the new law approximately 12,000 will require licensure.

The primary reason for such a drastic reduction is the elimination of many of the duplicate filings that previously took place. For example, corporations that previously issued and sold their own stock had to register as an issuing company, as a broker and had to license all their employes who sold their stock. Now the corporation has to register only once as the issuing corporation.

It is still too early to evaluate the results of the new law. It is expected that data will soon be available to allow for a more precise evaluation of program achievement.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$509</u>	<u>\$690</u>	<u>\$932</u>	<u>\$797</u>	<u>\$828</u>	<u>\$872</u>	<u>\$918</u>

Council of Civil Defense

The State Council of Civil Defense develops and maintains a comprehensive plan and program for the civil defense of the Commonwealth. Primarily, the plan calls for the protection of life and property both under enemy attack and in the event of natural disasters.

COUNCIL OF CIVIL DEFENSE

Summary by Fund and Appropriation

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
General Fund				
General Government				
General Government Operations	\$ 416	\$ 400	\$ 426	\$ 526
Grants and Subsidies				
Emergency Transportation Crisis Relief	\$ 12	. . . .	. . . .	. . . .
Total State Funds	\$ 428	\$ 400	\$ 426	\$ 526
Federal Funds	\$ 341	\$ 459	\$ 500	\$ 635
Other Funds .....	. . . .	3	. . . .	. . . .
GENERAL FUND TOTAL	<u><u>\$ 769</u></u>	<u><u>\$ 862</u></u>	<u><u>\$ 926</u></u>	<u><u>\$1,161</u></u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
General Government Operations			
State Funds	\$ 416	\$ 400	\$ 526
Federal Funds	341	459	635
Other Funds .....	.....	3	.....
TOTAL	<u>\$ 757</u>	<u>\$ 862</u>	<u>\$1,161</u>

Provides essential services and facilities during periods of emergency. Coordinates State, county, and local activities associated with emergency services. Coordinates Pennsylvania's civil defense operations with those of other states through the Federal Civil Defense Program.

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Appropriation:			
General Government Operations	\$ 416	\$ 400	\$ 526
Federal Funds:			
Federal Civil Defense Act	341	459	635
Supplemental Retirement Contribution .....	.....	3	.....
TOTAL	<u>\$ 757</u>	<u>\$ 862</u>	<u>\$1,161</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Emergency Transportation Crisis Relief			
State Funds	\$ 12	.....	.....

Funds are made available by the Governor, under emergency powers, to provide relief in time of natural disaster or civil disturbance. These funds are transferred from unused portions of other appropriations.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation			
Emergency Transportation Crisis Relief	<u>\$ 12</u>	<u>.....</u>	<u>.....</u>

COUNCIL OF CIVIL DEFENSE

Restricted Receipts Not Included in Department Total

	1973-74	(Dollar Amounts in Thousands)	1975-76
	Actual	1974-75 Available	Budget (15 months)
Civil Defense Facilities	\$ 343	\$ 2,600	\$ 875
Disaster Relief-Flood Projects	16,645	20,000	12,500
Personnel and Administrative Expenses	768	920	1,500
Radiation Program	55	60	79
Planning and Study Project	37	41	56
TOTAL	<u>\$17,848</u>	<u>\$23,621</u>	<u>\$15,010</u>

CIVIL DEFENSE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 62	\$ 62	\$ 81	\$ 80	\$ 80	\$113	\$113
Maintenance of Public Order	\$366	\$338	\$445	\$380	\$395	\$400	\$410
Civil Defense Operational Capabilities .	366	338	445	380	395	400	410
DEPARTMENT TOTAL	<u>\$428</u>	<u>\$400</u>	<u>\$526</u>	<u>\$460</u>	<u>\$475</u>	<u>\$513</u>	<u>\$523</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 62	\$ 62	\$ 81	\$ 80	\$ 80	\$113	\$113
Federal Funds	60	75	83	80	90	110	120
TOTAL	<u>\$122</u>	<u>\$137</u>	<u>\$164</u>	<u>\$160</u>	<u>\$170</u>	<u>\$223</u>	<u>\$233</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of program activities necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly

reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$62</u>	<u>\$62</u>	<u>\$81</u>	<u>\$80</u>	<u>\$80</u>	<u>\$113</u>	<u>\$113</u>

Civil Defense Operational Capabilities

OBJECTIVE: To develop and maintain a statewide emergency force capable of immediate and effective action in event of natural disasters and rapid expansion to effectively cope with nuclear attack.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$366	\$338	\$445	\$380	\$395	\$400	\$410
Federal Funds	281	384	552	365	380	400	410
Other Funds .....	.....	3	.....	.....	.....	.....	.....
TOTAL	<u>\$647</u>	<u>\$725</u>	<u>\$997</u>	<u>\$745</u>	<u>\$775</u>	<u>\$800</u>	<u>\$820</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Counties having effective civil defense organizations	58	59	65	65	65	65	65
Counties having an approved annual program plan	60	60	67	67	67	67	67
Percent of population in counties having approved emergency plans	81%	81%	100%	100%	100%	100%	100%
Persons trained under State directed training programs	150,000	128,000	120,000	125,000	130,000	135,000	140,000

Program Analysis:

This program seeks to provide a reactive capability in the event of emergencies through the maintenance of a statewide warning, communications and radiation monitoring network and the core organization to provide for utilization of resources to meet an emergency. State, Federal and local civil defense activities and training are coordinated through this program.

The relative degree of emphasis placed in various aspects of the basic agency program have and will continue to be shifted as warranted by changing conditions. During recent years, which have been marked by a trend toward general reduction

in international tension, major emphasis has been shifted from national defense measures to disaster preparations.

As always, the financial projections do not anticipate emergency operations or relief activities. Additional Federal and State funds are made available when this occurs. This did occur in 1973 when emergency funds were provided to meet the transportation crisis brought about by the strike of independent truckers. These funds were used to make provision for the movement of emergency goods during that time.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$354	\$338	\$445	\$380	\$395	\$400	\$410
Transportation Crisis Relief	12	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$366</u>	<u>\$338</u>	<u>\$445</u>	<u>\$380</u>	<u>\$395</u>	<u>\$400</u>	<u>\$410</u>

Civil Service Commission

The State Civil Service Commission administers the Commonwealth's merit system. The responsibilities of the Commission include: recruitment of qualified personnel; evaluation of applicants' education and experience to determine if minimum requirements have been met; administration of examinations; and certification of applicants to the appointing agencies.

CIVIL SERVICE COMMISSION
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)			
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
General Fund				
General Government				
General Government Operations	\$ 1	\$ 1	\$ 1	\$ 1
Total State Funds	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
Federal Funds	\$ 33	\$ 9	\$ 63	\$ 63
Other Funds	3,474	3,922	4,211	5,299
GENERAL FUND TOTAL	<u>\$3,508</u>	<u>\$3,932</u>	<u>\$4,275</u>	<u>\$5,363</u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Government Operations			
State Funds	\$ 1	\$ 1	\$ 1
Federal Funds	33	9	63
Other Funds	3,474	3,922	5,299
TOTAL	<u>\$3,508</u>	<u>\$3,932</u>	<u>\$5,363</u>

Recruits qualified persons for Commonwealth employment and administers the merit system in agencies operating under Civil Service.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
General Government Operations	\$ 1	\$ 1	\$ 1
Federal Funds:			
Emergency Employment Act	32	.....	.....
Intergovernmental Personnel Act	1	5	63
Work Incentive Program .....	.....	4	.....
Other Funds:			
Fees From Agencies	3,313	3,742	5,091
Reimbursement—Central Mail Room Cost	161	180	208
TOTAL	<u>\$3,508</u>	<u>\$3,932</u>	<u>\$5,363</u>

CIVIL SERVICE COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Administration and Support	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Maintaining Commonwealth Merit System .							
Selection* . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
DEPARTMENT TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

* All funds are other than General Fund or Special Fund.

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Other Funds	1,790	2,013	2,723	2,242	2,354	2,471	2,595
TOTAL	<u>\$1,791</u>	<u>\$2,014</u>	<u>\$2,724</u>	<u>\$2,243</u>	<u>\$2,355</u>	<u>\$2,472</u>	<u>\$2,596</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services. This subcategory also includes the cost of a central mail room system.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

Selection

OBJECTIVE: To provide a sufficient number of qualified, available persons to meet merit system manpower needs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Federal Funds	\$ 33	\$ 9	\$ 63	.....	.....	.....	.....
Other Funds	1,684	1,909	\$2,576	\$2,068	\$2,213	\$2,368	\$2,533
TOTAL	<u>\$1,717</u>	<u>\$1,918</u>	<u>\$2,639</u>	<u>\$2,068</u>	<u>\$2,213</u>	<u>\$2,368</u>	<u>\$2,533</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Available eligible candidates on appropriate lists	225,000	240,000	260,000	280,000	300,000	320,000	340,000
Persons scheduled for exams	135,919	141,000	145,200	145,000	145,000	145,000	145,000
Classes for which exams are available	900	900	1,400	1,500	1,500	1,500	1,500

Program Analysis:

The Civil Service Commission serves to provide a sufficient number of qualified, available persons to meet merit system manpower needs and to provide greater efficiency and economy in the administration of the government of the Commonwealth. The main objective of the Commission is to establish conditions of service that will attract to State service qualified persons of character and ability, and to appoint and promote these persons on the basis of merit and fitness.

With the Commonwealth now paying salaries comparable to private industry the Commission's efforts to recruit the best candidates and direct them to the occupational area where they can best function are more successful as shown by the number of candidates on employment lists. These lists are the result of statewide tests and eligibles are placed on them for the length of time to which that particular class is maintained. Lists are constantly being abolished and retested. The number of persons scheduled by the Commission for exams is also

increasing.

Of the 135,919 persons scheduled in 1973-74, 23,390 did not report for examinations. This may possibly be due to the Commission's difficulty in delivering on a timely basis their full range of services: recruitment, counseling, testing, scoring, maintenance of lists, certification and all related functions.

The number of classes for which exams are available shows a 1974-75 figure of 900 classes. Test development currently lags behind the number of job classes for which the Commission is responsible. Reducing this gap will result in decreased provisional appointments and the concurrent dissatisfaction on the part of appointing authorities, employees, and job applicants.

The funds supporting this subcategory are received from billing various General Fund and Special Fund departments for merit system services and Federal Funds. These billings are treated as other funds to avoid duplicate accounting.

Department of Commerce

The Department of Commerce is responsible for the economic development of the Commonwealth by advancing the growth and stability of business and industry. The Department focuses mainly on attracting new industries to the State and expanding existing industries, developing an environment conducive to economic growth, developing the climate for the growth of existing business and industry, and promoting the Commonwealth as a national and international vacationland.

DEPARTMENT OF COMMERCE
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)			
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
General Fund				
General Government				
General Government Operations	<u>\$ 3,329</u>	<u>\$ 4,520</u>	<u>\$ 4,768</u>	<u>\$ 6,012</u>
Grants and Subsidies				
Industrial Development Assistance	\$ 500	\$ 500	\$ 500	\$ 500
Pennsylvania Industrial Development Authority		3,000		
Site Development	864	1,000		
Local Development District Grants	50	100	100	100
Appalachian Regional Commission	305	328	363	860
Nursing Home Loans—Administration		500		
Minority Business Development Authority		2,000	2,000	2,000
Urban Transportation	100			
Tourist Promotion Assistance	1,000	1,500		
Pennsylvania Bicentennial Commission	179	5,000	5,000	5,000
Distinguished Daughters	2	1	2	2
Pennsylvania Science and Engineering Foundation	695	1,000	1,000	1,000
Technical Assistance	100	150	150	150
Sub-Total	<u>\$ 3,795</u>	<u>\$15,079</u>	<u>\$ 9,115</u>	<u>\$ 9,612</u>
Total State Funds	<u>\$ 7,124</u>	<u>\$19,599</u>	<u>\$13,883</u>	<u>\$15,624</u>
Federal Funds	\$ 176	\$ 511		
Other Funds	125	410	\$ 515	\$ 552
GENERAL FUND	<u>\$ 7,425</u>	<u>\$20,520</u>	<u>\$14,398</u>	<u>\$16,176</u>

General Government

	1973-74	(Dollar Amounts in Thousands) 1974-75	1975-76
	Actual	Available	Budget (15 months)
General Government Operations			
State Funds	\$3,329	\$4,520	\$6,012
Federal Funds	19	129	.....
Other Funds	125	280	552
TOTAL	\$3,473	\$4,929	\$6,564

Provides the overall planning, policy guidance and coordination for agency programs and supplies the necessary administrative, legal, public information, planning and research, personnel, fiscal management and supply services for the operation of the various substantive programs.

Promotes international trade, tourism, industrial and technological development as a means of increasing the economic vitality of the Commonwealth. Assists in the economic, scientific and technological growth of the Commonwealth by creating new employment opportunities through the development of new and expanded industrial projects and scientific and technological resources and administers the grant and subsidy programs created for this purpose.

Also coordinates activities generated by the Federal-State Appalachian Development Program.

	1973-74	(Dollar Amounts in Thousands) 1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Appropriation:			
General Government Operations	\$3,329	\$4,520	\$6,012
Federal Funds:			
Emergency Employment Act	12	.....	.....
Appalachian Regional Commission—Child Development Grant	7	19	.....
Minority Business Development Grant .....	.....	110	.....
Other Funds:			
Reimbursement for Comptroller's Services	125	.....	.....
Reimbursement for Minority Business Development Authority Administration .....	.....	100	125
Reimbursement for Nursing Home Laon Administration .....	.....	120	380
Reimbursement for Copy Center Services .....	.....	35	47
Supplemental Retirement Contribution .....	.....	25	.....
TOTAL	\$3,473	\$4,929	\$6,564

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Industrial Development			
State Funds	\$1,819	\$7,428	\$3,460

Stimulates the expansion of industrial and agribusiness development in the Commonwealth through:

- grants to county industrial groups to offset a portion of operating costs.
- long term, low interest loan programs aimed at fostering the location of new industries or the expansion of existing industries and minority business enterprises.
- grants to localities to eliminate physical site deficiencies and to provide for new basic facilities.
- support of regional development efforts as set forth in the Federal Appalachian Regional Development Act.
- provision of funds for the administration of the Nursing Home Loan Program.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Industrial Development Assistance	\$ 500	\$ 500	\$ 500
Pennsylvania Industrial Development Authority .....	.....	3,000	.....
Site Development	864	1,000	.....
Local Development District Grants	50	100	100
Appalachian Regional Commission	305	328	860
Nursing Home Loans—Administration .....	.....	500	.....
Minority Business Development Authority .....	.....	2,000	2,000
Urban Transportation	100	.....	.....
TOTAL	<u>\$1,819</u>	<u>\$7,428</u>	<u>\$3,460</u>

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Tourism and Travel Development			
State Funds	\$1,181	\$6,501	\$5,002
Federal Funds	46	265	.....
Other Funds .....	.....	130	.....
TOTAL	<u>\$1,227</u>	<u>\$6,896</u>	<u>\$5,002</u>

Provides matching grants to county agencies for promoting tourism in Pennsylvania. Also funds the Pennsylvania Bicentennial Commission which is preparing for the American Bicentennial celebration in Philadelphia in 1976 and ceremonies in recognition of the Distinguished Daughters of Pennsylvania.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Tourist Promotion Assistance	\$1,000	\$1,500	.....
Pennsylvania Bicentennial Commission	179	5,000	5,000
Distinguished Daughters	2	1	2
Federal Funds:			
American Bicentennial Commission Grant	46	265	.....
Other Funds:			
Bicentennial Commission Gifts, Donations and Contributions .....	.....	130	.....
TOTAL	<u>\$1,227</u>	<u>\$6,896</u>	<u>\$5,002</u>

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Scientific and Technological Development			
State funds	\$ 795	\$1,150	\$1,150
Federal Funds	111	117	.....
TOTAL	<u>\$ 906</u>	<u>\$1,267</u>	<u>\$1,150</u>

Makes grants to various educational and research institutions to promote, stimulate and encourage basic and applied scientific research and development and scientific and technological education as a tool in advancing the State's economic growth. Also disseminates current scientific and technological information to Pennsylvania industries.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Pennsylvania Science and Engineering			
Foundation	\$ 695	\$1,000	\$1,000
Technical Assistance	100	150	150
Federal Funds:			
National Science Foundation	111	117	.....
TOTAL	<u>\$ 906</u>	<u>\$1,267</u>	<u>\$1,150</u>

DEPARTMENT OF COMMERCE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 827	\$ 1,181	\$ 1,623	\$ 1,364	\$ 1,432	\$ 1,505	\$ 1,580
Development of Business and Industry . . .	\$6,297	\$18,418	\$14,001	\$ 7,603	\$ 8,220	\$ 8,447	\$ 8,684
Industrial Development	3,387	9,627	6,283	5,138	5,690	5,848	6,013
Tourism and Travel Development	1,716	7,211	5,978	821	862	905	950
Scientific and Technological Development	921	1,295	1,349	1,316	1,324	1,333	1,342
International Trade	273	285	391	328	344	361	379
DEPARTMENT TOTAL	<u>\$7,124</u>	<u>\$19,599</u>	<u>\$15,624</u>	<u>\$ 8,967</u>	<u>\$ 9,652</u>	<u>\$ 9,952</u>	<u>\$10,264</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$827	\$1,181	\$1,623	\$1,364	\$1,432	\$1,505	\$1,580
Federal Funds	4	.....	.....	.....	.....	.....	.....
Other Funds	125	60	47	42	47	52	57
TOTAL	<u>\$956</u>	<u>\$1,241</u>	<u>\$1,670</u>	<u>\$1,406</u>	<u>\$1,479</u>	<u>\$1,557</u>	<u>\$1,637</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of the programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize

these administrative costs in relation to the costs of provided services.

Included in this program is the Bureau of Statistics, Research and Planning which provides statistical and economic analyses, and produces various annual publications including the "Pennsylvania Industrial Directory" and the "Statistical Abstract".

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$827	\$1,181	\$1,623	\$1,364	\$1,432	\$1,505	\$1,580

Industrial Development

OBJECTIVE: To expand industrial employment opportunities through the location or expansion of industrial facilities within Pennsylvania.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 3,387	\$ 9,627	\$ 6,283	\$ 5,100	\$ 5,690	\$ 5,848	\$ 6,013
Federal Funds	7	129	.....	.....	.....	.....	.....
Other Funds	22,156	24,443	34,427	27,998	28,780	29,586	30,417
TOTAL	<u>\$25,550</u>	<u>\$34,199</u>	<u>\$40,710</u>	<u>\$33,136</u>	<u>\$34,470</u>	<u>\$35,454</u>	<u>\$36,430</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
New or expanded industrial projects	642	600	590	590	590	590	590
PIDA financed plant locations and expansions	125	128	60	60	60	60	60
Community facility projects funded	54	47	50	50	50	50	50
Site development projects funded	24	24	.....	.....	.....	.....	.....
New employment opportunities	29,062	25,000	21,000	21,000	21,000	21,000	21,000
PIDA financed employment opportunities	12,323	12,480	8,300	8,300	8,300	8,300	8,300
Business establishments surveyed	22,000	172,000	172,000	252,000	252,000	252,000	252,000

Program Analysis:

Pennsylvania has been an active user of industrial development programs with both civic and governmental bodies promoting the suitability of their areas for industrial expansion in attempts to attract new industrial plants and facilities that could provide jobs, income and employment growth. These programs began in response to a serious unemployment problem, which developed in many areas of the Commonwealth, of such a magnitude that the statewide average unemployment rate reached over 10 percent of the work force during the 1950's. National economic adjustments and the industrial development programs of the State have helped mitigate this substantial unemployment rate and reduce it below that of the nation. While the recent national economic downturn is resulting in a decrease in real growth

which is evidenced by a rise in the rate of unemployment, it appears that the economy of the Commonwealth is not suffering as much as some large industrial states. Pennsylvania's unemployment rate is increasing but it is slightly lower than that of the nation.

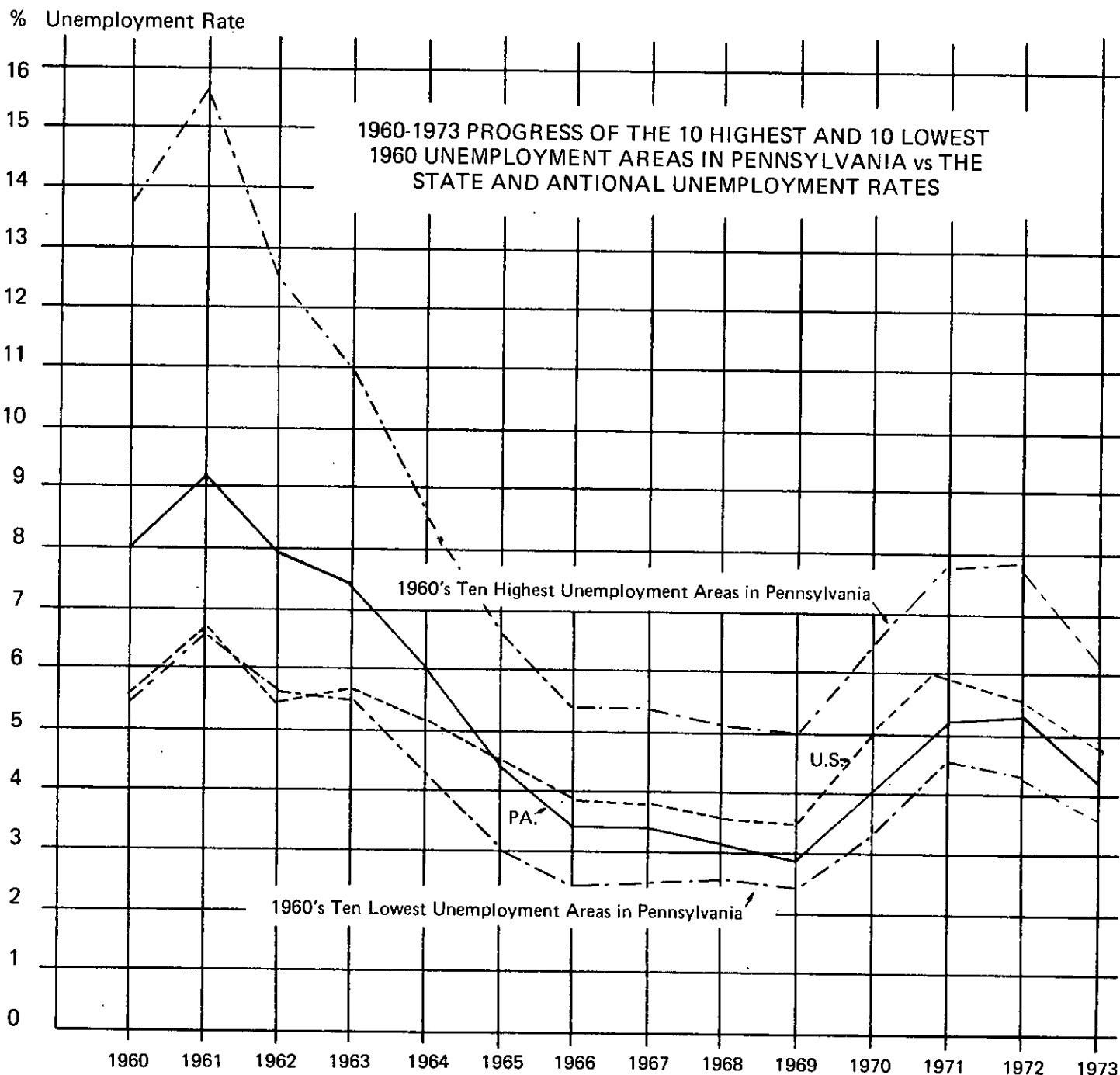
The programs which were instituted to deal with the recession of the 1950's are still available to deal with these conditions. The primary component, the Pennsylvania Industrial Development Authority (PIDA) has continued to promote the expansion of employment by offering long-term low interest loans to companies expanding or locating in Pennsylvania. While there is no way of knowing how many employment opportunities would have been created without PIDA assistance, when measured in terms of its employment

Industrial Development (continued)

Program Analysis: (continued)

producing objective the contribution of PIDA has been significant. The continuation of this strategy will be essential, especially during periods of increased unemployment. It is, however, incumbent upon PIDA to support employment development in those areas of the Commonwealth identified by substantial and persistent unemployment rates. As the chart indicates PIDA has had minimal impact on those labor-market areas most in need of Commonwealth assistance. New invested methods are needed to insure that these pockets of unemployment are given priority. Additionally, in order to

assure the long range success of the State's industrial development programs a shift in emphasis from job creation to the raising of per capita income is necessary. The \$25 million in PIDA loan repayments provides substantial lendable funds for PIDA activities in 1974-75. A \$2 million appropriation for the Minority Business Development Authority has been provided during 1974-75 for loans, technical assistance and program liason to minority businesses. An additional \$2 million is recommended for the continuation of these activities in 1975-76.



Industrial Development (continued)

Program Analysis: (continued)

Also included in this subcategory are the Site Development and the Industrial Development Assistance Programs. As the data indicate the Site Development program provided basic facilities for 24 projects in 1974-75. Because of the current excess of commercial and industrial space in the Commonwealth, no funds are recommended for this program in 1975-76. Additionally 56 counties will be rendered financial assistance for their industrial development agencies.

Other areas which contribute to the Commonwealth's overall economic development effort is the State's participation in the Appalachian program and the administration of the Community Facilities and the Revenue Bond and Mortgage programs.

Since 52 counties of Pennsylvania were designated as within the Appalachian region, the Commonwealth is eligible for Federal funding for a variety of projects which include developmental highways, local access roads, health facilities and mining area restoration. State funding in this program is for the Commonwealth's share of the administrative costs of the Appalachian Regional Commission and the Local Development Districts.

The Community Facilities program, which receives monies

from the State Harness Racing Fund, provides grant-in-aid assistance to communities for water and sewage line facilities and access roads. It is estimated 35 communities will receive assistance from this program in 1975-76.

The Department administers the Revenue Bond and Mortgage Program which, it is estimated, will provide 879 loans totalling \$1.8 billion in 1975-76. This program which makes use of tax-exempt loans from private financial institutions provides 100 percent financing for new and expanded facilities and equipment. Air and water pollution control equipment and facilities can also be financed through this program. While no State appropriation is required for this program, it has been responsible for substantial economic expansion within the Commonwealth. Over \$3 billion in loans have been approved since the program's inception in 1968.

Finally, the Department administers the Commonwealth's \$100 million Nursing Home Loan Program which assists in financing repairs, reconstruction and rehabilitation of nursing homes. This program is a result of a voter approved referendum providing for the issuance of general obligation bonds to finance the cost of the program.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$1,568	\$2,199	\$2,823	\$2,538	\$2,665	\$2,798	\$2,938
Industrial Development Assistance	500	500	500	500	500	500	500
Pennsylvania Industrial Development Authority		3,000					
Site Development	864	1,000					
Local Development District							
Grants	50	100	100	100	100	100	100
Appalachia Regional Commission	305	328	860		425	450	475
Minority Business Development Authority		2,000	2,000	2,000	2,000	2,000	2,000
Nursing Home Loans—Administration		500					
Urban Transportation	100						
GENERAL FUND TOTAL	\$3,387	\$9,627	\$6,283	\$5,100	\$5,690	\$5,848	\$6,013

Tourism and Travel Development

OBJECTIVE: To expand income and employment in Pennsylvania through expanded tourism, travel and recreation.

Recommended Program Costs:

(Dollar Amounts in Thousands)

	1973-74	1974-75	1975-76 ^c	1976-77	1977-78	1978-79	1979-80
General Fund	\$1,716	\$7,211	\$5,978	\$823	\$864	\$907	\$952
Federal Funds	46	265	.....	.....	.....	.....	.....
Other Funds .....	.....	130	.....	.....	.....	.....	.....
TOTAL	<u>\$1,762</u>	<u>\$7,606</u>	<u>\$5,978</u>	<u>\$823</u>	<u>\$864</u>	<u>\$907</u>	<u>\$952</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78 ^d	1978-79	1979-80
Employment derived from tourism activities (in thousands)	230	243	245	250	255	260	265
Wages derived from tourism activities (in thousands)	\$743	\$821	\$825	\$830	\$840	\$350	\$860
Revenues derived from tourism activities (in thousands)	\$106	\$128	\$130	\$140	\$150	\$163	\$172
Tourist contacts through information centers and travel shows (in thousands)	2,854	2,939	3,174	3,761	3,800	3,900	4,100
Counties receiving tourist promotion assistance	58	59	59	59	59	59	59

Program Analysis:

The promotion of tourism in Pennsylvania has traditionally revolved around two separate but presumably complimentary programs. The first is a grant program aimed at subsidizing a portion of the costs of maintaining local tourist promotion agencies. The second is a program of national and regional advertising and promotion which includes support of tourist information centers. Data generated from employment, wages and revenue within the tourism industry indicate that the State is continuing to make economic gains within this sector.

With the advent of America's Bicentennial Celebration a number of programs have been developed which will emphasize the Commonwealth's unique role in the American Revolution. These programs alone are expected to account for a significant increase in tourism and travel and concomitant economic benefit to the entire Commonwealth. Some of the activities envisioned are:

- development of an educational curriculum to acquaint school children with life in colonial Pennsylvania,

- restoration and reactivation of historical sites and presentation of living history programs depicting colonial life,
- a Pennsylvania Wagon Train Pilgrimage reenacting the passage of Pennsylvania's settlers,
- a rededication to the Declaration of Independence affording every citizen of the Commonwealth an opportunity to sign a document committing themselves to those principles,
- and a commemoration of the first and second Continental Congresses to be held in Philadelphia on July 4, 1976.

In 1975-76, a \$5,000,000 continuing appropriation is being recommended for the Commonwealth's share in the American Bicentennial Celebration. This funding level should enable Pennsylvania's Bicentennial Commission to adequately prepare the major programs and projects which will culminate in July, 1976.

Tourism and Travel Development (continued)

Program Analysis: (continued)

The data representing tourist contacts through information centers and travel shows has been revised upward from last year's projections. This is due to better accounting procedures for attendance at travel shows. Projections indicate that next year there will be 939,000 contacts through the Commonwealth Tourist Information Centers and approximately 2,000,000 contacts through the anticipated six travel shows.

Since its inception, the support of local tourist promotion agencies has been difficult to justify, especially in terms of meaningful impacts. Therefore, it is recommended that the Commonwealth's tourism and travel effort be concentrated in support for advertising and the Bicentennial celebration in the budget year and no funds are provided for the Tourist Promotion Assistance grant program.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 535	\$ 710	\$ 976	\$821	\$862	\$905	\$950
Tourist Promotion Assistance	1,000	1,500	. . . .	. . . .	. . . .	. . . .	. . . .
Pennsylvania Bicentennial							
Commission	179	5,000	5,000	. . . .	. . . .	. . . .	. . . .
Distinguished Daughters	2	1	2	2	2	2	2
GENERAL FUND TOTAL	<u>\$1,716</u>	<u>\$7,211</u>	<u>\$5,978</u>	<u>\$823</u>	<u>\$864</u>	<u>\$907</u>	<u>\$952</u>

Scientific and Technological Development

OBJECTIVE: Increase the scientific and technological resources of the Commonwealth.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 921	\$1,295	\$1,349	\$1,316	\$1,324	\$1,333	\$1,342
Federal Funds	119	117	.....	.....	.....	.....	.....
TOTAL	\$1,040	\$1,412	\$1,349	\$1,316	\$1,324	\$1,333	\$1,342

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Direct value of scientific-technical research	\$4,697,000	\$7,260,000	\$7,260,000	\$7,260,000	\$7,260,000	\$7,260,000	\$7,260,000
Projects undertaken	25	20	20	20	20	20	20
Energy research projects undertaken	8	14	14	14	14	14	14
Inquiries received for technical information	1,240	1,590	1,590	1,600	1,600	1,600	1,600

Program Analysis:

The policies of the Commonwealth in scientific and technological development are aimed at strengthening the technological position of Pennsylvania's industries so as to maximize economic benefits and to ultimately create new sources of employment. Concurrently, there is an attempt to generate a State science policy and a State oriented program in science and technology which will focus Commonwealth resources on projects aimed at solving urgent problems.

In striving to achieve these goals, assistance is provided to promising scientific and technical research, both pure and applied, through grants to individual research projects as well as by provision of technical information and liaison services to members of the scientific and industrial community.

In response to the need for new and expanded sources of energy and energy systems, the Pennsylvania Science and Engineering Foundation has been engaged in increased sponsorship of those research and development projects which concentrate on Pennsylvania's abundant natural resource — coal. While the Federal Government is and will continue to be the principal force behind major research and development projects, the lack of a national energy policy to which State policies can be related has hindered and inhibited a national

movement toward energy self-sufficiency or, at minimum, reduced reliance on foreign oil imports. The Science and Engineering Foundation's role has been to provide the necessary seed funding and to develop a research capability for the attraction of Federal funds and the other energy research activities necessary to expand Pennsylvania's energy sources. These activities are expected to continue in an effort to fill the technological and scientific voids hampering the revitalization of coal as a prime energy source. As the "Coal For the 70's" report of the Governor's Energy Council indicates, the revitalization of the coal industry is not solely a technological problem. Besides the technical questions associated with coal production and its use there is a gamut of problems which include:

- environmental concerns
- training programs for miners, foremen, engineers and technicians,
- improved health, safety and production standards,
- supply of mining machinery and materials,
- financing of major capital expansion,
- and an upgrading of the transportation distribution system for coal. Additionally, coal producers are reluctant

Scientific and Technological Development (continued)

Program Analysis: (continued)

to make major investments in increased coal production without quarantees for the long term purchase of the coal.

The Pennsylvania Science and Engineering Foundation will attempt to catalyze Federal, State and private funds in order to focus all available resources on the major problems associated with the increased use of coal in the Commonwealth.

The measure designating the direct value of scientific and technological research indicates that the \$1 million in State funding for 1974-75 will return \$7.2 million in matching and partnership funding. This data was generated as a result of

departmental efforts in documenting first and second generation funding. This multiplier factor is expected to continue in future years, however, the possible increased availability of Federal funds for energy research could produce future adjustments in this figure.

The data indicating the inquiries received for technical information illustrates the Department's efforts in disseminating scientific and technological information to the various business, industrial, social and governmental sectors of the Commonwealth.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$126	\$ 145	\$ 199	\$ 166	\$ 174	\$ 183	\$ 192
Pennsylvania Science and Engineering Foundation	695	1,000	1,000	1,000	1,000	1,000	1,000
Technical Assistance	100	150	150	150	150	150	150
GENERAL FUND TOTAL	<u>\$921</u>	<u>\$1,295</u>	<u>\$1,349</u>	<u>\$1,316</u>	<u>\$1,324</u>	<u>\$1,333</u>	<u>\$1,342</u>

International Trade

OBJECTIVE: To expand Pennsylvania's exports and attract foreign investment.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$273</u>	<u>\$285</u>	<u>\$391</u>	<u>\$328</u>	<u>\$344</u>	<u>\$361</u>	<u>\$379</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Value of exports (in thousands)	\$ 1,805	\$ 1,913	\$ 2,028	\$ 2,030	\$ 2,050	\$ 2,070	\$ 2,090
Trade inquiries from foreign and domestic sources	400	800	2,000	2,500	3,000	3,500	4,000
State jobs attributable to exports and foreign investments	115,000	200,000	260,000	260,000	260,000	260,000	260,000
Pennsylvania companies engaging in international trade	2,600	2,825	2,950	3,050	3,150	3,200	3,300

Program Analysis:

The employment and income generated by Pennsylvania firms exporting to foreign countries and foreign firms locating in Pennsylvania is directly related to the economic development efforts of the Commonwealth. Currently there are 80 foreign firms located in the Commonwealth. It is estimated that these firms coupled with the Pennsylvania companies having foreign trade divisions will account for the approximately 200,000 jobs in 1974-75 directly attributable to international trade. These increased trends have been nurtured by and are expected to gain additional momentum as a result of the Commonwealth's new European Office in Brussels and our representative in Switzerland. These overall Commonwealth activities are expected to account for the additional 60,000 jobs in 1975-76.

Through additional reverse investments, foreign trade referrals and requests for assistance from overseas and Pennsylvania firms in developing agent/distribution relationships the number of employment opportunities which

are directly attributable to international trade is expected to reach 260,000 in 1975-76. It should be noted that these figures will be subject to the continued decline in the economy in 1975-76. These efforts are further complemented by the in-house Foreign Trade Referral Service which receives inquiries from domestic and overseas sources concerning matching producers with exporters as well as participation in joint ventures and cross-licensing arrangements. Since its inception in January 1973 this service has received and responded to more than 283 inquiries from overseas buyers and sellers and 195 inquiries from Pennsylvania manufacturers.

Finally, through the provision of technical assistance, international trade data and statistics and monthly newsletters and media advertising information on exporting is widely disseminated to companies in Pennsylvania.

The amount budgeted for these programs provides for the continuation of this aggressive international trade program.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$273	\$285	\$391	\$328	\$344	\$361	\$379

Department of Community Affairs

The Department of Community Affairs provides a system of services and programs permitting the development and redevelopment of Pennsylvania's communities to enhance the total environment of citizens. The Department seeks to improve the capabilities of local governments to meet critical social and economic problems and to develop human resources so each citizen will have an equal opportunity to achieve the full measure of the State's economic prosperity. It carries out these activities through technical consultation and assistance and through grants for housing, redevelopment, and manpower training.

DEPARTMENT OF COMMUNITY AFFAIRS

Summary by Fund and Appropriation

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
General Fund				
General Government				
General Government Operations	\$ 3,946	\$ 5,092	\$ 5,599	\$ 7,136
Regulation of Mobile and Industrialized				
Housing	310	.....	.....	.....
Fuel Allocation	271	600	210	257
Sub-Total	<u>\$ 4,527</u>	<u>\$ 5,692</u>	<u>\$ 5,809</u>	<u>\$ 7,393</u>
Grants and Subsidies				
Employment Assistance	\$ 800	\$ 1,750	\$ 1,750	\$ 1,750
Economic Opportunity Assistance	1,000	1,300	1,300	1,600
Redevelopment Assistance	14,000	19,650	19,650	19,650
Regional Councils	33	50	100	100
Planning Assistance	191	200	200	200
Sub-Total	<u>\$16,024</u>	<u>\$22,950</u>	<u>\$23,000</u>	<u>\$23,300</u>
Total State Funds	<u>\$20,551</u>	<u>\$28,642</u>	<u>\$28,809</u>	<u>\$30,693</u>
Federal Funds	\$ 1,092	\$ 1,702	\$ 1,163	\$ 1,249
Other Funds	1,076	1,748	1,681	2,003
GENERAL FUND TOTAL	<u>\$22,719</u>	<u>\$32,092</u>	<u>\$31,653</u>	<u>\$33,945</u>

General Government

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
General Government Operations			
State Funds	\$ 4,527	\$ 5,692	\$ 7,393
Federal Funds	1,092	1,257	874
Other Funds	1,076	1,748	2,003
TOTAL.....	\$ 6,695	\$ 8,697	\$10,270

Provides for the administration and operation of various programs designed to promote effective and economical delivery of municipal services by assisting communities and political subdivisions in the areas of: economic opportunity to disadvantaged Pennsylvanians; housing, code enforcement and renewal; grant programs for the acquisition and development of recreational facilities; technical and financial assistance to regional planning agencies and councils of government; operation of fuel allocation system and regulation of industrialized housing.

Preserves historic documents of the Commonwealth and maintains land titles and boundary documents to protect the legal claims of landowners.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
General Government Operations	\$ 3,946	\$ 5,092	\$ 7,136
Regulation of Mobile and Industrialized Housing	310	.....	.....
Fuel Allocation	271	600	257
Federal Funds:			
Omnibus Crime Control and Safe Streets Act	126	80	.....
Emergency Employment Act	31	.....	.....
Demonstration Cities Act	117	26	.....
Housing Act of 1964	27	59	.....
Economic Opportunity Act	244	250	.....
Housing Act of 1954	369	253	252
Intergovernmental Personnel Act	52	74	75
Vocational Education Act	50	.....	.....
Appalachia Regional Commission	25	106	.....
Manpower Development Training Act	14	.....	.....
Environmental Protection Act	37	27	20
Bureau of Outdoor Recreation .....	.....	35	50
Department of Commerce .....	.....	5	.....
Energy Administration .....	.....	342	477

GENERAL FUND

COMMUNITY AFFAIRS

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds (continued)			
Other Funds:			
Land and Water Development Act	\$ 734	\$ 921	\$ 1,162
Urban Redevelopment Law	280	393	393
Mobile and Industrialized Housing Act	54	219	270
Office for Human Resources	8	.....	.....
Reimbursement for Comptroller's Services .....	.....	133	178
Sale of Training Material .....	.....	28	.....
Supplemental Retirement Contribution .....	.....	54	.....
TOTAL	<u>\$ 6,695</u>	<u>\$ 8,697</u>	<u>\$10,270</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Employment Assistance			
State Funds	\$ 800	\$ 1,750	\$ 1,750
Federal Funds .....	.....	375	375
TOTAL	<u>\$ 800</u>	<u>\$ 2,125</u>	<u>\$ 2,125</u>

Provides financial assistance for training and ancillary services to assist the unemployed and underemployed in achieving economic independence. This program is not tied to any Federal manpower program.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Employment Assistance	\$ 800	\$ 1,750	\$ 1,750
Federal Funds:			
Comprehensive Employment Training Act .....	.....	375	375
TOTAL	<u>\$ 800</u>	<u>\$ 2,125</u>	<u>\$ 2,125</u>

GENERAL FUND

COMMUNITY AFFAIRS

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Economic Opportunity Assistance			
State Funds	<u>\$ 1,000</u>	<u>\$ 1,300</u>	<u>\$ 1,600</u>

Provides financial assistance to community action agencies and municipalities in order to increase the level and scope of community services available to the disadvantaged.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Economic Opportunity Assistance	<u>\$ 1,000</u>	<u>\$ 1,300</u>	<u>\$ 1,600</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Redevelopment Assistance			
State Funds	\$14,000	\$19,650	\$19,650
Federal Funds .....	.....	70	.....
TOTAL	<u>\$14,000</u>	<u>\$19,720</u>	<u>\$19,650</u>

Provides grants to communities and redevelopment authorities to improve blighted neighborhoods through redevelopment, housing code enforcement, and the provision of low and moderate income housing.

Provides grants to assist nonprofit sponsors in meeting the costs of building low and moderate income housings.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Redevelopment Assistance	\$14,000	\$19,650	\$19,650
Federal Funds:			
Federal Energy Administration .....	.....	70	.....
TOTAL	<u>\$14,000</u>	<u>\$19,720</u>	<u>\$19,650</u>

GENERAL FUND

COMMUNITY AFFAIRS

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Regional Councils			
State Funds	<u>\$ 33</u>	<u>\$ 50</u>	<u>\$100</u>

Provides financial assistance to regional councils of elected officials to promote efforts to overcome the effects of local government fragmentation.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Regional Councils	<u>\$ 33</u>	<u>\$ 50</u>	<u>\$100</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Planning Assistance			
State Funds	<u>\$ 191</u>	<u>\$ 200</u>	<u>\$200</u>

Provides planning grants to local planning agencies which do not receive Federal Comprehensive Planning (701) funds. The plans funded through this program are often prerequisites for receiving Federal funds.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Planning Assistance	<u>\$ 191</u>	<u>\$ 200</u>	<u>\$200</u>

COMMUNITY AFFAIRS

Restricted Receipts Not Included in Department Total

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Urban Planning Account	<u>\$1,844</u>	<u>\$1,500</u>	<u>\$1,875</u>

DEPARTMENT OF COMMUNITY AFFAIRS

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 1,694	\$ 2,506	\$ 3,222	\$ 2,645	\$ 2,841	\$ 2,983	\$ 3,132
Community Physical Development	\$14,566	\$19,771	\$19,794	\$19,951	\$19,999	\$20,049	\$20,102
Housing and Redevelopment	14,566	19,771	19,794	19,951	19,999	20,049	20,102
Community Park and Recreation Development* . . . . .	.....	.....	.....	.....	.....	.....	.....
Economic Opportunity	\$ 2,106	\$ 3,445	\$ 4,195	\$ 3,853	\$ 3,893	\$ 3,935	\$ 3,979
Employability Development	800	1,750	1,750	1,750	1,750	1,750	1,750
Community Action Assistance	1,306	1,695	2,445	2,103	2,143	2,185	2,229
Local Government Management	\$ 1,515	\$ 2,320	\$ 3,225	\$ 2,710	\$ 2,831	\$ 2,957	\$ 3,090
Area Wide Intermunicipal Services	119	131	242	218	224	230	237
Municipal Administrative Support Capability	1,396	2,189	2,983	2,492	2,607	2,727	2,853
Emergency Disaster Assistance	\$ 670	\$ 600	\$ 257	.....	.....	.....	.....
Emergency Assistance	670	600	257	.....	.....	.....	.....
DEPARTMENT TOTAL	<u>\$20,551</u>	<u>\$28,642</u>	<u>\$30,693</u>	<u>\$29,159</u>	<u>\$29,564</u>	<u>\$29,924</u>	<u>\$30,303</u>

*All funds are other than General or Special Funds.

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
General Fund	\$1,694	\$2,506	\$3,222	\$2,645	\$2,841	\$2,983	\$3,132	
Federal Funds	38	.. . . .	.. . . .	.. . . .	.. . . .	.. . . .	.. . . .
Other Funds	34	160	178	156	165	178	192	
TOTAL	\$1,766	\$2,666	\$3,400	\$2,801	\$3,006	\$3,161	\$3,324	

Program Analysis:

General Administration and Support provides the administrative overhead and management systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

Also included in this subcategory is the Bureau of Land Records which acts as a depository for early land records of

Pennsylvania and records, indexes and file deeds applying to land owned or to be acquired by the Commonwealth. The Bureau also performs research and mapping functions relating to land in the State.

In addition, funds are provided for the Agency's policy planning and information program which provides publications and information to local governments as well as staff support for the Department.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
GENERAL FUND								
General Government Operations	<u>\$1,694</u>	<u>\$2,506</u>	<u>\$3,222</u>	<u>\$2,645</u>	<u>\$2,841</u>	<u>\$2,983</u>	<u>\$3,132</u>	

Housing and Redevelopment

OBJECTIVE: To reduce to an acceptable level the percentage of Pennsylvania families living in substandard housing and blighted neighborhoods.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$14,566	\$19,771	\$19,794	\$19,951	\$19,999	\$20,049	\$20,102
Federal Funds	25	176	.....	.....	.....	.....	.....
Other Funds	334	612	663	609	609	609	609
TOTAL	\$14,925	\$20,559	\$20,457	\$20,560	\$20,608	\$20,658	\$20,711

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Dwelling units lacking complete plumbing	177,400	178,200	179,100	180,100	181,100	182,226	183,400
Construction of new dwelling units through State efforts	2,100	4,000	4,000	4,000	4,000	4,000	4,000
Dwelling units rehabilitated through State efforts	175	250	250	250	250	250	250
Redevelopment projects receiving State assistance	59	57	57	57	57	57	57
Demolition projects funded	35	40	40	40	40	40	40
Vacant, vandalized and substandard units eliminated through demolition	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Industrial and mobile homes requiring inspection	40,000	40,000	42,000	44,000	46,000	46,000	48,000

Program Analysis:

In the decade from 1960 to 1970, the Commonwealth had an 8 percent increase in the number of year-round housing units compared to a 13 percent growth in households, and some fundamental changes appear to be taking place in the nature of those units.

More and more of the housing being developed is in multifamily structures. The number of units in multifamily structures in 1970 was one quarter compared to one-sixth in 1960. The mobile home component of the State's housing inventory doubled during the decade to reach a level of 2.3 percent of the total stock.

It appears that the general condition of the housing stock improved during the decade. The number of units lacking some or all plumbing facilities declined significantly from 8.1 percent in 1960 to 5.1 percent in 1970. Overcrowding was also reduced: the percent of homes with one or more persons per room declined from 7.2 percent in 1960 to 5.5 percent in 1970.

Measures shown in previous budgets indicating estimates of substandard dwelling units and families occupying substandard units have been replaced by an estimate of units lacking complete plumbing facilities. Previous measures were projected

Housing and Redevelopment (continued)

Program Analysis: (continued)

from an analysis which has become quite dated. The 1970 census provides information only on the units lacking complete plumbing facilities and overcrowding. Data shown above are based on the 1970 census percentage of units lacking complete plumbing facilities and only incompletely reflect the magnitude of substandard housing in Pennsylvania.

In the first half of the decade of the seventies it appears that the 20-24 year old age group will be the fastest growing component of the population. These are the prime years during which children leave home to form households of their own. In addition, households show a trend toward reduced size. These factors indicate an accelerated demand for units as well as a need for a different type of unit.

All indications are that the State is experiencing an enormous demand for housing in a time when many negative factors are acting against the production of new units.

First the credit crunch beginning in 1973 and running through 1974 has had a devastating effect on housing. Mortgage interest rates reached levels close to 10 percent, although it now appears that they are dropping off somewhat. The State's new flexible mortgage interest ceiling law for residential loans has been responsive to the market, thereby, preventing an artificially low ceiling from effectively stopping the flow of the limited mortgage funds.

Second, the Federal Government imposed an 18 months moratorium on all subsidized housing programs in January, 1972. Limited activity resumed in 1973, however, the Federal Housing and Community Development Act of 1974 has greatly changed the package of tools available to meet future needs.

With an accelerated need for units and a serious economic downturn, the outlook for families with low and moderate income is grim.

The State simply does not have the financial resources to solve the housing problem for low and moderate income families alone. It does, however, have a number of tools which can assist.

The Department of Community Affairs administers one program of direct grant assistance and one program which indirectly assists the development of low and moderate income housing. The former is the Housing Assistance program which provides seed money and write-down assistance to developers. An appropriation of \$3,150,000 is recommended for this program to assist an estimated 4,000 units. It is generally believed that this is an effective program; however, sufficient follow-up data is not currently available to determine precisely how many units this program has assisted in the past and who is being housed in terms of income levels, etc.

The second program indicated above, Redevelopment Assistance, provides several possible forms of indirect assistance including making land available for new construction, code enforcement to maintain and improve existing units and demolition projects to remove units which are hazardous to health and safety. This program will be discussed in more detail below.

Although the Pennsylvania Housing Finance Agency (PHFA) is independent and nonbudgeted, by virtue of his position as a member of the PHFA board, the Secretary of Community Affairs can input the Commonwealth's priorities into the agency's decision making body.

PHFA is the best tool currently available to the Commonwealth to assist housing needs. The Agency obtains funds through the sale of tax-exempt notes and bonds and lends the funds to qualified borrowers. As of October, 1974, the Agency had committed over \$100 million to build almost 5,000 housing units in 29 locations across the State. PHFA used alone can only reduce interest rates by about 2 to 2½ percentage points below the market rate, which in the current market does not begin to provide a deep enough subsidy to reach low income families. In any tight money situation the role of this agency, however, is particularly significant in that it keeps money flowing through the system. Legislation will be introduced shortly to expand PHFA's capacity to assist in this kind of economic environment by creating a "loan to lenders" program. Briefly the legislation would enable PHFA to issue loans to other lending institutions which would be able to relend the funds to homebuyer's at a fixed "mark up". In times of tight money, such a program would provide additional mortgage money at reasonable rates for homebuyers.

Housing problems cannot be separated from community problems and programs. Redevelopment has been the State's primary tool for revitalizing communities. When properly used it can be effective in improving the tax base to generate revenues for essential community services, in increasing housing opportunities for low and moderate income families and in improving the overall vitality of a community. The entire community development process is currently in a tremendous state of flux as the Federal Government begins to implement the Housing and Community Development Act of 1974.

This act consolidated the following categorical programs into a formula grant assistance program: urban renewal, model cities, neighborhood facilities, open space, water and sewer, and public facility loans. In Pennsylvania an estimated \$164.5 million will be divided among 110 entitlement communities,

Housing and Redevelopment (continued)

Program Analysis: (continued)

with remaining communities competing for \$12.4 million in discretionary funds.

This new approach to community development places a very heavy responsibility on local elected officials to attack their toughest problems rather than those which are politically most acceptable. It also provides a whole new set of alternatives for the use of State funds. In previous years most of the State's renewal funds were used to provide a portion of local match monies for Federal Urban Renewal projects. Matching funds are no longer required, although some form of maintenance of effort is expected. Thus the State is

confronted with a wide range of possible alternatives for its funds. It can for example continue to fund State-local projects in communities which do not receive sufficient Federal funds, opt out of community development funding all together, or use its resources to induce communities to spend some of their funds on projects which meet State priorities. This budget recommends funding this program at its current level in order to satisfy any Federal requirements for maintenance of effort. One specific State priority for these funds, however, is the Harristown project to which we are committing \$2,500,000.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 256	\$ 121	\$ 144	\$ 301	\$ 349	\$ 399	\$ 452
Regulation of Mobile and Industrialized Housing	310	.....	.....	.....	.....	.....	.....
Redevelopment Assistance	14,000	19,650	19,650	19,650	19,650	19,650	19,650
GENERAL FUND TOTAL	\$14,566	\$19,771	\$19,794	\$19,951	\$19,999	\$20,049	\$20,102

Community Park and Recreation Development

OBJECTIVE: To develop recreational facilities accessible to urban areas.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
Federal Funds .....	.....	\$ 35	\$ 50	\$ 50	.....	.....	.....
Other Funds	\$ 700	921	1,162	930	.....	.....	.....
TOTAL	\$ 700	\$ 956	\$1,212	\$ 980	.....	.....	.....

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Communities with updated comprehensive plans in recreation	71	53	71	71	71	71	71
Urban projects completed	32	33	60	120	65	.....	.....
Suburban projects completed	37	39	20	40	25	.....	.....
Rural projects completed	14	13	20	40	20	.....	.....
Communities receiving technical assistance for recreation	535	550	618	700	700	700	700

Program Analysis:

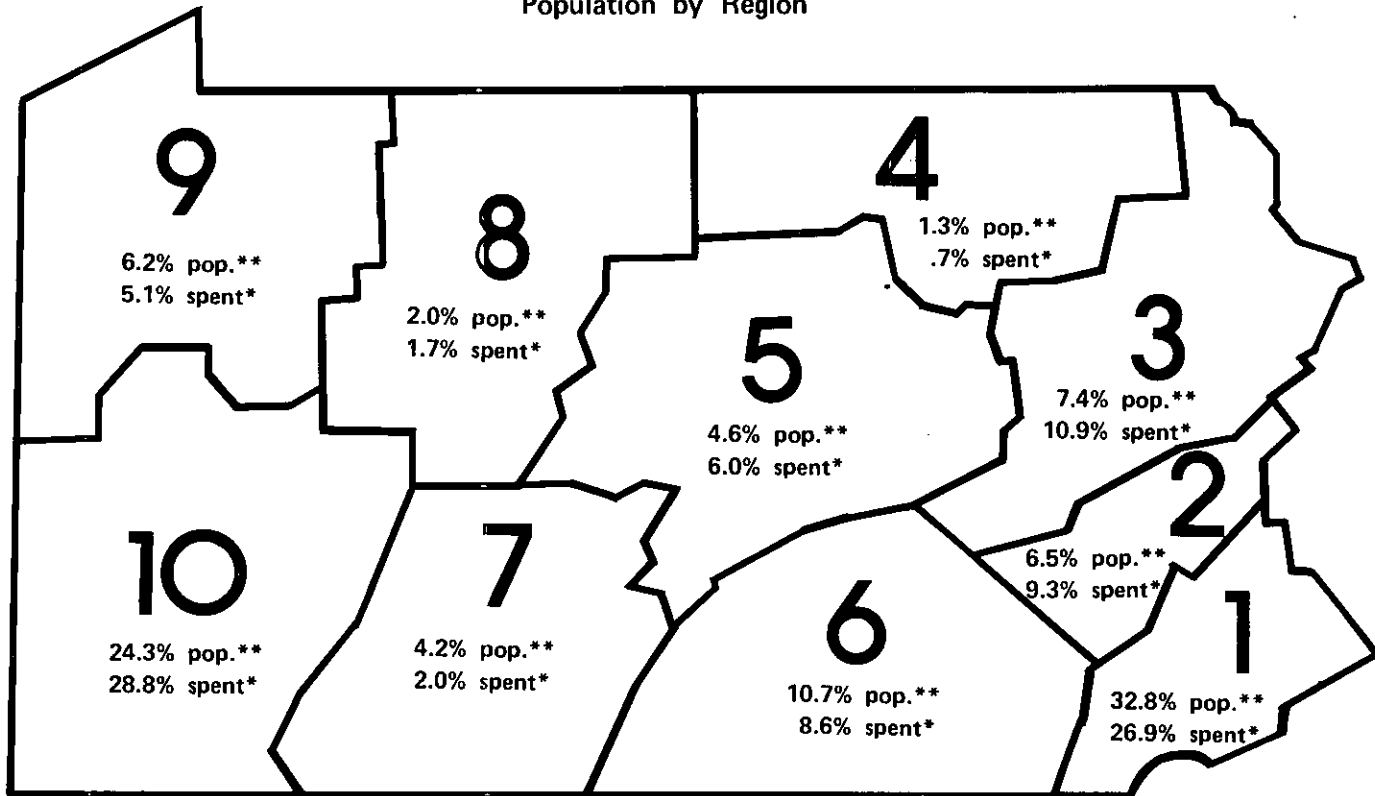
The Commonwealth's two major funding efforts in the recreation field have been Project 70 (preservation of open spaces) and Project 500 (development of park and recreation facilities). Although the bond issue for Project 500 continues until 1977, the Department requested and received its remaining available allocation of \$15,000,000 in July of 1973. This accelerated funding level allowed the Department to maximize available Federal funding and minimize construction costs. As these projects come to fruition, increased activity will be reflected in 1975-76 and will peak in 1976-77. Increases in the completed projects also reflect a change in emphasis on the size of the grants awarded; a limited number of large grants vs. numerous smaller grants. The smaller grant emphasis allows available funds to be spread over a wider area.

As the program draws near to its completion date, a recapitulation of its accomplishments is imperative. The past ten years has seen approximately \$194,500,000 invested throughout the Commonwealth in acquiring land for open space and developing active recreation areas. Approximately \$69,100,000 came from the State's Project 70 and Project 500 programs, while \$48,800,000 was invested by the Federal Government through the Bureau of Outdoor Recreation (BOR) and the Department of Housing and Urban Development. Local governments across the State invested \$77,500,000 or 39.9 percent as their share of the investment. What all these dollars mean in terms of program accomplishments is best summarized in the table and map.

Community Park and Recreation Development: (continued)

Program Analysis: (continued)

Recreation Acreage Compared to Population by Region



**Percent of State Population Within Region

*Percent of Total Project 70, Project 500 and BOR Assistance Funds Expended Through 1973 Within Region

Local Government Open Space and Developed Recreation Areas and After P-70, P-500 and BOR Grant Assistance

Region	(1) Acres of Open Space and Developed Recreation Acres Prior to Assistance	(2) Acres of Open Space Added by Assistance	(3) Percent Added	(4) Acres of Open Space Developing Assistance	(5) Acres of Open Space Developed by Local Governments	(6) Total Acres of Open Space and Developed Recreation Area After Assistance
1	17,474.4	4,892.2	28.0%	4,890.7	872.6	22,366.6
2	6,031.2	2,515.3	41.7%	1,029.1	361.6	8,546.5
3	2,348.8	11,151.4	474.8%	1,421.9	1,928.8	13,500.2
4	1,468.0	861.1	58.7%	647.5	171.6	2,329.1
5	1,675.2	1,837.6	109.7%	1,951.1	363.3	3,512.8
6	4,524.0	2,892.1	63.9%	1,911.3	362.4	7,416.1
7	3,359.2	1,652.3	49.2%	202.7	305.3	5,011.5
8	498.4	1,495.4	300.0%	534.7	279.8	1,993.8
9	4,600.8	5,105.2	111.0%	3,245.3	974.8	9,706.0
10	22,097.6	17,741.3	80.3%	18,604.3	3,061.2	39,838.9
Total	64,077.6	50,143.9	78.2%	33,682.6	8,691.4	114,221.5

Community Park and Recreation Development: (continued)**Program Analysis: (continued)**

The table shows by region acquisitions made possible by Project 70, Project 500 and BOR assistance. Boundaries of the 10 State regions are displayed on the Commonwealth map. Column (2) shows that these bond issues made it possible for local government to increase open space by 50,144 acres or a 78.2 percent increase while column (4) shows the development of 33,683 acres of recreation areas was made possible. Local government on their own initiative developed 8,691 acres of Project 70 open space land. None of the statistics displayed in this table reflect any State park acreage or activity of the Department of Environmental Resources.

While these statistics are impressive, the true measure of success of the program is the availability of recreational facilities within easy access to every citizen of the Commonwealth. On the map, the breakdown of percentage of dollars spent by region and the percentage of the State population within each region indicates funding through actual

year (1973-74) shows a substantial correlation to population distribution. The only exception is Region 7 (Cambria, Blair, Huntingdon, Somerset, Bedford, and Fulton counties).

Pennsylvania has also been successful in attracting Federal recreation funds. The Commonwealth bond program has enabled the State to maximize use of these funds and more importantly has enabled the communities of greatest need to participate by using State funds to reduce the local matching requirements.

This program is not supported by a General Fund or Special Fund Appropriation but the Land and Water Development Fund which receives its funding from a bond issue approved for that purpose. The only dollars displayed in this document are the administrative costs of administering the Land and Water Development funds for community park recreation development.

Employability Development – Socially and Economically Handicapped

OBJECTIVE: To assure that the unemployed and the underemployed are provided with training and supportive services leading to placement in jobs with advancement potential.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$800	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750
Federal Funds . . . . .	.....	375	375	375	375	375	375
TOTAL	\$800	\$2,125	\$2,125	\$2,125	\$2,125	\$2,125	\$2,125

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
People eligible for TEAM training	993,982	1,103,862	1,176,000	1,227,000	1,278,000	1,348,000	1,370,000
Trainees enrolled in instructional courses	1,472	2,900	2,900	2,900	2,900	2,900	2,900
Trainees completing instruction during the year	966	1,700	1,600	1,600	1,600	1,600	1,600
Trainees placed in jobs	858	1,400	1,350	1,300	1,250	1,250	1,250

Program Analysis:

The categorical approach to Federal manpower programs has for the most part been replaced by the Comprehensive Employment Training Act (CETA). This act establishes a special revenue sharing program which allows programs to be more responsive to local needs. One of the manpower programs which was not affected by the implementation of CETA is the Manpower Employment Assistance and Training (TEAM) program under the Department of Community Affairs. Since TEAM is not directly tied to any Federal program, the program continues to exist on its own merit. This independence from Federal programs makes TEAM a versatile tool for meeting the State's priorities. Current emphasis in this program is on the hard-core unemployed and underemployed with social and economic problems.

The sagging economy will have an adverse effect on the number of job placements from this program as the target group is the hard-core unemployed. These disadvantaged individuals will be forced to compete for limited employment opportunities with unemployed skilled workers. One approach to this problem is to only train individuals in areas where crisis manpower needs are apparent. One component of the

recommended program reflects this specialization in manpower needs. The proposal is to provide training in entry-level positions in deep mining. The specific training area will be the Northumberland/Schuylkill mining region. The availability of mining sites and the high unemployment qualify this area as an ideal training site. Seven mines are currently closed in this area because of the lack of trained miners. Millions of tons of coal could be marketed and hundreds of people employed with an expanded supply of trained miners, both of which will pump money into the State's economy.

CETA funding in the amount of \$375,000 has been approved for the current fiscal year (1974-75) for another proposal to develop building trades training projects with nonprofit housing groups able and willing to train low income people in housing related skills. Participating nonprofit groups will be encouraged to consider rehabilitation of Department of Public Welfare liened properties in order to directly improve housing occupied by the poor. The CETA program allows the flexibility that is consistent with the TEAM program. Additional CETA funding is requested for the budget year.

Employability Development – Socially and Economically Handicapped (continued)

Program Costs by Appropriation: (continued)

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
Employment Assistance	<u>\$800</u>	<u>\$1,750</u>	<u>\$1,750</u>	<u>\$1,750</u>	<u>\$1,750</u>	<u>\$1,750</u>	<u>\$1,750</u>

Community Action Assistance

OBJECTIVE: To provide individual economic opportunity to disadvantaged Pennsylvanians by increasing the level and scope of community services.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$1,306	\$1,695	\$2,445	\$2,103	\$2,143	\$2,185	\$2,229
Federal Funds	309	301	.....	.....	.....	.....	.....
Other Funds	8	.....	.....	.....	.....	.....	.....
TOTAL	\$1,306	\$1,996	\$2,445	\$2,103	\$2,143	\$2,185	\$2,229

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Persons with income below poverty level	900,000	900,000	950,000	1,000,000	1,100,000	1,100,000	1,100,000
Persons served by all community action programs	550,000	715,000	700,000	700,000	700,000	700,000	700,000
Percent of persons with income below poverty level served by program	73%	59%	71%	71%	71%	71%	71%
Tax credits approved business firms for neighborhood assistance programs (in thousands)	\$6,500,000	\$8,000,000	\$8,750,000	\$8,750,000	\$8,750,000	\$8,750,000	\$8,750,000

Program Analysis:

Despite the eligibility of human resources programs for Federal Revenue Sharing Trust Fund monies, the funding of this type of program has been the exception rather than the rule. According to a broadly-based random sample of first entitlement expenditures in Pennsylvania, local units of government allocated 1.4 percent of their revenue sharing funds to human resource programs for the poor and the aged. The new thrust of the Community Action Assistance program is to fill the gap left by the lack of commitment on the part of local officials when distributing revenue sharing funds for human resources programs. Nearly one-half of the recipient local governments used their general revenue sharing funds to reduce current tax rates or projected increases in tax rates, while about one-third utilized these funds to avoid or lessen debt increases. Such emphasis by the local governments is not expected to change in the near future.

The grant program administered by the Bureau of Human Resources can provide the incentive necessary to induce these

local governments to develop programs in the human resources area. The programs funded by these grants are selected on the basis of local needs. Community action assistance agencies whose membership includes local elected officials, other local agency officials, and low-income people are funded by the Bureau of Human Resources. These monies are programmatically versatile in order to afford local communities the opportunity to draw up proposals and budgets which will best serve the locally perceived needs. The versatility of these funds is consistent with the growing emphasis on the New Federalism, revenue sharing, and local responsibility in Federal funding mechanism. Since a considerable number of Federal categorical programs still remain, the versatility of these funds offers local communities the opportunity to use community action funding as non-Federal matching share to bring those Federal programs into the community. At the funding level of \$1,300,000 for fiscal year 1974-75 the grant program funded 68 human

Community Action Assistance (Continued)

Program Analysis: (Continued)

resources programs from 50 grantees. These 68 programs provided services for 425,000 poverty level residents, 227,600 low-income residents and 62,400 other residents of the Commonwealth. The use of grant funds as non-Federal

matching share for human resources program funding generated an additional \$3,670,000 for communities throughout the Commonwealth. With this fact in mind alone, the continued support of this program is recommended.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 306	\$ 395	\$ 845	\$ 803	\$ 843	\$ 885	\$ 929
Economic Opportunity Assistance	1,000	1,300	1,600	1,300	1,300	1,300	1,300
GENERAL FUND TOTAL	<u>\$1,306</u>	<u>\$1,695</u>	<u>\$2,445</u>	<u>\$2,103</u>	<u>\$2,143</u>	<u>\$2,185</u>	<u>\$2,229</u>

Areawide Intermunicipal Services

OBJECTIVE: To provide effective and economical municipal services through the development of regionally coordinated activities.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	<u>\$119</u>	<u>\$131</u>	<u>\$242</u>	<u>\$218</u>	<u>\$224</u>	<u>\$230</u>	<u>\$237</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Political subdivisions in Commonwealth	2,632	2,632	2,632	2,632	2,632	2,632	2,632
Councils of government	38	42	57	62	62	62	62
Political subdivisions participating in councils of government	405	400	570	700	700	700	700
Average political subdivisions in each council of government	11	10	10	11	11	11	11
Average program service area in each council of government	6	7	7	8	8	8	8
Councils of government having action projects assisted by the Department	12	12	12	12	12	12	12

Program Analysis:

The large number of units of local government in the Commonwealth has caused a fragmentation of public services which in many cases results in increased cost of government for a large number of Pennsylvanians.

The State Constitution provides such approaches to overcoming the problems of fragmentation as home rule or optional plans, area government, intergovernment cooperation, and consolidation, merger or boundary change. There are 35 municipalities with home rule charters or optional plans in the formulation stage and 30 other municipalities in the adoption stage.

The Councils of Governments (COGs) Assistance program established under the provisions of Act 78 of 1970, have shown themselves to be viable organizations for alleviating the mutual problems of several contiguous municipalities. COGs undertake joint municipal services for their member

governments when individual jurisdictions are unable to perform these functions separately as economically or efficiently.

Until 1969 only six councils were in existence and activities of these units remained limited. Currently, there are 42 COGs encompassing 400 municipalities. The formation of 15 additional councils is anticipated throughout the remainder of 1974-75 bringing the total to 57 encompassing 570 municipalities. The Department has reflected this measure at a less optimistic level than shown in last year's budget.

The measures indicate the average number of services which COGs have determined can be provided on a cooperative basis. These services may vary from one COG to another but typically include police protection, refuse collection, pollution control, recreation, code enforcement, solid waste management, etc.

Areawide Intermunicipal Services (continued)

Program Analysis: (continued)

There are, however, shortcomings to councils of government. They have no independent legal authority. The success of any plan is contingent upon the cooperation of the participating municipalities. Any member of council may opt out of any program area it takes exception to, which destroys the economies of scale derived from the COG concept.

However, even with these shortcomings, COGs provides a means for on-going formalized contact among municipalities through which they can consider and act on common problems. The increase in the number of COGs indicates acceptance at the local level.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 86	\$ 81	\$142	\$118	\$124	\$130	\$137
Regional Councils	33	50	100	100	100	100	100
GENERAL FUND TOTAL	<u>\$119</u>	<u>\$131</u>	<u>\$242</u>	<u>\$218</u>	<u>\$224</u>	<u>\$230</u>	<u>\$237</u>

Municipal Administrative Support Capability

OBJECTIVE: To improve the administrative capability of local government.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$1,396	\$2,189	\$2,983	\$2,492	\$2,607	\$2,727	\$2,853
Federal Funds	720	498	347	345	345	345	345
Other Funds .....	.....	55	.....	.....	.....	.....	.....
TOTAL	\$2,116	\$2,742	\$3,330	\$2,837	\$2,952	\$3,072	\$3,198

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Local government units in the Commonwealth	2,632	2,632	2,632	2,632	2,632	2,632	2,632
Municipal authorities in the Commonwealth	2,050	2,050	2,050	2,050	2,050	2,050	2,050
Local governments receiving consultative assistance on:							
Public works development	305	335	460	460	460	460	460
Personnel management studies	152	167	229	235	240	250	260
Financial management	305	335	460	470	490	500	510
Organization and structure	856	941	1,242	1,280	1,300	1,320	1,340
Public safety services	80	60	60	66	75	75	75
Communities which will prepare comprehensive plans in planning support	148	170	160	160	160	170	180
Municipal employees trained	2,400	6,000	12,000	12,000	12,000	12,000	12,000
Communities receiving technical information on financial statistics	1,815	1,996	2,195	2,414	2,500	2,500	2,500
Counties funded and operating county administrative improvement programs .....	.....	15	12	.....	.....	.....	.....
Comprehensive public safety studies completed .....	.....	.....	25	27	30	30	30

Program Analysis:

A multitude of Commonwealth programs rely on local government for implementation. Improving the administrative capability of Pennsylvania's local governments is essential to the

successful delivery of program services in housing, recreation, human services, law enforcement and many other areas of State concern. This program assists local governments by providing training and consulting services in these areas.

Municipal Administrative Support Capability

Program Analysis: (continued)

Due to the complicated nature of the procedures for drafting home rule charters and optional plans, the Consulting Services Division will continue to emphasize technical assistance to communities undertaking this process.

The priority administrative assistance program will be in its second year. This is the continuation of a two-year pilot County Administrator program conceived as a fresh approach to assisting top county management in procedures, systems and techniques. This program offers a clear alternative to the Department's objectives to improve county government management, through the direct introduction of professional executive personnel into Pennsylvania's county governments. In the first year 15 4th to 6th class counties participated. This is realistically expected to drop to 12 counties in the second year due to normal attrition.

The New Federalism is placing increasing burden on the management, priority setting and policy making structures and personnel of local government. Part-time local officials are finding greater demands placed on them and fewer solutions

available. A major solution to these problems is effective training which local units do not have the time or experience to develop, secure or conduct themselves and to which this program must respond. Municipal employees trained will increase from approximately 6,000 to 12,000 in 1975-76. There are several reasons for this: 1) the 1973 transfer of the Public Service Institute to Community Affairs is now beginning to maximize limited training resources; 2) a major reorganization of the Division of Municipal Training; and 3) continuing de-emphasis on specific skill areas and re-emphasis on training for management capabilities.

This program also includes grants to local government for planning assistance. These funds supplement support provided for comprehensive planning by the Federal Government and are given primarily to communities which are not successful in obtaining Federal assistance. Comprehensive planning covers the gamut of community planning including physical planning, management planning and human resources planning.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$1,205	\$1,989	\$2,783	\$2,292	\$2,407	\$2,527	\$2,653
Planning Assistance	191	200	200	200	200	200	200
GENERAL FUND TOTAL	<u>\$1,396</u>	<u>\$2,189</u>	<u>\$2,983</u>	<u>\$2,492</u>	<u>\$2,607</u>	<u>\$2,727</u>	<u>\$2,853</u>

Emergency Disaster Assistance

OBJECTIVE: To alleviate crisis situations resulting from natural disasters or emergencies.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$670	\$600	\$257	....	....	....	....
Federal Funds . . . . .	....	317	477	....	....	....	....
TOTAL	\$670	\$917	\$734	....	....	....	....

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Requests for emergency fuel aid	22,347	20,000	20,000	20,000	20,000	20,000	20,000
Allocations made	21,400	19,500	10,000	10,000	10,000	10,000	10,000

Program Analysis:

In 1973 the Secretary of Community Affairs was designated as the State's Fuel Officer and a fuel allocation system was established. This system was provided to match, through a computer operation, fuel users who had emergency needs with suppliers who could provide the fuel. Initially, the system dealt with middle distillate fuels (basically diesel, heating oil and kerosene) and was subsequently expanded to include gasoline, propane and residual oil.

The State continues to have allocation responsibilities for oil, although oil shortages are not currently a problem. Federal regulations still provide for a monthly three percent State set aside of gasoline supplies and a four percent set aside of middle distillates.

Since the system was established, however, the fuel crisis has undergone a metamorphosis. Coal shortages due to strikes and mine closings and natural gas shortages have added new

dimensions to the original problem of oil shortages. In addition, dramatic price increases are having serious economic impact on both individuals and the nation as a whole.

The Commonwealth has no power to allocate coal and natural gas, however, the fuel line is accepting calls from persons and industries with problems and is attempting to assist them. In the case of industries with natural gas problems the State can assist in obtaining oil for an industry with conversion capability. This lack of allocation authority is reflected in the estimated decline in allocation made compared to the number of requests for aid.

The total number of calls to the fuel line has dropped from a peak of 4,937 in March 1974 to a current monthly average of about 1,016 from July, 1975 to December, 1975.

This reduced level of activity is reflected in the reduced funding recommended for 1975-76.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$399	....	....	....	....	....	....
Fuel Allocation	271	\$600	\$257	....	....	....	....
GENERAL FUND TOTAL	\$670	\$600	\$257	....	....	....	....



Council on Drug and Alcohol Abuse

The Council on Drug and Alcohol Abuse serves as a general coordinator of all the Commonwealth's efforts in this field. The Council evaluates State and local plans for eliminating the problem of drug and alcohol abuse; assists State and local agencies in developing more effective means of dealing with drug and alcohol dysfunction, placing particular emphasis on treating those individuals now abusing drugs and alcohol; develops preventive measures to lessen the possibility of future drug and alcohol misuse.

COUNCIL ON DRUG AND ALCOHOL ABUSE

Summary by Fund and Appropriation

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
General Fund				
General Government				
Council on Drug and Alcohol Abuse	\$14,171	\$18,620	\$ 2,688	\$ 3,373
Grants and Subsidies				
Assistance to Drug and Alcohol Treatment Programs .....	.....	.....	\$17,184	\$21,481
Total State Funds	<u>\$14,171</u>	<u>\$18,620</u>	<u>\$19,872</u>	<u>\$24,854</u>
Federal Funds	\$ 886	\$ 1,312	\$ 1,118	\$ 1,398
Other Funds .....	.....	21	.....	.....
 GENERAL FUND TOTAL	 <u>\$15,057</u>	 <u>\$19,953</u>	 <u>\$20,990</u>	 <u>\$26,252</u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Government Operations			
State Funds	\$14,171	\$18,620	\$ 3,373
Federal Funds.....	886	1,312	1,134
Other Funds .....	.....	21	.....
TOTAL	\$15,057	\$19,953	\$ 4,507

Directs and monitors the operations of the existing drug and alcohol programs offered to the abuser. Evaluates the effectiveness of the various drug and alcohol programs and their use of half-way houses, group therapy sessions, methadone therapy, etc. Acts as the focal point in delivering rehabilitative services to the drug and alcohol abuser. Also provides through the use of training sessions, mass media publications and related services, a pool of knowledge to inform the general public of the ramifications of the abuse of drugs and alcohol.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
General Government Operations	\$14,171	\$18,620	\$ 3,373
Federal Funds:			
Comprehensive Alcohol Abuse Act of 1970	197	261	433
Drug Abuse Office and Treatment Act of 1972	213	306	508
Omnibus Crime Control and Safe Streets Act	356	461	.....
Other Funds:			
National Institute on Drug Abuse	82	213	163
National Institute on Alcohol Abuse and Alcoholism	38	71	30
Supplemental Retirement Contribution .....	.....	21	.....
TOTAL	\$15,057	\$19,953	\$ 4,507

Grants and Subsidies

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Assistance to Drug and Alcohol Abuse Programs			
State Funds	\$21,481
Federal Funds	264
TOTAL	<u>\$21,745</u>

Provides grants to counties and to private facilities to finance drug and alcohol abuse treatment and prevention programs.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Assistance to Drug and Alcohol Abuse Programs	\$21,481 *
Federal Funds:			
Omnibus Crime and Safe Streets Act	264
TOTAL	<u>\$21,745</u>

* Previously funded as part of General Government Operation.

RESTRICTED RECEIPTS**COUNCIL ON DRUG AND ALCOHOL ABUSE****Restricted Receipts Not Included in Department Total**

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Estimated	1975-76 Budget (15 months)
General Fund			
Comprehensive Alcohol Abuse Act of 1970	\$ 987	\$3,333	\$4,166
Drug Abuse Office and Treatment Act of 1970	157	560	700
National Institute on Drug Abuse	203	1,051	1,314
Drug Abuse Education Act .....	.....	81	.....
National Institute on Alcohol Abuse and Alcoholism	42	461	576
Social Security Act .....	.....	.....	3,900
TOTAL	<u><u>\$1,389</u></u>	<u><u>\$5,486</u></u>	<u><u>\$10,656</u></u>

COUNCIL ON DRUG AND ALCOHOL ABUSE
Summary of Agency Program by Category and Subcategory
General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 1,838	\$ 2,674	\$ 3,373	\$ 2,831	\$ 2,998	\$ 3,174	\$ 3,360
Physical Health Treatment	\$12,333	\$15,946	\$21,481	\$18,266	\$19,179	\$20,138	\$21,145
Prevention and Treatment of Drug and Alcohol Abuse	12,333	15,946	21,481	18,266	19,179	20,138	21,145
DEPARTMENT TOTAL	<u>\$14,171</u>	<u>\$18,620</u>	<u>\$24,854</u>	<u>\$21,097</u>	<u>\$22,177</u>	<u>\$23,312</u>	<u>\$24,505</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$1,838	\$2,674	\$3,373	\$2,831	\$2,998	\$3,174	\$3,360
Federal Funds	886	1,101	1,134	910	930	950	970
Other Funds .....	.....	21	.....	.....	.....	.....	.....
TOTAL	<u>\$2,724</u>	<u>\$3,796</u>	<u>\$4,507</u>	<u>\$3,741</u>	<u>\$3,928</u>	<u>\$4,124</u>	<u>\$4,330</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Council on Drug and Alcohol							
Abuse Control	<u>\$1,838</u>	<u>\$2,674</u>	<u>\$3,373</u>	<u>\$2,831</u>	<u>\$2,998</u>	<u>\$3,174</u>	<u>\$3,360</u>

Prevention and Treatment of Drug and Alcohol Abuse

OBJECTIVE: To minimize the prevalence of drug and alcohol abuse.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$12,333	\$15,946	\$21,481	\$18,266	\$19,179	\$20,138	\$21,145
Federal Funds . . . . .	. . . . .	211	264	280	300	320	340
TOTAL	\$12,333	\$16,157	\$21,745	\$18,546	\$19,479	\$20,458	\$21,485

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Estimated experimenters age 15 and over:							
Alcohol	6,424,552	6,443,826	6,463,157	6,482,546	6,501,994	6,521,500	6,541,064
Opiates	317,150	318,101	319,056	320,013	320,973	321,936	322,902
Cannibus	1,350,153	1,354,050	1,358,062	1,362,136	1,366,086	1,370,098	1,374,208
Composite Pills	857,240	860,836	863,583	866,592	869,192	871,799	874,616
Estimated heavy users age 15 and over:							
Alcohol	661,482	662,983	664,989	666,995	669,001	671,007	673,013
Opiates	81,552	81,797	82,045	82,460	82,647	82,847	83,048
Cannibus	389,641	391,170	392,173	393,176	394,179	395,182	396,185
Composite Pills	98,450	99,676	100,300	100,601	100,903	101,206	101,509
Clients treated at "drop in" facilities	12,560	16,240	20,450	24,540	29,500	38,400	50,000
Clients treated at shelter facilities	2,455	2,740	3,050	3,230	3,400	3,700	4,000

Program Measures:

Drug and/or alcohol users can be classified into two separate categories. The first is the non-dysfunctional user or the individual not yet habituated to either substance. The second is the dysfunctional user who generally has difficulty maintaining gainful employment, participating in a stable family life, and conducting himself in a law-abiding manner.

In an effort to determine the level and intensity of alcohol and illegal drug use in the Commonwealth, the Council commissioned a survey which was completed in 1973. That survey attempted to estimate the number of individuals who were heavy users of these substances and the number who were moderate users. A heavy user is defined as one who uses any quantity of a substance on three or more occasions per week. An experimenter is defined as anyone who used a substance at least once in the preceding year. Alcohol use had to involve at least four drinks per day

before the user was classified as a heavy user. A severe weakness with these definitions is they fail to differentiate between widely different substances. The survey and its accompanying analysis contained other flaws such as failure to accurately represent the population of Pennsylvania in its sample, failure to provide the means to estimate the total number of individuals using and abusing illegal drugs, and the assumption of an accurate rate of population growth. Given these flaws, and the inherent difficulties in trying to establish the prevalence of concealed activities, the usage estimates listed above can, at best, be considered educated guesses.

Educational programs are constantly being developed to help reverse the tendency of those borderline cases where alcoholism and drug abuse can be avoided and also to convince abusers to seek treatment. In an analysis of the primary prevention facilities in the Commonwealth as of July 1974, it

Prevention and Treatment of Drug and Alcohol Abuse (continued)

Program Analysis: (continued)

was found that 74 of 100 facilities utilized a school environment. These services include: teacher workshops, training of para-professionals, speaking programs and rap sessions for students. Beginning with the budget year 1975-76, there will be about 300 unit presentations for school staff, parent organizations and students reaching an estimated 160,000 persons.

Community services have also become an integral part of the primary prevention system. The services include: youth information and counseling centers, workshop sensitizing sessions for community employees, human development training experiences, transactional analysis for parents, ministers and business and industrial leaders. In 1975-76 there will be 500 presentation units directed at an estimated 400,000 persons. The presentation units are scheduled to increase constantly until 1980, when there will be 700 units reaching about 578,000 people.

The Governor's Council on Drug and Alcohol Abuse has attempted to establish treatment environments throughout the Commonwealth. Environments such as drop-in centers, hot lines, emergency units and shelters are several of the programs available. For 1975-76 it is expected that about 20,450 clients will be seen at drop-in centers, 23,700 hot line calls will be received, 2,100 individuals will accept emergency treatment for drug and for alcohol related problems, and about 3,050 clients will benefit from shelter facilities.

The ultimate goal of all treatment programs is the rehabilitation of its participants. It is estimated that 3,040 individuals will successfully complete their treatment plan during fiscal year 1975-76. In the same time span, over 10,000 persons who receive treatment and rehabilitative services are expected to alter their drug and/or alcohol practices and patterns. This represents a success ratio of nearly one for every three persons receiving treatment and rehabilitative services. Lastly it is expected that nearly 75 percent of the individuals who receive treatment will have obtained gainful legal employment and/or participated in educational or training programs. However, this could change given a condition of continued economic instability since stigmatized individuals are particularly difficult to place in productive legal employment.

At this time, it is not possible to project through 1980 the number of individuals successfully completing their treatment plans inasmuch as it is expected that the percentage of clients will increase as the Council's Office of Research and Evaluation provides the data base upon which successful planning of the approaches to treatment can be developed. Furthermore, the increasing awareness of effective treatment strategies on the part of the facilities' staff should raise this probability. It is hoped that successful implementation of the statewide reporting system will enable the Council to more accurately assess the effects of their programs in combination with fiscal performance.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Council on Drug and Alcohol Abuse Control	\$12,333	\$15,946	.....	.....	.....	.....	.....
Assistance to Drug and Alcohol Programs . . . . .	.....	.....	\$21,481	\$18,266	\$19,179	\$20,138	\$21,145
GENERAL FUND TOTAL	<u>\$12,333</u>	<u>\$15,946</u>	<u>\$21,481</u>	<u>\$18,266</u>	<u>\$19,179</u>	<u>\$20,138</u>	<u>\$21,145</u>

Department of Education

The Department of Education promotes and encourages desirable educational change based upon research and development so that all Pennsylvanians may benefit from a continuous quality educational program which gives the greatest promise of developing each individual to his fullest potential as a contributing member of society.

The Department conducts programs to assist the local school districts in improving educational and administrative techniques, curricula, guidance services, operates a State college system, and provides consultant services to other higher educational institutions. The bulk of the Department's budget consists of subsidies for basic and higher education.

DEPARTMENT OF EDUCATION
Summary by Fund and Appropriations

	(Dollar Amounts in Thousands)			
	1973-74	1974-75	1975-76	1975-76
	Actual	Available	Estimate (12 months)	Budget (15 months)
General Fund				
General Government				
General Government Operations	\$ 10,879	\$ 12,004	\$ 13,597	\$ 17,049
State Library	1,150	1,259	1,374	1,604
Veterans' Education	61	.....	.....	.....
Pennsylvania Public Television Network— Operations	3,673	4,100	5,312	6,000
Pennsylvania Public Television Network— Program Services .....	.....	2,900	.....	.....
Total—General Government	<u>\$ 15,763</u>	<u>\$ 20,263</u>	<u>\$ 20,283</u>	<u>\$ 24,653</u>
Debt Service Requirements				
General State Authority Rentals—State-Aided Institutions	<u>\$ 4,337</u>	<u>\$ 4,692</u>	<u>\$ 4,486</u>	<u>\$ 4,486</u>
Institutional				
State Colleges and University	\$ 117,168	\$ 137,500	\$ 150,873	\$ 186,937
Pennsylvania State Oral School	1,041	1,316	1,522	1,886
Scotland School for Veterans' Children	3,026	3,416	3,587	4,493
Thaddeus Stevens Trade School	1,390	1,481	1,701	1,995
Total—Institutional	<u>\$ 122,625</u>	<u>\$ 143,713</u>	<u>\$ 157,683</u>	<u>\$ 195,311</u>
Grants and Subsidies				
Support of Public Schools				
Basic Instruction Subsidy and Vocational Education	\$1,081,498	\$1,228,626	\$1,254,372	\$1,256,623
Manpower Development	250	.....	.....	.....
Authority Rentals and Sinking Fund Requirements	133,105	149,422	159,877	159,877
Pupil Transportation	58,476	67,655	89,945	89,945
Special Education	68,612	73,574	86,000	103,500
Homebound Instruction	474	600	600	600
Aid to Financially Handicapped School District	250	500	.....	.....
Tuition for Orphans and Children Placed in Private Homes	7,160	10,650	11,830	11,830
Payments in Lieu of Taxes	25	35	35	35
Education of Migrant Laborers' Children	36	36	36	72
Education of the Disadvantaged	1,000	1,000	1,000	1,000
Special Education—Approved Private Schools	18,787	27,000	24,700	24,700
Higher Education of Blind or Deaf Students	27	35	35	35
Intermediate Units	6,212	6,588	6,971	8,713
School Food Services	3,419	4,160	5,760	5,760
School Employees' Social Security	48,953	53,200	58,100	66,100
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	105,000	122,611	143,356	143,356
Former Teachers' Account	13	13	11	14

DEPARTMENT OF EDUCATION

Summary by Fund and Appropriations
(continued)

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Grants and Subsidies (continued)				
Year-Round School Study	\$ 258	.....	.....	.....
Youth Development Centers—Education .....	.....	\$ 2,505	\$ 3,973	\$ 5,065
State Schools and Hospitals—Education .....	.....	4,600	9,265	11,581
Sub-Total—Support of Public Schools	<u>\$1,533,555</u>	<u>\$1,752,810</u>	<u>\$1,855,866</u>	<u>\$1,888,806</u>
Other Grants and Subsidies				
Services to Nonpublic Schools	\$ 13,155	\$ 15,634	\$ 15,638	\$ 15,638
Equipment and Material Grants for Nonpublic Schools	15,137	17,620	17,375	17,375
Improvement of Library Services	7,400	8,224	8,220	8,245
Library Services for Blind and Handicapped	720	767	806	806
Educational Radio and Television Grants	850	850	780	780
Regional Educational Broadcasting Councils	150	175	175	175
Correctional Institutions—Education .....	.....	750	2,373	3,017
Community Colleges—Operating	18,868	25,381	26,000	32,500
Community Colleges—Capital	8,831	10,870	11,000	11,000
Higher Education of the Disadvantaged	2,162	3,002	3,362	3,742
Ethnic Heritage Studies .....	.....	50	50	50
Transfers to Higher Education Assistance Agency:				
Scholarships	64,000	68,440	68,440	68,440
Scholarships—Veterans	1,400	.....	.....	.....
Scholarships Dependents of POW's and MIA's	40	.....	.....	.....
Reserve for Losses on Guaranteed Loans	1,600	2,800	3,200	3,200
Student Aid Funds—Matching	2,000	1,500	1,500	1,500
Administration—Loans and Scholarships	2,850	3,400	3,600	4,200
Institutional Assistance Grants .....	.....	12,000	.....	.....
Sub-Total—Other Grants and Subsidies	<u>\$ 139,163</u>	<u>\$ 171,463</u>	<u>\$ 162,519</u>	<u>\$ 170,668</u>
State-Related Universities				
Pennsylvania State University— Instruction	\$ 58,372	\$ 63,189	\$ 72,805	\$ 88,592
Pennsylvania State University Student Aid	1,760	1,760	1,760	1,760
Pennsylvania State University Research	15,800	17,064	13,651	17,064
Pennsylvania State University Extension and Public Services	8,913	9,626	10,781	13,476
Pennsylvania State University— Medical Programs	2,314	2,493	2,665	2,665
Sub-Total Penn State University	<u>\$ 87,159</u>	<u>\$ 94,132</u>	<u>\$ 101,662</u>	<u>\$ 123,557</u>
University of Pittsburgh—Instruction	\$ 41,093	\$ 44,859	\$ 46,787	\$ 58,484
University of Pittsburgh—Student Aid	2,960	2,960	2,960	2,960
University of Pittsburgh—Medical Programs	3,866	3,971	3,986	3,986
Sub-Total University of Pittsburgh	<u>\$ 47,919</u>	<u>\$ 51,790</u>	<u>\$ 53,733</u>	<u>\$ 65,430</u>

DEPARTMENT OF EDUCATION

Summary by Fund and Appropriations
(continued)

	1973-74 Actual	(Dollar Amounts in Thousands)		
		1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Grants and Subsidies (continued)				
State-Related Universities (continued)				
Temple University—Instruction	\$ 44,255	\$ 48,364	\$ 54,795	\$ 68,494
Temple University—Student Aid	3,018	3,018	3,018	3,018
Temple University—Extension and Public Services	53	53	.....	.....
Temple University—Medical Programs	5,255	5,360	5,375	5,375
Temple University—General Institutional Aid .....	.....	2,500	2,500	2,500
Sub-Total Temple University	\$ 52,581	\$ 59,295	\$ 65,688	\$ 79,387
Lincoln University—Instruction	\$ 1,973	\$ 2,124	\$ 2,396	\$ 2,961
Lincoln University—Advanced Institution Development .....	.....	.....	250	250
Lincoln University—Accreditation Improvement .....	.....	.....	100	100
Sub-Total Lincoln University	\$ 1,973	\$ 2,124	\$ 2,746	\$ 3,311
Non-State-Related Universities and Colleges				
Delaware Valley College of Science and Agriculture	\$ 176	\$ 185	\$ 185	\$ 185
Dickinson Law School	95	99	99	99
Drexel University	2,109	2,219	2,219	2,219
Drexel University—Student Aid	799	799	799	799
Hahnemann Medical College—Medical Programs	2,618	2,781	3,054	3,054
Hahnemann Medical College—Allied Health Programs	199	209	209	209
Thomas Jefferson University—Medical Programs	3,762	3,876	3,920	3,920
Thomas Jefferson University—Allied Health Programs	199	362	362	362
The Medical College of Pennsylvania	1,430	1,562	1,658	1,658
University of Pennsylvania—Instruction	6,392	6,727	6,727	6,727
University of Pennsylvania—Medical School	2,745	2,904	2,882	2,882
University of Pennsylvania—School of Veterinary Medicine	1,857	1,973	1,973	1,973
University of Pennsylvania—Student Aid	3,374	3,374	3,374	3,374
Pennsylvania College of Podiatric Medicine	327	360	360	360
Pennsylvania College of Optometry	95	99	99	99
Philadelphia College of Art—Instruction	239	252	252	252
Philadelphia College of Art—Student Aid	100	100	100	100
Philadelphia College of Osteopathic Medicine	2,957	3,331	3,494	3,494
Philadelphia College of Textiles and Science	238	250	250	250
Philadelphia Musical Academy	125	.....	.....	.....
Sub-Total Non-State-Related Universities and Colleges	\$ 29,836	\$ 31,462	\$ 32,016	\$ 32,016

DEPARTMENT OF EDUCATION

Summary by Fund and Appropriations
(continued)

	(Dollar Amounts in Thousands)			
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Grants and Subsidies (continued)				
Non-State-Related Institutions				
Berean Training and Industrial School	\$ 425	\$ 413	\$ 434	\$ 434
Downingtown Industrial and Agricultural School	468	518	544	544
Johnson School of Technology	67	70	74	74
Williamson Free School of Mechanical Trades	47	49	52	52
Sub-Total Non-State-Related Institutions	<u>\$ 1,007</u>	<u>\$ 1,050</u>	<u>\$ 1,104</u>	<u>\$ 1,104</u>
Total—Grants and Subsidies	<u>\$1,893,193</u>	<u>\$2,164,126</u>	<u>\$2,275,334</u>	<u>\$2,364,279</u>
Capital Improvements				
Capital Improvements .....	.....	\$ 691	\$ 50	\$ 50
Total State Funds—General Fund	<u>\$2,035,918</u>	<u>\$2,333,485</u>	<u>\$2,457,836</u>	<u>\$2,588,779</u>
Federal Funds	\$ 12,135	\$ 16,850	\$ 14,568	\$ 18,422
Other Funds	88,002	90,757	93,585	100,209
GENERAL FUND TOTAL	<u>\$2,136,055</u>	<u>\$2,441,092</u>	<u>\$2,565,989</u>	<u>\$2,707,410</u>
Motor License Fund				
General Government				
Highway Safety Education	\$ 29	\$ 32	\$ 34	\$ 42
Driver Education Curriculum Development	157	160	106	112
Sub-Total	<u>\$ 186</u>	<u>\$ 192</u>	<u>\$ 140</u>	<u>\$ 154</u>
Grants and Subsidies				
Safe Driving Course	\$ 4,219	\$ 4,370	\$ 4,218	\$ 4,248
Total State Funds—Motor License Fund	<u>\$ 4,405</u>	<u>\$ 4,562</u>	<u>\$ 4,358</u>	<u>\$ 4,402</u>
Federal Funds	\$ 34	\$ 160	\$ 191	\$ 191
MOTOR LICENSE FUND TOTAL	<u>\$ 4,439</u>	<u>\$ 4,722</u>	<u>\$ 4,549</u>	<u>\$ 4,593</u>
Revenue Sharing Trust Fund				
Pupil Transportation .....	.....	\$ 26,000	\$ 26,000	\$ 26,000
Special Education	\$ 45,000	45,000	54,000	54,000
Special Education—Approved Private Schools	2,500	2,500	2,500	2,500
REVENUE SHARING FUND TOTAL	<u>\$ 47,500</u>	<u>\$ 73,500</u>	<u>\$ 82,500</u>	<u>\$ 82,500</u>

DEPARTMENT OF EDUCATION

**Summary by Fund and Appropriations
(continued)**

		(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76	1975-76
	Actual	Available	Estimate (12 months)	Budget (15 months)
Department Total — All Funds				
General Fund	\$2,035,918	\$2,333,485	\$2,457,836	\$2,588,779
Special Funds	51,905	78,062	86,858	86,902
Federal Funds	12,169	17,010	14,759	18,613
Other Funds	88,002	90,757	93,585	100,209
TOTAL ALL FUNDS	\$2,187,994	\$2,519,314	\$2,653,038	\$2,794,503

General Government

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
General Government Operations			
State Funds	\$10,879	\$12,004	\$17,049
Federal Funds	6,379	8,560	9,175
Other Funds	736	741	652
TOTAL	<u>\$17,994</u>	<u>\$21,305</u>	<u>\$26,876</u>

Provides the overall planning, policy guidance and coordination functions for agency programs. Supplies administrative, legal, public information, planning, research, personnel, budget and supply services to the various educational programs.

Conducts research projects for the benefit of basic and higher education, prepares statistical data for State school district subsidy calculations, the Federal Elementary and Secondary grant program, and others as needed.

Provides consultation to the school districts on budget, accounting, and procurement services and leadership for the improvement of basic education. Administers and distributes Support of Public Schools grants, Support of Non-Public Schools grants, Educational Radio and Television grants and distributes Federal grants to school districts. See "Grants and Subsidies" for details.

Coordinates the development of higher education in order to promote implementation of the Commonwealth's policies on higher education in accordance with the needs of students and colleges within the guidelines established by the Governor, the Legislature, the State Board of Education, and Pennsylvania Law. At State-owned schools and colleges accounting and fiscal review are performed for compliance with the Auditor General and the Federal Government.

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Appropriations:			
General Government Operations	\$10,879	\$12,004	\$17,049
Federal Funds:			
Administration of ESEA Title I - Education of Children from Low-Income Families	813	1,085	1,325
Administration of ESEA Title II - School Library Resources	275	250	316
Administration of ESEA Title III-Supplementary Educational Centers and Services	622	837	1,050
Administration of ESEA Title IV-Planning	73	22	.....

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds (continued)			
Federal Funds (Continued)			
ESEA Title V-Strengthening State Departments of Education	\$ 1,142	\$ 1,873	\$ 1,551
Administration of ESEA Title VI-Education of the Handicapped	85	125	159
Administration of Manpower Development and Training Act	186	104	. . . .
Administration of Programs Under the Vocational Education Act	1,760	2,397	2,627
Administration of Title II, Part B of the Economic Opportunity Act—Follow Through . . .	18	31	39
Administration of Title I of the Higher Education Act—Community Service Education Programs	32	42	55
Administration of Title VI-A of the Higher Education Act—Improvement of Undergraduate Education	55	32	. . . .
Administration of Title V of the Higher Education Act—Teacher Programs	26	20	25
Educational Programs for Veterans	477	561	701
Comprehensive Employment and Training Act . . . . .	. . . .	68	186
Adult Civil Defense Education Programs	28	. . . .	. . . .
Administration of the Higher Education Facilities Act	15	. . . .	. . . .
Administration of Title IV of the Civil Rights Act of 1964—Desegregation Assistance	91	134	167
Administration of Title III of the Adult Education Act	96	115	151
Administration of Title III of the National Defense Education Act—Strengthening of Mathematics, Science, Foreign Language, History, English and Reading Curricula	103	102	127
Administration of Title II of the National Defense Education Act—Student Loans	42	30	44
Training of Teachers of Handicapped Children	31	37	46
Administration of the Child Nutrition Act	127	138	175
National Science Foundation	8	25	17
Atomic Energy Commission	7	15	. . . .
Appalachian Regional Commission Grant	7	63	. . . .
Law Enforcement Education Program	72	94	50
Nutrition Demonstration Project	22	. . . .	. . . .
Right to Read Project	146	269	269
Intergovernmental Personnel Act	20	5	. . . .
Reimbursement for Education Statistics	1	1	. . . .
Staff Development in Adult Education . . . . .	. . . .	3	3
New Jersey—Pennsylvania Common Market—National Institutes of Health . . . . .	. . . .	56	56
HEA—Title XII — Comprehensive Planning . . . . .	. . . .	26	26

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds (continued)			
Other Funds:			
School Employees' Retirement Funds for			
Computer Costs	\$ 253	\$ 125	\$ 173
Reimbursement to Special Education	8	. . . .	. . . .
Reimbursement for Services Rendered—			
Comptroller's Office	201	251	157
Pro—Rated Shares of Comptroller's Office Data			
Communications Center	197	230	300
Reimbursement for Central Mailroom Costs	12	14	22
Bicentennial Commission Grant	5	6	. . . .
Historical and Museum Commission Grant	2	. . . .	. . . .
Reimbursement from Harrisburg School District	7	9	. . . .
Reimbursement from Colorado State Department of Education	5	17	. . . .
Reimbursement from University of Maryland	45	. . . .	. . . .
State of New York—Operation Alert . . . . .	. . . .	5	. . . .
Supplemental Retirement Contribution . . . . .	. . . .	84	. . . .
TOTAL	\$17,994	\$21,305	\$26,876

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
State Library			
State Funds	\$ 1,150	\$ 1,259	\$ 1,604
Federal Funds	401	800	980
Other Funds	10	15	5
TOTAL	\$ 1,561	\$ 2,074	\$ 2,589

Promotes the improvement of library services throughout the Commonwealth by administration of a local support-incentive aid program and by conducting research and innovative programs. Operates the State Library in Harrisburg, which serves as a major reference library for State Government as well as an information base for all public libraries.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
State Library	\$ 1,150	\$ 1,259	\$ 1,604
Federal Funds:			
Library Services and Construction Act	401	800	980
Other Funds:			
Book Penalties and Reimbursement for Lost Books	10	4	5
Supplemental Retirement Contribution . . . . .	. . . .	11	. . . .
TOTAL	\$ 1,561	\$ 2,074	\$ 2,589

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Veterans' Education			
State Funds	\$ 61	. . . .	. . . .
Federal Funds	73	. . . .	. . . .
TOTAL	<u>\$ 134</u>	. . . .	. . . .

Provides assistance to veterans in obtaining educational opportunities. Operates outreach centers that counsel veterans in their attempts to further their education, and works with institutions to make more opportunities available to veterans. This function was transferred to the Department of Military Affairs.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Veterans' Education	\$ 61	. . . .	. . . .
Federal Funds:			
Emergency Employment Act	73	. . . .	. . . .
TOTAL	<u>\$ 134</u>	. . . .	. . . .

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Pennsylvania Public Television Network			
State Funds	\$ 3,673	\$ 7,000	\$ 6,000
Other Funds . . . . .	. . . .	4	. . . .
TOTAL	<u>\$ 3,673</u>	<u>\$ 7,004</u>	<u>\$ 6,000</u>

Promotes the growth and improvement of public television in Pennsylvania. Operates network facilities connecting the seven public television stations that allow a variety of programs to be broadcasted simultaneously or separately. Administers a program of grants to support stations' operations. The program services funds for 1974-75 are in a continuing appropriation. Therefore, there will be funds available for this purpose in 1975-76.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Pennsylvania Public Television Network— Operations . . . . .	. . . .	\$ 4,100	\$ 6,000
Pennsylvania Public Television Network— Program Services . . . . .	. . . .	2,900	. . . .
Other Funds:			
Supplemental Retirement Contribution . . . . .	. . . .	4	. . . .
TOTAL	<u>\$ 3,673</u>	<u>\$ 7,004</u>	<u>\$ 6,000</u>

Debt Service Requirements

	1973-74	(Dollar Amounts in Thousands) 1974-75	1975-76
	Actual	Available	Budget (15 months)
General State Authority Rentals – State-aided Institutions			
State Funds	\$ 4,337	\$ 4,692	\$ 4,486
Other Funds	543	447	444
TOTAL	<u>\$ 4,880</u>	<u>\$ 5,139</u>	<u>\$ 4,930</u>

Provides funds for payments to the General State Authority on behalf of certain State-aided educational institutions for capital improvements projects. Act 451 approved August 14, 1963 requires General State Authority rentals at State-aided institutions for capital improvements designed, constructed, and occupied subsequent to August 1963 to be paid by the institutions themselves.

	1973-74	(Dollar Amounts in Thousands) 1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Appropriation:			
General State Authority Rentals— State-aided Institutions	\$ 4,337	\$ 4,692	\$ 4,486
Other Funds:			
Sublease Rentals	543	447	444
TOTAL	<u>\$ 4,880</u>	<u>\$ 5,139</u>	<u>\$ 4,930</u>

Institutional

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
State Colleges and University			
State Funds	\$117,168	\$137,500	\$186,937
Federal Funds	3,475	4,446	4,667
Other Funds	86,653	89,438	99,043
TOTAL	\$207,296	\$231,384	\$290,647

Provides support for 13 State-owned colleges and one State-owned university. Their purpose is to serve as institutions and centers of higher education to develop the youth of Pennsylvania in the arts and sciences, preparation of teachers for the Commonwealth's elementary and secondary public schools, and for such other purposes as may be determined by the State Board of Education.

Full-Time Equivalent Enrollment			
	1973-74	1974-75	1975-76
Institutions			
Bloomsburg	5,391	5,468	5,548
California	5,851	5,331	5,130
Cheyney	2,340	2,311	2,658
Clarion	5,326	5,346	5,522
East Stroudsburg	4,041	4,200	4,410
Edinboro	7,102	7,137	7,210
Indiana University	11,114	11,210	11,127
Kutztown	4,778	4,853	4,925
Lock Haven	2,551	2,574	2,603
Mansfield	3,438	3,106	3,036
Millersville	5,720	5,720	5,725
Shippensburg	5,405	5,400	5,400
Slippery Rock	6,123	6,464	6,619
West Chester	7,408	7,490	7,510
Total - State Colleges and University	76,588	76,610	77,423

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
State College and University Funds by Institution			
Bloomsburg			
State Funds	\$ 7,773	\$ 9,108	\$ 12,383
Federal Funds . . . . .	. . . . .	153	160
Other Funds	6,024	6,189	6,854
TOTAL	\$ 13,797	\$ 15,450	\$ 19,397

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
State College and University Funds by Institution (continued)			
California			
State Funds	\$ 9,707	\$ 11,323	\$ 15,394
Federal Funds	461	680	714
Other Funds	5,745	5,281	5,848
TOTAL	<u>\$ 15,913</u>	<u>\$ 17,284</u>	<u>\$ 21,956</u>
Cheyney			
State Funds	\$ 5,461	\$ 6,606	\$ 8,981
Federal Funds	240	469	492
Other Funds	2,872	2,888	3,198
TOTAL	<u>\$ 8,573</u>	<u>\$ 9,963</u>	<u>\$ 12,671</u>
Clarion			
State Funds	\$ 8,378	\$ 9,722	\$ 13,285
Federal Funds	476	309	324
Other Funds	5,512	5,822	6,447
TOTAL	<u>\$ 14,366</u>	<u>\$ 15,903</u>	<u>\$ 20,056</u>
East Stroudsburg			
State Funds	\$ 6,018	\$ 7,054	\$ 9,590
Federal Funds .....	.....	267	280
Other Funds	4,899	5,072	5,617
TOTAL	<u>\$ 10,917</u>	<u>\$ 12,393</u>	<u>\$ 15,487</u>
Edinboro			
State Funds	\$ 9,469	\$ 11,167	\$ 15,182
Federal Funds	346	.....	.....
Other Funds	6,992	7,933	8,785
TOTAL	<u>\$ 16,807</u>	<u>\$ 19,100</u>	<u>\$ 23,967</u>
Indiana University			
State Funds	\$ 13,183	\$ 15,633	\$ 21,254
Federal Funds	915	1,003	1,053
Other Funds	12,046	12,472	13,811
TOTAL	<u>\$ 26,144</u>	<u>\$ 29,108</u>	<u>\$ 36,118</u>

GENERAL FUND

EDUCATION

State College and University Funds by Institution (continued)	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Kutztown			
State Funds	\$ 7,674	\$ 8,968	\$ 12,192
Federal Funds	98	81	85
Other Funds	5,310	5,467	6,054
TOTAL	\$ 13,082	\$ 14,516	\$ 18,331
Lock Haven			
State Funds	\$ 4,931	\$ 5,738	\$ 7,801
Federal Funds	221	256	269
Other Funds	3,312	3,241	3,590
TOTAL	\$ 8,464	\$ 9,236	\$ 11,660
Mansfield			
State Funds	\$ 6,615	\$ 7,693	\$ 10,458
Federal Funds	154	167	175
Other Funds	3,972	3,942	4,365
TOTAL	\$ 10,741	\$ 11,802	\$ 14,998
Millersville			
State Funds	\$ 8,675	\$ 10,190	\$ 13,855
Federal Funds .....	.....	449	473
Other Funds	8,059	7,623	8,442
TOTAL	\$ 16,734	\$ 18,262	\$ 22,770
Shippensburg			
State Funds	\$ 8,021	\$ 9,421	\$ 12,808
Federal Funds	317	199	209
Other Funds	6,137	6,554	7,258
TOTAL	\$ 14,475	\$ 16,174	\$ 20,275
Slippery Rock			
State Funds	\$ 9,401	\$ 10,977	\$ 14,924
Federal Funds .....	.....	310	325
Other Funds	7,286	8,062	8,928
TOTAL	\$ 16,687	\$ 19,349	\$ 24,177
West Chester			
State Funds	\$ 11,862	\$ 13,850	\$ 18,830
Federal Funds	247	103	108
Other Funds	8,487	8,891	9,846
TOTAL	\$ 20,596	\$ 22,844	\$ 28,784

GENERAL FUND

EDUCATION

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
State Colleges and University	\$117,168	\$132,000	\$186,937
State Colleges and University—Deficiency .....	.....	5,500	.....
Federal Funds:			
Federal Grants to State Colleges and University	3,475	4,446	4,667
Emergency Employment Act			
Other Funds:			
Tuition and Fees	86,653	87,716	99,043
Supplemental Retirement Contribution .....	.....	1,722	.....
TOTAL	<u>\$207,296</u>	<u>\$231,384</u>	<u>\$290,647</u>

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Special and Vocational Education Services			
State Funds	\$ 5,457	\$ 6,213	\$ 8,374
Federal Funds	1,049	275	275
Other Funds	60	111	65
TOTAL	<u>\$ 6,566</u>	<u>\$ 6,599</u>	<u>\$ 8,714</u>

The Pennsylvania State Oral School for the Deaf at Scranton provides instruction for 200 children from the nursery school level through high school.

Scotland School for Veterans' Children provides a home life and elementary and secondary school education for 410 sons and daughters of soldiers, sailors and marines who served in World Wars I and II, and the Korean and Vietnam conflicts.

Thaddeus Stevens Trade School provides residence and vocational instruction for 425 male students, orphaned or disadvantaged ranging from 16 to 18 years of age.

	1973-74	1974-75	1975-76
Institutional Enrollments are:			
Pennsylvania State Oral School	175	185	200
Scotland School for Veterans' Children	400	400	410
Thaddeus Stevens Trade School	400	405	425
TOTAL	<u>975</u>	<u>990</u>	<u>1,035</u>

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Special and Vocational Educational Institutions Funds by Institution			
Pennsylvania State Oral School			
State Funds	\$1,041	\$1,316	\$1,886
Federal Funds	766	75	75
Other Funds .....	.....	11	.....
TOTAL	\$1,807	\$1,402	\$1,961
Scotland School for Veterans' Children			
State Funds	\$3,026	\$3,416	\$4,493
Federal Funds	270	200	200
Other Funds	5	29	5
TOTAL	\$3,301	\$3,645	\$4,698
Thaddeus Stevens Trade School			
State Funds	\$1,390	\$1,481	\$1,995
Federal Funds	13	.....	.....
Other Funds	55	71	60
TOTAL	\$1,458	\$1,552	\$2,055
		(Dollar Amounts in Thousands)	
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Pennsylvania State Oral School	\$1,041	\$1,316	\$1,886
Scotland School for Veterans' Children	3,026	3,416	4,493
Thaddeus Stevens Trade School	1,390	1,481	1,995
Federal Funds:			
ESEA Title I - Education of Children from			
Low-Income Families	1,036	275	275
Emergency Employment Act	13	.....	.....
Other Funds:			
Tuition and Fees (Thaddeus Stevens)	55	60	60
Cafeteria Reimbursement (Scotland)	5	5	5
Supplemental Retirement Contribution .....	.....	46	.....
TOTAL	\$6,566	\$6,599	\$8,714

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Support of Public Schools			
State Funds	\$1,533,555	\$1,752,810	\$1,888,806
Federal Funds	651	1,237	1,822
TOTAL	<u>\$1,534,206</u>	<u>\$1,754,047</u>	<u>\$1,890,628</u>

Provides State support to school districts. Subsidy payments are made for basic instruction, vocational education, manpower development, rentals and sinking fund requirements, pupil transportation, special education, instruction of students unable to attend school, financially handicapped districts, tuition for orphans and children placed in private homes, payments in lieu of taxes, education of deaf, blind, and cerebral palsied, and other handicapped children at approved private schools, education of the disadvantaged, intermediate units, and school employe benefits.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Basic Instruction Subsidy and Vocational			
Education	\$1,081,498	\$1,228,626	\$1,256,623
Manpower Development	250	.....	.....
Authority Rentals and Sinking Fund			
Requirements	133,105	149,422	159,877
Pupil Transportation	58,476	67,655	89,945
Special Education	68,612	73,574	103,500
Homebound Instruction	474	600	600
Aid to Financially Handicapped School			
Districts	250	500	.....
Tuition for Orphans and Children Placed in			
Private Homes	7,160	10,650	11,830
Payments in Lieu of Taxes	25	35	35
Education of Migrant Laborers' Children	36	36	72
Education of the Disadvantaged	1,000	1,000	1,000
Special Education—Approved Private Schools	18,787	27,000	24,700
Higher Education of Blind or Deaf Students	27	35	35
Intermediate Units	6,212	6,588	8,713
School Food Services	3,419	4,160	5,760
School Employes' Social Security	47,500	53,200	66,100
School Employes' Social Security—Deficiency	1,453	.....	.....
School Employes' Retirement Fund:			
Contingent Reserve Account and Supplemental			
Accounts	105,000	122,611	143,356
Former Teachers' Account	13	13	14
Year—Round School Study	258	.....	.....
Youth Development Centers—Education .....	.....	2,505	5,065
State Schools and Hospitals—Education .....	.....	4,600	11,581
Federal Funds:			
Vocational Education Act	651	1,237	1,822
TOTAL	<u>\$1,534,206</u>	<u>\$1,754,047</u>	<u>\$1,890,628</u>

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Support of Nonpublic Schools			
State Funds	\$ 28,292	\$ 33,254	\$ 33,013

Provides, through the intermediate units, services such as guidance counseling, psychological services, and other auxiliary services to nonpublic schools. Also lends textbooks and other instructional equipment to children who are attending nonpublic schools in the Commonwealth.

	(Dollar Amounts in Thousands)		
Source of Funds	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Appropriations:			
Services to Nonpublic Schools	\$ 13,155	\$ 15,634	\$ 15,638
Equipment and Material Grants for Nonpublic Schools	15,137	17,620	17,375
TOTAL	<u>\$ 28,292</u>	<u>\$ 33,254</u>	<u>\$ 33,013</u>

	(Dollar Amounts in Thousands)		
Library Services	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
State Funds	\$ 8,120	\$ 8,991	\$ 9,051
Federal Funds	107	1,378	1,378
TOTAL	<u>\$ 8,227</u>	<u>\$ 10,369</u>	<u>\$ 10,429</u>

Provides aid to public libraries for the development of a Statewide system of libraries and library services in Pennsylvania. The categories of aid are as follows: State Aid to Local Libraries, State Aid to County Libraries, State Aid to District Library Centers, State Aid to Regional Library Resource Centers, and Equalization Aid. Also provides State funds to the Free Library of Philadelphia and to the Carnegie Library of Pittsburgh to meet the costs of serving as regional libraries in the distribution of reading materials and talking books to the blind and for services to persons with other physical handicaps.

	(Dollar Amounts in Thousands)		
Source of Funds	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Appropriations:			
Improvement of Library Services	\$ 7,400	\$ 8,224	\$ 8,245
Library Services for the Blind and the Handicapped	720	767	806
Federal Funds:			
Federal Funds for Improvement of Library Services	107	1,378	1,378
TOTAL	<u>\$ 8,227</u>	<u>\$ 10,369</u>	<u>\$ 10,429</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Educational Radio and Television			
State Funds	\$ 1,000	\$ 1,025	\$ 955

Assists in the establishment and operation of educational television and broadcasting facilities by providing grants to educational television and broadcasting agencies for educational broadcasting. It also purchases, produces, records, and distributes programming, and provides and procures auxiliary services. Grants and services provided by this activity are for the support of daytime educational broadcasting for instructional purposes.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Educational Radio and Television Grants	\$ 850	\$ 850	\$ 780
Regional Educational Broadcasting Councils	150	175	175
TOTAL	<u>\$ 1,000</u>	<u>\$ 1,025</u>	<u>\$ 955</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Correctional Institutions—Education			
State Funds	\$ 750	\$ 3,017
Federal Funds	154	125
TOTAL	<u>\$ 904</u>	<u>\$ 3,142</u>

Provides administration and subsidies for the operation of educational programs for inmates of State correctional institutions. Responsibility for such programs has been transferred to the Department of Education from the Bureau of Corrections, Department of Justice.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Correctional Institutions—Education	\$ 750	\$ 3,017
Federal Funds:			
Vocational Education Act	100	125
Governor's Justice Commission	54	. . . .
TOTAL	<u>\$ 904</u>	<u>\$ 3,142</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
State Aid to Community Colleges and Technical Institutes			
State Funds	\$ 27,699	\$ 36,251	\$ 43,500

Provides aid to community colleges in order to achieve the purpose of extending educational opportunity in response to community or area need. The Commonwealth pays one-third of each college's approved operating expenses (to one-third of a maximum of \$1,500 per full-time equivalent student and to one-third of a maximum of \$750 per full-time equivalent student for operating costs during a summer term). In addition the Community Colleges are reimbursed \$150 for each student enrolled in an occupational program. The Commonwealth also pays one-half of each college's approved capital expenses. The community colleges now in operation and their enrollments are as follows:

	1973-74	1974-75	1975-76
Community Colleges			
Allegheny County	10,543	11,240	11,719
Beaver County	1,200	1,220	1,300
Bucks County	3,996	3,448	3,785
Butler County	1,071	1,150	1,200
Delaware County	2,042	2,033	2,033
Harrisburg Area	2,970	3,000	3,100
Lehigh County	1,666	1,714	1,766
Luzerne County	1,279	1,531	1,500
Montgomery County	4,000	4,000	4,400
Northampton County	2,167	2,372	2,490
Philadelphia	6,293	7,350	8,300
Reading	343	465	573
Westmoreland County	976	1,325	1,425
Williamsport Area	2,456	2,400	2,150
TOTAL	41,002	43,248	45,741

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Community Colleges-Operating	\$ 18,868	\$ 25,381	\$ 32,500
Community Colleges-Capital	8,831	10,870	11,000
TOTAL	\$ 27,699	\$ 36,251	\$ 43,500

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Higher Education of the Disadvantaged			
State Funds	\$ 2,162	\$ 3,002	\$ 3,742
Other Funds .....	.....	1	.....
TOTAL	\$ 2,162	\$ 3,003	\$ 3,742

Provides grants to institutions of higher education for special programs for disadvantaged students.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Higher Education of the Disadvantaged	\$ 2,162	\$ 3,002	\$ 3,742
Other Funds:			
Supplemental Retirement Contribution .....	.....	1	.....
TOTAL	\$ 2,162	\$ 3,003	\$ 3,742

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
State Aid to Students—Higher Education Assistance			
State Funds	\$ 71,890	\$ 88,140	\$ 77,340

The Commonwealth's scholarship and loan program is administered through the Pennsylvania Higher Education Assistance Agency. It provides scholarships to qualified students of the Commonwealth who need financial assistance to attend post-secondary institutions of higher learning, and guarantees loans made for the purpose of assisting residents in meeting their expenses of higher education. Matching funds are provided to assist students in securing grants and loans from the Federal Government.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Transfers to Higher Education Assistance Agency:			
Scholarships	\$ 64,000	\$ 68,440	\$ 68,440
Scholarships—Veterans	1,400	.....	.....
Scholarships—Dependents of POW's and MIA's	40 s	.....	.....
Reserve for Losses on Guaranteed Loans	1,600	2,800	3,200
Student Aid Funds—Matching	2,000	1,500	1,500
Administration—Loans and Scholarships	2,850	3,400	4,200
Institutional Assistance Grants .....	.....	12,000	.....
TOTAL	\$ 71,890	\$ 88,140	\$ 77,340

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
State Aid to Universities, Colleges and Other Institutions			
State Funds	\$ 220,475	\$ 239,853	\$ 304,805

Provides aid to the State-related universities: Pennsylvania State University, University of Pittsburgh, Temple University and Lincoln University and to non-State-related universities, colleges and other institutions of learning for maintenance, instructional programs, research and extension services.

Pennsylvania State University

The Pennsylvania State University receives aid for academic services which provide resident education at the undergraduate and graduate levels leading to associate, baccalaureate, masters, doctors and certain professional degrees; for continuing and extension education for research activities at University Park, for medical education programs at the Hershey Medical Center and for twenty Commonwealth campuses and graduate centers throughout the State.

University of Pittsburgh

Receives aid for academic services which provide resident education at the undergraduate and graduate levels leading to associate, baccalaureate, masters, doctors and certain professional degrees including medicine and dentistry; for continuing education, and for research activities.

Temple University

Receives aid for academic services which provide resident education at the undergraduate and graduate levels leading to associate, baccalaureate, masters, doctors and certain professional degrees including medicine, for extension services, and for research activities.

Lincoln University

The Commonwealth provides aid to Lincoln University to maintain resident instruction in liberal arts programs and certain professional degree programs. Lincoln is currently engaged with Hahnemann Medical College and Princeton University in cooperative degree programs designed to produce physicians in six years and continuum — A.B. through PH.D. — degree graduate engineers.

Non-State-Related Universities and Colleges

Twelve non-State-related colleges and universities currently receive aid from this program. These institutions offer degree and professional programs in the arts and sciences, technology, agriculture, law, medicine, optometry, osteopathy and podiatry.

Other Non-State-Related Institutions of Learning

Provides assistance to four institutions of secondary and postsecondary education conducting programs in manual training, industrial arts, and agricultural science.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
State-Related Universities			
Pennsylvania State University	\$ 87,159	\$ 94,132	\$ 123,557
University of Pittsburgh	47,919	51,790	65,430
Temple University	52,581	59,295	79,387
Lincoln University	1,973	2,124	3,311
Total-State Related	\$ 189,632	\$ 207,341	\$ 271,685

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Non-State-Related Universities and Colleges			
Delaware Valley College of Science and Agriculture	\$ 176	\$ 185	\$ 185
Dickinson Law School	95	99	99
Drexel University	2,908	3,018	3,018
Hahnemann Medical College	2,817	2,990	3,263
Thomas Jefferson University	3,961	4,238	4,282
The Medical College of Pennsylvania	1,430	1,562	1,658
University of Pennsylvania	14,368	14,978	14,956
Pennsylvania College of Podiatric Medicine	327	360	360
Pennsylvania College of Optometry	95	99	99
Philadelphia College of Art	339	352	352
Philadelphia College of Osteopathic Medicine	2,957	3,331	3,494
Philadelphia College of Textiles and Science	238	250	250
Philadelphia Musical Academy	125	. . . .	. . . .
Total - Non-State-Related Universities and Colleges	\$ 29,836	\$ 31,462	\$ 32,016

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Non-State-Related Institutions			
Berean Training and Industrial School	\$ 425	\$ 413	\$ 434
Downingtown Industrial and Agricultural School	468	518	544
Johnson School of Technology	67	70	74
Williamson Free School of Mechanical Trades	47	49	52
Total - Non-State-Related Institutions	\$ 1,007	\$ 1,050	\$ 1,104

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
State-Related Universities			
Pennsylvania State University— Instruction	\$ 58,372	\$ 63,189	\$ 88,592
Pennsylvania State University— Student Aid	1,760	1,760	1,760
Pennsylvania State University— Research	15,800	17,064	17,064
Pennsylvania State University— Extension and Public Services	8,913	9,626	13,476
Pennsylvania State University— Medical Programs	2,314	2,493	2,665
Sub-Total	\$ 87,159	\$ 94,132	\$ 123,557
University of Pittsburgh—Instruction	\$ 41,093	\$ 44,859	\$ 58,484
University of Pittsburgh—Student Aid	2,960	2,960	2,960
University of Pittsburgh—Medical Programs	3,866	3,971	3,986
Sub-Total	\$ 47,919	\$ 51,790	\$ 65,430
Temple University—Instruction	\$ 44,255	\$ 48,364	\$ 68,494
Temple University—Student Aid	3,018	3,018	3,018
Temple University—Extension and Public Services	53	53	. . . .
Temple University—Medical Programs	5,255	5,360	5,375
Temple University—General Instruction Aid . . . . .	. . . .	2,500	2,500
Sub-Total	\$ 52,581	\$ 59,295	\$ 79,387
Lincoln University—Instruction	\$ 1,973	\$ 2,124	\$ 2,961
Lincoln University—Advanced Institution Development . . . . .	. . . .	. . . .	250
Lincoln University—Accreditation Improvement . . . . .	. . . .	. . . .	100
Sub-Total	\$ 1,973	\$ 2,124	\$ 3,311

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds (continued)			
Appropriations: (continued)			
Non-State-Related Universities and Colleges			
Delaware Valley College of Science and Agriculture	\$ 176	\$ 185	\$ 185
Dickinson Law School	95	99	99
Drexel University	2,109	2,219	2,219
Drexel University—Student Aid	799	799	799
Hahnemann Medical College—Medical Programs	2,618	2,781	3,054
Hahnemann Medical College—Allied Health Programs	199	209	209
Thomas Jefferson University—Medical Programs	3,762	3,876	3,920
Thomas Jefferson University— Allied Health Programs	199	362	362
The Medical College of Pennsylvania	1,430	1,562	1,658
University of Pennsylvania—Instruction	6,392	6,727	6,727
University of Pennsylvania— Medical School	2,745	2,904	2,882
University of Pennsylvania—School of Veterinary Medicine	1,857	1,973	1,973
University of Pennsylvania—Student Aid	3,374	3,374	3,374
Pennsylvania College of Podiatric Medicine	327	360	360
Pennsylvania College of Optometry	95	99	99
Philadelphia College of Art—Instruction	239	252	252
Philadelphia College of Art—Student Aid	100	100	100
Philadelphia College of Osteopathic Medicine	2,957	3,331	3,494
Philadelphia College of Textiles and Science	238	250	250
Philadelphia Musical Academy	125	. . . . .	. . . . .
Sub-Total	<u>\$ 29,836</u>	<u>\$ 31,462</u>	<u>\$ 32,016</u>
Non-State-Related Institutions			
Berean Training and Industrial School	\$ 425	\$ 413	\$ 434
Downingtown Industrial and Agricultural School	468	518	544
Johnson School of Technology	67	70	74
Williamson Free School of Mechanical Trades	47	49	52
Sub-Total	<u>\$ 1,007</u>	<u>\$ 1,050</u>	<u>\$ 1,104</u>
TOTAL	<u><u>\$ 220,475</u></u>	<u><u>\$ 239,853</u></u>	<u><u>\$ 304,805</u></u>

Capital Improvements

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Capital Improvements			
State Funds	\$691	\$ 50

This will provide for minor renovation and construction projects at the State-owned Colleges and University, the State-owned Schools and the Fireman's Training School.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Capital Improvements	<u>\$691</u>	<u>\$ 50</u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Highway Safety Education			
State Funds	\$ 29	\$ 32	\$ 42

Promotes various highway safety programs through the elementary schools and through publication of bulletins and other materials. Activities include bicycle safety, safety education for school bus drivers, and the training and maintenance of school patrols.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Driver Education			
State Funds	\$ 186	\$ 192	\$ 154
Federal Funds	34	160	191
TOTAL	<u>\$ 220</u>	<u>\$ 352</u>	<u>\$ 345</u>

Analyzes and improves driver education courses of study for secondary school pupils and adults.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Highway Safety Education	\$ 29	\$ 32	\$ 42
Driver Education Curriculum Development	157	160	112
Federal Funds:			
Highway Safety Reimbursement	34	160	191
TOTAL	<u>\$ 220</u>	<u>\$ 352</u>	<u>\$ 345</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Safe Driving Course			
State Funds	\$4,219	\$4,370	\$4,248

Through financial and technical aid, assists school districts in the establishment and operation of a standardized driver education program; examines, inspects and licenses private training schools and instructors. Grants are made to public high schools in the amount of \$35 for each student completing a standard driver education program.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Safe Driving Course	<u>\$4,219</u>	<u>\$4,370</u>	<u>\$4,248</u>

Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Support of Public Schools			
State Funds	\$47,500	\$73,500	\$82,500

Provides for payments for special education and funds for special education in approved private schools. Supports the cost of providing special education services to children covered under the Right to Education Agreement between the Commonwealth and the Pennsylvania Association for Retarded Children. Also provides for the transportation of pupils over hazardous routes and transportation of nonpublic school pupils.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Pupil Transportation .....	.....	\$26,000	\$26,000
Special Education	\$45,000	45,000	54,000
Special Education—Approved Private Schools	2,500	2,500	2,500
TOTAL	<u>\$47,500</u>	<u>\$73,500</u>	<u>\$82,500</u>

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Fund			
Higher Education Act of 1965:			
Community Services Program — Title I	\$ 344	\$ 500	\$ 625
Teachers Programs — Title V	159	. . . .	. . . .
Higher Education Facilities Act:			
Special Opportunity Grants . . . . .	. . . .	28	30
Regional Resource Centers	562	. . . .	. . . .
Collections—Student Organizations	501	500	529
Elementary and Secondary Education Act:			
Education of Children of Low Income			
Families—Title I	88,501	79,776	100,712
School Library Resources—Title II	4,306	4,750	5,937
Supplementary Education Centers and Services—Title III	5,736	5,747	7,187
Education of the Handicapped—Title VI	1,654	2,382	2,978
Adult Basic Education	2,209	2,500	3,142
Library Construction	277	. . . .	. . . .
Manpower Development and Training Act:			
Manpower Training Grants	4,897	. . . .	. . . .
Additional Dormitory Rental Fees:			
Reserve for Furniture and Equipment	473	510	530
National Defense Education Act:			
Reimbursement for Equipment	1,894	1,355	1,694
Preparation of Teachers of Handicapped			
Children	328	152	200
Vocational Education Act	40,028	27,099	33,873
Additional Dormitory Rental Fees	3,097	3,425	3,550
Additional Dormitory Rental Fees-Reserve for Contingencies and Capital:			
Replacement	488	750	810
Food Nutrition Services	46,217	54,000	68,750
Comprehensive Employment and Training Act . . . . .	. . . .	3,011	3,750
TOTAL	\$201,671	\$186,485	\$234,297

DEPARTMENT OF EDUCATION
Summary of Agency Program by Category and Subcategory
General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
	(15 months)						
General Administration and Support	\$ 5,321	\$ 5,903	\$ 7,856	\$ 6,959	\$ 7,140	\$ 7,771	\$ 8,208
General Instruction	\$ 954,828	\$ 1,125,557	\$ 1,166,945	\$ 1,206,540	\$ 1,171,786	\$ 1,159,119	\$ 1,130,909
General Preschool Education	52,082	63,835	74,428	78,537	71,864	71,167	71,575
General Elementary and Secondary Education	902,746	1,061,722	1,092,517	1,128,003	1,099,922	1,087,952	1,059,334
Special Education	\$ 245,612	\$ 294,096	\$ 356,858	\$ 371,225	\$ 393,938	\$ 420,089	\$ 455,465
Mentally Handicapped Education	109,609	132,656	170,965	175,787	187,877	200,506	217,895
Physically Handicapped Education	122,042	145,714	166,195	175,137	184,663	195,279	210,269
Gifted and Talented Education	13,961	15,726	19,698	20,301	21,398	24,304	27,301
Compensatory Programs	\$ 174,187	\$ 190,620	\$ 203,596	\$ 211,726	\$ 215,684	\$ 221,853	\$ 235,037
Compensatory Preschool Education	10,952	12,700	11,662	12,271	14,011	14,225	14,409
Compensatory Elementary and Secondary Education	163,235	177,920	191,934	199,455	201,673	207,628	220,628
Vocational Education	\$ 250,208	\$ 269,234	\$ 305,767	\$ 333,858	\$ 355,605	\$ 386,512	\$ 417,905
Vocational Secondary Education	235,731	249,757	281,549	311,528	331,784	361,571	391,763
Postsecondary Vocational Education	14,454	18,651	21,121	19,689	20,969	21,866	22,824
Community Education	23	826	3,097	2,641	2,852	3,075	3,318
Higher Education	\$ 435,359	\$ 499,215	\$ 608,748	\$ 536,165	\$ 558,799	\$ 581,163	\$ 603,903
Agriculture and Natural Resources	1,836	2,052	2,772	2,452	2,562	2,679	2,800
Arts, Humanities and Letters	28,865	31,698	41,367	35,401	36,999	38,671	40,424
Business Management, Commerce and Data Processing	16,264	18,925	25,549	22,186	23,243	24,360	25,526
Education	40,070	44,883	56,963	47,275	48,775	50,331	51,938
Engineering and Architecture	11,436	12,745	16,376	14,385	15,033	15,730	16,464
Health Sciences, Health Professions and Biological Sciences	41,706	45,545	55,077	50,719	52,795	55,032	57,296
Human Services and Public Affairs	10,481	12,129	16,651	14,419	15,117	15,857	16,634
Physical Sciences, Earth Sciences, Mathematics and Military Science	17,729	20,150	26,285	22,784	23,745	24,822	25,954
Social Sciences and Area Studies	27,607	31,020	40,934	34,752	36,304	38,528	39,626
Interdisciplinary Studies	4,852	6,457	8,691	7,524	7,847	8,185	8,540
Research	11,980	13,048	13,101	13,047	13,060	13,074	13,088
Public and Community Services	7,657	8,365	11,282	9,265	9,728	10,214	10,724
Institutional Support Services	128,955	161,275	200,176	168,871	177,776	187,260	197,251
Professional Support Services	1,760	2,436	3,770	2,963	3,162	3,478	3,678
Financial Assistance to Students	84,161	88,487	89,754	90,122	92,653	92,942	93,960

DEPARTMENT OF EDUCATION
Summary of Agency Program by Category and Subcategory
General Fund and Special Funds
(continued)

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Protection of Persons and Property	\$ 4,610	\$ 4,756	\$ 4,626	\$ 4,503	\$ 4,494	\$ 4,392	\$ 4,349
Highway Safety Education	4,405	4,562	4,402	4,302	4,274	4,139	4,064
Community Training Services	205	194	224	201	220	253	285
Economic Development and Income Maintenance	\$ 3,642	\$ 3,302	\$ 3,213	\$ 3,121	\$ 3,040	\$ 2,961	\$ 2,885
Adult Employment Training Services	3,642	3,302	3,213	3,121	3,040	2,961	2,885
Recreation and Cultural Enrichment	\$ 14,056	\$ 18,864	\$ 18,072	\$ 18,765	\$ 18,927	\$ 19,100	\$ 19,329
Recreation Services	1,113	1,614	1,417	1,215	1,016	817	619
State Library Services	9,270	10,250	10,655	10,550	10,711	10,883	11,060
Public Television Services	3,673	7,000	6,000	7,000	7,200	7,400	7,650
DEPARTMENT TOTAL	<u>\$2,087,823</u>	<u>\$2,411,547</u>	<u>\$2,675,681</u>	<u>\$2,692,862</u>	<u>\$2,729,413</u>	<u>\$2,802,960</u>	<u>\$2,877,990</u>

**Summary of Enrollments in Pennsylvania
Elementary and Secondary and Vocational Education
1973-74 to 1979-80**

Program Category	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
General Instruction							
General Preschool Education	148,182	152,100	161,200	152,600	136,500	127,600	121,600
General Elementary and Secondary Education	1,871,364	1,837,369	1,766,370	1,713,730	1,650,530	1,575,830	1,483,170
PROGRAM CATEGORY TOTAL	<u>2,019,546</u>	<u>1,989,469</u>	<u>1,927,570</u>	<u>1,866,330</u>	<u>1,787,030</u>	<u>1,703,430</u>	<u>1,604,770</u>
Special Education							
Mentally Handicapped Education	72,490	75,400	75,900	75,600	75,000	74,400	73,800
Physically Handicapped Education . . .	117,025	118,900	121,600	122,500	123,100	121,300	121,700
Gifted and Talented Education	13,800	14,000	14,500	15,000	15,500	16,000	16,500
PROGRAM CATEGORY TOTAL	<u>203,315</u>	<u>208,300</u>	<u>212,000</u>	<u>213,100</u>	<u>213,600</u>	<u>211,700</u>	<u>212,000</u>
Compensatory Programs							
Compensatory Preschool Education . . .	17,500	17,000	16,500	16,000	16,000	16,000	16,000
Compensatory Elementary and Secondary Education	295,000	257,800	252,000	245,000	238,000	231,000	231,000
PROGRAM CATEGORY TOTAL	<u>312,500</u>	<u>274,800</u>	<u>268,500</u>	<u>261,000</u>	<u>254,000</u>	<u>247,000</u>	<u>247,000</u>
Vocational Education							
Vocational Secondary Education	246,286	254,975	265,100	275,200	285,300	295,350	305,450
Postsecondary Education	36,379	38,200	40,100	42,100	44,200	46,400	48,750
Community Education	115,676	117,041	118,408	119,766	121,020	122,610	122,675
PROGRAM CATEGORY TOTAL	<u>398,341</u>	<u>410,216</u>	<u>423,608</u>	<u>437,066</u>	<u>450,520</u>	<u>464,360</u>	<u>476,875</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$5,321	\$5,903	\$ 7,856	\$ 6,959	\$ 7,140	\$ 7,771	\$ 8,208
Federal Funds	1,411	1,679	1,908	1,625	1,700	1,775	1,849
Other Funds	725	730	652	558	599	632	667
TOTAL	\$7,457	\$8,312	\$10,416	\$ 9,142	\$ 9,439	\$10,178	\$10,724

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

In addition to including the executive offices of the Department of Education, the comptroller, budget, publication and legal offices, this program also provides staff support to the State Board of Education and other administrative boards and commissions. These include boards for private, academic, business, trade and correspondence schools, the Board of State College and University Directors, and the Professional Standards and Practices Commission.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$5,321</u>	<u>\$5,903</u>	<u>\$ 7,856</u>	<u>\$ 6,959</u>	<u>\$ 7,140</u>	<u>\$ 7,771</u>	<u>\$ 8,208</u>

General Preschool Education

OBJECTIVE: To prepare four and five year old children with the social, physical and communication skills necessary to learn effectively in their ensuing years of school.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$52,082	\$62,223	\$72,689	\$76,824	\$70,281	\$69,636	\$70,070
Special Funds . . . . .	. . . .	1,612	1,739	1,713	1,583	1,531	1,505
Federal Funds	225	337	284	264	304	350	402
Other Funds	21	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
TOTAL	<u>\$52,328</u>	<u>\$64,172</u>	<u>\$74,712</u>	<u>\$78,801</u>	<u>\$72,168</u>	<u>\$71,517</u>	<u>\$71,977</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Total population of five year olds	179,934	179,272	186,160	175,300	158,000	148,590	142,100
Enrollments	148,182	152,100	161,200	152,600	136,500	127,600	121,600
Transition class enrollment	3,000	3,050	2,800	2,650	2,600	2,450	2,250

Program Analysis:

This program consists of kindergarten instruction for five year olds (and a small number of four year olds). About 90 percent of these children are in public school programs, and the remainder are in private or parochial schools. The availability of preschool programs is at local option, and attendance by children is also optional.

The program measures show that at present about 85 percent of Pennsylvania's five year olds are in this program. An additional seven percent of the five year olds are in the subcategory Compensatory Preschool Education, leaving about eight percent, or 15,000, of the eligible children not enrolled in either program. Both potential and actual enrollments will decline after 1975-76 because of falling birth rates. This program's share of the potential will remain fairly constant through the period. It is thought that a large proportion of the children who do not attend kindergarten are likely to be eligible for compensatory education. An indication of this is that school districts without preschool programs have an average aid ratio for reimbursement purposes of .69. The statewide average aid ratio is about .50 (the higher the ratio, the less wealthy the district). These districts are, therefore, likely to have higher than average proportions of children who would qualify under economic standards for compensatory education. If this assumption is true, then enrollments in general preschool programs may be approaching their maximum share of the noncompensatory five year olds.

Information currently available indicates that preschool programs are successful in preparing children for their experience in elementary education. An important indicator of program success is the effect of kindergarten on first grade failure rates. There is evidence that preschool programs are at least associated with lower rates of first grade failure. In three school districts that were evaluated recently, the proportion of first graders who were not promoted to second grade dropped by an average of 12 percent after preschool programs were implemented. In addition, for the State as a whole, 6 percent of all first graders are not promoted, while the overall failure rate for those children who have had kindergarten is 3 percent. Several districts also reported an approximate doubling of first grade reading achievement after preschool education was implemented.

In some cases, children who upon completion of kindergarten are found to need additional help before grade one are placed in transition classes. This is an interim program that combines preschool and first grade instruction for a year. The nature and results of the programs vary from district to district, but it has been found that a small number of the children improve sufficiently in the transition classes so that they are promoted directly to second grade.

General Preschool Education (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$ 257	\$ 177	\$ 332	\$ 301	\$ 326	\$ 377	\$ 422
Basic Instruction Subsidy and Vocational Education	30,705	37,247	41,011	40,986	37,912	36,521	35,728
Authority Rentals and Sinking Fund Requirements	7,986	9,264	10,712	12,987	11,225	11,381	11,803
Pupil Transportation	3,508	4,195	6,026	7,885	6,434	6,689	7,021
Aid to Financially Handicapped School Districts	15	31	.....	.....	.....	.....	.....
Intermediate Units	373	408	583	488	473	481	496
School Employees' Social Security	2,937	3,298	4,421	3,959	3,806	3,829	3,804
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	6,300	7,602	9,604	10,218	10,105	10,358	10,796
Former Teachers Account	1	1	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$52,082	\$62,223	\$72,689	\$76,824	\$70,281	\$69,636	\$70,070
REVENUE SHARING TRUST FUND							
Pupil Transportation .....	.....	\$ 1,612	\$ 1,739	\$ 1,713	\$ 1,583	\$ 1,531	\$ 1,505

General Elementary and Secondary Education

OBJECTIVE To provide general population students with the skills, attitudes and abilities needed for effective living in our complex society.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$902,746	\$1,045,186	\$1,076,438	\$1,112,197	\$1,084,320	\$1,072,642	\$1,044,448
Special Funds		16,536	16,079	15,806	15,602	15,310	14,886
Federal Funds	1,432	2,168	2,169	1,934	2,193	2,490	2,835
Other Funds	11,976	11,892	14,823	11,860	11,860	11,860	11,860
TOTAL	\$916,154	\$1,075,782	\$1,109,509	\$1,141,797	\$1,113,975	\$1,102,302	\$1,074,029

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Public school enrollments in this program	1,483,307	1,446,593	1,378,738	1,330,322	1,269,787	1,197,226	1,106,551
Nonpublic school enrollments in this program	388,057	390,776	387,632	383,408	380,743	378,604	376,619
Average instructional cost per public school pupil	\$959	\$1,078	\$1,153	\$1,236	\$1,304	\$1,375	\$1,448
High school graduates	100,715	101,970	97,900	96,000	93,000	89,800	82,900
Graduates enrolling in business, technical or college programs	78,600	77,775	75,225	73,400	70,960	69,200	65,000
and as percent of total graduates ...	78%	76%	77%	76%	76%	77%	78%

Program Analysis:

This program is composed of college preparatory and general curricula for pupils who are not disadvantaged or handicapped and do not choose vocational training.

Enrollments, especially in the public sector, are declining rapidly. The public school enrollment in this program is predicted to fall at twice the rate of the school population as a whole. This is due in part to the predicted increase in the proportion of pupils who are being placed in special and compensatory programs and are choosing vocational training. Another major factor is the projected stable level of enrollments in nonpublic schools. These enrollments have not fallen at the rate expected in the past, and the projections now assume only a small decline through the decade. State aid has slowed the rate of nonpublic school closings, and a larger proportion of parents are predicted to opt for private education for their children.

The level of public school enrollments in all years is considerably lower than those projected in last year's budget. The reason is that pupils enrolled in nonoccupational home economics courses are now shown in the subcategory Vocational Secondary Education. See that subcategory for a further discussion of this change.

Along with the decrease in enrollment, per pupil costs are rising faster than previously expected. Inflationary increases have caused salaries, materials, costs and other expenses to rise at an unprecedented rate. Despite the increase in State instructional subsidies in 1974, the burden of increasing costs will be borne largely at the local level. Average per pupil State aid will be \$550 in 1975-76, up from \$444 in 1973-74, but it will support about the same percentage of total cost (46 percent in 1973-74 and 48 percent in 1975-76). By 1979-80, State funds will support only 42 percent of total costs.

General Elementary and Secondary Education (continued)

Program Analysis: (continued)

This is not a justification for additional Commonwealth aid. While the relative amount of State support will decrease over the decade, the absolute amount of funds per pupil will increase by 39 percent from 1973-74 to 1979-80. The necessity exists for economies at the local level, especially in future planning. For instance, current projections call for a decrease in the overall pupil teacher ratio from the current 20 to one to less than 19 to one by 1979-80. Each decrease of one pupil in the ratio costs, at current salary averages, about \$60 million each year. There is no evidence that a one pupil reduction in the ratio would produce significant improvements in achievement. In fact, results from the Educational Quality Assessment project conducted by the Department of Education indicate that there is no significant correlation between class size and achievement in a given range (which includes the 19 to one and 20 to one sizes).

The Commonwealth, through the Department of Education, is seeking ways to help school districts improve their effectiveness without major cost increases. The Education Quality Assessment project (EQA) is of particular importance as schools prepare to deal with improving instructional programs. This project provides the mechanism for monitoring educational programs, for diagnosing strengths and weaknesses and for formulating a plan to improve the educational product. Beginning in 1974-75, the Department of Education is using the EQA procedure to evaluate the effectiveness of the educational programs for all Commonwealth school districts based on procedures developed in five years of sampling. Schools housing approximately one-third of all the public

school students at grade levels 5, 8 and 11 will be included in the assessment each year and by 1976-77, all schools will have been involved in the EQA process.

Since EQA was begun, about one-third of the districts surveyed have reported program changes as a result of EQA results. Hopefully, a significant upward trend will be seen in the percentage of schools taking advantage of EQA data and planning corrective programs, with an improvement in future results. Concurrent with EQA involvement is the plan for school districts to submit updated or new long range instructional program plans describing strategies for improving student growth to the Department of Education for approval.

There is some indication from data collected during the years 1969 to 1972 that math scores had decreased slightly. This is consistent with a nationwide trend which signifies to some a decline in basic math skills. It has been speculated that the observed decline represents a defect in the tests, specifically that they fail to measure concepts included in the modern math programs which have recently been introduced into schools. The decline may also represent a defect in these mathematics teaching techniques.

One of the findings in a recently completed longitudinal study of students tested as fifth graders in 1969 and subsequently as seventh and ninth graders was a distinct downward trend in interest in school. This finding also corresponds with studies in the general body of educational research. Such a finding highlights the need to emphasize programs which simultaneously improve interest in the learning process and schol adjustment.

Program Costs by Appropriation

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 2,048	\$ 1,883	\$ 2,703	\$ 2,432	\$ 2,611	\$ 2,981	\$ 3,307
Scotland School for Veterans Children	3,026	3,416	4,493	3,873	4,125	4,414	4,767
Basic Instruction Subsidy and Vocational Education	643,902	751,586	745,893	743,660	727,915	704,644	670,540
Authority Rentals and Sinking Fund Requirements	84,921	95,032	98,964	120,239	110,962	114,008	115,993
Pupil Transportation	37,308	43,029	55,679	73,005	63,621	67,017	69,004
Aid to Financially Handicapped School Districts	160	318					
Payments in Lieu of Taxes	25	35	35	35	35	35	35
Intermediate Units	3,963	4,190	5,398	4,524	4,688	4,824	4,892

General Elementary and Secondary Education (continued)

Program Cost by Appropriation: (continued)

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
School Employees' Social Security	\$ 31,241	\$ 33,835	\$ 40,929	\$ 36,664	\$ 37,634	\$ 38,360	\$ 37,398
School Employees' Retirement Fund							
Contingent Reserve and Supplemental							
Accounts	66,990	77,981	88,744	94,606	99,898	103,787	106,102
Former Teachers' Account	12	12	14	10	8	7	5
Year-round School Study	258						
Services to Nonpublic Schools	13,155	15,634	15,638	15,431	15,276	15,154	15,078
Equipment and Material Grants to							
Nonpublic Schools	15,137	17,620	17,375	17,145	16,974	16,838	16,754
Educational Radio and Television							
Grants	510	510	468	468	468	468	468
Regional Educational Broadcasting							
Councils	90	105	105	105	105	105	105
GENERAL FUND TOTAL	\$ 902,746	\$1,045,186	\$1,076,438	\$1,112,197	\$1,084,320	\$1,072,642	\$1,044,448
REVENUE SHARING TRUST FUND							
Pupil Transportation		\$ 16,536	\$ 16,079	\$ 15,806	\$ 15,602	\$ 15,310	\$ 14,886

Mentally Handicapped Education

OBJECTIVE: To identify those children having mental handicaps and to provide educational opportunities which will help them to develop according to their abilities and, when possible, become assimilated into regular instructional programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 82,134	\$104,401	\$137,235	\$151,031	\$161,895	\$169,724	\$185,261
Special Funds	27,475	28,255	33,730	24,756	25,982	30,782	32,634
Federal Funds	63	88	121	114	128	150	172
Other Funds	3,742	4,155	5,239	4,221	4,251	4,281	4,311
TOTAL	\$113,414	\$136,899	\$176,325	\$180,122	\$192,256	\$204,937	\$222,378

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Population of mentally handicapped children	127,600	125,300	122,700	120,450	117,050	113,200	109,350
Pupils enrolled in mentally handicapped programs	72,490	75,400	75,900	75,600	75,000	74,400	73,800

Pupils returned to regular classrooms Data to be developed through Department of Education studies.

Program Analysis:

The pupils enrolled in this program are grouped into five major classifications. Each is important enough to merit separate consideration before proceeding to a more general discussion of the program. The classifications are:

Educable mentally retarded - These are children with tested IQs of between 55 and 80 who may be expected, with proper training, to be able to hold productive jobs as adults. The chart shows that approximately 15 percent, or 8,000, of the estimated eligible pupils are not in this program. They are either in regular school programs, outside this program in such activities as sheltered workshops, or not in any sort of program. By the end of the projection period, the proportion of eligible children who are not in this program is expected to decrease to about 13 percent. This should mean that virtually all of the educable mentally retarded children will either be in school or some form of non-school training program. The instruction provided for the pupils in this program often includes part-time work-study training for secondary students. Statewide more than 70 percent of the individuals in such programs keep their jobs after leaving school.

Trainable mentally retarded - These are children whose IQ is measured to be below 55. The expectation for these individuals is that if special education for them is successful, they will be able to take care of themselves and need a minimum of help in their adulthood. The chart shows that virtually all of the estimated eligible population are enrolled in this program. The course of instruction for these pupils is given in small classes (7-18 pupils) and concentrates on basic mental and physical skills and health practices. Vocational training is provided in those cases where it is beneficial (the work study information given above for educable mentally retarded pupils also includes a small number of trainable mentally retarded individuals).

Severely mentally retarded - The mental development of these children has been arrested to the extent that in most cases the individuals cannot be expected to function without special care. They were the subjects of the court decision which held that all retarded children deserve an education. According to the chart, more than 90 percent of the estimated eligible population of these children are in this program,

Mentally Handicapped Education (continued)

Program Analysis: (continued)

mostly at State schools and hospitals or in approved private schools. The majority of the remaining children are in special private schools not included in this program. The instruction for these children generally consists of training in the basics of self-care, to reduce the amount of dependence on outside help in later years. A small number of the pupils are released from State schools and hospitals each year to be placed in private community facilities. Their education is then provided by the public schools. It is hoped that the use of community-based programs will increase in the future.

Socially and emotionally disturbed - These are children who, because of mental illness, show behavior such as aggressive destruction or morbid withdrawal. About one-fourth of the estimated eligible children are in this program. The discrepancy is partially the result of the nature of this handicap. This condition is often difficult to diagnose and treat. Those who are mildly affected by this handicap are often not treated at all and those who are severely affected are often excluded from school entirely. Another factor partly responsible for the large number of individuals with this handicap not enrolled in this program is that frequently the handicap is found in conjunction with mental retardation. The Right to Education court decision focused a great deal of attention on treatment of retardation, with the result that such multi-handicapped children are considered as retarded for purposes of treatment and enrollment reporting. The court decision may have significant consequences for socially and emotionally disturbed children. Legal actions have begun for the purpose of obtaining a similar mandate for special education for these children as that declared for the mentally retarded. This could result in the addition of several thousand pupils to this program. The projection does not include this possibility, but even without such a development the enrollments for this handicap are projected to increase so that more than one-third of the estimated eligible children will be in the program by 1979-80.

Detention - About 3,200 individuals ranging in age from 8 to 21 are in detention homes each year. Some of these persons are mentally handicapped, but all detention inmates qualify for special education under current law.

At this time extensive information about the effectiveness of mentally handicapped education is still unavailable. It is not known, for example, how many trainable mentally retarded individuals improve their abilities as the result of their education. This is an expensive program (the instructional cost to the State is \$1,800 per pupil vs. \$500 per pupil for general elementary and secondary education) and it is becoming increasingly important to determine whether this expenditure produces significant results.

A study of the effectiveness of all special education is being undertaken by the Office of the Budget. The study will attempt to provide information on the issues involved at present in this program. Information will be sought regarding the progress of pupils in special education classes and whether the large differentials in per-pupil expenditures that have been found throughout the State have an effect on this progress. Attempts will also be made to ascertain whether the three sectors of the program are functioning as planned. It was generally intended that school districts would educate those individuals with less severe handicaps, and that intermediate units would provide economies of scale for the more severely handicapped children who are generally found in smaller numbers in a given area. The approved private school sector was intended to handle the specialized program necessary for the most severely handicapped of pupils for whom it is not feasible to provide education in public schools. Improper placement of pupils could result in considerable additional expense.

Estimated Eligible Population* and 1975-76
Enrollments by Type of Handicap

Handicap	Estimated Population	Enrollments
Educable mentally retarded	53,000	45,000
Trainable mentally retarded	8,200	8,200
Severely mentally retarded	5,300	5,000
Socially and emotionally disturbed	53,000	14,500
Detention	3,200	3,200
TOTALS	122,700	75,900

*Incidence rates in terms of percentages of total school enrollment as developed by the U.S. Office of Education are used.

Mentally Handicapped Education (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$ 232	\$ 272	\$ 387	\$ 348	\$ 380	\$ 436	\$ 488
Basic Instruction Subsidy and Vocational Education	27,634	36,046	40,387	42,228	43,505	43,330	45,584
Authority Rentals and Sinking Fund Requirements	3,594	4,483	5,276	6,690	6,441	6,752	7,529
Pupil Transportation	1,579	2,030	2,968	4,062	3,691	3,968	4,479
Special Education	41,167	44,144	62,100	70,883	79,000	84,519	94,111
Homebound Instruction	28	36	36	36	36	36	36
Aid to Financially Handicapped School Districts	7	15	.....	.....	.....	.....	.....
Tuition for Orphans and Children Placed in Private Homes . . . . .	.....	2,173	2,610	2,769	2,936	3,051	3,097
Special Education—Approved Private Schools	3,569	5,130	4,693	4,952	5,223	5,508	5,807
Intermediate Units	168	198	287	251	272	285	317
School Employees' Social Security	1,321	1,596	2,180	2,040	2,184	2,270	2,426
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	2,835	3,678	4,730	5,262	5,797	6,144	6,887
State Schools and Hospitals— Education . . . . .	.....	4,600	11,581	11,510	12,430	13,425	14,500
GENERAL FUND TOTAL	\$ 82,134	\$104,401	\$137,235	\$151,031	\$161,895	\$169,724	\$185,261
REVENUE SHARING TRUST FUND							
Pupil Transportation . . . . .	.....	\$ 780	\$ 855	\$ 881	\$ 907	\$ 907	\$ 959
Special Education	\$ 27,000	27,000	32,400	23,400	24,600	29,400	31,200
Special Education—Approved Private Schools	475	475	475	475	475	475	475
REVENUE SHARING TRUST FUND TOTAL	\$ 27,475	\$ 28,255	\$ 33,730	\$ 24,756	\$ 25,982	\$ 30,782	\$ 32,634

Physically Handicapped Education

OBJECTIVE: To identify those children having physical handicaps and to provide educational opportunities which will help them to develop according to their abilities and, when possible, become assimilated into regular instructional programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$104,267	\$126,691	\$143,996	\$158,066	\$166,797	\$174,564	\$188,417
Special Funds	17,775	19,023	22,199	17,071	17,866	20,715	21,852
Federal Funds	831	162	182	175	192	208	228
Other Funds	3,739	4,166	5,239	4,221	4,251	4,281	4,311
TOTAL	\$126,612	\$150,042	\$171,616	\$179,533	\$189,106	\$199,768	\$214,808

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Physically handicapped population	151,550	148,700	146,200	142,800	138,600	134,000	129,200
Pupils enrolled in physically handicapped programs	117,025	118,900	121,600	122,500	123,100	121,300	121,700
Pupils returned to regular classrooms	Data to be developed through Department of Education studies.						

Program Analysis:

The pupils enrolled in this program are classified into five groupings. The groups shown are not mutually exclusive in all cases; in fact, some pupils may have handicaps described in the subcategory Mentally Handicapped Education as well as physical disabilities. However, classification procedures attempt to keep enrollment groupings as accurate as possible. The groups are:

Physically disabled — These are children who suffer from various types of orthopedic problems, including cerebral palsy and muscular dystrophy. The chart shows that about one-third of the estimated population of pupils with these disabilities are in this program. The majority of the remaining individuals are in regular instructional programs. Some are mildly handicapped and can get along in regular classes with only minor assistance. Others are pupils who were in special education but whose abilities improved sufficiently to allow them to be placed in regular classes. Enrollments in the program are expected to remain relatively stable as a proportion of the total population through the decade.

Learning disabled — These are children who suffer from a variety of brain disorders that limit their potential for comprehension. The handicaps include brain injuries and

disorders such as dyslexia and aphasia, which involve inability to read or recognize symbols. The chart shows that about 60 percent of the population of these individuals are in the program. The population figure itself is the subject of some disagreement, with some estimates putting the number of learning disabled children at three times the number used in the chart. Whatever the figure used, there is a substantial number of learning disabled individuals, ranging from 10,000 to 84,000, outside the program. A major problem that may account for both the uncertainty about the eligible population and the number outside the program is the difficulty of diagnosis. Inability to learn can result from several causes other than those classified as learning disability. Mental retardation, for example, causes somewhat similar results, but the means to deal with it differ.

Enrollments in this program are expected to increase from 16,000 in 1975-76 to 17,000 at the end of the projection period. Improved diagnosis is expected to result in a larger number of pupils being placed in the program. This increase may be offset somewhat by a decrease in the length of time spent by pupils in the program. On the average, learning disabled pupils spend three years in special classes. After that

Physically Handicapped Education (continued)

Program Analysis: (continued)

they are placed in regular classes, with or without special remedial help as necessary. Increased effectiveness of this program may shorten the time span of each pupil's stay, and increase the number of learning disabled pupils outside the program who are in regular classes.

Hearing impaired — This group includes children with handicaps ranging from partial hearing loss to total deafness. The chart indicates that about one-third of the eligible pupils are in the program. A large proportion of those outside the program are individuals with partial hearing loss who, after a period of hearing therapy, have been placed in regular programs. Others who are not in the program are thought to have undetected handicaps. Improved diagnosis is expected to cause a slight increase in enrollment over the projection period.

Most of those with more severe degrees of deafness are educated at private special schools for the deaf. A primary task of these schools is to provide their pupils with marketable vocational skills. This has worked fairly well for males; it was found recently that 90 percent of employable males graduating from these schools found jobs. However, 41 percent of employable female graduates were unemployed. Whether this is due to characteristics of the graduates, deficiencies in guidance or curriculum, or discriminatory hiring is unknown.

Visually impaired — As with the hearing impaired, the partially seeing pupils are largely in public school special classes and those with more serious blindness are enrolled in special private schools. Instruction for the less severely handicapped involves training to use what sight they have, while the blind pupils are taught to use braille and other learning methods. The aim is to enable all these pupils to lead independent, productive lives by being able to compete for the limited number of jobs available to the visually handicapped.

Speech and language impaired — These are individuals who suffer from a variety of disorders that hinder their ability to speak or write effectively. The disorders are usually minor physical handicaps which can be dealt with in part-time special classes. The usual method of instruction is the use of a visiting speech therapist who attends to 90-100 children per week. The chart shows that virtually all of those children who are thought to have these handicaps are in the program.

Little is known about the effects of program for the physically handicapped. Despite this, enrollments in this program are steadily increasing as a percentage of the total school population. The study of special education by the Office of the Budget referred to in the subcategory Mentally Handicapped Education will also deal with the physically handicapped. Hopefully the study will evaluate the results of the program and provide information on what factors are affecting enrollment trends.

ESTIMATED ELIGIBLE POPULATION* AND ENROLLMENTS FOR 1975-76 IN PHYSICALLY HANDICAPPED PROGRAMS

Type of Handicap	Estimated Eligible Population	Enrollment
Physically Disabled	5,600	2,100
Learning Disabled	26,600	16,000
Hearing Impaired	16,000	5,500
Visually Impaired	3,000	3,000
Speech and Language Impaired	95,000	95,000
TOTAL	146,200	121,600

* U.S. Office of Education incidence rates are used.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 199	\$ 229	\$ 296	\$ 267	\$ 285	\$ 333	\$ 371
State Oral School	1,041	1,316	1,886	1,659	1,792	1,926	2,070
Basic Instruction Subsidy and Vocational Education	47,080	57,674	61,198	64,584	67,122	68,090	71,456
Authority Rentals and Sinking Fund Requirements	6,123	7,172	7,994	10,230	9,937	10,610	11,803
Pupil Transportation	2,690	3,247	4,496	6,212	5,697	6,235	7,021

Physically Handicapped Education (continued)

Program Costs by Appropriation: (continued)

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND (continued)							
Special Education	\$ 24,014	\$ 25,751	\$ 36,565	\$ 41,806	\$ 46,320	\$ 49,569	\$ 55,197
Homebound Instruction	446	564	564	564	564	564	564
Aid to Financially Handicapped School Districts	13	27	.....	.....	.....	.....	.....
Special Education—Approved Private Schools	15,218	21,870	20,007	21,108	22,265	23,480	24,756
Higher Education of Blind or Deaf Students	27	35	35	35	35	35	35
Intermediate Units	286	316	435	384	419	448	496
School Employees' Social Security . . .	2,251	2,554	3,305	3,119	3,368	3,568	3,804
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	4,830	5,885	7,167	8,050	8,945	9,658	10,796
Educational Radio and Television Grants	41	42	39	39	39	39	39
Regional Educational Broadcasting Councils	8	9	9	9	9	9	9
GENERAL FUND TOTAL	<u>\$104,267</u>	<u>\$126,691</u>	<u>\$143,996</u>	<u>\$158,066</u>	<u>\$166,797</u>	<u>\$174,564</u>	<u>\$188,417</u>
REVENUE SHARING TRUST FUND							
Pupil Transportation . . . . .	.....	\$ 1,248	\$ 1,274	\$ 1,349	\$ 1,404	\$ 1,427	\$ 1,505
Special Education	\$ 15,750	15,750	18,900	13,697	14,437	17,263	18,322
Special Education—Approved Private Schools	2,025	2,025	2,025	2,025	2,025	2,025	2,025
REVENUE SHARING TRUST FUND TOTAL	<u>\$ 17,775</u>	<u>\$ 19,023</u>	<u>\$ 22,199</u>	<u>\$ 17,071</u>	<u>\$ 17,866</u>	<u>\$ 20,715</u>	<u>\$ 21,852</u>

Gifted and Talented Education.

OBJECTIVE: To provide quality educational programs to exceptional pupils to develop their fullest potential.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$11,711	\$13,320	\$16,819	\$18,217	\$19,252	\$21,762	\$24,603
Special Funds	2,250	2,406	2,879	2,084	2,146	2,542	2,698
Other Funds	1	.....	.....	.....	.....	.....	.....
TOTAL	<u>\$13,962</u>	<u>\$15,726</u>	<u>\$19,698</u>	<u>\$20,301</u>	<u>\$21,398</u>	<u>\$24,304</u>	<u>\$27,301</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Pupils enrolled in gifted programs	13,800	14,000	14,500	15,000	15,500	16,000	16,500
Pupils at advanced training and degree levels	6,000	6,500	7,250	7,500	7,750	8,000	8,250

Program Analysis:

This program provides special training for pupils who have outstanding intellectual and/or creative ability requiring services not ordinarily provided in regular classes.

Determining the numerical size of the gifted population is largely a matter of definition. A target group is established as that proportion of the entire population whose abilities exceed the average to a degree that special training can be beneficial. There is not yet a universally accepted figure representing this proportion. Estimates of the gifted population currently range from one to three percent of the school age population as a whole. In Pennsylvania, these percentages would mean that there are from 27,000 to 80,000 eligible pupils.

The enrollment in gifted programs is only about one-half of one percent of the school age population. There is expected to be only a small increase through the projection period. This estimate points up a possible problem to be encountered in the future. There appears to be a rather large demand for gifted programs. Over 20,000 booklets of information about gifted education have been distributed to parents, with requests for 8,000 more, and local parent organizations for gifted children have grown from 3 in 1973 to 39 in 1974. There also is the possibility of a "right to education" lawsuit on behalf of the gifted similar to that which resulted in mandatory education for retarded children.

The relatively small growth in enrollment in the face of this increasing demand may cause some difficulties for local school personnel. There appears to be limitations on the growth of gifted programs. Funding is not a limitation because the State pays the entire excess cost of gifted education (excess cost is cost over and above the average cost in regular programs) and Federal funding of these programs is increasing. There is, however, a shortage of teachers of the gifted, largely resulting from the lack of teacher training programs in these areas. Presently there are no specific programs for training of teachers of gifted pupils in any Pennsylvania colleges. In addition, research to develop methods of dealing with gifted pupils is limited. These factors curtail current activities as well as future growth. Most gifted pupils are in programs of relatively short duration. Half of the pupils are in advanced training programs which generally consist of instruction provided at nearby colleges. In most cases this does not require the local schools to hire special teachers, but these advanced training programs are generally available only to those in the upper high school grades. Special abilities and talents often appear at a much earlier age. Many of the remaining pupils enrolled are in programs for younger individuals, but these programs also are only one or two years in length. Parent dissatisfaction with the programs may result in demands for

Gifted and Talented Education (Continued)

Program Analysis: (Continued)

expansion of instruction for pupils already enrolled as well as for increasing enrollments. The limitations on the program cited above would place school authorities in a difficult position in responding to these demands.

There is some indication that gifted education can be effective, which could be a factor in producing the demand already encountered. Sampling has been done that indicates that scores from the nationwide College Board tests are slightly higher for students who were in gifted classes than for those who qualified as gifted but were not in gifted programs. Another sample was made of performance of 1,000 pupils in six localities in grades four through six on tests that measured such items as creativity, problem solving, leadership and originality. Pupils who were in special classes scored, on the average, 39 percent higher on these tests than gifted pupils not in such classes. Results from the Governor's School for the

Arts conducted in 1973 for pupils with special artistic talents show that the reaction of the 215 high school sophomores and juniors was generally favorable, and 116 of them have since become involved in teaching other pupils.

It must be noted, however, that all these results are from surveys that are limited in scope. The lack of extensive methodological research referred to above also applies to evaluative research. It is therefore difficult for school administrators to consider increasing program coverage or extending program duration for each pupil without solid evidence that these efforts correlate with improved results. Local decision makers may not be able to wait until such evidence is available if demand for expansion increases. Future developments in this program may deviate from the projections if local officials find ways to expand their efforts in response to community desires.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$ 29	\$ 34	\$ 54	\$ 48	\$ 56	\$ 66	\$ 77
Basic Instruction Subsidy and Vocational Education	6,141	7,209	8,659	8,694	8,701	9,904	11,088
Authority Rentals and Sinking Fund Requirements	799	897	1,119	1,375	1,288	1,543	1,831
Pupil Transportation	351	406	629	836	738	907	1,089
Special Education	3,431	3,679	4,835	5,711	6,820	7,362	8,192
Intermediate Units	37	40	60	51	54	57	61
School Employees' Social Security . . .	293	319	461	420	436	519	590
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	630	736	1,002	1,082	1,159	1,404	1,675
GENERAL FUND TOTAL	\$11,711	\$13,320	\$16,819	\$18,217	\$19,252	\$21,762	\$24,603
REVENUE SHARING TRUST FUND							
Pupil Transportation		\$ 156	\$ 179	\$ 181	\$ 183	\$ 205	\$ 220
Special Education	\$ 2,250	2,250	2,700	1,903	1,963	2,337	2,478
REVENUE SHARING TRUST FUND TOTAL	\$ 2,250	\$ 2,406	\$ 2,879	\$ 2,084	\$ 2,146	\$ 2,542	\$ 2,698

Compensatory Preschool Education

OBJECTIVE: To assure that children under eight years of age from culturally and economically deprived families are able to learn effectively in the elementary school environment.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$10,952	\$12,518	\$11,506	\$12,111	\$13,846	\$14,052	\$14,229
Special Funds		182	156	160	165	173	180
Other Funds	4,981	4,440	5,605	4,529	4,574	4,620	4,666
TOTAL	<u>\$15,933</u>	<u>\$17,140</u>	<u>\$17,267</u>	<u>\$16,800</u>	<u>\$18,585</u>	<u>\$18,845</u>	<u>\$19,075</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Eligible disadvantaged children	25,000	25,000	24,000	23,000	22,000	22,000	21,000
Enrollments	17,500	17,000	16,500	16,000	16,000	16,000	16,000

Program Analysis:

Preschool compensatory programs are intended to give special attention to children from low income families so that these children are not at a disadvantage when they enter regular elementary programs. About half of the children enrolled are in programs for poverty pupils under the Federal Elementary and Secondary Education Act. The rest are in Headstart, Follow Through and preschool day care programs.

Testing to evaluate the success of these programs continues, with results from the sample showing that the children improve significantly. The progress of about 100 children from low income families was evaluated after they had been in program designed to give them preschool training at a very early age, in some cases as early as between one and two years old. Over the course of the programs, the pupils gained an average of 16 months in "mental age" and 15 months in "social maturity" for each 7½ months they were in the programs. These categories are indicators for which tests are devised to show development in terms of months. They gained an average of 19 IQ points each year and their language development also improved considerably.

Approximately 100 disadvantaged children who had been in early training projects, such as those described above, and were placed in Follow Through programs at ages five and six completed the programs with scores in mathematics, reading,

science and social studies that placed them in the top 13 percent of all kindergarten children nationally.

These evaluations give evidence that compensatory preschool programs can produce improvements in the intelligence of children from low income backgrounds. This conclusion must be given some qualifications, however. One is the small size of the sample. The results presented are from special projects designed for research purposes and whether they are typical of the entire enrollment is unknown. The Department of Education is developing a project to extend this evaluation to an increasing number of pupils. Another qualification is that the degree of fulfillment of a key part of this program's objective, the ability to learn later in school, is also largely unknown. This is a point around which some disagreement has centered. Some data at the national level has been used to suggest that gains that occur in compensatory preschool programs disappear in the following years of elementary school. It is unclear, however, what the long-term expectations for the pupils should be, since other factors involved in elementary education also affect performance. Future evaluations of the program will attempt to follow the performance of children who have been in this program as they progress through later years in school.

The projections show a slight decline in eligible children and

Compensatory Preschool Education (continued)

Program Analysis: (continued)

a relatively stable enrollment over the period. The decline in eligible children roughly parallels the decline in birthrate (the parallel is not exact because 1970 census figures, a large determinant of the eligible population, will be used throughout the period). The estimate for eligible children is

less than that shown in last year's budget because, in addition to the effect of the 1970 census, a new formula for determining eligibility that results in net losses is now in use. Also, estimating procedures are improving, resulting in more reliable figures.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
Basic Instruction Subsidy and Vocational Education	\$ 7,164	\$ 8,411	\$ 7,344	\$ 7,452	\$ 8,701	\$ 8,666	\$ 8,624
Authority Rentals and Sinking Fund Requirements	932	1,046	959	1,180	1,288	1,350	1,425
Pupil Transportation	409	473	540	717	738	794	847
Tuition for Orphans and Children Placed in Private Homes	530	509	553	630	667	693	704
Education of Migrant Laborers—							
Children	2	2	4	2	2	2	2
Education of the Disadvantaged	800	800	800	800	800	800	800
Intermediate Units	43	46	51	44	54	64	70
School Employees' Social Security	337	373	396	359	436	454	456
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	735	858	859	927	1,160	1,229	1,301
GENERAL FUND TOTAL	<u>\$10,952</u>	<u>\$12,518</u>	<u>\$11,506</u>	<u>\$12,111</u>	<u>\$13,846</u>	<u>\$14,052</u>	<u>\$14,229</u>
REVENUE SHARING TRUST FUND							
Pupil Transportation	<u>.....</u>	<u>\$ 182</u>	<u>\$ 156</u>	<u>\$ 160</u>	<u>\$ 165</u>	<u>\$ 173</u>	<u>\$ 180</u>

Compensatory Elementary and Secondary Education

OBJECTIVE: To insure that economically and socially disadvantaged students attain an educational level commensurate with their ability.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$163,235	\$175,320	\$189,281	\$196,795	\$199,001	\$204,948	\$217,939
Special Funds		2,600	2,653	2,660	2,672	2,680	2,689
Federal Funds	810	1,043	1,263	1,177	1,353	1,556	1,791
Other Funds	124,245	123,560	156,557	128,948	132,657	136,374	140,098
TOTAL	\$288,290	\$302,523	\$349,754	\$329,580	\$335,683	\$345,558	\$362,517

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Pupils eligible for program services	370,800	368,300	360,000	340,000	330,000	330,000	330,000
Pupils enrolled in programs offered	295,000	257,800	252,000	245,000	238,000	231,000	231,000

Program Analysis:

There has been found to be a substantial correlation between low income backgrounds and poor performance of children in school. This program, consisting largely of poverty program projects funded under the Federal Elementary and Secondary Education Act, is an effort to improve the achievement of disadvantaged children. Pupils from low income families who are not doing well in school as judged by tests or teacher opinion are given special remedial instruction. This usually consists of intensive teaching in small classes, psychological services, and in some cases medical and dental treatment. Nonpublic as well as public school pupils participate, with nonpublic pupils making up about 12 percent of the enrollments.

Evaluation of the effects of the program has been done in terms of progress achieved by pupils. Approximately 20,000 pupils in grades 1 through 12 have been tested in reading achievement and about 2,300 pupils in grades 1 through 10 were tested for mathematics performance after receiving remedial instruction. A variety of standardized tests were used, with results given in terms of rate of growth over a period of

time. The test results indicate that performance improved considerably during the program.

In reading, an expected gain was calculated for the pupils by testing them before the programs began. The grade level at which the pupils' scores showed they were reading was divided by the number of years they had been in school. This yielded an average past gain per year, which was used as a standard against which to measure their performance in the year the pupils were in the program. The average past gain of all 20,000 pupils was found to be 5.7 months in an eight month period. This meant that each pupil had fallen behind by more than two months in reading ability compared to what is considered normal for each eight months the pupil was in school (first grade is excluded because it is too early at that point to judge past gain accurately).

The pupils were then tested at the end of the compensatory program about eight months later. On the average, they gained about nine months in reading ability in that period, or achieved more than 50 percent more progress than their 5.7 months of progress in the past. The progress varied from grade

Compensatory Elementary and Secondary Education (continued)

Program Analysis: (continued)

to grade, with a highest gain of 15 months for ninth graders and a lowest gain of 5.5 months for tenth and eleventh graders. In all grades, average progress exceeded past progress.

In mathematics, past gains in terms of months were calculated for the pupils in the same way as for reading. It was found that the average progress in the past for these pupils had been a 5.5 month gain each eight months (again excluding first grade). At the end of the eight months of compensatory instruction the pupils' overall mathematics progress was found to be 9.9 months. In other words, they exceeded their prior progress by 80 percent and exceeded the overall normal gain (i.e., a gain of eight months in an eight month period) by 1.9 months. The averages for each grade varied from a high of 16 months of gain for tenth graders to a low of 7.8 months gain for seventh and eighth graders. Once again, in all grades, average progress exceeded past gains.

These evaluation results indicate that compensatory education helps disadvantaged pupils catch up to their peers in certain types of performance. This does not mean, however, that the learning problems of disadvantaged children have been solved. Especially in the upper grades, even some disadvantaged children who have been in compensatory programs are not really in a competitive position with children in regular classes. For example, the pupils sampled in ninth grade, whose reading progress was the highest of all grades, were still only reading slightly over the seventh grade level on the average after the program. A reason for this could be the nature of the programs. The availability of programs is dependent upon such factors as funding and local initiative, which means that not every school district operates programs continuously for all its students. It is expected that in the future better planning will be employed so that as many disadvantaged children as possible will be helped in a way that will be most beneficial to the pupils and require the least time in costly special programs.

Future trends show eligible children declining in numbers at a somewhat lower rate than the total school age population. This is because 1970 census figures, a major determinant of eligibles, will remain in effect throughout the decade. Funding limitations (the bulk of program funds are from Federal sources) permit about 70 percent of eligible children to be placed in programs. The projections are based on a continuation of that rate.

Other activities in this program include instruction for approximately 700 children of migrant laborers who are temporarily located within the boundaries of 12 intermediate units. Since the children are there for a short time (three to nine weeks), the program emphasis is on language development and basic skills. Other services are also provided, including transportation to school as well as health and medical services.

When children are in the program at least a month, consistent attempts are made to evaluate their progress. The results are varied and inconclusive, because of limited time span. However, a careful record is made of each child's progress and the records are kept in the National Migrant Record Transfer System which is designed to expedite the shift of records from location to location as the pupil moves.

Since the transfer of responsibility for the educational programs in State-owned institutions for the neglected and delinquent, agreed upon by the Department of Education and the Department of Welfare on July 1, 1974, efforts are underway to insure that Pennsylvania's institutionalized youth will have adequate educational programs.

Pennsylvania's six youth development centers (YDCs) and three youth forestry camps (YFCs) have a maximum capacity for 1,500 students with an average population of 1,200 students. In the coming year there is a possibility that three more State-owned institutions may open youth development centers with a capacity for approximately 200 more students. Programs for the educational components at these institutions will be used at these new centers.

The student population in Pennsylvania's institutions for the neglected and delinquent have an age range from nine to 19 years of age with an average age of approximately 15.5 years. The reading and math comprehension levels of these students are far lower than their chronological age. Their approximate average reading level is below third grade and the average math level is even lower. Appropriate programs for instruction are being designed, intended to hold the student's interest - an interest which was lacking in the traditional public school atmosphere. Since the average period of stay for these youths is only nine months, these programs must hold the potential for interest, have potential for accelerating the learning process, and translate into useable knowledge once the student leaves the institution.

Compensatory Elementary and Secondary Education (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$ 123	\$ 144	\$ 170	\$ 152	\$ 166	\$ 188	\$ 216
Basic Instruction Subsidy and Vocational Education	113,607	120,154	122,409	122,958	123,057	123,800	129,360
Authority Rentals and Sinking Fund Requirements	14,774	14,942	15,988	19,480	18,218	19,291	21,367
Pupil Transportation	6,491	6,765	8,994	11,828	10,444	11,339	12,710
Aid to Financially Handicapped School Districts	29	54	.....	.....	.....	.....	.....
Tuition for Orphans and Children Placed in Private Homes	6,630	7,968	8,667	9,189	9,741	10,122	10,276
Education of Migrant Laborers' Children	34	34	68	34	34	34	34
Education of the Disadvantaged	200	200	200	200	200	200	200
Intermediate Units	690	659	871	733	769	816	898
School Food Services	3,419	4,160	5,760	6,520	9,020	9,960	10,900
School Employees' Social Security	5,433	5,320	6,610	5,939	6,176	6,490	6,888
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	11,655	12,261	14,336	15,328	16,399	17,560	19,542
Educational Radio and Television Grants	128	128	117	117	117	117	117
Regional Educational Broadcasting Councils	22	26	26	26	26	26	26
Youth Development Centers-- Education . . . . .	.....	2,505	5,065	4,291	4,634	5,005	\$5,405
GENERAL FUND TOTAL	<u><u>\$163,235</u></u>	<u><u>\$175,320</u></u>	<u><u>\$189,281</u></u>	<u><u>\$196,795</u></u>	<u><u>\$199,001</u></u>	<u><u>\$204,948</u></u>	<u><u>\$217,939</u></u>
REVENUE SHARING TRUST FUND							
Pupil Transportation . . . . .	.....	<u><u>\$ 2,600</u></u>	<u><u>\$ 2,653</u></u>	<u><u>\$ 2,660</u></u>	<u><u>\$ 2,672</u></u>	<u><u>\$ 2,680</u></u>	<u><u>\$ 2,689</u></u>

Vocational Secondary Education

OBJECTIVE: To prepare high school students for vocational occupations which have opportunities for gainful employment in Pennsylvania's economy.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$235,731	\$246,871	\$278,484	\$308,278	\$328,300	\$357,804	\$387,707
Special Funds . . . . .	. . . . .	2,886	3,065	3,250	3,484	3,767	4,056
Federal Funds	1,602	2,181	2,266	2,093	2,387	2,724	3,111
Other Funds	33,521	23,191	28,960	23,180	23,185	23,190	23,195
TOTAL	\$270,854	\$275,129	\$312,775	\$336,801	\$357,356	\$387,485	\$418,069

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Secondary students who need secondary vocational education*	315,400	315,300	311,300	303,600	302,100	295,250	288,100
Total enrollment in secondary vocational education	246,286	254,975	265,100	275,200	285,300	295,350	305,450
Enrollment in occupational programs	175,247	181,414	188,620	195,800	203,000	210,000	217,000
Graduates from occupational programs	60,000	62,100	64,600	67,000	69,500	71,900	74,000
Graduates available for employment	43,200	44,700	46,500	48,200	50,000	51,700	53,300
Graduates available for employment employed within three months	36,465	37,730	39,250	40,685	42,200	43,650	45,000

*See Program Analysis.

Program Analysis:

Vocational secondary education is intended to provide high school pupils who do not plan to continue their education after high school with marketable skills. This follows the assumption that pupils who do not intend to seek a college or technical degree will need some sort of training in addition to general education in order to function productively. Therefore, the number of pupils shown as needing vocational education consists of all pupils in grades 10-12 who are not expected to pursue postsecondary education.

There is a difference between the numbers of pupils shown in the need measure and the enrollments in this program. This is considered to be the result of factors such as the past image of vocational education, and the feeling that the only means to a successful or perhaps prestigious career was through college. This tended to make counselors, pupils, and administrators reluctant to consider vocational training as a desirable program. Another factor in the unmet need may be the unrealistic funding method that provides little incentive to

Vocational Secondary Education (continued)

Program Analysis: (continued)

start or expand vocational programs. A recent study by the Office of the Budget and the Department of Education showed that vocational reimbursements are inequitable among school districts and are unrelated to actual costs and labor market demands.

The two different sets of enrollments shown illustrate another drawback of the current reimbursement method. The difference between total enrollments and occupational program enrollments consists of those students enrolled in useful (nonoccupational) home economics. They are shown here because State law provides for funding of useful home economics, even though the course does not prepare students for gainful employment. Industrial arts is an example of a similar personal development course, yet this course is not given any specific vocational funding. Since the occupational program enrollment measure gives a true picture of the number of pupils prepared for future employment, all the remaining measures refer to occupational programs as well.

These problems with the present funding system may result in future proposals to alter the method of State funding. At present it appears that a new system would provide incentives for school districts to offer the types of training currently in demand, with provisions for reacting to labor market changes.

The projections shown in the measures indicate that the enrollments as a proportion of pupils needing vocational training are expected to increase. The attitude toward vocational education is changing as people become aware of the unemployment problems of college graduates and of the increasing demands in the skilled trades occupations.

In addition to follow-up studies of program graduates that supply the employment data shown in the program measures, a four-year-out follow-up survey was conducted in the fall of 1973 by the Department of Education to determine the long-range effects of vocational training on 1969 graduates. Emphasis was placed on analysis of (1) employment and unemployment trends — the employment status four years after graduation, (2) geographic mobility — whether graduates stay in the area labor market or migrate to other state and national labor markets, (3) horizontal mobility — whether vocational graduates experience a great deal of job shifting similar to the general labor force and (4) vertical mobility — whether vocational graduates are contributing to the Commonwealth's economic growth through job promotions and accelerated wage development.

The results of the study indicate that: (1) About 74 percent of the graduates were employed full-time when surveyed. The remainder were employed part-time, continuing their education, unavailable for placement (illness, homemaking,

etc.) and unemployed. Only 3.3 percent were unemployed and seeking work, which was lower than the State (4.4%) average for that period. More significant, the unemployment rate was considerably lower than the seven to eight percent rate reported for that particular age group. In addition, 51.3 percent had no period of unemployment and 13.5 percent only one period of unemployment between jobs since graduation. (2) Vocational education planning should be centered on local labor market area needs. Three months following graduation, 96.5 percent indicated their first full-time job did not require a change of residence. One year following graduation, 80 percent said they were still in the same city in which they attended high school. Four years after graduation about 70 percent were employed in the same county and about 88 percent in the same region of the State in which they received their training. (3) There does not appear to be a significant degree of job shifting or horizontal mobility for vocational completers. Almost 40 percent held the same job since graduating and 30 percent shifted jobs only once — a relatively good record for inexperienced workers seeking their role in the job market. Interestingly, job shifting does not seem to be significantly different between men and women or between blacks and whites. (4) Vertical mobility (promotion or progress on the job) may best be expressed by salary or wage changes. Compensation of those surveyed increased by 42.2 percent over the four year period. Modified for average cost of living increases of approximately 20 percent, the adjusted 22.2 percent increase is assumed to be the result of promotion or career ladder progress. Salary data may also be an indication of the graduates' contribution to Commonwealth economic development. The average salary of 1969 graduates during 1973 was \$7,049, which translates to over \$106 million for the entire group.

Efforts are being made to strengthen vocational guidance and counseling programs so that students and parents have more comprehensive career information before occupational choices are made. In addition, the Department of Education is initiating a computer assisted placement service system to improve the placement performance.

Population trends affect the fulfillment of the need for secondary vocational education. The decline in secondary school enrollments will be paralleled by a decline in the number of students who will need vocational education. This decline is bound to relieve some of the pressure on the use of existing educational facilities. Great care will be taken in planning the development of additional new vocational facilities as a means of fulfilling the need for vocational education, realizing that in the near future the overall demand

Vocational Secondary Education (continued)

Program Analysis: (continued)

for facilities will begin to stabilize. Presently vocational facilities, in many cases, are at full capacity. However, facilities currently approved or under construction will add additional capacity to accommodate projected enrollment increases. Innovations in facility use are beginning to appear. The area vocational-technical school (AVTS) concept is being carried

back to the comprehensive high schools, where available space at the high school is being used by students from other schools who would normally attend an AVTS. Some schools are beginning to operate a third shift later in the afternoon. Finally, supervisory innovations are allowing more students to participate in cooperative programs.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 776	\$ 757	\$ 1,326	\$ 1,192	\$ 1,299	\$ 1,496	\$ 1,672
Thaddeus Stevens Trade School	1,390	1,481	1,995	1,841	1,997	2,167	2,351
Basic Instruction Subsidy and Vocational Education	196,555	200,185	219,897	237,890	254,562	273,627	292,398
Authority Rentals and Sinking Fund Requirements	13,976	16,586	18,865	24,596	24,658	27,972	31,746
Pupil Transportation	6,140	7,510	10,613	14,935	14,137	16,441	18,885
Aid to Financially Handicapped School Districts	26	55	.....	.....	.....	.....	.....
Intermediate Units	652	731	1,028	925	1,041	1,183	1,336
School Employees' Social Security	5,140	5,905	7,798	7,500	8,360	9,410	10,234
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	11,025	13,610	16,914	19,351	22,198	25,460	29,037
Educational Radio and Television Grants	43	42	39	39	39	39	39
Regional Educational Broadcasting Councils	8	9	9	9	9	9	9
GENERAL FUND TOTAL	<u>\$235,731</u>	<u>\$246,871</u>	<u>\$278,484</u>	<u>\$308,278</u>	<u>\$328,300</u>	<u>\$357,804</u>	<u>\$387,707</u>
REVENUE SHARING TRUST FUND							
Pupil Transportation . . . . .	.....	\$ 2,886	\$ 3,065	\$ 3,250	\$ 3,484	\$ 3,767	\$ 4,056

Postsecondary Vocational Education

OBJECTIVE: To meet Pennsylvania manpower requirements for vocational and technical occupations personnel through training programs primarily for students in the age group of 19 to 29 years.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$14,454	\$18,651	\$21,121	\$19,689	\$20,969	\$21,866	\$22,824
Federal Funds	1,133	1,804	2,521	2,151	2,248	2,359	2,487
Other Funds	6,846	4,178	5,320	4,179	4,179	4,179	4,179
TOTAL	\$22,433	\$24,633	\$28,962	\$26,019	\$27,396	\$28,404	\$29,490

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Enrollments in postsecondary vocational programs	36,379	38,200	40,100	42,100	44,200	46,400	48,750
Students completing training	6,895	7,240	7,600	8,000	8,400	8,800	9,200
Graduates available for employment	5,320	5,580	5,860	6,150	6,460	6,780	7,090
Employable graduates employed within 3 months	4,800	5,040	5,290	5,550	5,830	6,120	6,400

Program Analysis:

Postsecondary vocational education is designed to provide individuals who have completed a secondary program or obtained a General Equivalency Diploma with advanced training toward a vocational skill or a two year technical degree. Although vocational education is provided at the secondary level, there are many individuals who either do not participate in secondary vocational education or find that a higher level of training is required to obtain employment. The health and technical education fields are examples of those areas that in many instances require advanced training to obtain employment.

In addition to the Commonwealth's 14 community colleges and 18 university branch campuses, full-time postsecondary programs are offered in 10 area vocational-technical schools (AVTS), two urban skill centers, one comprehensive high school and three specially adapted sites. Approximately 550 curricula are operated in these institutions, offering job training for over 65 different types of occupations.

New approaches for serving individual, employer and community needs are constantly being explored. An innovative program initiated in one AVTS this year provides a career ladder for licensed practical nurses to become registered nurses in a modified program which takes advantage of prior training. Other new curriculum offerings include aircraft mechanics, cinema and public contact representation.

Public acceptance of the need to expand opportunities for occupational education is expressed in the fact that in 1974 vocational education enrollments in two-year programs in the community colleges for the first time exceeded enrollments of persons preparing to transfer to the four-year institutions in search of bachelors' degrees. Current geographic placement of community colleges provides access to occupational education for most of the Commonwealth's population on a commuting basis.

A large number of the postsecondary programs are in health occupations, preparing young people and adults to provide health services in hospitals, convalescent homes, physicians' and dentists' offices, clinical laboratories and other health delivery systems. Although these occupations are of a service professional nature, students may continue their education to achieve a professional level. More than 6,000 individuals enroll annually with less than 20 percent withdrawal before completion. More than 90 percent completing are placed in jobs for which they are trained at a cost of less than \$1.00 per hour of instruction. Typical courses include those for dental assistant, medical assistant, medical laboratory assistant, nursing assistant and X-ray technologist.

Postsecondary Vocational Educational (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$ 163	\$ 184	\$ 202	\$ 176	\$ 198	\$ 222	\$ 257
General State Authority Rentals—							
State-aided Institutions	81	81	81	81	81	81	81
State Colleges and University	250	309	617	512	538	565	593
Basic Instruction Subsidy and							
Vocational Education	4,242	5,237	5,237	5,500	5,500	5,500	5,500
Community Colleges—Operating	4,823	7,184	8,691	7,299	8,192	8,684	9,205
Community Colleges—Capital	1,873	2,473	2,651	2,810	2,978	3,157	3,346
Pennsylvania State University	2,015	2,133	2,538	2,151	2,259	2,371	2,490
Berean Training and Industrial							
School	425	413	434	456	481	507	532
Downingtown Industrial and							
Agriculture School	468	518	544	571	602	630	660
Johnson School of Technology	67	70	74	78	82	87	93
Williamson Free School of							
Mechanical Trades	47	49	52	55	58	62	67
GENERAL FUND TOTAL	\$14,454	\$18,651	\$21,121	\$19,689	\$20,969	\$21,866	\$22,824

Community Education

OBJECTIVE: To provide educational opportunities for citizens 16 years of age and over whose lack of basic educational skills or English language limitations constitute a substantial impairment of their ability to adapt to and function successfully within contemporary society, or to explore and expand areas of interest through enrichment noncredit courses.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$ 23	\$ 826	\$3,097	\$2,641	\$2,852	\$3,075	\$3,318
Federal Funds	96	269	274	239	260	284	312
Other Funds	2,209	2,500	3,142	2,520	2,525	2,525	2,525
TOTAL	\$2,328	\$3,595	\$6,513	\$5,400	\$5,637	\$5,884	\$6,155

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Public high school dropouts	32,000	32,100	32,200	32,300	32,400	32,500	32,500
Persons receiving Commonwealth issued high school equivalency diplomas	12,000	12,500	13,000	13,500	14,000	14,500	15,000
Adults achieving eighth grade level reading and math skills	14,092	14,700	15,425	16,100	16,800	17,500	17,500
Persons enrolled in community education programs:							
Adult noncredit	68,764	68,780	68,795	68,810	68,825	68,850	68,900
Adult basic education	26,372	27,690	29,000	30,300	31,500	33,000	33,000
Standard evening high school	14,896	14,900	14,915	14,930	14,945	14,960	14,975
General educational development(GED)	5,644	5,671	5,698	5,726	5,750	5,800	5,800
Percent successfully completing GED program	65%	66%	67%	68%	69%	70%	70%

Program Analysis:

The Community Education program is aimed at adults 16 years of age and over who are not enrolled in a regular day school program and for various reasons want to pursue some form of further education. In some cases these adults did not complete their basic education and now find the need to learn to read, write and use basic mathematics in order to function successfully in our competitive society. Others find that their

inability to master the English language proves to be an obstacle to the advancement of their status or to obtain citizenship. Some are interested in broadening their background and skills in order to live a fuller and more satisfying life. In many cases the motive of the student is simply the personal satisfaction derived from learning about an interesting subject.

Community Education (continued)

Program Analysis: (continued)

An extension of the community education program, correctional institution education for adult offenders, is currently being upgraded in an effort to better educate those individuals. The average adult inmate has only completed 7th grade and about 5.5 percent of the prison population are functional illiterates. It is hoped that the remedial basic education program and selected technical, trade and college level programs will have a major rehabilitative effect on the prison population. These educational programs are offered through contractual arrangements with intermediate units and colleges.

The median number of school years completed by persons 25 years of age and over in Pennsylvania is 12 years according to 1970 census information. The census identifies 965,767 adults in Pennsylvania 25 years of age and over with less than an eighth grade education, and in this same age group 3,329,284 adults with less than a twelfth grade education. Consider in addition those individuals between 16 and 24 years of age with the same deficiencies along with the average annual public school dropout rate of 30,000 plus, and the magnitude of the problem begins to take shape.

In coping with these problems during 1974-75, Adult Basic Education classes to help adults achieve eighth grade level reading and math skills are being conducted through 133 programs in public schools, prisons and hospitals and will help 673 prison inmates and 27,017 others to achieve their objective. These programs are conducted in 47 counties in Pennsylvania where the emphasis is on urbanized areas with dense populations of illiterates and concentrations of non-English speaking adults.

The second step in the overall program is to aid the adult in completing a high school education. There are two methods of securing that degree- General Education Development (GED)

and the Standard Evening High School. For those individuals who can't spend the time in a regular high school program of study, 84 public schools and institutions will conduct classes to prepare 5,671 adults, 335 of them in prisons, to take the GED tests. Upon successful completion of the tests, a Commonwealth Secondary School Diploma is issued. The second method of achieving a high school diploma is through the Standard Evening High School program conducted by 65 public school districts where 14,900 adults are working on regular day school course work in the evenings in order to receive a regular high school diploma issued by the local school district.

Another area in community education is noncredit Adult Education. This program, the most widely attended of the four, offers courses designed to satisfy the creative and practical needs of its students through courses in arts and crafts, useful skills such as masonry and auto repairs and interesting areas ranging from antiques and amateur radio to world culture and yoga. During 1973-74 approximately 69,000 adults attended these courses in 217 school districts which conducted a total of 4,165 classes encompassing 72 different activities.

Progress is being made in reducing the number of illiterates in most areas of the Commonwealth. Programs are reducing the total numbers of adults in Pennsylvania with less than an eighth grade competency in reading, writing and computational skills. However, the Commonwealth appears to be losing ground with the total not having a high school diploma. Comparing the totals enrolled in GED and Standard Evening High School programs with the continuing rate of high school dropouts, it appears this group of adults will be increasing.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$23	\$ 26	\$ 30	\$ 29	\$ 32	\$ 33	\$ 36
Correctional Institutions Education		750	3,017	2,562	2,770	2,992	3,232
Ethnic Heritage Studies Center		50	50	50	50	50	50
GENERAL FUND TOTAL	<u>\$23</u>	<u>\$826</u>	<u>\$3,097</u>	<u>\$2,641</u>	<u>\$2,852</u>	<u>\$3,075</u>	<u>\$3,318</u>

HIGHER EDUCATION CATEGORY ANALYSIS

The Commonwealth's funding of higher education is based primarily upon the supply of a wide spectrum of academic curricula that would fulfill the needs and demands of individuals for instructional services consistent with both the social and economic development of the individual, and the needs of the Commonwealth with regards to trained manpower.

Demand for instructional programs at the institutions of higher education appears to be stabilizing and is projected to decline in the near future.

The Department of Education projects the percent of high school graduates going on to a college or university will decline at a very slow rate. They have also projected an absolute decline in the number of high school graduates after 1975. The interaction of these two factors is expected to cause an absolute reduction in high school graduates seeking a college or university education.

Full Time Equivalent Students at State-owned, State-related, State-aided, and Community Colleges

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Agriculture and Natural Resources	1,863	1,936	2,023	2,072	2,104	2,129	2,148
Arts, Humanities and Letters	32,345	33,076	33,550	33,919	34,426	34,818	35,049
Business Management, Commerce and Data Processing	23,743	24,761	25,808	27,377	28,246	29,123	29,882
Education	51,370	49,660	48,447	47,154	45,697	46,469	46,329
Engineering and Architecture	10,449	10,552	10,736	10,873	11,018	11,145	11,277
Health Sciences, Health Professions and Biological Sciences	28,852	29,769	30,784	31,762	32,491	33,098	33,636
Human Services and Public Affairs	14,157	14,512	15,001	15,648	15,965	16,298	16,560
Physical Sciences, Earth Sciences, Mathematics and Military Sciences	15,923	16,073	16,397	16,590	16,814	16,965	17,125
Social Sciences and Area Studies	36,298	36,720	37,526	38,036	38,711	39,191	39,587
Interdisciplinary Studies	18,431	19,140	19,871	20,206	20,838	21,113	21,507
TOTAL	233,431	236,199	240,143	243,637	247,310	250,349	253,100

There are, of course, other sources of demand for higher education: veterans, housewives, and individuals simply seeking to upgrade their education. However, annual surveys conducted on a national basis, for the American Council on Education, show a progressively larger percent of college freshmen enrollment going straight from high school to college.

Overall enrollment growth over the last four or five years, as a result has begun to subside to the point where a near stabilization of enrollment is expected over the next few years. The beginning of a decline in total enrollments (full-time and part-time) is expected around 1979 or 1980. Given present circumstances, this decline is expected to continue into the foreseeable future.

A closer examination of enrollments reveals differences between institutions and types of institutions. The data presented in the following table represents the institutions' perception of their future enrollment patterns. In recent years the institutions have been over optimistic in anticipating future enrollment.

Full-Time Equivalent Enrollments in State Supported Institutions of Higher Education

Institutional Category	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
State-owned Colleges and University	76,588	76,610	77,423	80,087	81,694	83,184	87,180
State-related Universities	104,539	106,178	107,880	108,745	109,683	110,426	110,928
Community Colleges	41,002	43,248	45,741	48,485	50,424	51,432	51,946
State-aided Colleges and Universities . . .	31,496	31,803	32,316	32,917	33,481	34,033	34,504
TOTAL	253,625	257,839	263,360	270,234	275,282	279,075	284,558

In addition the full-time — part-time pattern of enrollments is changing. At the community colleges and the State-owned institutions part-time students have become an increasingly more important segment of the total student population. In 1966 part-time students made up 14.5 percent and 30.7 percent of the total enrollment at the State-owned institutions and community colleges respectively. By 1974 the part-time student population had increased to 29.8 percent and 46.2 percent. At the private State-aided institutions a general fluctuation of part-time enrollments has given way to an increase during the last two years.

There is the possibility that reductions in total enrollment forecasted will not materialize, that part-time enrollment will make up for the losses in regular full-time enrollment. If this is the case, the level of instruction will tend to be at the lower divisions. Lower division instruction being less intense, therefore, should be less costly than upper division instruction. If part-time instruction becomes more predominant, the missions and outputs of the institutions of higher education will have to change, along with the criteria for evaluating the cost effectiveness of those institutions.

These changes in enrollment will have a profound effect on staffing patterns. In a period of enrollment stabilization certain program fields and institutions lose enrollments while others gain. In a period of enrollment decline there will be program fields and institutions that will lose substantially. A high probability exists then that many institutions will have overstaffed programs.

The budgetary implications are clear. On the one hand, with stabilized or declining enrollments, the instructional costs per student are increasing substantially. On the other hand with stabilized or declining enrollments tuition revenues will not increase. Indeed the evidence indicates that in the absence of tuition increases revenues are declining. In this case the institutions are turning either to tuition increases or Commonwealth appropriations, which means that the Commonwealth is being asked to support a larger and larger proportion of the institutions' operating costs in the face of a stabilized or declining level of service.

The employment success of its graduates should not be the sole criteria for examining an institution of higher education, or its programs. Higher education is multifaceted. It provides the opportunity not only for economic development but social and cultural development as well.

However, because most individuals seek a degree as an employment related credential and because higher education is so expensive both to the Commonwealth and its taxpayers, and to those making sacrifices to achieve a degree, it becomes a prime concern of the Commonwealth as to whether the various institutions of higher education are providing the most appropriate services and programs of instruction for the needs of the students.

The information available to examine this aspect of higher education is relatively scarce and imprecise. The information presented then should not be interpreted as definite estimates and survey results, but rather should be viewed as gross bases from which interpretations can be established on the patterns of degrees being conferred, the expected positions available, and the success of the college to employment transition.

The disciplinary subcategories that follow will show wide differences in the labor market patterns of the broad subcategory headings. The occupational employment and job openings data for these subcategories represent those occupations for which an undergraduate or graduate degree is either required for employment or is a definite assistance in gaining employment. For example, those occupations included in the *Human Services and Public Affairs* subcategory are: house management, home economics teachers, lawyers, judges, law teachers, librarians, archivists, social and recreational workers, law enforcement, and the broad area of public administration.

The subcategory analyses will also show variations of employment success of graduates between both the major fields of training, and the various types of institutions. Employment success is related to a number of factors; including but not limited to job availability, the placement program at the institutions, the job seeking motivation of the graduate, and the quality of preparation.

For the past number of years Pennsylvania institutions of higher education have experienced considerable growth both in their size and program offerings. This growth has been accompanied by a considerable increase in the institutional budgets and the Commonwealth's support of their activities.

There are presently a number of factors affecting the Commonwealth and its system of higher education: The economy has severely constrained the Commonwealth's tax resources; demand for the services provided by the colleges and universities is down, and there are indications that many of the services provided at the institutions of higher education are not fulfilling the needs of the Commonwealth and its citizens.

Recommended funding for higher education then will not provide for the expanded programs requested by the institutions. The institutions must continue to

realign themselves with essentially a level of Commonwealth funding that provides for a maintenance of existing programs. The Commonwealth cannot continue to support programs that are oversupplying graduates in large amounts and are experiencing reduced demand, while the need exists to expand other programs to meet the needs and demands of the Commonwealth and its citizens. One striking result of a study on the employment success of 1971-72 graduates conducted by the Center for the Study of Higher Education at Penn State University indicates a strong association between the employment success of graduates and the size of the institution from which they graduated.

**Employment Success of Graduates Who Responded
to Study, by Size of Enrollment**

Size of Enrollment	Percent of Employed in Fields Related to Training	Percent of Employed in Fields Related to Training	Percent Unemployed but Seeking Employment
500 + Below	32.4%	52.3%	6.8%
501 to 1,000	33.4%	31.9%	7.7%
1,001 to 1,500	32.0%	22.8%	14.2%
1,501 to 2,000	26.3%	22.6%	14.1%
2,001 to 4,000	45.6%	9.8%	25.2%
4,001 to 10,000	53.0%	10.2%	20.8%
Above 10,000	40.9%	4.8%	33.6%

What this data seems to indicate is that while in a general sense the larger institutions have a higher proportion of students unemployed and seeking employment, they also generally have a much smaller proportion of their graduates who are employed in occupations remote to their fields of training, with the end result that generally the larger institutions had a greater proportion of their graduates employed in occupations related to their field of training than do the smaller institutions.

Higher Education Degrees Awarded

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
State-owned Colleges and University	18,095	17,969	18,124	18,655	19,173	19,600	20,036
State-related Universities*	22,250	22,814	23,044	23,112	23,396	23,448	23,397
Community Colleges*	3,800	4,186	4,449	4,744	5,013	5,307	5,593
TOTAL	44,145	44,969	45,617	46,511	47,582	48,355	49,026

* Data does not include degrees for postsecondary programs.

Agriculture and Natural Resources

OBJECTIVE: To fulfill Pennsylvania manpower requirements in the fields of agriculture, forestry and conservation, and to respond to the demands of students for education in these fields.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	<u>\$1,836</u>	<u>\$2,052</u>	<u>\$2,772</u>	<u>\$2,452</u>	<u>\$2,562</u>	<u>\$2,679</u>	<u>\$2,800</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Total full time equivalent students	1,863	1,936	2,023	2,072	2,104	2,129	2,148
Associate degrees conferred	15	17	17	17	17	17	17
Total bachelor degrees conferred	434	537	590	598	640	655	655
State-related only*	313	391	410	408	440	445	445
State-aided only*	121	146	180	190	200	210	220
Graduate degrees conferred	69	70	71	77	78	78	80

* Also included in total.

Program Analysis:

The Commonwealth supports these programs through grants to the State-related universities and Delaware Valley College of Science and Agriculture.

From 1967 to 1973 the aggregate level of farm units in Pennsylvania declined about 9,000 units. If this trend continues, agriculture related employment is expected to decline by about 20 percent between 1970 and 1980. The number of job openings will also decline.

While this is the overall trend, there are specific occupational areas that will continue to grow. Responding to the food shortages around the world, food producing and fertilizer industries as well as government agencies will

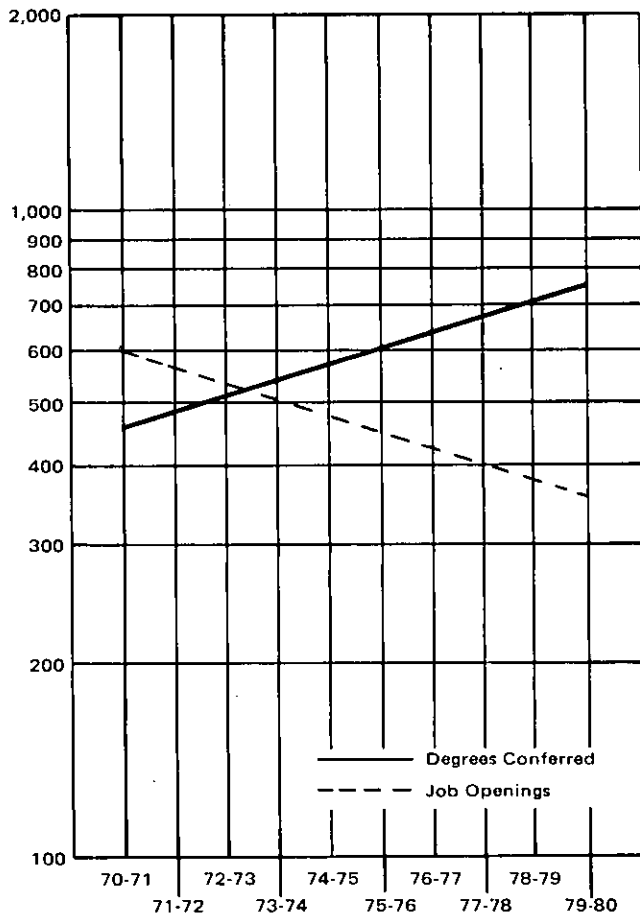
continue to seek agronomists, agricultural economists, horticulturists, and other agricultural scientists in an effort to increase agricultural productivity.

In a heightened attempt to better protect and manage our natural resources, all levels of government have come to increasingly utilize the skills of forestry and conservation graduates. The availability of fish and wildlife specialists, and entomologists working in the areas of plant breeding and in the detection and control of plant disease as well as land and recreational specialists will be crucial to the success of these efforts in all states and localities.

Agriculture and Natural Resources (continued)

Program Analysis: (continued)

TREND OF GRADUATE SUPPLY AND DEMAND
(Agriculture & Natural Resources Fields)



Nevertheless, as the graph indicates, the overall job outlook is bleak for graduates in the fields of agriculture and natural resources. Because of the declining employment situation and the increased number of graduates in the agricultural related fields, in the near future Pennsylvania's institutions of higher education are expected to be producing twice as many graduates as the number of positions available.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Pennsylvania State University	\$1,614	\$1,810	\$2,487	\$2,189	\$2,288	\$2,393	\$2,502
Temple University	120	134	177	150	156	162	168
Delaware Valley College of Science and Agriculture	102	108	108	113	118	124	130
GENERAL FUND TOTAL	\$1,836	\$2,052	\$2,772	\$2,452	\$2,562	\$2,679	\$2,800

As the above program measures indicate, the State-related universities are conferring the greatest proportion of degrees in this program, while the largest percentage increase in the projected number of degrees conferred is expected to occur at the Delaware Valley College of Science and Agriculture, representing the State-aided segment. While the State-related institutions expect to confer about 35 percent more degrees in 1979-80 over their 1973-74 levels, Delaware Valley expects to confer about 80 percent more in 1979-80 over their 1973-74 level.

Statistics from a study conducted at the Pennsylvania State University, indicated that of the graduates who received an undergraduate degree in 1971-72 and responded to the study, and whose answers indicated that they had entered the labor market, only about 48 percent were employed in a field related to their training. Further, about 39 percent indicated that they were not employed but were seeking employment.

Differences did exist, however, between the types of institutions with regards to the success rate of graduates in making the transition between higher education and employment in a field related to their training. Of the State-related graduates who indicated that they had entered the labor market, 34 percent were employed in a field related to training. While of the same group of State-aided graduates, 69 percent were in jobs related to training.

Conversely of the State-related graduates entering the labor market about 60 percent were unemployed but seeking employment, while of the same group of State-aided graduates only 6 percent were in a similar situation.

The program data presented above reflects the institutions' perception of future programs in agriculture and natural resources. However, because of the employment outlook, and because there are such differences in the employment success of their graduates, this budget recommends that those institutions conferring agricultural related degrees, re-examine their programs and where appropriate and possible, scale down and or modify their programs so that they are more consistent with the needs of the students and the Commonwealth.

Arts, Humanities and Letters

OBJECTIVE To fulfill Pennsylvania manpower requirements in the fields of foreign languages, journalism, library science and communications, and to respond to the demands of students for education in these fields.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$28,865	\$31,698	\$41,367	\$35,401	\$36,999	\$38,671	\$40,424
Federal Funds	149	217	232	220	220	222	222
Other Funds	5,943	6,423	6,963	6,615	6,813	7,017	7,227
TOTAL	\$34,957	\$38,338	\$48,562	\$42,236	\$44,032	\$45,910	\$47,873

Program Measures

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Full-Time equivalent students	32,345	33,076	33,550	33,919	34,426	34,815	35,049
Associate degrees conferred	328	354	378	396	406	422	432
Bachelor degrees conferred							
Total	3,955	3,980	4,010	4,077	4,174	4,279	4,338
State-related *	1,971	1,963	1,972	1,962	1,983	1,971	1,972
Graduate degrees							
Total	1,116	1,203	1,235	1,247	1,276	1,291	1,297
State-related *	553	588	600	601	602	598	600

* Also included in total.

Program Analysis

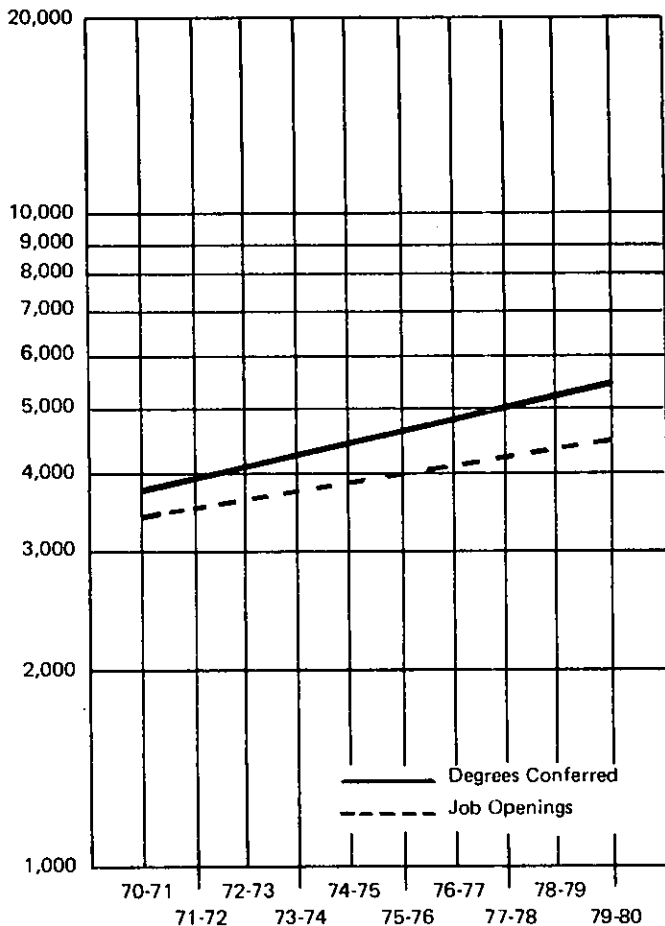
The Commonwealth supports this program through the activities of the State-owned colleges and university and grants and subsidies to State-related and State-aided colleges and universities and community colleges. It constitutes a wide spectrum of academic curricula upon which students may attain sound liberal and fine arts education.

As the graph illustrates, the institutions, each year continue to graduate more individuals as there are positions available. A conclusion based upon this simple difference, however, may not be totally appropriate, since a large number of liberal arts and fine arts graduates enter the fields of teaching, marketing, advertising and social services.

Arts, Humanities and Letters (continued)

Program Analysis: (continued)

TREND OF GRADUATE SUPPLY AND DEMAND
(Arts, Humanities and Letters)



Even when considering these other avenues of professional employment, however, the occupational outlook for a liberal arts or fine arts graduate is poor. The economy, such as it is, is increasingly technologically oriented. Graduates from specialized curricula then stand a much better chance of obtaining employment, at the expense of the liberal arts graduate. Further compounding the liberal arts graduate problem is the slackening of employment in the alternative fields of employment traditionally available to the liberal arts graduate.

Data from a study of academic year 1971-72 graduates conducted at Penn State, illustrating this problem, indicated that only about 11% of those respondents who decided to enter the labor force were employed in a field related to their education. Over 26 percent were unemployed but seeking employment. Although these data are startling, of even more concern is the fact that over 20 percent of those employed held jobs as clerks, laborers, service workers, etc.

Perhaps reflective of the poor employment situation, the role of arts and letter programs in Commonwealth supported institutions is diminishing. Program enrollments of these institutions decreased from 1972-73 to 1973-74 by about 4 percent thus causing the institutions to scale down their projections considerably.

Although the employment prospects in liberal arts and fine arts are poor, a substantial number of individuals still seek this type of education as is their right. Given this situation the Commonwealth fully intends to continue funding this program. However the outlook for this program should be one of ever lessening demand for additional public funds, appropriately reflecting the decreased expectations in program size.

Program Costs by Appropriation

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
State Colleges and University	\$ 7,537	\$ 8,966	\$12,076	\$10,023	\$10,524	\$11,050	\$11,602
Community Colleges—Operating	720	887	1,079	906	942	979	1,019
Community Colleges—Capital	1,048	449	384	399	415	437	453
Pennsylvania State University	7,532	8,270	10,485	9,291	9,745	10,223	10,724
University of Pittsburgh	4,187	4,536	6,147	5,196	5,404	5,620	5,845
Temple University	6,952	7,787	10,438	8,842	9,196	9,564	9,946
Lincoln University	192	204	257	222	230	240	249
University of Pennsylvania	320	334	236	243	250	257	264
Philadelphia College of Art	215	227	227	239	251	263	276
Philadelphia College of Textiles	37	38	38	40	42	44	46
Philadelphia Music Academy	125	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$28,865	\$31,698	\$41,367	\$35,401	\$36,999	\$38,671	\$40,424

Business Management, Commerce and Data Processing

OBJECTIVE To fulfill Pennsylvania manpower requirements in the fields of business management, accounting and computer science, and to respond to the demands of students for education in those fields.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$16,264	\$18,925	\$25,549	\$22,180	\$23,243	\$24,360	\$25,526
Federal Funds	117	152	194	159	160	160	160
Other Funds	2,316	2,612	3,170	2,742	2,824	2,908	2,995
TOTAL	\$18,697	\$21,689	\$28,913	\$25,087	\$26,227	\$27,428	\$28,681

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Total Full-time equivalent students	23,743	24,761	25,808	27,377	28,246	29,123	29,882
State-owned only*	5,248	5,766	6,514	7,796	8,401	9,013	9,531
Associate degrees conferred	694	719	742	767	819	862	900
Total bachelor degrees conferred	3,528	3,670	3,835	4,029	4,206	4,396	4,684
State-owned only*	858	975	1,120	1,281	1,410	1,566	1,841
Total graduate degrees conferred	1,421	1,451	1,500	1,544	1,577	1,616	1,644
State-owned only*	29	35	45	55	75	93	107

* Also included in total

Program Analysis:

The Commonwealth supports this program through the activities of the State-owned colleges and university and subsidies and grants to the community colleges and State-related and State-aided colleges and universities.

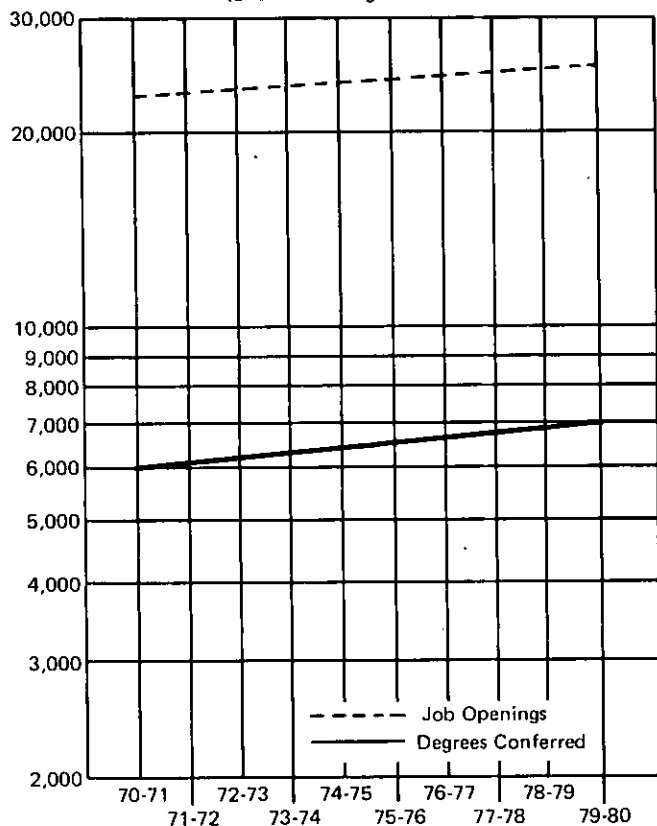
Degree programs in business management, commerce and data processing like those in the health sciences and professions are falling short of filling Pennsylvania's manpower needs in these fields. Recent manpower forecasts indicate that

employment in the fields of business and data processing are expected to increase by some 20 percent from 1970-1980 with the computer related specialities, accountants, and personnel and labor relations occupations experiencing the greatest percentage increases. The number of degrees produced in these particular fields, however, are expected to increase by only about 17 percent during the same time period.

Business Management, Commerce and Data Processing (continued)

Program Analysis: (continued)

TREND OF GRADUATE SUPPLY AND DEMAND
(Business Management)



Perhaps reflecting this disparity between the number of degrees conferred and the expected employment trends is the relatively large proportions of graduates employed in fields related to their training. A study conducted at Penn State indicates that about 67 percent of the respondents who decided to enter the labor market were employed in jobs related to their training.

There does, however, seem to be a difference between the types of institutions, regarding the success rate of their graduates. The State-aided institutions had the highest success rate with 89 percent in fields related to training while the State-owned rate was 67 percent and the State-related 47 percent. The State-related rate probably should be qualified, however, because of the large number of graduates and the low response rate from their graduates. Nevertheless, it is legitimate to compare the institutions and expect them to cooperate to the point of having statistical confidence in that comparison.

The program measures indicate that the State colleges and Indiana University intend to increase their business related programs substantially. This is primarily due to the shift of emphasis from education programs as a result of the oversupply of teachers in Pennsylvania and around the nation.

Program funding for the 1975-76 fiscal year will increase consistent with the expanding needs for program support.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
State Colleges and University	\$ 3,324	\$ 4,263	\$ 6,075	\$ 5,043	\$ 5,295	\$ 5,560	\$ 5,838
Community Colleges—Operating	422	524	757	636	667	701	736
Community Colleges—Capital	177	303	271	284	298	313	329
Pennsylvania State University	5,381	6,020	8,155	7,217	7,548	7,895	8,260
University of Pittsburgh	2,244	2,589	3,661	3,124	3,280	3,444	3,616
Temple University	3,685	4,129	5,533	4,732	4,969	5,217	5,478
Delaware Valley College of Science and Agriculture	44	46	46	48	50	52	54
Drexel University	284	310	310	315	323	339	356
University of Pennsylvania	569	601	601	640	659	678	690
Philadelphia College of Textiles and Science	134	140	140	147	154	161	169
GENERAL FUND TOTAL	\$16,264	\$18,925	\$25,549	\$22,186	\$23,243	\$24,360	\$25,526

Education

OBJECTIVE: To fulfill the manpower requirements of Pennsylvania's education system and respond to the demands of students desiring to enter the field of education.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$40,070	\$44,883	\$56,963	\$47,275	\$48,775	\$50,331	\$51,938
Federal Funds	672	871	837	835	835	835	835
Other Funds	20,477	18,630	19,276	16,767	15,090	13,581	12,222
TOTAL	\$61,219	\$64,384	\$77,076	\$64,877	\$64,700	\$64,747	\$64,995

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Total full-time equivalent students	51,370	49,660	48,447	47,154	46,697	46,469	46,329
State-owned only*	34,833	33,489	32,171	30,932	30,466	30,126	29,927
State-related only*	13,067	12,555	12,510	12,427	12,392	12,459	12,465
Associate degrees conferred	516	551	539	553	563	577	590
Total bachelor degrees conferred	10,171	9,635	9,197	9,099	8,933	8,684	8,397
State-owned only*	7,450	7,047	6,647	6,576	6,424	6,193	5,921
State-related only*	2,652	2,513	2,474	2,444	2,429	2,409	2,394
Total graduate degrees conferred	4,587	4,490	4,460	4,410	4,401	4,347	4,331
State-owned only*	1,892	1,864	1,855	1,845	1,841	1,801	1,793
State-related only*	2,502	2,434	2,412	2,376	2,370	2,360	2,352

* Also included in total.

Program Analysis:

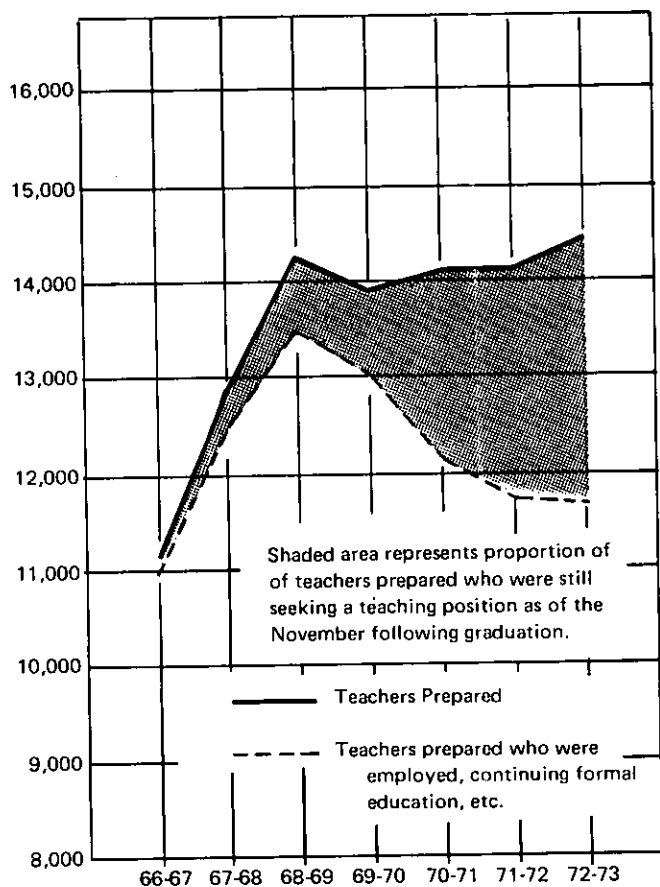
The Commonwealth supports this program through the activities of the State-owned colleges and university, and grants and subsidies to the community colleges and State-related and aided colleges and universities.

As the enclosed graphs illustrate, the disparity between the number of teachers graduated and the number of teaching positions available has, over time, caused a considerable increase in the proportion of trained teachers who are unable to find a teaching job.

Education (continued)

Program Analysis: (continued)

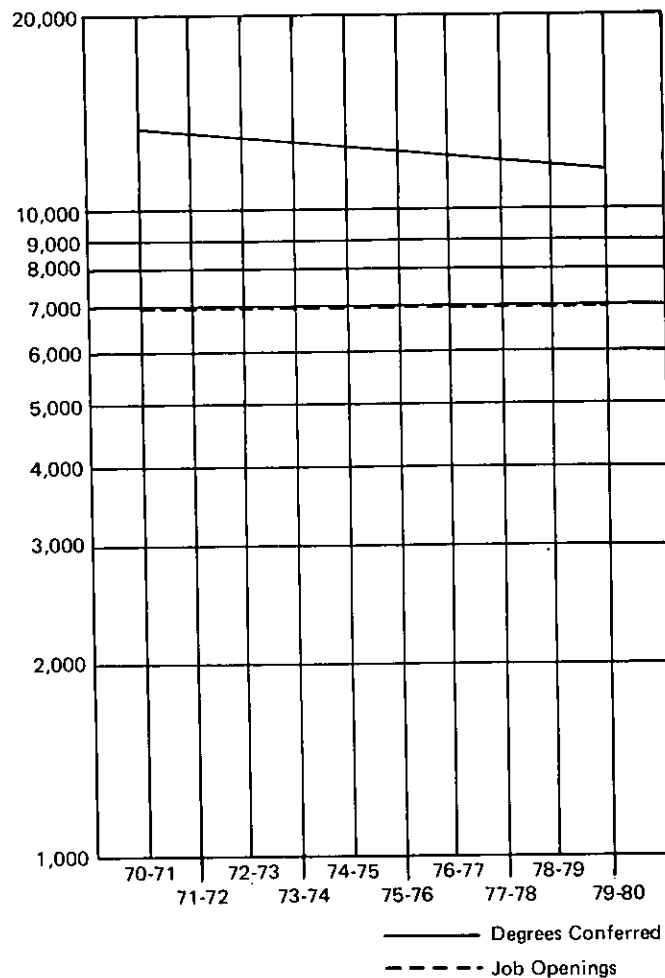
OCCUPATIONAL SUCCESS OF TEACHERS PREPARED IN ELEMENTARY AND SECONDARY EDUCATION



The oversupply is caused primarily by the dramatic increase in the number of teachers prepared, which stabilized in the late sixties and early seventies, coupled with the start of a decline in elementary and secondary enrollments during the same period. The situation will not improve in the foreseeable future. Basic education enrollment is expected to drop by about 600,000 or 21 percent between 1969, the peak year and 1980, reducing the need for new teachers.

Responding to this oversupply problem, fewer students are seeking to become teachers, and many institutions are making internal program shifts to curricular areas of manpower need such as business, and the health sciences and professions. As a result enrollment and degrees conferred in the various field's of education are expected to decline at an annual rate of about 2½ to 3 percent, compounding into about a 10 percent reduction between 1973-74 and 1979-80.

TREND OF GRADUATE SUPPLY AND DEMAND (Education)



As the program measures illustrate the State colleges and Indiana University are expected to account for a very large portion of the reduction in teacher education programs with about 15 percent decline in enrollments and degrees conferred between 1973-74 and 1979-80. While the State related universities are anticipating reduced teacher education programs in the future, the reductions will not match those of the State-owned institutions. The data from the State-aided institutions indicate no efforts at reducing program levels, rather they show very moderate increases in program size.

Although the overall basic education enrollment is declining, there are some areas, such as vocational education, adult education and special education that are still experiencing growth, creating a continued demand for teachers in these areas. In addition there is data to suggest that the accession rates for teachers is going down, indicating that

Education (continued)

Program Analysis: (continued)

fewer former or inactive teachers are returning to their professions.

These three conditions then; the reduced program levels, the continued demand for teachers in some areas of education, and the reduced accession rates, should have some mitigating effect on the oversupply of trained teachers in Pennsylvania.

Nevertheless, the oversupply does still exist. There is a large proportion of the trained teacher work force who cannot find a position in their field of training and who are frustrated as a result. The extent to which the institutions of higher

education need to make further program shifts is not yet fully known. It is certain, however, that the State-related institutions are not making the degree of effort at responding to the teacher education program at the State colleges and Universities. It is also evident that although the State-owned institutions are making efforts of shifting program emphasis, their teacher education programs still represent nearly one half of their total program enrollments, and about 66 percent of the total Commonwealth teacher education enrollment.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)					
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80	
GENERAL FUND								
State Colleges and University	\$23,419	\$26,938	\$34,452	\$28,051	\$28,892	\$29,759	\$30,651	
Community Colleges—Operating	552	766	1,063	893	919	947	975	
Community Colleges—Capital	207	383	294	302	311	321	331	
Pennsylvania State University	4,081	4,062	5,017	4,465	4,688	4,922	5,168	
University of Pittsburgh	6,303	6,587	7,946	6,652	6,851	7,057	7,269	
Temple University	5,344	5,975	8,007	6,718	6,919	7,127	7,341	
Lincoln University	13	15	27	23	23	24	25	
University of Pennsylvania	134	140	140	153	153	154	156	
Philadelphia College of Art	17	17	17	18	19	20	22	
GENERAL FUND TOTAL	<u>\$40,070</u>	<u>\$44,883</u>	<u>\$56,963</u>	<u>\$47,275</u>	<u>\$48,775</u>	<u>\$50,331</u>	<u>\$51,938</u>	

Engineering and Architecture

OBJECTIVE To fulfill Pennsylvania manpower requirements in the engineering and architecture professions and to respond to the demands of students for education in these fields.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$11,436	\$12,745	\$16,376	\$14,385	\$15,033	\$15,730	\$16,464
Other Funds	150	144	158	153	163	168	178
TOTAL	\$11,586	\$12,889	\$16,534	\$14,538	\$15,196	\$15,898	\$16,642

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Total full-time equivalent students	10,449	10,552	10,736	10,873	11,018	11,145	11,277
State-owned only*			45	78	91	115	129
State-related*	5,948	6,138	6,297	6,372	6,430	6,467	6,497
Associate degrees conferred	66	69	74	79	83	88	91
Total bachelor degrees conferred	2,165	2,176	2,200	2,215	2,242	2,265	2,294
Total graduate degrees conferred	890	895	919	936	953	959	969
Architectural and environmental design degrees	437	430	430	431	446	445	446

*Also included in totals.

Program Analysis:

The Commonwealth supports this program through grants and subsidies to the State-related and aided colleges and universities and to the community colleges.

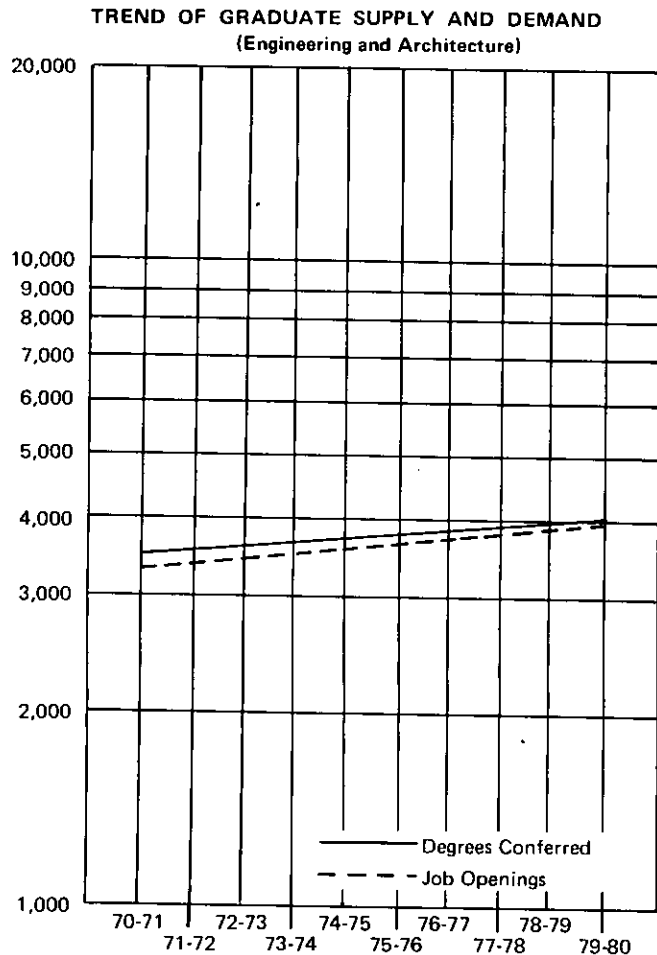
Individuals graduating in the fields of engineering and architecture enjoy one of the highest rates of successful transition from college to the labor market. A Penn State study indicates that 78 percent of the graduates who decided to enter the labor market were employed in a field related to their training.

This relatively high success rate is clearly associated with the

small oversupply of graduates in those fields coming from the institutions of higher education. In 1973-74 the estimated number of job openings for individuals with bachelor and above degrees in engineering and architecture was approximately 2,400. The number of bachelor degrees and above graduates in these fields during 1973-74 was approximately 3,000. Two factors said to be primary reasons for this close relationship between the number of job openings and graduates, are the general slowdown in engineering programs during the late 1960's and the lack of a strong demand on the part of students for these types of programs.

Engineering and Architecture (continued)

Program Analysis: (continued)



The employment trends, enrollment trends and follow-up data on graduates, seem to indicate that this program is relatively successful with regards to both fulfilling Pennsylvania's manpower requirements and responding to the needs of students for education relevant to their occupational desires. The trends represent a ten year time span and as such do not reflect the economic cycles to which these professions are so susceptible. Minor slowdowns or cutbacks in private and public sector research and development and capital investment can adversely affect to a disproportionate effect this segment of the general labor force.

Because of the lag time involved the institutions of higher education are not able to respond to these cyclical movements in any effective manner. The present overall pattern of program operation then, seems to be the most responsible method of responding to the objectives of the program.

The program measures indicate that although a general growth in the total number of degrees conferred is anticipated, the number of architectural and environmental design degrees conferred is expected to remain stable. The engineering areas then will realize the full amount of the increase in program level anticipated.

Program funding for the 1975-76 fiscal year reflects the overall needs of a moderately expanding program.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General State Authority Rentals—							
State-Aided Institutions	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
State Colleges and University	100	110	140	130	140	150	170
Community Colleges—Operating	97	111	152	128	134	141	148
Community Colleges—Capital	29	49	80	84	88	92	97
Pennsylvania State University	5,694	6,167	8,467	7,379	7,718	8,074	8,447
University of Pittsburgh	3,691	4,352	5,372	4,584	4,814	5,054	5,307
Temple University	509	571	760	651	684	718	754
University of Pennsylvania	336	351	371	381	391	405	410
Drexel University	516	564	564	575	587	616	647
Philadelphia College of Art	7	8	8	8	9	9	10
Philadelphia College of Textiles and Science	57	62	62	65	68	71	74
GENERAL FUND TOTAL	\$11,436	\$12,745	\$16,376	\$14,385	\$15,033	\$15,730	\$16,464

Health Sciences, Health Professions and Biological Sciences

OBJECTIVE: To fulfill Pennsylvania manpower requirements in the fields of health sciences, biological science and the health and medical professions, and to respond to the demands of students for education in these fields.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$41,706	\$45,545	\$55,077	\$50,719	\$52,795	\$55,032	\$57,296
Federal Funds	133	198	198	200	205	205	210
Other Funds	4,034	4,210	4,751	4,407	4,615	4,833	5,062
TOTAL	\$45,873	\$49,953	\$60,026	\$55,326	\$57,615	\$60,070	\$62,568

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Total full-time equivalent students	28,852	29,769	30,784	31,762	32,491	33,098	33,636
Associate degrees conferred	451	496	522	547	564	579	593
Total bachelor degrees conferred:	3,178	3,298	3,427	3,552	3,707	3,849	3,997
State-owned institutions only*	941	986	1,085	1,163	1,228	1,332	1,421
State-related institutions only*	1,554	1,592	1,610	1,620	1,652	1,651	1,652
State-aided institutions only*	683	720	752	769	827	866	924
Total graduate degrees conferred	824	846	872	907	940	975	1,002
Physicians graduated	1,199	1,265	1,432	1,469	1,509	1,592	1,594

* Also included in totals.

Program Analysis:

The Commonwealth supports this program through the activities of the State-owned colleges and university and grants to the community colleges and the State-related and State-aided colleges and universities.

Although the data presented include enrollment and degrees in programs of plant biology, zoology, and marine biology, the primary emphasis of this program is the development of a pool of trained manpower in fields relating to health sciences and health professions, sufficient to provide an optimum level of health services needed throughout the Commonwealth.

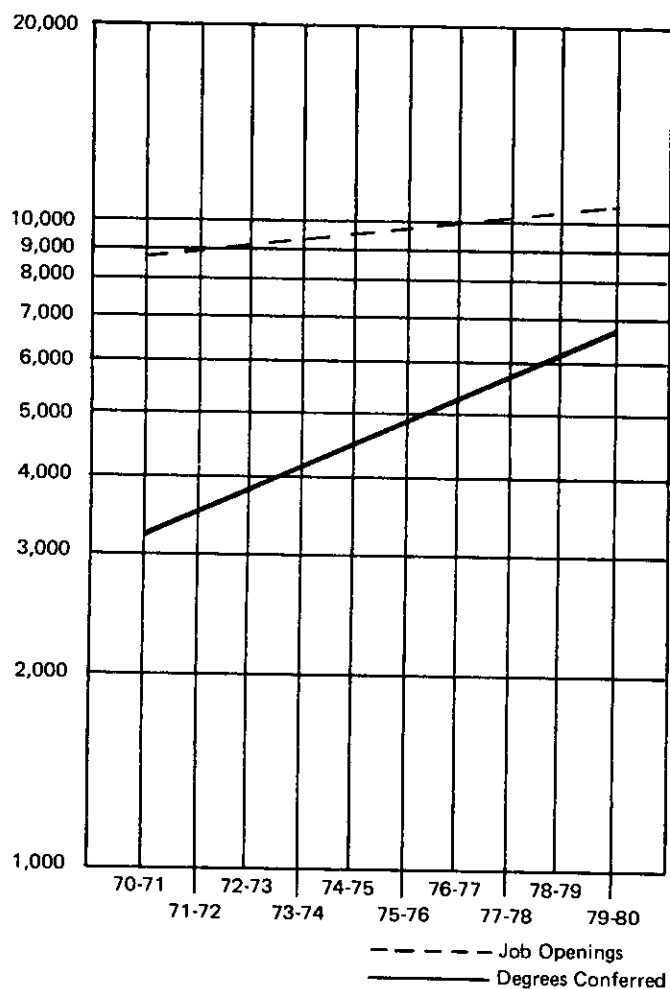
Presently the institutions of higher education are not supplying enough trained individuals to fill the number of available health related positions, physicians excluded. Further, the available number of positions does not even represent the optimum number of positions needed to adequately serve all geographic and economic sections of the Commonwealth.

In the past, health care specialists used a rule of thumb, 1,500 to 1, to estimate the desirable number of inhabitants for each physician. A recent study published by the Pennsylvania Department of Education, however, has considerably increased the knowledge of the basic care physician (general practice, internal medicine, general surgery) need in Pennsylvania. Using optimum care ratios established by the journal *Medical Economics*, the study showed that Pennsylvania has only about 70 percent of its optimum number of basic care physicians. The optimum ratio of population to physicians was defined as 2,000 to 1 for general practice, 5,000 to 1 for internal medicine and 10,000 to 1 for general surgery, resulting in a composite ratio of 1,250 to 1 for basic care physicians. Further using these ratios the study showed that 88 percent of Pennsylvania's counties, comprising 69 percent of its population, had 75 percent or less than their optimum number of basic care physicians.

Health Sciences, Health Professions and Biological Sciences (Continued)

Program Analysis: (Continued)

TREND OF GRADUATE SUPPLY AND DEMAND
(Health & Biological Sciences)



Although medical education in Pennsylvania is supplying a large number of physician graduates, it is apparently not completely living up to its mandate to fulfill the Commonwealth's physician manpower needs. From 1969 to 1973 Pennsylvania's medical schools graduated over 4,000 medical doctors and osteopathic physicians. As of 1973, however, only about 1500-1600 of those 4,000 plus physicians were practicing in the Commonwealth. Further, recent data indicates that with a couple of exceptions there is no trend towards increased numbers of graduates remaining in Pennsylvania. The trend generally shows a fluctuation, from year to year, of the percent of graduating physicians remaining in the State.

A nationwide study done in the early sixties, for the *Journal of American Medical Association* showed that 47.5 percent of the interns in a state remained to practice medicine there, and that 62.8 percent of the residencies did likewise. It would seem then that simply providing basic medical education is not an effective means of meeting Pennsylvania's physician manpower needs. Indeed the evidence would seem to indicate that supporting graduate medical education, that is, internship and residency programs, would be a much more effective means toward that end.

Further, reports from the American Medical Association show a decline from 1971-1972 in the number of internships and residencies offered in Pennsylvania.

STATUS OF GRADUATE MEDICAL EDUCATION
IN PENNSYLVANIA

	1971	1972
Residency Positions Available	3,783	3,366
Residency Positions Filled and Percent of Total	3,198 85.5%	2,895 86%
Positions Filled with Pennsylvania Medical School Graduates and Percent of Total	1,014 26.8%	999 29.6%
Internship Positions Available	1,140	952
Internship Positions Filled and Percent of Total	821 72%	745 78%
Internship Positions Filled with Pennsylvania Medical School Graduates and Percent of Total	332 29%	337 35%

Health Sciences, Health Professions and Biological Sciences (Continued)

Program Analysis: (Continued)

A similar problem exists for the allied health fields. The following table was developed using manpower projections from the Pennsylvania Department of Labor and Industry and the latest published data of degrees conferred from

Pennsylvania's institutions of higher education. The table illustrates the estimated degree of the health manpower shortage. This information coupled with the information presented in the enclosed graph indicates a shortage through the end of the decade.

PENNSYLVANIA HEALTH RELATED EMPLOYMENT: ESTIMATED DEMAND & SUPPLY

Occupation	Average Annual Replacement Needs 1970-1980	Annual Need Due to Growth 1970-1980	Total Average Annual Need 1970-1980	1972-73 Graduates	1972-73 Shortage Surplus
Dental hygienists	82	71	153	197	+44
Dental assistants	286	120	406	92	-314
Nurses (registard & practical)	5449	2460	7909	2050	-5859
Pharmacists					
Therapists & assistants (occupational, physical, speech, inha?ation)	262	260	522	397	-125
Health records	56	63	119	45	-74
Radiologic technologies	245	113	358	60	-298

The gap between the demand for and supply of health professionals will rapidly become smaller as the institutions begin shifting their emphasis from such areas as teaching to the health related areas.

The Commonwealth has maintained the status quo of the basic percapita grants for medical students during the last four

years. Rapid inflation has reduced the buying power of these medical grants. Since, however, there is reason to believe that these medical grants are not the most effective mechanisms for reducing Pennsylvania's medical manpower problems, any increase in these grants may be unwise before exploring possible alternatives of supporting medical education.

Health Sciences, Health Professions and Biological Sciences (Continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND.							
General State Authority Rentals—							
State-aided Institutions	\$ 2,410	\$ 2,410	\$ 2,410	\$ 2,410	\$ 2,410	\$ 2,410	\$ 2,410
State Colleges and University	4,670	5,662	7,964	6,763	7,207	7,712	8,251
Community Colleges—Operating	287	329	504	423	448	475	503
Community Colleges—Capital	40	72	106	112	119	126	134
Pennsylvania State University	6,009	6,755	9,394	8,026	8,397	8,787	9,196
University of Pittsburgh	5,360	5,616	6,965	6,001	6,361	6,742	7,147
Temple University	5,924	6,371	8,717	7,526	7,978	8,456	8,964
Lincoln University	86	89	117	103	109	116	122
Delaware Valley College of Science and Agriculture	23	24	24	25	26	27	28
Drexel University	26	29	29	31	33	33	35
Hahnemann Medical College	2,817	2,990	3,263	3,263	3,263	3,263	3,263
Thomas Jefferson University	3,961	4,238	4,282	4,282	4,282	4,282	4,282
The Medical College of Pennsylvania	1,430	1,562	1,658	1,658	1,658	1,658	1,658
University of Pennsylvania	5,284	5,608	5,691	6,120	6,505	6,920	7,250
Pennsylvania College of Optometry	95	99	99	104	109	114	120
Pennsylvania College of Podiatric Medicine	327	360	360	378	396	417	439
Philadelphia College of Osteopathic Medicine	2,957	3,331	3,494	3,494	3,494	3,494	3,494
GENERAL FUND TOTAL	<u>\$41,706</u>	<u>\$45,545</u>	<u>\$55,077</u>	<u>\$50,719</u>	<u>\$52,795</u>	<u>\$55,032</u>	<u>\$57,296</u>

Human Services and Public Affairs

OBJECTIVE: To fulfill Pennsylvania manpower requirements in the fields of human services and public affairs and to meet the demands of students for education in these fields.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$10,481	\$12,129	\$16,651	\$14,419	\$15,117	\$15,857	\$16,634
Federal Funds	78	122	131	125	127	127	130
Other Funds	1,937	2,161	2,476	2,225	2,291	2,359	2,429
TOTAL	<u>\$12,496</u>	<u>\$14,412</u>	<u>\$19,258</u>	<u>\$16,769</u>	<u>\$17,535</u>	<u>\$18,343</u>	<u>\$19,193</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Total full-time equivalent students and at State-owned institutions only	14,157 3,593	14,512 3,873	15,001 4,050	15,648 4,651	15,965 4,806	16,298 5,003	16,560 5,143
Associate degrees conferred	304	324	334	345	362	376	387
Total bachelor degrees conferred and at State-owned institutions only*	1,953 622	2,053 651	2,117 687	2,153 725	2,206 756	2,264 802	2,580 1,107
Graduate degrees conferred	1,120	1,137	1,165	1,197	1,218	1,239	1,257
Law degrees conferred	807	815	786	835	840	843	845

* Also included in total.

Program Analysis:

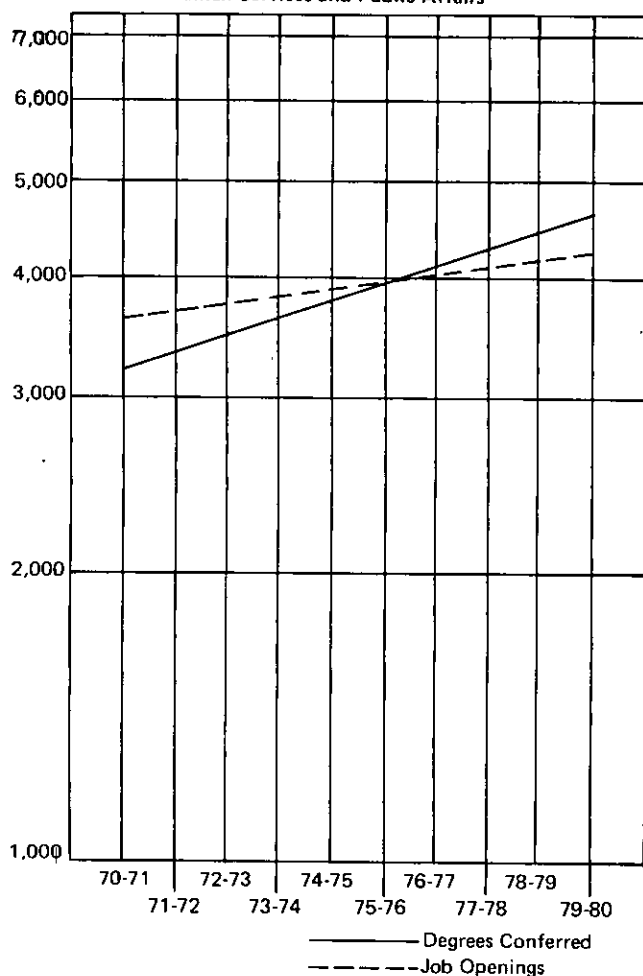
Because of the relatively sharp growth in social programs and social awareness over the last ten years, the demand for individuals with training in the human services and public affairs fields has increased rather substantially. Law enforcement and corrections are estimated to be areas of heightened need and many institutions are moving to fill the need. In Pennsylvania, these professions may grow by 19 percent or more through the 1970's. In many municipalities, police departments require some college training and some hire law enforcement students as police interns. In light of this trend, more police officers probably will be recruited from postsecondary training in the future. Because of expanded

programs in such fields as corrections, the employment opportunities for social workers with graduate training are expected to grow rather substantially during the 1970's. Pennsylvania's institutions of higher education were unable to fulfill this rapid increase. As a result by the early 1970's the institutions were graduating about two-thirds of the estimated openings in these fields. The institutions are now in the position of having developed programs in the human services and are able to shift their efforts from programs such as teacher education to those areas of need such as human services, and the previously discussed health sciences.

Human Services and Public Affairs (continued)

Program Analysis: (continued)

TREND OF GRADUATE SUPPLY AND DEMAND
Human Services and Public Affairs



As the graph shows by the late 1970's the number of degrees conferred is expected to be fairly consistent with the number of openings in various human services and public affairs areas. The program measures indicate that the State-owned institutions plan to realize nearly all of the increases in program over the next five years.

There are inherent problems, however, within the institutional projections of program growth. First in a period of expected enrollment stabilization it is questionable whether the State-owned institutions will realize the growth that they have projected both in the human services area and the health areas. Second, if the human services programs experience the degree of growth projected beyond 1979-80 the graduates of these programs are likely to find themselves in an oversupplied situation.

Since it is questionable as to whether this program will grow as dramatically as expected, the recommended funding for this program does not reflect the estimated program growth but rather is intended to reflect a considerably moderated growth.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
State Colleges and University	\$ 2,772	\$ 3,515	\$ 4,935	\$ 4,096	\$ 4,301	\$ 4,516	\$ 4,742
Community Colleges—Operating	165	152	215	181	190	199	209
Community Colleges—Capital	20	21	89	93	98	103	108
Pennsylvania State University	1,703	1,957	2,738	2,544	2,661	2,784	2,914
University of Pittsburgh	3,222	3,603	4,985	4,255	4,467	4,691	4,925
Temple University	2,097	2,349	3,147	2,691	2,826	2,967	3,115
Dickinson Law School	95	99	99	104	109	114	120
Drexel University	183	200	200	205	208	219	230
University of Pennsylvania	224	233	243	250	257	264	271
GENERAL FUND TOTAL	\$10,481	\$12,129	\$16,651	\$14,419	\$15,117	\$15,857	\$16,634

Physical Sciences, Earth Sciences, Mathematics and Military Sciences

OBJECTIVE: To fulfill Pennsylvania manpower requirements and to respond to the demands of students for education in these fields.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$17,729	\$20,150	\$26,285	\$22,784	\$23,745	\$24,822	\$25,954
Federal Funds	133	172	196	175	175	180	180
Other Funds	3,498	3,686	3,941	3,861	4,046	4,240	4,444
TOTAL	\$21,360	\$24,008	\$30,422	\$26,820	\$27,966	\$29,242	\$30,578

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Total full-time equivalent students	15,923	16,073	16,397	16,590	16,814	16,965	17,125
Associate degrees conferred	46	59	62	66	69	73	74
Total bachelor degrees conferred	2,043	2,129	2,162	2,189	2,277	2,303	2,350
Graduate degrees conferred	594	597	618	653	674	694	716

Program Analysis:

The Commonwealth supports this program through the activities of the State-owned colleges and university, the State-related universities, and the community colleges.

Ongoing State and national economic uncertainties may affect the future status of this educational area. For example, what may eventually prevail in matters of private and public sector energy policy as well as general research and development policy could increase existing needs for programs to train physicists, geologists, mathematicians and other such scientists. Presently, however, there is no evidence of a substantial change in the employment patterns in these particular fields. It is felt that the solution of the nation's energy problems would in large part be addressed by individuals with training in the various engineering specialties.

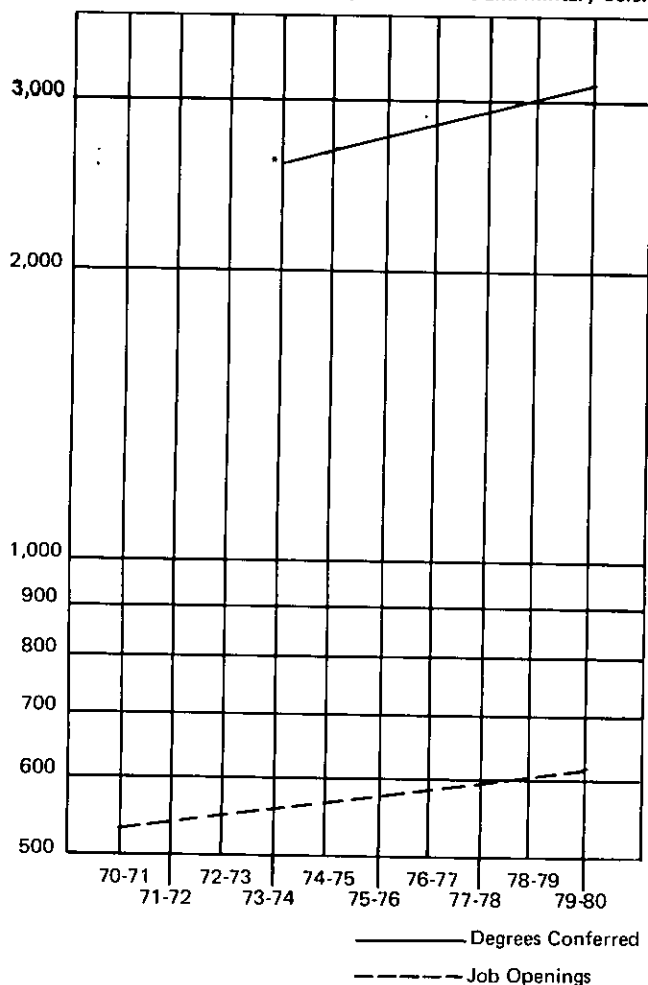
Employment projections then have not changed. The increase in employment at job openings between 1970 and 1980 will remain about 15 percent.

The various institutions contributing to this program apparently recognize this and have not substantially shifted their efforts towards this program. As the program measures indicate between 1973-74 and 1979-80 the enrollment growth for this program is expected to be about 8 percent. Since there is such a wide gap between the trend of estimated positions available and the trend of degrees conferred, the present course of action at the institutions would seem to be the most prudent one. While the increase in degrees being conferred is greater percentage wise than the increase in job openings, the relatively large number of openings versus the relatively small number of degrees conferred, upon which the rate of increases are tied, will not cause the gap between the two to grow smaller but will in fact cause the gap to grow larger.

Physical Sciences, Earth Sciences, Mathematics and Military Sciences (continued)

Program Analysis: (continued)

TREND OF GRADUATE SUPPLY AND DEMAND
(Physical Sciences, Earth Sciences, Mathematics and Military Sciences)



The graph shows about four degrees being conferred for every job opening. A concomitant effect of this gap is the relatively low proportion of graduates employed in fields related to their training and the relatively high proportion of program graduates who were unemployed but seeking employment. The COMBACC study conducted at Penn State indicated that only about 38 percent of the 1971-72 baccalaureate graduates in the math and physical sciences field who entered the labor market were employed in a field related to their training and that 29 percent of those graduates were unemployed but were seeking employment.

Program funding then will increase at a relatively slow rate to reflect the projected enrollment increases.

* Comparable Data-incomplete for years 1970/71 to 1973/74

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General State Authority Rentals—							
State-aided Institutions	\$ 1,446	\$ 1,801	\$ 1,595	\$ 1,595	\$ 1,595	\$ 1,595	\$ 1,595
State Colleges and University	4,231	5,084	6,786	5,633	5,915	6,210	6,521
Community Colleges—Operating	497	559	826	693	727	764	802
Community Colleges—Capital	50	110	116	121	127	134	141
Pennsylvania State University	4,618	4,993	6,976	6,088	6,362	6,650	6,953
University of Pittsburgh	3,850	4,210	5,460	4,660	4,893	5,138	5,394
Temple University	2,685	3,020	4,048	3,462	3,635	3,817	4,008
Lincoln University	94	100	141	123	129	135	142
Delaware College of Science and Agriculture	7	7	7	7	8	8	9
Drexel University	112	122	122	125	126	132	139
University of Pennsylvania	129	134	198	267	217	227	238
Philadelphia College of Textiles and Science	10	10	10	10	11	12	12
GENERAL FUND TOTAL	\$17,729	\$20,150	\$26,285	\$22,784	\$23,745	\$24,822	\$25,954

Social Sciences and Area Studies

OBJECTIVE: To fulfill Pennsylvania manpower requirements in the field of social science and to respond to the demands of students for education in this field.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$27,607	\$31,020	\$40,934	\$34,752	\$36,304	\$38,528	\$39,626
Federal Funds	168	260	264	260	263	263	265
Other Funds	6,800	7,324	8,182	7,543	7,769	8,002	8,242
TOTAL	<u>\$34,575</u>	<u>\$38,604</u>	<u>\$49,380</u>	<u>\$42,555</u>	<u>\$44,336</u>	<u>\$46,793</u>	<u>\$48,133</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Total full-time equivalent students and at	36,298	36,720	37,526	38,036	38,711	39,191	39,587
State-owned institutions only*	12,234	12,168	12,532	12,769	12,152	13,447	13,678
Associate degrees conferred	137	177	335	476	623	775	932
Total bachelor degrees conferred and at	6,424	6,576	6,695	6,773	6,968	7,014	7,064
State-owned institutions only*	2,706	2,698	2,784	2,858	2,971	3,048	3,108
Total graduate degrees conferred and at	1,033	1,078	1,159	1,212	1,254	1,275	1,298
State-owned only*	246	276	336	387	412	433	450

* Also Included in total.

Program Analysis:

The Commonwealth supports this program through the activities of the State-owned colleges and university, and grants to the community colleges, State-aided and State-related colleges and universities.

This program encompasses a wide spectrum of academic curricula including economics, history, political science, sociology, psychology, geography and anthropology.

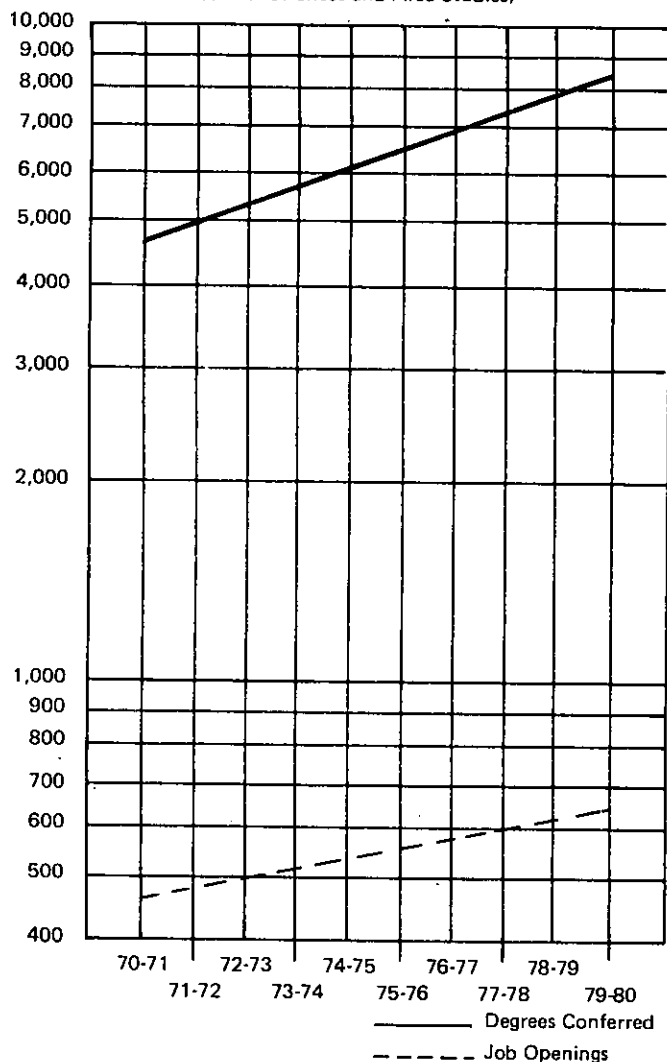
As the graph indicates jobs relating to these specific fields are relatively scarce. In the past, however, graduates from

these fields have been widely employed in the various fields of business, industry, government, college and university teaching and nonprofit organization work. However, the other educational curricula that address themselves more specifically to business, industry etc., are beginning to fill the void once filled by graduates from the social sciences. Additionally, the number of employment opportunities in colleges and universities, following the trend of enrollments, has begun to stabilize.

Social Sciences and Area Studies: (continued)

Program Analysis: (continued)

TRENDS OF GRADUATE SUPPLY AND DEMAND
(Social Sciences and Area Studies)



The result of all this is that first: a very small portion of social science and area studies graduates are able to gain employment in fields related to their training, about 13 percent of the 1971-72 graduates surveyed. Second, a large proportion of the graduates were still seeking employment, about 38 percent; and third, about 25 percent of those graduates employed in jobs remote to their field of training were employed in clerical or kindred occupations.

Although the program measures show about a 10 percent increase in program enrollments over the next five years it is doubtful the increase projected will materialize. The projections are institutional plans. There is evidence, however, that at least one category of institutions has been overly optimistic. The State-owned institutions experienced a drop in enrollment for this program from 1973-74 to 1974-75 yet indicate that they expected in the face of an overall enrollment stabilization an 83 percent increase in graduate degrees conferred at the State-owned institutions. It is quite possible for this to happen. However, it would seem to be an unwise program expansion on the part of the State-owned institutions.

Because of the constrained labor market and the doubtful enrollment expectations, funding for the fiscal year 1975-76 will not provide for any program expansion in the area of social sciences and area studies.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
State Colleges and University	\$ 7,971	\$ 9,535	\$13,198	\$10,956	\$11,503	\$12,678	\$12,682
Community Colleges—Operating	384	453	640	538	559	581	605
Community Colleges—Capital	134	188	204	210	215	220	225
Pennsylvania State University	5,964	6,558	8,561	7,408	7,768	8,147	8,544
University of Pittsburgh	5,801	6,150	7,584	6,411	6,667	6,934	7,211
Temple University	5,992	6,713	8,997	7,621	7,926	8,243	8,573
Lincoln University	676	705	1,033	891	927	964	1,003
Drexel University	24	26	26	26	28	29	30
University of Pennsylvania	661	692	691	691	711	732	753
GENERAL FUND TOTAL	\$27,607	\$31,120	\$40,934	\$34,752	\$36,304	\$38,528	\$39,626

Interdisciplinary Studies

OBJECTIVE: To provide programs of study combining interdisciplinary courses of instruction so as to fulfill the manpower requirements of the Commonwealth and to respond to the demands of students for education in this field.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$4,852	\$6,457	\$ 8,691	\$7,524	\$7,847	\$8,185	\$ 8,540
Federal Funds	39	91	114	90	90	91	91
Other Funds	1,034	1,440	1,714	1,468	1,497	1,526	1,556
TOTAL	<u>\$5,925</u>	<u>\$7,988</u>	<u>\$10,519</u>	<u>\$9,082</u>	<u>\$9,434</u>	<u>\$9,802</u>	<u>\$10,187</u>

Program Measures:

	(15 months)						
	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Total full Time Equivalent Students	18,431	19,140	19,871	20,206	20,838	21,113	21,507
State-owned only*	1,971	2,318	2,600	2,898	3,128	3,320	3,485
Associate Degrees Conferred*	1,532	1,687	1,722	1,784	1,828	1,873	1,926
Total bachelor degrees conferred*	472	531	551	614	656	719	771
State-owned only*	72	87	192	153	184	242	295
Graduate degrees conferred	97	96	96	97	103	105	121

*State-owned are included in totals where applicable.

Program Analysis:

The Commonwealth supports this program through the activities of the State-owned Colleges and University and grants to the community colleges, State-related universities and State-aided colleges and universities.

This subcategory consists primarily of two different programs. The major portion is for students that have yet to decide upon a major field of study. These programs are designed to give students a background in a multitude of disciplines. To a lesser extent, this subcategory has programs for students that have majors in broad areas, (i.e., American Studies) where various disciplines are utilized to give the student a comprehensive knowledge of the subject matter.

Due to the broad nature of education provided within this program, it is always difficult to assess manpower demands

with acceptable precision. Yet, as with most other employment areas, opportunities for liberal arts and sciences graduates diminish as the economy moves into a recessionary period. It is expected that these graduates will be especially hard hit for two reasons.

First, a major implication of a recession economy is that not only does the total quantity of employment opportunities diminish, but the resulting growth in the unemployed labor force produces heightened competition. This means that skilled workers with experience tend to make up a larger proportion of the labor force. This puts the recent graduate with a generalized educational background at a decided disadvantage.

Secondly, in prior years a substantial proportion of these

Interdisciplinary Studies (Continued)

Program Analysis: (Continued)

graduates would attend graduate school as a means to enhance credentials for employment. Currently, however, many universities are curtailing graduate school admissions for administrative reasons; concomitantly, applications for graduate school has also established a downward trend.

As a result of these factors, this group of college graduates will experience difficulties in not only obtaining employment, but also are expected to experience considerable underemployment as well.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
State Colleges and University	\$1,147	\$1,721	\$2,617	\$2,173	\$2,282	\$2,396	\$2,516
Community Colleges—Operating	2,116	2,694	3,985	3,347	3,480	3,620	3,764
Community Colleges—Capital	777	1,161	973	1,011	1,052	1,094	1,138
Pennsylvania State University	224	245	302	268	282	296	311
University of Pittsburgh	226	244	331	280	291	303	315
Temple University	210	235	310	269	280	291	303
Lincoln University	6	4	5	4	4	4	5
Drexel University	22	24	24	24	24	25	27
University of Pennsylvania	124	129	124	148	152	156	161
GENERAL FUND TOTAL	<u>\$4,852</u>	<u>\$6,457</u>	<u>\$8,691</u>	<u>\$7,524</u>	<u>\$7,847</u>	<u>\$8,185</u>	<u>\$8,540</u>

Research

OBJECTIVE: To prepare courses of action and programs to enhance the social, economic and physical environment of the Commonwealth.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$11,980	\$13,048	\$13,101	\$13,047	\$13,060	\$13,074	\$13,088
Federal Funds	13	9	15	10	10	11	12
Other Funds	155	163	158	150	150	150	150
TOTAL	\$12,148	\$13,220	\$13,274	\$13,207	\$13,220	\$13,235	\$13,250

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Graduate students engaged in State supported research programs	175	175	182	182	182	182	182
Full-time professionals engaged in State-supported research	194	194	205	205	205	205	205

Program Analysis:

Research activities at the Pennsylvania State University make up about 98 percent of the activities supported by this program.
The success of this program in meeting its objective should

be evaluated in terms of whether the activities at the Pennsylvania State University are directed at the most critical problems facing the Commonwealth and the nation, and whether those activities are producing results.

Percent of State Effort Devoted to Research							
Activities	1973/74	1974/75	Proposed 1975/76	Activities	1973/74	1974/75	Proposed 1975/76
Agriculture and Natural Resources - Total	49.4%	51.3%	48.0%	Health, Physical Education and Recreation	1.5%	1.6%	1.6%
Agricultural Engineering, Engineering, Economics and Rural Sociology*	8.0%	9.1%	8.2%	Human Development	4.4%	5.1%	4.9%
Plant Science*	23.4%	23.7%	20.8%	Liberal Arts	4.8%	4.6%	4.6%
Arts and Architecture	.7%	.6%	1.0%	Science	.9%	.7%	1.1%
Business Administration	2.3%	2.3%	2.3%	Interdisciplinary	6.9%	5.2%	7.7%
Earth and Mineral Science Total	13.4%	11.8%	12.7%	Research Administration/Support	6.7%	5.7%	5.2%
Energy*	2.5%	2.0%	3.7%				
Education	2.4%	2.2%	2.3%				
Engineering Total	6.5%	6.6%	8.5%				
Energy*	.6%	.5%	1.5%				
					100.0%	100.0%	100.0%

*Also included in total

Research (continued)

Program Analysis: (continued)

Probably the most critical issues of the day are the food, energy and economic problems that are straining the lives of individuals throughout the Commonwealth and the nation. While the table indicates that a large proportion of State research monies at Penn State are devoted to the agriculture, earth and mineral science, and engineering areas, there are changes in the percentage of some areas that are of concern. Although there are increases in the energy areas for the proposed 1975-76 fiscal year, they would appear to be at the expense of the agriculture and natural resources activities and the human development activities.

The State funds that go into this program are used primarily as seed and transitional money as well as matching money for those projects that need State funds to obtain Federal resources. State supported research at Penn State is combined with Federal, foundation and industrial grants.

Reports relating to research involving all of the various funding sources, while indicating the possible benefits of research and the number of activities being undertaken, shed little light on the specific results and impacts of the research that has been conducted to date.

There is one aspect of the Commonwealth's program of university research that does not relate directly to the research conducted at Penn State but rather has a definite potential impact on the overall effectiveness of the Commonwealth research program's ability to attract resources for worthwhile projects. To date, Penn State has been the primary recipient of direct Commonwealth support for university research. While State funds are used as seed and matching money, there is data to suggest however, that direct appropriations to institutions of higher education is not the most effective manner of attracting non-State resources for research. Penn State, for example, attracts about two dollars of outside funds for every one dollar of State funds.

Data from the Pennsylvania Science and Engineering Foundation give Penn State a far better rating. Nevertheless, there is the possibility that using this one criteria, the Commonwealth may more effectively use its fiscal resources by competitively distributing its university research funds.

Ratio of PSEF Funding to Outside Funding 1967-68 through 1973-74	
Institution*	Ratio
University of Pennsylvania	1 to 22.7
University of Pittsburgh	1 to 10.9
Drexel University	1 to 5.4
Lehigh University	1 to 3.9
Penn State University	1 to 3.7
Carnegie Mellon University	1 to 1.3

*Pennsylvania institutions that were among the top ten institutional recipients of PSEF funds.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
State Colleges and University	\$ 235	\$ 265	\$ 318	\$ 265	\$ 278	\$ 292	\$ 306
Community Colleges—Operating	2	2	3	2	2	2	2
Community Colleges—Capital	2	3	2	2	2	2	2
Pennsylvania State University	11,704	12,778	12,778	12,778	12,778	12,778	12,778
Drexel Institute of Technology	37	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$11,980	\$13,048	\$13,101	\$13,047	\$13,060	\$13,074	\$13,088

Public and Community Services

OBJECTIVE: To enhance the potential for productivity and employability of Commonwealth citizens and to provide services to government, industry and the general public in social, economic and cultural areas.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$ 7,657	\$ 8,365	\$11,282	\$ 9,265	\$ 9,728	\$10,214	\$10,724
Federal Funds	108	156	165	160	160	161	161
Other Funds	132	152	208	156	160	164	168
TOTAL	\$ 7,897	\$ 8,673	\$11,655	\$ 9,581	\$10,048	\$10,539	\$11,053

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Enrollment in degree programs	75,031	79,640	83,401	84,629	85,924	87,296	88,605
Enrollment in nondegree programs	223,212	239,936	245,355	253,149	256,785	258,157	263,603
Persons attending conferences and institutes and workshops	675,124	680,261	683,119	685,327	688,113	691,093	694,851

Program Analysis:

Public and community services are provided throughout the Commonwealth by institutional departments, extension centers, branch campuses, and cooperative associations with public schools and other institutions. These programs are offered by the State-owned colleges and university, the State-related universities and the community colleges. The bulk of this program however is related to activities of the Pennsylvania State University.

As the programs are presently constructed, this particular program is an alternative to the traditional programs discussed in the previous subcategories.

The measures reveal three aspects of this program. The first aspect deals with courses relating to a specific degree program. This is simply an alternative way of receiving a degree. An individual, rather than pursuing the traditional four or two year programs, chooses to take courses at a more advantageous pace. The second grouping is individuals who are pursuing course work for occupational or recreational use. These individuals are not pursuing a degree, but rather individual

objectives. The last facet of this program consists of groups that are attending short-term instructional courses or workshops. These are often less than a week in duration and concern a specific topic.

Several studies conducted for the National Center for Higher Education have related growth of this program with vocational interests of specific age populations. The following chart shows preferences of the various population groups for specific courses. As can be seen, the under thirty population, taken as a specific client group, tend to enroll more in courses that related to the occupational/academic areas which are generally taught in degree programs. As the chart shows, as a person becomes older, leisure cultural programs become dominant. These are generally taught in the non-degree programs.

These same studies revealed that 40 percent of all students enrolled in continuing education programs are under 30 years of age. Another 40 percent of the same population is under 49. The remaining 20 percent are above 49.

Public and Community Services (continued)

Program Analysis: (continued)

TABLE 2

Categories of Courses Most Frequently Enrolled in by Adults in Varying Occupations and Ages

Occupational Categories	Age Levels		
	Under 30	30 to 49	50 and Older
Professional Technical	Cultural/Leisure	Cultural/Leisure	Academic
Managerial	Academic	Cultural/Leisure	Cultural/Leisure
Sales/Clerical	Academic	Undefined	Cultural/Leisure
Craftsmen Foreman	Occupational	Cultural/Leisure	Academic
Semi-Skilled	Academic	Occupational	Cultural/Leisure
Unskilled	Academic	Academic	Cultural/Leisure

In Pennsylvania, the twenty-one to thirty population is one of the fastest growing segments in the Commonwealth. As such the enrollment increases in the degree programs reflect the desire of this part of this population to continue to pursue various career objectives. As long as the under thirty population continues to grow, so will enrollments in the degree programs.

It should be further noted that the same growth is occurring in the non-degree programs. Presently, 64.8 percent of all registrations in the noncredit programs are related to business, and management, health sciences and public and community services--all of which are occupationally oriented programs. As such this program is probably dependent upon the under 30 population which is more career oriented than other segments.

The growth of attendees at conferences is directly related to the usage of business and nonprofit organizations of

colleges and university business facilities and programs.

As the program grows in popularity, more institutions will increase their involvement in this program. As such many Pennsylvania educators believe this will be the most rapidly increasing program for higher education. However, such program expansion will not necessarily involve increasing funds, for such activities are often self supporting or utilize already existing facilities.

Although this program is expected to grow in the long-term, in the short-term the economic climate may slow the program's growth. The present economic situation is not expected to seriously affect this program because of its low unit costs to the consumer, and its vocational orientation. As a result, while some areas of the program may experience a reduced demand other areas are expected to experience and increase, for an overall stabilization in the short-term.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
State Colleges and University	\$ 154	\$ 217	\$ 371	\$ 307	\$ 323	\$ 339	\$ 356
Community Colleges--Operating	646	812	1,128	947	994	1,044	1,096
Community Colleges--Capital	19	26	35	36	38	40	42
Pennsylvania State University	6,730	7,210	9,701	7,925	8,321	8,737	9,174
Temple University	53	53	.....	.....	.....	.....	.....
Drexel University	55	47	47	50	52	54	56
GENERAL FUND TOTAL	\$ 7,657	\$ 8,365	\$11,282	\$ 9,265	\$ 9,728	\$10,214	\$10,724

Institutional Support Services

OBJECTIVE: To support those services required to maintain the operations and programs of Commonwealth supported institutions.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$128,955	\$161,275	\$200,176	\$168,871	\$177,776	\$187,260	\$197,251
Federal Funds	1,833	2,153	2,259	2,310	2,325	2,340	2,345
Other Funds	40,486	42,678	48,094	44,806	47,041	49,393	51,858
TOTAL	\$171,274	\$206,106	\$250,529	\$215,987	\$227,142	\$238,993	\$251,454

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Students enrolled in Higher Education Equal Opportunity programs	4,687	6,600	8,600	10,600	12,600	14,600	16,600
State scholarship recipients enrolled in independent institutions eligible for institutional assistance		29,450					

Program Analysis:

This subcategory consists primarily of those activities which although not directly tied to instruction, public and community services, financial assistance or research, provide blanket support to all of these programs. These activities are essential to the operation of the educational programs at the various institutions. The activities involved include libraries, learning centers, guidance, placement, audio visual materials, physical plant operations and maintenance, computer support, general administration and others.

According to the National Center for Higher Education Management Systems, the cost of these various activities on a national average consume about 50 percent of an institution's operating budget. The average in Pennsylvania is about 40 percent.

Some of these costs are variable and can be made to respond to enrollment and internal efficiencies. The inflationary spiral, fueled in part by increased energy costs is causing budgetary problems at the institutions. For example, the cost of coal at the State colleges and Indiana University is expected to increase from \$1.4 million in 1973-74 to about \$5.8 million in 1975-76 or about 320 percent. Therefore, other areas of cost such as plant operations will continue to increase despite enrollment trends. As a result Institutional Support Services is being funded at a higher level even though enrollments are beginning to stabilize.

Also included in this subcategory are the institutional payments under the Higher Education Equal Opportunity Act. This act provides State grants to colleges for disadvantaged

Institutional Support Services (continued)

Program Analysis: (continued)

student programs. Presently this program is in its fourth year of operation. It has grown from an enrollment of 4,462 disadvantaged students in 1971-72 to about 6,600 students in 1974-75.

There are indications that this program is working quite well. The retention rate nationally for similar programs has been about 50 percent. That is, one out of every two that start the program graduate from college. There are no comparable statistics for the Pennsylvania program because it has not been in operation a full four years. However, the retention rate after the program's first three years of operation is about 86 percent. While there may be some students that will drop out before completing degree requirements, indications are that those who will drop out will do so in the first two years of college.

Further complicating this issue is the fact that many institutions faced with enrollment stabilization are admitting large numbers of under prepared students to maintain their enrollment levels. Since many institutions are doing this in their normal course of operation it should not mean that the Higher Education Equal Opportunity Programs hold the single responsibility for correcting this situation. For example, the Pennsylvania State University is currently reviewing every credit course to determine its ability to respond to under prepared students.

In addition, under the provisions of Act 174 of 1974 institutional assistance grants, not to exceed \$400, were made to eligible independent institutions enrolling students receiving a State higher education grant. It is expected that about 100 independent institutions enrolling about 29,450 students will receive aid during 1974-75.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
State Colleges and University	\$ 61,286	\$ 70,818	\$ 97,313	\$ 80,723	\$ 84,756	\$ 88,991	\$ 93,428
Community Colleges—Operating	8,085	10,814	13,317	11,189	11,860	12,571	13,326
Community Colleges—Capital	4,450	5,624	5,789	6,136	6,504	6,894	7,307
Higher Education of the Disadvantaged	2,079	2,882	3,542	3,418	3,541	3,735	3,962
Transfer to Higher Education Assistance Agency:							
Institutional Assistance Grants		12,000					
Pennsylvania State University	22,130	23,414	34,198	26,327	27,603	28,944	30,351
University of Pittsburgh	10,075	10,943	14,019	12,078	12,802	13,570	14,385
Temple University	15,992	18,940	26,235	23,138	24,526	25,997	27,557
Lincoln University	795	870	1,549	1,362	1,444	1,530	1,622
Drexel University	850	897	897	987	1,020	1,088	1,140
University of Pennsylvania	3,213	3,382	3,267	3,463	3,670	3,890	4,123
Capital Improvements		691	50	50	50	50	50
GENERAL FUND TOTAL	\$128,955	\$161,275	\$200,176	\$168,871	\$177,776	\$187,260	\$197,251

Professional Support Services

OBJECTIVE: To provide, in cooperation with institutions of higher education, management services necessary for the efficient and effectual development of Commonwealth programs of higher education.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$1,760	\$2,436	\$3,770	\$2,963	\$3,162	\$3,478	\$3,678
Federal Funds	370	381	318	351	386	424	467
Other Funds	344	501	625	500	500	500	500
TOTAL	<u>\$2,474</u>	<u>\$3,318</u>	<u>\$4,713</u>	<u>\$3,814</u>	<u>\$4,048</u>	<u>\$4,402</u>	<u>\$4,645</u>

Program Analysis:

This program provides guidance capability, planning and direction for colleges and universities in Pennsylvania.

Proposed programs are reviewed for approval or disapproval, current programs are periodically evaluated, long range planning is conducted and fiscal budgeting requirements are analyzed. Also this program is providing extensive staff support to the Board of State College and University Directors and the State Board of Education. In particular special efforts

are being undertaken in the areas of program enrollments, physical facilities, and special studies for the State Board of Education.

In addition to assisting the State Board of Education, this subcategory has an intern program. This program consists of college seniors and graduate students who work in State Government as part of their requirements for a degree.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$1,466	\$2,162	\$3,427	\$2,540	\$2,659	\$2,935	\$3,141
Program to Advance Veterans							
Education	61						
Education and Radio and Television							
Grants	128	128	117	117	117	117	117
Regional Broadcast Councils	22	26	26	26	26	26	26
Higher Education of the							
Disadvantaged	83	120	200	280	360	400	400
GENERAL FUND TOTAL	<u>\$1,760</u>	<u>\$2,436</u>	<u>\$3,770</u>	<u>\$2,963</u>	<u>\$3,162</u>	<u>\$3,478</u>	<u>\$3,678</u>

Financial Assistance to Students

OBJECTIVE: To supplement higher education programs for the development of the Commonwealth's manpower resources by providing financial assistance, based on need, to Commonwealth residents attending institutions of higher education.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$84,161	\$88,487	\$89,754	\$90,122	\$92,653	\$92,942	\$93,960
Federal Funds	27	39	55	40	40	41	41
Other Funds	56	63	49	64	64	65	65
TOTAL	\$84,244	\$88,589	\$89,858	\$90,226	\$92,757	\$93,048	\$94,066

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Applicants for scholarships	134,200	133,200	137,100	139,800	140,650	140,900	191,200
Scholarship grant recipients	106,400	110,900	114,300	116,900	117,450	117,850	117,450
Students receiving loans	68,389	85,000	90,000	92,000	95,000	97,000	100,000
Guaranteed loans outstanding	472,484	575,000	650,000	725,000	800,000	875,000	950,000

Program Analysis:

This program is supported through the activities of the Pennsylvania Higher Education Assistance Agency (PHEAA), the State-aided colleges and universities and the State-related universities.

The largest component of this program is scholarships administered by the Pennsylvania Higher Education Assistance Agency. The program measures indicate that although fewer individuals applied for scholarships for 1974-75, a considerably greater number of individuals received awards than had previously been forecasted.

In 1973-74 about 79 percent of the applicants received awards; in 1974-75 about 82 percent received awards. This is primarily due to two factors. First PHEAA experienced an unexpected surge in veteran participation for 1974-75. Because of their status, a higher proportion of veteran applicants have typically been eligible for awards. Second, PHEAA changed the eligibility criteria for awards for the 1974-75 year. The expected parental contribution for families of students was reduced, and the maximum income allowed was increased from \$15,000 to \$18,000. As a result, while the

number of regular applicants declined, a much higher proportion of those applicants were eligible for awards.

These shifts in policy are PHEAA's efforts to make the scholarship program reflect the changing needs of its clientele. In recent years inflation has been providing major setbacks in the buying power of the families of individuals seeking postsecondary education. The income characteristics of Pennsylvania's households have been changing rather substantially in recent years. Large numbers of families are moving into the middle and upper middle income groups. However, because of the escalated inflation rates in recent years the buying power of these families has not grown as rapidly.

As the table below indicates then, while those students in the income categories \$11,999 and below are still receiving proportionately more of the total value of awards than the population figures would reflect, much more attention is being given to the \$12,000 and above categories that are experiencing growth.

Financial Assistance to Students (continued)

Program Analysis: (continued)

	AWARDS TO HIGH SCHOOL GRADUATES									FAMILIES IN PENNSYLVANIA BY INCOME						
	1972			1973			1974			1970		1975				
	Awards	Total Value of Awards	% of T.V. of Aw.	Aver. Aw.	Awards	Total Value of Awards	% of T.V. of Aw.	Aver. Aw.	Awards	Total Value of Awards	% of T.V. of Aw.	Aver. Aw.	Families	% of Total Fam.	Families	% of Total Fam.
Below \$8,000	12,194	9,600,000	54.2%	787	10,001	6,334,056	41.5%	708	8,119	5,806,241	34.5%	735	965,117	32.1%	607,699	19.4%
\$8,000-\$9,999	7,501	3,900,000	22.0%	561	4,919	2,922,900	19.1%	625	4,125	2,640,349	15.7%	657	355,667	17.0%	279,519	8.9%
\$10,000-\$11,999	7,028	2,400,000	13.6%	442	5,676	2,865,422	18.7%	525	5,508	3,024,034	18.0%	566	510,743	17.0%	313,774	10.0%
\$12,000-\$14,999	3,646	1,200,000	6.7%	355	5,648	2,358,079	15.4%	433	7,363	3,413,699	20.3%	478	452,272	15.1%	525,309	16.7%
\$15,000 & Above	332	590,000	3.3%	329	1,955	784,000	5.1%	401	4,639	1,919,328	11.4%	413	716,089	23.9%	1,407,820	54.5%
TOTAL	30,701	17,690,000	100%	623	28,199	15,264,486	100%	581	29,754	16,803,651	100%	579	2,999,885	100%	3,134,121	100%

There may be some question relative to the decline in the percent of total value of awards going to students from the \$10,000 and below group. It should be pointed out, however, that Pennsylvania students from families with less than \$10,000 Federal adjusted gross income also received for the 1974-75 academic year an average of about \$630 from the Federal Basic Education Opportunity Grant (BEOG) program. Because the BEOG program does not account for the large differences in educational costs at the various private colleges

and universities, PHEAA in order to provide for at least a modicum of freedom of college choice, attempts to balance its grants based upon not only individual financial resources but also upon a detailed analysis of educational costs.

The following table illustrates the percent of educational costs provided by both the State grants and the Federal BEOG grants for freshman and sophomore students. (Only freshmen and sophomore students from families earning less than \$10,000 are eligible for BEOG).

PROPORTION OF EDUCATIONAL COSTS OF BEOG ELIGIBLE STUDENTS FUNDED BY STATE & FEDERAL GRANTS

Institutional Type	Educational Costs	Average State Grant Award	Estimated Average BEOG Award	BEOG Plus State Award	Percent of Educational Costs
Private	\$4,184	\$1,041	\$630	\$1,671	39.9%
State Owned	1,966	467	630	1,097	55.5%
State Related	2,713	546	630	1,176	43.3%
Junior Colleges	3,477	875	630	1,505	43.3%
Community Colleges	1,156	317	575	892	77.2%

Financial Assistance to Students (continued)

Program Analysis: (continued)

There is one distressing aspect of this program. The Department of Education reports that during the 1973-74 academic year only about 18 percent of the students enrolled in the Higher Education Equal Opportunity Act programs for the educationally and economically disadvantaged were receiving State scholarships. The Department indicated that the great majority of these students did not apply for PHEAA programs during their first year because most were not aware of PHEAA programs. Increased public information and counseling should be encouraged to overcome this problem.

The second component of this program is the Guaranteed Student Loan program. This loan program is the most cost-effective financial aid program in terms of providing maximum aid and educational opportunity with a small amount of Commonwealth support. In 1973-74, the Commonwealth with \$1.6 million was able to guarantee 20

percent of the loans of 68,389 students for a total dollar value of \$87,908,863.

From 1972-73 to 1973-74 the number of students participating in this program, however, declined by 3,400 students because of Federal requirements severely restricting eligibility for subsidized loans. As a result many of these students were unable to find alternate financial support and were forced to either cancel or delay their postsecondary educational plans. These Federal requirements have been removed, and the program is expected to grow by about 18 percent over the next five years.

The third major element of this program is the student work study program. With the advent of the Federal BEOG program, the total size of work study is remaining about stable, and is expected to do so during the foreseeable future.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
State Colleges and University	\$ 72	\$ 97	\$ 75	\$ 62	\$ 65	\$ 68	\$ 72
Community College—Operating	72	94	148	118	121	125	128
Community Colleges—Capital	5	8	6	6	6	7	7
Transfer to Higher Education Assistance Agency:							
Scholarships	64,000	68,440	68,440	68,440	68,440	68,440	68,440
Scholarships—Dependents of Prisoners of War and Missing in Action	1,440	.....	.....	.....	.....	.....	.....
Reserve for Losses in Guaranteed Loans	1,600	2,800	3,200	4,132	6,395	6,395	7,105
Student Aid Funds—Matching	2,000	1,500	1,500	1,500	1,500	1,500	1,500
Administration—Loan and Scholarships	2,850	3,400	4,200	3,697	3,955	4,231	4,527
PHEAA Scholarships for Veterans							
Pennsylvania State University	1,760	1,760	1,760	1,760	1,760	1,760	1,760
University of Pittsburgh	2,960	2,960	2,960	2,960	2,960	2,960	2,960
Temple University	3,018	3,018	3,018	3,018	3,018	3,018	3,018
Lincoln University	111	137	182	156	160	165	170
Drexel University	799	799	799	799	799	799	799
Philadelphia College of Art	100	100	100	100	100	100	100
University of Pennsylvania	3,374	3,374	3,374	3,374	3,374	3,374	3,374
GENERAL FUND TOTAL	\$84,161	\$88,487	\$89,754	\$90,122	\$92,653	\$92,942	\$93,960

Highway Safety Education

OBJECTIVE: To minimize traffic accidents through the promotion of highway safety programs.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Special Funds	\$4,405	\$4,562	\$4,402	\$4,302	\$4,274	\$4,139	\$4,064
Federal Funds	34	160	191	200	200	200	200
TOTAL	<u>\$4,439</u>	<u>\$4,722</u>	<u>\$4,593</u>	<u>\$4,502</u>	<u>\$4,474</u>	<u>\$4,339</u>	<u>\$4,264</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Eligible pupils	227,000	225,400	221,900	219,700	211,700	207,400	203,900
Enrollments in school driving courses	117,642	117,000	115,000	114,000	110,000	107,600	106,000

Program Analysis:

This program is concerned with providing instruction to high school students so that they will become safer drivers. Almost all the school districts in Pennsylvania participate in the program; nonpublic school pupils are also eligible for State funded driver training if the training is conducted by a public school. A basic program of classroom and behind the wheel instruction is required for the districts to receive a State reimbursement of \$35 per pupil.

A first glance at the evidence available would lead to the conclusion that driver education attains its objective. Several studies, including one done in Pennsylvania (in 1960, but confirmed by more recent studies) have found that driver education completers are involved in fewer accidents and have fewer traffic law violations than those without such training. In addition, insurance companies offer premium reductions, averaging ten percent, to driver education completers. State licensing requirements also give special consideration to those who have been in the program.

However, the more recent studies done, in California and New York, for the National Highway Safety Bureau and for research journals point out that there are differences in personality traits and socio-economic characteristics between students who elect to take driver education and those who do not. There are also differences in personality traits and socio-economic characteristics between drivers with high accident or violation rates and drivers with low accident or violation rates. The personality traits and socio-economic characteristics of students electing to take driver education are similar to those of drivers with low accident or violation rates, while the personality traits and socio-economic characteristics of students not electing to take driver training resemble those of drivers with high accident or violation rates. The studies

conclude that these characteristics are the prime determinants of driving performance, and the effects of driver education are insignificant.

These findings help explain the existence of the benefits of the program, such as special insurance and licensing considerations. The benefits are based on an individual's probability of having a good driving record, whatever the reason for that probability. Since there is a direct relationship between completion of driver education and good driving records, it is sensible to use driver training as a criterion for awarding special benefits. The real reason for the effectiveness of such training as a criterion is, of course, that it is an indicator of those characteristics that correlate with good driving, not that it produces those characteristics. It might be as useful, instead of conducting lengthy and expensive driver education courses, to merely administer to prospective drivers the tests and questionnaires used in the studies noted above in order to determine personality traits and socio-economic status.

The recommendation for the future of the program is for no substantial changes to be made. Expansion is not recommended because of the lack of evidence that the program has a substantial effect upon accident reduction. Cutbacks are not recommended because they could lead to a loss of Federal highway funds. Federal standards subject the availability of such funds to the offering of driver education programs. Enrollments are held in the projection to a level percentage of the eligible students (eligible students are all pupils enrolled in the tenth grade).

Highway Safety Education (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
MOTOR LICENSE FUND							
Highway Safety Education	\$ 29	\$ 32	\$ 42	\$ 36	\$ 39	\$ 43	\$ 46
Driver Education Curriculum							
Development	157	160	112	120	125	131	138
Safe Driving Course	4,219	4,370	4,248	4,146	4,110	3,965	3,880
 MOTOR LICENSE FUND							
TOTAL	<u>\$4,405</u>	<u>\$4,562</u>	<u>\$4,402</u>	<u>\$4,302</u>	<u>\$4,274</u>	<u>\$4,139</u>	<u>\$4,064</u>

Community Training Services

OBJECTIVE: To provide training for the Commonwealth's firemen, district justices and State college campus security officers.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$205</u>	<u>\$194</u>	<u>\$224</u>	<u>\$201</u>	<u>\$220</u>	<u>\$253</u>	<u>\$285</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Newly elected district justices trained	60	75	60	60	60	60	60
State college campus police officers trained	63	60	60	60	60	60	60
Other campus police officers trained	56	55	55	55	55	55	55
Local fire training graduates	31,614	31,930	32,246	32,562	32,878	33,194	33,500
Fire school graduates	1,592	1,622	1,652	1,682	1,712	1,742	1,775

Program Analysis:

The Commonwealth, through the Department of Education, operates three training programs for community service personnel: the Fire School, the District Justice Training Program and the State College Campus Police Training Program. The latter two training programs are required by Pennsylvania law and are conducted at the Law Enforcement Academy in Shippensburg.

The Fire School at Lewistown makes available training at its base location and through local courses throughout the Commonwealth. There are over 3,000 fire departments in the Commonwealth, 238 of them non-volunteer, and over 300,000 firemen. Basic instruction on the local level is given by instructors trained at the Lewistown facility: 31,614 firemen were trained locally in 1973-74. Advanced training at the Fire School was given to 1,592 firemen in 1973-74. Ideally this training is continuous throughout the career of each fireman as new methods of fighting fires, such as those involving high-rise buildings and newly developed materials, are available.

The Law Enforcement Academy conducts the minor judiciary education program three times each year; in 1973-74, there were 75 individuals enrolled. All newly elected district justices who are not members of the bar are required to complete the course.

The Academy also trains three classes of college campus

police officers each year. The Academy will train officers from all public and private educational institutions but is primarily concerned with State college personnel. There are currently 205 State college officers: 92 have completed the program. There is a total of approximately 4,000 officers employed by the State-owned, State-aided, State-related, and public schools and by private colleges in the State; 245 have completed the course since 1971.

An evaluation of the campus police training program to determine its effectiveness is currently being conducted by the Academy. There is indication that crime on campus may decrease as a result of the training program. That premise is highlighted by a study at one large university in a metropolitan area which has had 47 of its 60 officers trained by the Academy and has experienced a 17 percent decrease in on-campus crime while the surrounding area's crime rate has increased by 15 percent. The chief of that force attributes the decrease to the training received by his force.

Although turnover and other factors limit the training level to less than 100 percent, future plans are for training of a greater percentage of the State college forces than has currently completed the program.

Community Training Services (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	<u>\$205</u>	<u>\$194</u>	<u>\$224</u>	<u>\$201</u>	<u>\$220</u>	<u>\$253</u>	<u>\$285</u>

Adult Employment Training Services

OBJECTIVE: To improve the employment capabilities of those persons in the Commonwealth who are unemployed or underemployed.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$3,642	\$3,302	\$3,213	\$3,121	\$3,040	\$2,961	\$2,885
Federal Funds	156	120	98	99	100	101	102
Other Funds	4,897	3,011	3,750	3,000	3,000	3,000	3,000
TOTAL	<u>\$8,695</u>	<u>\$6,433</u>	<u>\$7,061</u>	<u>\$6,220</u>	<u>\$6,140</u>	<u>\$6,062</u>	<u>\$5,987</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Adult extension enrollment	103,807	101,000	98,300	95,600	93,000	90,500	88,000
Trainees enrolled in State retraining courses	2,746	2,610	3,720	3,710	3,710	3,700	3,700
Trainees completing instruction during the year	1,714	1,714	2,570	2,570	2,560	2,550	2,550
Trainees placed in jobs after completing instruction	1,576	1,576	2,365	2,360	2,355	2,350	2,350

Program Analysis:

The purpose of this program is to provide training of a nondegree nature to adults who desire to upgrade their employment skills.

The State retraining program provides short intensive training for the recipients of public assistance grants and other unemployed adults for specific job opportunities. The program is addressed to unemployed adults over 18 years of age or legally out-of-school youths over 16 years of age. Training programs are usually conducted through the use of existing school facilities and goods produced, if any, are donated to charitable organizations. If school facilities are not available for training, the school districts administer and supervise the programs in local plants. The scope of training is broad and courses need not be restricted to industrial occupations but are limited only by available employment opportunities.

Training programs are conducted at about 30 locations each year. The measures show a rather high dropout rate between enrollments and completion, but these dropouts consist mainly of persons who report for only one or two days. Over 90 percent of those who complete training are employed. This program has also been successful in attracting new industries by training groups of workers needed by new and relocating companies.

Fluctuation in the number of persons trained reflects the funding situation. From 1973-74 to 1974-75 the number trained has declined because funds available were affected by rising costs. In 1975-76 and thereafter a funding increase from \$500,000 to \$750,000 yearly will allow program expansion.

Another activity under this program is vocational adult extension training. Training is provided to out-of-school youths and adults who attend skill development classes in area vocational-technical schools and high schools during the evening. Two categories of classes are offered: Adult Preparatory—those already in the labor force and seeking training in preparation for a new occupation; Adult Supplemental—those who are already in the labor force and are seeking training to upgrade or update themselves in their present occupations.

Adults completing training have been surveyed to determine the results of the program. Over 60 percent of those surveyed indicated that they received increased wages or promotion as a result of their training. Two-thirds of the individuals indicated that they had greater self-confidence in their occupations, half had new awareness of their capabilities, and 20 percent gained greater job security.

Adult Employment Training Service (continued)

Program Analysis: (continued)

The projections for the extension training enrollments show a decline. This is because it is expected that training projects under the recently passed Federal Comprehensive Employment and Training Act (CETA) will recruit some

persons who otherwise would enroll in extension training programs. CETA projects are now being planned, and next year's presentation should include program information on these activities.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$ 24	\$ 25	\$ 25	\$ 20	\$ 23	\$ 26	\$ 30
Basic Instruction Subsidy and							
Vocational Education	3,368	3,277	3,188	3,101	3,017	2,935	2,855
Manpower Development	250	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$3,642</u>	<u>\$3,302</u>	<u>\$3,213</u>	<u>\$3,121</u>	<u>\$3,040</u>	<u>\$2,961</u>	<u>\$2,885</u>

Recreation Services

OBJECTIVE: To provide an opportunity for children and adults to learn skills and participate in sports, games, music, dance, drama and other activities for the diverse and satisfying use of their leisure time.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
	(15 months)						
General Fund	<u>\$1,113</u>	<u>\$1,614</u>	<u>\$1,417</u>	<u>\$1,215</u>	<u>\$1,016</u>	<u>\$817</u>	<u>\$619</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
School districts participating in community recreation programs	362	365	375	380	385	390	395
Participants in school community recreation programs	1,424,031	1,437,700	1,449,090	1,462,800	1,476,700	1,490,750	1,504,900

Program Analysis:

Pennsylvania's 505 public school districts provide an ideal system of facilities to meet the recreational needs of the citizens in the individual communities of the Commonwealth. Their location is a major factor in their importance — whether urban, suburban or rural, schools are accessible to the entire population. Their structure is suited to hobbies, sports and the arts; their availability during useful time periods is an added advantage: evenings, weekends and summers are the times of demand for recreation. The school can be the hub for the community, providing social opportunity for persons with all interests and a safe gathering place for all age groups from children to senior citizens.

Current increases in the amount of available leisure time is a major factor in the need for the program. A report by the Federal Outdoor Recreation Resources Review Commission

estimates that the shortened work week, longer paid vacations and more holidays will combine to steadily increase the amount of leisure time for conventionally employed persons from the 1960 level of 23.1 hours per week to 30.6 hours per week in the year 2,000. Technological advances and changes in societal structure may be expected to have similar benefits for the homemaker. Other factors, such as decreased use of automobiles to conserve energy and the stress of modern society which produces demand for outlet activities will generate further need for recreational opportunities.

The public school helps meet these needs either by independently operating community recreation programs or by cooperating with local government through recreation boards and commissions.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
	(15 months)						
GENERAL FUND							
General Government Operations	\$ 13	\$ 14	\$ 17	\$ 15	\$ 16	\$ 17	\$ 19
Basic Instruction Subsidy and Vocational Education	1,100	1,600	1,400	1,200	1,000	800	600
GENERAL FUND TOTAL	<u>\$1,113</u>	<u>\$1,614</u>	<u>\$1,417</u>	<u>\$1,215</u>	<u>\$1,016</u>	<u>\$ 817</u>	<u>\$ 619</u>

State Library Services

OBJECTIVE: To provide and improve library services to citizens of the Commonwealth, to special libraries and to agencies and employees of government.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 9,270	\$10,250	\$10,655	\$10,550	\$10,711	\$10,883	\$11,060
Federal Funds	508	2,178	2,358	2,178	2,178	2,178	2,178
Other Funds	287	15	5	5	5	5	5
TOTAL	\$10,065	\$12,443	\$13,018	\$12,733	\$12,894	\$13,066	\$13,243

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Percentage of population served by State-aided libraries	81%	81%	83%	83%	84%	85%	86%
Items lent (in thousands)	36,000	37,000	38,000	40,000	40,000	41,000	41,000
Institutionalized and handicapped persons served	34,000	38,300	43,000	47,000	54,000	59,000	59,000
percentage of total	23%	26%	29%	32%	37%	40%	40%

Program Analysis:

This program supports 420 public libraries that form a statewide library system serving the majority of Commonwealth citizens.

Not all libraries belong to this system. There are about 125 libraries in Pennsylvania that for one reason or another have not chosen State-aided status. In addition to receiving financial support, member libraries must meet service standards which are intended to increase their value to the public. Expected community desire for improved service and the financial incentive of Commonwealth aid is predicted to bring libraries serving an additional five percent of the State's population into the State-aided system by 1979-80.

The amount of use of libraries by the people served is an important indicator of the effects of the program. The estimated circulation of 37 million books and other materials during the current year is a decrease from the peak year of 1969 during which there was a circulation of over 38 million. This lower figure is due to at least two probable factors. The years 1969-71 were when considerable emphasis was placed on improvement of school libraries by the Federal Government. Materials and services in these libraries improved to the extent

that a decline occurred in the use of public libraries by pupils. Another factor may have been the increasing concern about safety in cities. For example, from 1969 to 1973 circulation decreased by six percent in Pittsburgh and ten percent in Philadelphia.

Circulation is, however, expected to increase through the rest of the decade. In part this is due to a projected increase of six percent in the State's population aged 20 and over from 1975 to 1980 (this age group makes up about 75 percent of public library users). In addition, it is due to expected improvements in library services. It has been found that in many cases where library facilities and services are upgraded, circulation increases substantially. At three different libraries in the State that improved their hours of operation and opened new buildings between 1970 and 1972, circulation increased by 50 to 100 percent in that period. The amount of such improvement is difficult to predict with great accuracy, being subject to such factors as economic conditions and local initiative. It is assumed, however, that some relocation and expansion will occur with an accompanying increase in circulation.

State Library Services (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
State Library	\$ 1,150	\$ 1,259	\$ 1,604	\$ 1,484	\$ 1,602	\$ 1,730	\$ 1,860
Improvement of Library Services	7,400	8,224	8,245	8,220	8,220	8,220	8,220
Library Services for the Blind and Handicapped	720	767	806	846	889	933	980
GENERAL FUND TOTAL	<u>\$ 9,270</u>	<u>\$10,250</u>	<u>\$10,655</u>	<u>\$10,550</u>	<u>\$10,711</u>	<u>\$10,883</u>	<u>\$11,060</u>

Public Television Services

OBJECTIVE: To provide for the development and growth of noncommercial public television.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	<u>\$3,673</u>	<u>\$7,000</u>	<u>\$6,000</u>	<u>\$7,000</u>	<u>\$7,200</u>	<u>\$7,400</u>	<u>\$7,650</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Potential viewers in Pennsylvania	11,500,000	11,520,000	11,560,000	11,600,000	11,630,000	11,650,000	11,670,000
Residents who watch public television at least once a week	5,290,000	5,630,000	5,980,000	6,320,000	6,670,000	6,700,000	7,000,000
Residents who watch occasionally	7,590,000	7,935,000	8,280,000	8,625,000	8,970,000	9,000,000	9,050,000
Contributing memberships	66,000	75,700	81,000	85,000	90,000	94,000	98,000
Original programming as a percentage of total broadcasting	1%	3%	6%	6%	6%	6%	6%
Programs offered	17,250	19,000	19,000	19,000	19,000	19,000	19,000

Program Analysis:

The Pennsylvania Public Television Network (PPTN) links seven independent stations, located throughout the Commonwealth, through a central network facility. The Pennsylvania Public Television Network Commission performs coordinating functions and makes operating and programming grants to each of the stations. Through the Commission each station has access to programs produced by other stations in the system and those purchased from outside sources. The result is a network which operates 17 hours a day, 7 days a week and reaches 95 percent of the State's population with quality programming.

In 1974 the Commission conducted a statewide survey of the needs and preferences of the Commonwealth's citizens in order to establish programming guidelines for the network in the coming years. In conjunction with this survey, nearly 500 personal in-depth interviews were conducted with community leaders across the State, 143 citizens testified at a public hearings televised from the local station, and 5,700 Pennsylvanians responded to a newspaper questionnaire concerning their ideas for public television.

—Eight primary areas of need were identified and reported in the resulting publication - "The People's Business":

- A forum for public debates.
- A forum for the lively arts.
- To serve young people and their world.
- To know how the system works.
- To receive health care information.
- Adult education, for credit or fun.
- To know and understand Pennsylvania's many faces.
- To hear public officials speak and the opposition respond.

With the funds for programming services which were appropriated by the General Assembly in 1974, PPTN is developing, producing, acquiring and broadcasting programs designed to respond to these needs. Included are programs debating inflation and the economy, folk and classical music, documentaries on alcoholism and emergency health care, college credit courses, governmental hearings and other high interest issues.

Many of the programs are specifically designed for and about Pennsylvania, others deal with universal or national concerns. Each station has planned special programming that will respond to particular local needs. Community use projects are being carried out to extend the influence of programs;

Public Television Services (continued)

Program Analysis: (continued)

especially useful are locally televised forums following network broadcasts on which local representatives discuss the subject and answer telephoned questions from the viewing audience. Community organizations and agencies are involved in making additional use of public television programming.

Public television's appeal to all sectors of the community is evident. In the 1975-76 year 72 percent of the population will watch occasionally, 52 percent will watch regularly. Six of the seven local stations solicit contributing memberships from the public; the continual increase in the subscription rate indicates strong public support for the network.

Public television offers an important alternative to the commercially produced television which is geared to the tastes of mass audiences. It has instead the unique opportunity to develop programs appealing to specific groups while offering a range of programs that in its totality appeals to all interest groups. The perspectives gained in the past year's survey will bring this effort to fulfillment.

A single appropriation is recommended for 1975-76 to fund the commission's operations and program services. With funds available from 1974-75 and additional funds recommended in this budget, program services can be maintained at the current level.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Pennsylvania Public Television Network	\$3,673	\$4,100	\$6,000	\$7,000	\$7,200	\$7,400	\$7,650
Pennsylvania Public Television Network—Program Services . . . . .	.....	2,900	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$3,673</u>	<u>\$7,000</u>	<u>\$6,000</u>	<u>\$7,000</u>	<u>\$7,200</u>	<u>\$7,400</u>	<u>\$7,650</u>

Department of Environmental Resources

The Department of Environmental Resources provides for and encourages the development of a balanced ecological system encompassing the social, cultural and economic needs of the Commonwealth's citizens through harmonious development of our environmental resources. The Department is responsible for the State's land and water management programs, all aspects of environmental control and regulation of mining operations.

The Department includes the Citizens Advisory Council, the Environmental Hearing Board, the Environmental Quality Board, the State Conservation Commission and the State Board for Certification of Sewage Treatment and Waterworks Operators.

DEPARTMENT OF ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation

	1973-74 Actual	(Dollar Amounts in Thousands)		
		1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
General Fund				
General Government				
General Government Operations	\$51,928	\$ 59,142	\$65,894	\$ 83,076
Gypsy Moth Operations .....	..... *	368	.....	..... **
Gypsy Moth Control	500	500	.....	..... **
Hemlock Looper Moth Control .....	.....	50	.....	..... **
Training and Certification of Sewage Enforcement Officers .....	.....	215	.....	..... **
Schuykill River Dredging .....	.....	360	.....	..... **
Solid Waste — Resource Recovery Administration .....	.....	100	.....	..... **
Control of Forest Fires	99	100	100	100
Sub-Total	\$52,527	\$ 60,835	\$65,994	\$ 83,176
Grants and Subsidies				
Flood Control Projects	\$ 500	\$ 780	\$ 975	\$ 975
Flood Emergency Rehabilitation .....	.....	450	.....	.....
Sewage Facilities Planning Grants	190	250	250	250
Sewage Facilities Enforcement Grants	160	600	600	600
Solid Waste Disposal Planning Grants	200	125	150	150
Solid Waste — Resource Recovery Loans .....	.....	20,000	.....	.....
Great Lakes Basin Commission	26	30	15	15
Delaware River Master	20	22	22	22
Ohio River Basin Commission	26	29	29	29
Susquehanna River Basin Commission	120	150	150	150
Potomac River Basin Advisory Committee	8	8	8	8
Interstate Commission on the Potomac River Basin	14	16	16	16
Delaware River Basin Commission	434	443	408	408
Ohio River Valley Water Sanitation Commission	32	35	55	55
Small Watershed Projects	75	75	75	75
Local Soil and Water District Assistance	75	75	100	100
Interstate Mining Commission	10	10	10	10
Emergency Mine Subsidence Relief .....	.....	30	.....	.....
Annual Fixed Charges—Flood Lands	7	9	9	9
Annual Fixed Charges—Project 70	110	250	225	225
Annual Fixed Charges—Forest Lands	395	399	399	798
Laurelton Utilities	652	.....	.....	.....
Hamburg Utilities	276	.....	.....	.....
East Stroudsburg Utilities .....	.....	399	.....	.....
Lock Haven Utilities .....	.....	184	.....	.....
Lincoln Utilities .....	.....	.....	384	384
Loysville Utilities .....	.....	85	.....	.....
Vector Control	500	500	500	500
McKeever Environmental Learning Center .....	.....	165	.....	.....
Sub-Total	\$ 3,830	\$ 25,119	\$ 4,380	\$ 4,779

* Part of General Government Operations.

** Recommended as part of General Government Operations.

DEPARTMENT OF ENVIRONMENTAL RESOURCES

**Summary by Fund and Appropriation
(continued)**

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Capital Improvements				
Capital Improvements	\$ 240	.....	\$ 168	\$ 168
Gypsy Moth Laboratory	487	.....	.....	.....
Erosion Control at Presque Isle State Park	750	.....	.....	.....
Sub-Total	<u>\$ 1,477</u>	.....	<u>\$ 168</u>	<u>\$ 168</u>
Total State Funds	<u>\$57,834</u>	<u>\$ 85,954</u>	<u>\$70,542</u>	<u>\$ 88,123</u>
Federal Funds	\$ 6,767	\$ 5,934	\$ 6,417	\$ 6,492
Other Funds	828	1,141	709	749
GENERAL FUND TOTAL	<u>\$65,429</u>	<u>\$ 93,029</u>	<u>\$77,668</u>	<u>\$ 95,364</u>
Game Fund				
Grants and Subsidies				
Annual Fixed Charges—Project 70	\$ 15	\$ 10	\$ 10	\$ 10
GAME FUND TOTAL	<u>\$ 15</u>	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 10</u>
Fish Fund				
Grants and Subsidies				
Annual Fixed Charges—Project 70	\$ 1	\$ 2	\$ 2	\$ 2
FISH FUND TOTAL	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>
Revenue Sharing Trust Fund				
Grants and Subsidies				
Sewage Treatment Plant Operations Grants	\$10,241	\$ 11,076	\$12,283	\$ 12,283
REVENUE SHARING TRUST FUND TOTAL	<u>\$10,241</u>	<u>\$ 11,076</u>	<u>\$12,283</u>	<u>\$ 12,283</u>
Department Total — All Funds				
General Fund	\$57,834	\$ 85,954	\$70,542	\$ 88,123
Special Funds	10,257	11,088	12,295	12,295
Federal Funds	6,767	5,934	6,417	6,492
Other Funds	828	1,141	709	749
TOTAL ALL FUNDS	<u>\$75,686</u>	<u>\$104,117</u>	<u>\$89,963</u>	<u>\$107,659</u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Government Operations			
State Funds	\$52,428	\$60,735	\$83,076
Federal Funds	6,608	5,551	6,342
Other Funds	828	1,141	749
TOTAL	\$59,864	\$67,427	\$90,167

Constructs water structure, stream clearance and channel improvement projects and provides flood warning and miscellaneous engineering services to reduce the hazards of floods.

Protects the forested areas of the Commonwealth from loss and/or damage from wildfires, insects and diseases.

Regulates emissions of air and water pollutants to bring about and maintain acceptable air and water quality levels.

Inspects and regulates solid waste disposal facilities, food establishments, migrant labor camps, recreation areas, etc. to minimize the incidence of disease associated with home and community.

Protects the health and welfare of workers employed in plants, buildings, etc. not covered by Federal programs and of people working in deep mines.

Controls the use of industrial and medical radiation sources to prevent overexposure. Also, monitors nuclear power reactors, natural radioactive material and fallout contributions.

Plans and promotes a rational and coordinated approach to the development, use and conservation of the Commonwealth's water, land and mineral resources.

Develops, operates and maintains the Pennsylvania State Park System.

It is recommended because of the close relationship with existing programs that the following, which previously were appropriated separately, also be included in the General Government Operations Appropriation starting in 1975-76: Gypsy Moth Operations, Gypsy Moth Control, Hemlock Looper Moth Control, Training and Certification of Sewage Enforcement Officers, Schuylkill River Dredging and Solid Waste—Resources Recovery Administration.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
General Government Operations	\$51,928	\$59,142	\$83,076
Gypsy Moth Operations .....	.....	368	.....
Gypsy Moth Control	500	500	.....
Hemlock Looper Moth Control .....	.....	50	.....
Training and Certification of Sewage			
Enforcement Officers .....	.....	215	.....
Schuylkill River Dredging .....	.....	360	.....
Solid Waste — Resource Recovery			
Administration .....	.....	100	.....

* Recommended as part of General Government Operations Appropriations.

GENERAL FUND

ENVIRONMENTAL RESOURCES

Source of Funds (continued)

Federal Funds:			
Regional Geology Study Grants	\$ 34	\$ 60	\$ 30
Omnibus Crime Control Grant and Safe Streets Act	22	.....	.....
Forest Protection	265	270	345
Forest Insect and Disease Programs	199	340	340
Cooperative Forest Management	263	272	325
Recreation Facilities Inventory .....	.....	17	.....
Water Pollution Control	1,870	2,083	1,790
Water Resources	73	60	30
Mining Activities Grants	320	645	317
Occupational Health and Safety	153	.....	.....
Air Pollution Control	2,637	1,300	3,000
Coastal Zone Management .....	.....	150	150
Radiation Monitoring Assistance	17	30	15
Miscellaneous Environmental Protection Assistance	48	108	.....
Emergency Employment Act	707	216	.....
Other Funds:			
Topographic and Geologic Survey	125	60	262
Reimbursement for Comptroller's Services	135	101	121
Reimbursement for Engineering Services — General State Authority	399	216	193
Delaware River Basin Commission— Cost Reimbursement	35	22	70
Migrant Labor	4	.....	.....
Agricultural Pest Study	4	.....	.....
Western Pennsylvania Conservancy	11	.....	.....
Recovered Damages	1	19	.....
Sewerage Reimbursement	9	5	5
County Contributions—Gypsy Moth	34	86	90
Water Well Driller's Fees	6	6	6
Oil and Gas Law Conservation Fees	2	1	2
Reimbursement for Snowmobile Services	63	170	.....
Supplemental Retirement Contribution .....	.....	455	.....
TOTAL	<u>\$59,864</u>	<u>\$67,427</u>	<u>\$90,167</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Control of Forest Fires			
State Funds	\$ 99	\$ 100	\$ 100
Federal Funds	159	383	150
TOTAL	<u>\$ 258</u>	<u>\$ 483</u>	<u>\$ 250</u>

Provides manpower and equipment to extinguish wildfires.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Control of Forest Fires	\$ 99	\$ 100	\$ 100
Federal Funds:			
Forest Protection	159	383	150
TOTAL	<u>\$ 258</u>	<u>\$ 483</u>	<u>\$ 250</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Flood Control			
State Funds	\$ 500	\$ 1,230	\$ 975

Provides the State's share of the costs of building major flood control structures through Federal, State and local cooperation. Also includes funds for rehabilitating flood-damaged areas.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Flood Control Projects	\$ 500	\$ 780	\$ 975
Flood Emergency Rehabilitation .....	.....	450	.....
TOTAL	<u>\$ 500</u>	<u>\$ 1,230</u>	<u>\$ 975</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Sewage Facilities Assistance			
State Funds	\$ 350	\$ 850	\$ 850

Provides grants to municipalities for planning and enforcing sewage facilities programs.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Sewage Facilities Planning Grants	\$ 190	\$ 250	\$ 250
Sewage Facilities Enforcement Grants	160	200	600
Sewage Facilities Enforcement Grants—Recommended Additional .....	.....	400	.....
TOTAL	<u>\$ 350</u>	<u>\$ 850</u>	<u>\$ 850</u>

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Solid Waste — Resource Recovery Assistance			
State Funds	\$ 200	\$20,125	\$ 150

Provides grants to municipalities for aid in developing plans for solid waste management systems. Provides a source of funds for loans to be made through the Solid Waste — Resource Recovery Development Fund.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Solid Waste Disposal Planning Grants	\$ 200	\$ 125	\$ 150
Solid Waste — Resource Recovery Loans .....	.....	20,000	.....
TOTAL	<u>\$ 200</u>	<u>\$20,125</u>	<u>\$ 150</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Interstate Water Compacts			
State Funds	\$ 680	\$ 733	\$ 703

Provides for Pennsylvania's contribution to various interstate compacts designed to oversee development of several water basins. Provides the State's share of the expenses of the Delaware River Master who allocates the water of the Delaware River in accordance with a United States Supreme Court decree.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Great Lakes Basin Commission	\$ 26	\$ 30	\$ 15
Delaware River Master	20	22	22
Ohio River Basin Commission	26	29	29
Susquehanna River Basin Commission	120	150	150
Potomac River Basin Advisory Committee	8	8	8
Interstate Commission on the Potomac River Basin	14	16	16
Delaware River Basin Commission	434	443	408
Ohio River Valley Water Sanitation Commission	32	35	55
TOTAL	<u>\$ 680</u>	<u>\$ 733</u>	<u>\$ 703</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Conservation Districts Assistance			
State Funds	\$ 150	\$ 150	\$ 175

Offers aid to county conservation districts to enable them to hire full-time executive assistants and to qualify for Federal small watershed projects.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Small Watershed Projects	\$ 75	\$ 75	\$ 75
Local Soil and Water District Assistance	75	75	100
TOTAL	<u>\$ 150</u>	<u>\$ 150</u>	<u>\$ 175</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Mine Activities			
State Funds	\$ 10	\$ 40	\$ 10

Provides for Pennsylvania's share of the Interstate Mining Commission. Makes loans to homeowners and businesses suffering damage from mine subsidence.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Interstate Mining Commission	\$ 10	\$ 10	\$ 10
Emergency Mine Subsidence Relief .....	.....	30	.....
TOTAL	<u>\$ 10</u>	<u>\$ 40</u>	<u>\$ 10</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Payments in Lieu of Taxes			
State Funds	\$ 512	\$ 658	\$ 1,032

Makes payments in lieu of taxes to political subdivisions and school districts for lands acquired by the Commonwealth for various purposes.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Annual Fixed Charges—Flood Lands	\$ 7	\$ 9	\$ 9
Annual Fixed Charges—Project 70	110	250	225
Annual Fixed Charges—Forest Lands	395	399	798
TOTAL	<u>\$ 512</u>	<u>\$ 658</u>	<u>\$ 1,032</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Utility Expansion Grants			
State Funds	\$ 928	\$ 668	\$ 384

Provides the State's share of the cost of improving utility services involving State institutional facilities.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Laurelton Utilities	\$ 652	.....	.....
Hamburg Utilities	276	.....	.....
East Stroudsburg Utilities .....	.....	\$ 399	.....
Lock Haven Utilities .....	.....	184	.....
Loysville Utilities .....	.....	85	.....
Lincoln Utilities .....	.....	.....	\$ 384
TOTAL	<u>\$ 928</u>	<u>\$ 668</u>	<u>\$ 384</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Vector Control			
State Funds	\$ 500	\$ 500	\$ 500

Provides grants to municipalities for establishing and maintaining rat control programs.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Vector Control	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 500</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
McKeever Environmental Learning Center			
State Funds	\$ 165	.....

Supports the McKeever Environmental Learning Center, Sandy Lake, Pennsylvania. The Center is administered by Clarion State College to provide environmental education to the citizens of the Commonwealth.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
McKeever Environmental Learning Center	<u>\$ 165</u>	.....

Capital Improvements

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Capital Improvements			
State Funds	\$ 1,477	.....	\$ 168

Provided for replacement of forest fire observation towers, for a gypsy moth laboratory facility at Harrisburg International Airport and for control of beach erosion at Presque Isle State Park. Will provide for replacement of sanitary facilities at various State parks.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Capital Improvements	\$ 240	.....	\$ 168
Gypsy Moth Laboratory	487	.....	.....
Erosion Control at Preque Isle			
State Park	750	.....	.....
TOTAL	<u>\$ 1,477</u>	.....	<u>\$ 168</u>

Game Fund

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Payments in Lieu of Taxes			
State Funds	\$ 15	\$ 10	\$ 10

Provides payments in lieu of taxes to political subdivisions and school districts for lands acquired by the Game Commission under Project 70.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Annual Fixed Charges—Project 70	<u>\$ 15</u>	<u>\$ 10</u>	<u>\$ 10</u>

Fish Fund

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Payments in Lieu of Taxes			
State Funds	\$ 1	\$ 2	\$ 2

Provides payments in lieu of taxes to political subdivisions and school districts for lands acquired by the Fish Commission under Project 70.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Annual Fixed Charges—Project 70	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ 2</u>

Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Sewage Treatment Plant Operations Grants			
State Funds	\$10,241	\$11,076	\$12,283

Provides payments to municipalities, school districts and institutional districts for operation and maintenance of sewage treatment facilities.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Sewage Treatment Plant Operations Grants	\$10,241	\$10,955	\$12,283
Sewage Treatment Plant Operations Grants—			
Recommended Additional .....	.....	121	.....
TOTAL	<u>\$10,241</u>	<u>\$11,076</u>	<u>\$12,283</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

Restricted Receipts Not Included in Department Totals

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Clean Water Fund	\$1,050	\$ 450	\$ 500
Mine Drainage Treatment Fees .....	. . . .	50	80
TOTAL	<u>\$1,050</u>	<u>\$ 500</u>	<u>\$ 580</u>

DEPARTMENT OF ENVIRONMENTAL RESOURCES
Summary of Agency Program by Category and Subcategory
General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79		1979-80
General Administration and Support	\$ 4,755	\$ 5,964	\$ 7,459	\$ 6,491	\$ 6,807	\$ 7,137	\$ 7,488
Protection from Natural Hazards and Disasters	\$ 6,995	\$ 8,055	\$ 9,767	\$ 8,234	\$ 8,569	\$ 8,911	\$ 9,275
Flood Control	\$ 2,686	\$ 4,149	\$ 4,272	\$ 3,645	\$ 3,784	\$ 3,933	\$ 4,088
Prevention, Control and Extinction of Forest Fires	2,920	2,677	3,735	3,132	3,304	3,475	3,658
Reduction of Disease and Insect Damage to Forests	1,389	1,229	1,760	1,457	1,481	1,503	1,529
Protection from Health Hazards	\$28,776	\$53,652	\$ 43,012	\$40,466	\$43,177	\$46,044	\$ 49,110
Air Pollution Control	\$ 2,390	\$ 3,965	\$ 5,215	\$ 4,672	\$ 5,009	\$ 5,364	\$ 5,735
Water Quality Management	16,429	17,787	22,543	21,516	23,220	25,056	27,012
Community Environmental Management	6,767	28,305	10,500	9,850	10,295	10,735	11,223
Occupational Health and Safety	2,709	3,027	3,822	3,458	3,635	3,822	4,020
Radiation Protection	481	568	932	970	1,018	1,067	1,120
Natural Resource Development and Management	\$11,371	\$12,216	\$ 16,886	\$14,738	\$15,425	\$16,155	\$ 16,930
Development, Utilization and Regulation of Water Resources	\$ 1,199	\$ 1,404	\$ 1,462	\$ 1,418	\$ 1,475	\$ 1,538	\$ 1,609
Development, Utilization and Regulation of Land Resources	6,891	7,354	10,333	8,395	8,783	9,196	9,632
Development, Utilization and Regulation of Mineral Resources	3,281	3,458	5,091	4,925	5,167	5,421	5,689
Recreation	\$16,194	\$17,155	\$ 23,294	\$19,637	\$20,708	\$21,723	\$ 22,785
Development, Operation and Maintenance of Recreation Areas and Facilities	\$16,194	\$17,155	\$ 23,294	\$19,637	\$20,708	\$21,723	\$ 22,785
DEPARTMENT TOTAL	<u>\$68,091</u>	<u>\$97,042</u>	<u>\$100,418</u>	<u>\$89,566</u>	<u>\$94,686</u>	<u>\$99,970</u>	<u>\$105,588</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$4,755	\$5,964	\$7,459	\$6,491	\$6,807	\$7,137	\$7,488
Federal Funds	64	153	105	105	105	105	105
Other Funds	265	204	389	374	379	385	391
TOTAL	<u>\$5,084</u>	<u>\$6,321</u>	<u>\$7,953</u>	<u>\$6,970</u>	<u>\$7,291</u>	<u>\$7,627</u>	<u>\$7,984</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary

concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services. Included herein are the operations of the Citizens Advisory Council, The Environmental Hearing Board and The Environmental Quality Board.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$4,755</u>	<u>\$5,964</u>	<u>\$7,459</u>	<u>\$6,491</u>	<u>\$6,807</u>	<u>\$7,137</u>	<u>\$7,488</u>

Flood Control

OBJECTIVE: To reduce the loss and/or damage from floods resulting from both natural disasters and from failure of hydraulic structures (manmade dams).

Recommended Program Costs:

(Dollar Amounts in Thousands)

	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$2,686	\$4,149	\$4,272	\$3,645	\$3,784	\$3,933	\$4,088
Other Funds	399	236	193	173	173	173	173
TOTAL	<u>\$3,085</u>	<u>\$4,385</u>	<u>\$4,465</u>	<u>\$3,818</u>	<u>\$3,957</u>	<u>\$4,106</u>	<u>\$4,261</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Reduction in damage potential by construction of all types of flood control projects (in thousands)	\$13,000	\$14,000	\$14,500	\$15,000	\$15,500	\$16,000	\$16,500
Waterways management inspections	600	600	725	800	900	1,000	1,200
Waterways management enforcement actions taken	150	175	102	102	102	102	102
Hazardous flow forecasts issued	10,000	10,500	11,000	11,500	12,000	12,500	13,000
Dams in existence	2,700	2,700	2,700	2,700	2,700	2,700	2,700

Program Analysis:

The objectives can be achieved by three basic approaches. Either provide and maintain facilities to control the flow of flood waters on the Commonwealth's rivers and streams, regulate development in or encourage movement out of the flood plain (the area adjoining watercourses which has been or may be covered by flood water) or provide flood warning alerts. Each of these methods will reduce flood damage but to pursue any one exclusively would be amiss.

The reservoirs caused by dams take otherwise productive land and in some cases inundate sites of historical or cultural significance. However, they do provide additional water supplies and recreational activities and help control sediment flows. Movement from the flood plain in most cases is not feasible, however, future development at susceptible sites may be deterred or designed to limit its vulnerability to flood damage. Flood warnings are not as effective in preventing

property losses but are cheaper to provide and are effective in preventing loss of life.

The Commonwealth has historically striven to maintain a proper mix of activities which will maximize the benefits available from limited resources: All projects are reviewed thoroughly and only those with sufficient economic justification are undertaken. Preventive measures are given equal consideration in studies directed at flood damage reduction. These include re-zoning, flood insurance, flood plain regulation and public education. In some cases projects are redesigned to provide a more favorable benefit/cost ratio.

The first program measure is an estimated figure and has recently been recalculated assuming a 1.5 benefit/cost ratio and the Federal discount rate of 6 7/8 percent. Individual records of flood damage benefits from the approximately 75 major flood control projects are not available.

Flood Control (continued)

Program Analysis: (continued)

Existing dams are inspected to assure structural stability. The term "waterways management" used in the program measures also includes the regulation of all encroachment actions on Pennsylvania's waterways.

The widespread damage resulting from recent floods has caused a growing public uneasiness which has been reflected in a tremendous demand for additional means of flood

protection. It has also placed the emphasis of State activities on emergency remedial work. It is hoped that this change is only temporary and that regular project work will return to its primary importance. A lasting effect of large scale flooding is that a higher priority will most likely be given the more permanent types of flood protection.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Government Operations	\$2,186	\$2,559	\$3,297	\$2,645	\$2,784	\$2,933	\$3,088
Flood Control Projects	500	780	975	1,000	1,000	1,000	1,000
Flood Emergency Rehabilitation . . . .	. . . .	450	. . . .	. . . .	. . . .	. . . .	. . . .
Schuylkill River Dredging . . . . .	. . . .	360	. . . .	. . . .	. . . .	. . . .	. . . .
GENERAL FUND TOTAL	<u>\$2,686</u>	<u>\$4,149</u>	<u>\$4,272</u>	<u>\$3,645</u>	<u>\$3,784</u>	<u>\$3,933</u>	<u>\$4,088</u>

Prevention Control and Extinction of Forest Fires

OBJECTIVE: To reduce the loss and/or damage from forest fires.

Recommended Program Costs:

(Dollar Amounts in Thousands)

	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$2,920	\$2,677	\$3,735	\$3,132	\$3,304	\$3,475	\$3,658
Federal Funds	458	654	420	425	425	430	435
Other Funds . . . . .	.....	22	.....	.....	.....	.....	.....
TOTAL	\$3,378	\$3,353	\$4,155	\$3,557	\$3,729	\$3,905	\$4,093

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Forest fires	900	1,500	1,200	1,400	1,300	1,300	1,300
Acres burned	3,800	10,000	12,000	14,000	13,000	13,000	13,000
Value of resources at risk from wildfires (in millions)	\$7,560	\$8,089	\$8,655	\$9,261	\$9,909	\$10,603	\$11,345
Trained volunteer forest fire wardens	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Miles of safety strip maintained	750	750	1,000	1,515	1,815	2,065	2,265
Miles of safety strip required	750	1,515	1,815	2,065	2,265	2,415	2,565
Acres protected (in thousands)	18,000	19,000	19,000	19,000	19,000	19,000	19,000
Persons provided with direct fire prevention education	1,905,747	1,929,000	2,054,000	2,038,000	2,033,000	2,051,000	2,060,000

Program Analysis:

Almost 60 percent of Pennsylvania's total land area is forested. This area is rapidly increasing in importance and value. In addition to the traditional timber values, forested areas are being recognized for their values as watersheds, game habitats, recreational playgrounds and homesites. More leisure time, improved transportation and increased desire to get away from the pressures of population centers have resulted in a proliferation of subdivisions and developments on forested area.

For the past two years, the Commonwealth has had a remarkable record of less than 1,000 wildfires and 5,000 acres burn. In future years it will be difficult to meet the long-term objective of limiting fires to 1,000 and acres burned to 10,000.

Several important factors affecting the number of fires are uncontrollable — the weather, recreational use of forests and the build-up of fuels as a result of effective fire control. However, two other factors which are changing the direction of State activities are controllable to some extent. They are incendiaryism and the patterns of subdivision development.

Incendiaryism is an increasing problem and the most difficult of all fire causes to combat. Normal education approaches have no impact. Increased surveillance in incendiary areas, investigations to isolate the cause of incendiaryism and increased cooperation to and from law enforcement agencies are needed.

The present system of fire protection on forested lands was designed to control wildfires in which the time and place for the most effective and economic control could be chosen. Today, nearly all larger fires threaten homes, electric and gas transmission lines and other man-made improvements. This fact is resulting in different patterns of fire fighting.

No longer can fire fighting units be well-divided among structural, industrial and forest fires. It is probable that fire fighting agencies will combine the best features of municipal-type fire departments with practices of forest protection agencies.

Prevention Control and Extinction of Forest Fires (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$2,581	\$2,577	\$3,635	\$3,027	\$3,194	\$3,360	\$3,538
Control of Forest Fires	99	100	100	105	110	115	120
Capital Improvements	240	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$2,920</u>	<u>\$2,677</u>	<u>\$3,735</u>	<u>\$3,132</u>	<u>\$3,304</u>	<u>\$3,475</u>	<u>\$3,658</u>

Reduction of Disease and Insect Damage to Forests

OBJECTIVE: To reduce plant loss and damage caused by insects and disease.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$1,389	\$1,229	\$1,760	\$1,457	\$1,481	\$1,503	\$1,529
Federal Funds	208	340	358	299	319	340	361
Other Funds	35	90	41	100	100	100	100
TOTAL	\$1,632	\$1,659	\$2,159	\$1,856	\$1,900	\$1,943	\$1,990

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Acres of land surveyed from air for insect/disease problems (in thousands)	18,000	18,103	18,254	18,467	18,650	18,800	19,000
Acres receiving biological control	350,000	500,000	1,000,000	1,000,000	2,000,000	2,000,000	2,000,000
Acres receiving chemical control	117,800	150,000	150,000	125,000	100,000	75,000	75,000

Program Analysis:

Beyond the threat of fire, Pennsylvania's forests are susceptible to an endless number of destructive elements any of which can cause vast devastation. The level of damage caused by these forest insects and diseases is extremely unpredictable and yearly variations are largely controlled by environmental, biological and weather factors over which there is little or no control. Forest pests also differ in their impacts. For example, in addition to defoliating woodlands, the gypsy moth is an extreme public nuisance when it invades residential and recreational areas in vast numbers. Many losses have

intangible effects. Dollar values can be placed on timber losses; they cannot accurately be placed on public nuisance aspects.

The table gives an indication of the damage done by major forest pests. A host of relatively minor insects and diseases greatly adds to the total acreage. Acres defoliated is simply an indicator since defoliated trees, excepting conifers, in most cases do not die from a single defoliation. It does show the problem areas that are supporting active pest infestations that cause damage of various types to forest resources.

Year	Gypsy Moth	Oak Leaf Tier	Oak Leaf Roller	Forest Tent Caterpillar	Fall Cankerworm	Saddled Prominent
1965	0	608,000	0	8,700	522,000	0
1966	0	611,500	0	0	825,200	1,100
1967	0	786,000	240,000	700	715,500	66,000
1968	60	448,500	306,200	0	0	83,440
1969	830	0	247,400	6,500	0	90,600
1970	10,500	0	985,500	100,000	0	70,000
1971	92,200	0	1,045,100	204,800	0	46,000
1972	404,060	59,200	609,400	25,800	0	15,500
1973	856,710	9,050	113,000	50	9,700	0
1974	479,590	0	215,000	0	7,250	0

Reduction of Disease and Insect Damage to Forests (continued)

Program Analysis: (continued)

Gypsy moth defoliation in 1974 was reduced from the anticipated level. Many gypsy moth infestations in the Pocono Mountains area collapsed after two to three years of defoliation. Collapses were due to biological agents that had increased to numbers sufficient to exert a controlling influence. In addition, the rate of spread to new areas was somewhat reduced below expectation. The amount of spread is primarily due to the direction and intensity of winds just after the hatching period. Oak leaf roller populations rebounded in northcentral Pennsylvania where a further decline was anticipated from the peak year of 1971.

Complete statistics on dollar losses due to pests are extremely difficult to compute. Generally, what is available is limited to specific sampled areas. It is estimated that a "ballpark" figure of damage caused is about \$30,000,000 annually.

The nationwide trend away from chemical pesticides to biological control agents as a method of combating insect

infestations continues to grow daily. Pennsylvania has the best State facility in the country for rearing parasitic enemies and is currently concentrating on those which will help control the gypsy moth. When all known gypsy moth parasites capable of being established are released it is hoped the gypsy moth will become "naturalized" and react the same as native pests which are kept under control by natural enemies.

Spraying is still needed to control the gypsy moth in high-use, high-value areas. In 1974, 104,258 acres received such treatment. As biological controls take effect, the need for spraying will be reduced for this insect. However, gypsy moth spread will occur for the next several years into new areas as the "defoliation front" moves across the State, necessitating yearly spray programs until the situation becomes stabilized. Periodic outbreaks of native pests also occur. In 1974, there were 13,440 acres treated to control the hemlock looper and in 1975, several thousand acres will probably need treatment to control the oak leaf roller.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 402	\$ 311	\$1,760	\$1,457	\$1,481	\$1,503	\$1,529
Gypsy Moth Operations . . . . .	. . . . .	368	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Gypsy Moth Control	500	500	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Gypsy Moth Laboratory	487	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Hemlock Looper Moth Control . . . . .	. . . . .	50	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
GENERAL FUND TOTAL	<u>\$1,389</u>	<u>\$1,229</u>	<u>\$1,760</u>	<u>\$1,457</u>	<u>\$1,481</u>	<u>\$1,503</u>	<u>\$1,529</u>

Air Pollution Control

OBJECTIVE: To prevent and control emissions from existing and future sources of air contaminants in order to bring existing abnormal concentrations to acceptable levels and to insure continuance of currently acceptable air quality levels.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$2,390	\$3,965	\$5,215	\$4,672	\$5,009	\$5,364	\$5,735
Federal Funds	2,638	1,300	3,000	2,130	2,130	2,130	2,130
Other Funds . . . . .	.....	33	.....	.....	.....	.....	.....
TOTAL	<u>\$5,028</u>	<u>\$5,298</u>	<u>\$8,215</u>	<u>\$6,802</u>	<u>\$7,139</u>	<u>\$7,494</u>	<u>\$7,865</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Percent of time air basin contamination concentrates exceed acceptable standards	45%	25%	25%	25%	25%	25%	25%
Tons per day pollutant removed as a result of abatement action and planning approval	1,000	1,900	2,100	2,300	2,500	2,700	2,700
Inspections	5,300	7,000	7,700	8,500	9,400	10,400	10,400
Sources of air pollution in the Commonwealth	208,000	216,000	225,000	235,000	245,000	260,000	260,000
Abatement orders issued	450	550	600	500	450	450	300

Program Analysis:

Under this program the Department monitors sources of air pollutants and enforces the Pennsylvania Ambient Air Quality Standards. Inspectors are assigned to investigate sources and monitor emissions into the atmosphere. When violations are detected, abatement orders and technical assistance are given, or legal action initiated if the abatement orders are appealed.

The importance of these inspection and enforcement activities will be heightened by the "energy crisis." Transportation controls caused by shortages will help control contaminant emissions. Conversely, temporary concessions may have to be made to lowering certain air quality standards.

The costs to society of unabated air pollution include losses due to health impairment, property damage,

destruction of vegetation and environmental degradation. The costs of controlling air pollution are also high, requiring heavy investments in research and equipment. Considering both sides of this balance, research and study have provided the basis for establishment of maximum acceptable levels of the various pollutants in the atmosphere. In Pennsylvania, the acceptable air quality standards are being used as the basis for building a comprehensive air quality control program.

The scope of regulatory action is continually expanding as more monitoring devices are installed and as regulatory authority is broadened to include more potential pollution sources. In the program's initial phases, control and abatement strategies have concentrated largely on stationary sources of pollution such as factories, power generating

Air Pollution Control (continued)

Program Analysis: (continued)

stations and heating plants. These sources contribute the largest part of particulate and sulfur oxides emissions in Pennsylvania and provide a large portion of the nitrous oxides also. This concentrated strategy has produced noticeable results. Particulate emissions have been reduced in all air basins. The percentage of time during which particulate and sulfur oxides levels exceed the criteria has also been reduced.

Reducing the levels of hydrocarbons, nitrous oxides and carbon monoxide emissions produced by mobile sources, particularly motor vehicles, is more difficult. Successful abatement of these pollutants depends upon two distinct control actions. First, Federal automobile emission standards will make direct inroads on the problem by attacking the source. However, the effectiveness of this approach will depend largely on the success of technological improvements adopted by the automobile industry but even then will

probably not be enough to solve the problem in highly urbanized areas. Secondly, transportation controls will have to be established in urban areas. These will take the shape of efforts to improve traffic flow in order to reduce the amount of time automobiles are on the road, to reduce pollutant concentrations by staggering work hours, etc. and to reduce traffic by improving mass transit and pedestrian conditions.

The air pollution problem in Pennsylvania is by no means solved but solutions are fast becoming more efficient as new technologies and innovative ideas are being adopted.

The percent of time that air basin contamination concentrates exceed acceptable standards (see measure) is only an estimate at this time and has been revised since last year to reflect the most current information available. When complete monitoring data are available this figure will be more precisely computed.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
GENERAL FUND							-	
General Government Operations	<u>\$2,390</u>	<u>\$3,965</u>	<u>\$5,215</u>	<u>\$4,672</u>	<u>\$5,009</u>	<u>\$5,364</u>	<u>\$5,735</u>	

Water Quality Management

OBJECTIVE: To maintain and improve the quality of Pennsylvania's water resources for the support of planned and probable water uses and protect public health by assuring adequate and safe water supplies.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$ 6,188	\$ 6,711	\$10,260	\$ 8,133	\$ 8,637	\$ 9,173	\$ 9,729
Special Funds	10,241	11,076	12,283	13,383	14,583	15,883	17,283
Federal Funds	2,197	2,500	1,894	1,990	1,990	1,990	1,990
Other Funds	35	81	70	70	70	70	70
TOTAL	<u>\$18,661</u>	<u>\$20,368</u>	<u>\$24,507</u>	<u>\$23,576</u>	<u>\$25,280</u>	<u>\$27,116</u>	<u>\$29,072</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Miles of polluted surface waters	10,300	10,200	10,100	10,000	9,700	9,500	9,300
Square miles of polluted ground waters	22,980	22,880	22,500	22,000	21,500	21,000	20,500
Individuals with unsafe or inadequate water supplies (in thousands)	2,200	2,000	2,000	2,000	2,000	2,000	2,000
Individuals with unsafe/ environmentally inadequate wastewater disposal facilities (in thousands)	3,800	3,700	3,000	2,700	2,500	2,200	2,000

Program Analysis:

The thrust of this program is one of inspection and enforcement of water quality standards. Accomplishments are best measured by the measures shown.

The best information available indicates that the rate of pollution of the State's surface waters has been about what was expected - a gradual decline. Future year estimates have been revised to show a slowdown to reflect a change in the Federal sewage treatment plant construction grant program because of a presidential impoundment of funds and a procedural change which slowed the actual grant awards.

Progress is also expected to be relatively slow combating

ground water pollution from on-lot sewerage systems, industrial waste impoundments and petroleum storage and transport due to the nature of the movement of ground water and limited staff resources.

The third measure reflects the number of Pennsylvanians who either need to be served by a water supply system or are now served by a system needing improvement. It is influenced by the level of staff time available but to a much greater degree by the ability of existing systems or municipalities to finance needed improvements. It is anticipated that an expanded effort will not be made by either State, local or

Water Quality Management (continued)

Program Analysis: (continued)

private interests and that while some systems will be built or improved, others will deteriorate and the level of the measure will remain about the same.

The next measure represents the number of people in Pennsylvania who need improvements to on-lot sewage disposal systems, initial sewer service or improvements to existing sewage treatment facilities. The first two years shown are essentially the same because the level of new construction during the period was relatively low and the measurement of this indicator is not precise. Future years reflect improvement in conditions as a result of new municipal systems going into operation. The estimates assume continued Federal funding of construction at a relatively low rate.

The foundation of the field operations is shown last. The substantial increases in the number of water samples analyzed come about from (1) new staff additions, (2) the transfer of the water bacteriology program from the Department of Health to Environmental Resources, (3) increased automation of laboratory procedures and analyses and (4) a move to new and improved laboratory facilities.

The control of water pollution is expensive. In addition to funds shown herein, \$150 million will be spent from State bond funds to combat stream pollution from acid mine drainage and \$200 million in State bond funds as well as hundreds of millions in Federal funds are being pumped into local governments for construction of sewage treatment plants.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 5,228	\$ 6,008	\$ 9,821	\$ 8,078	\$ 8,582	\$ 9,118	\$ 9,674
Ohio River Valley Water Sanitation							
Commission	32	35	55	55	55	55	55
Laurelton Utilities	652						
Hamburg Utilities	276						
East Stroudsburg Utilities		399					
Lock Haven Utilities		184					
Lincoln Utilities			384				
Loysville Utilities		85					
GENERAL FUND TOTAL	\$ 6,188	\$ 6,711	\$10,260	\$ 8,133	\$ 8,637	\$ 9,173	\$ 9,729
REVENUE SHARING TRUST FUND							
Sewage Treatment Plant Operations							
Grants	<u>\$10,241</u>	<u>\$11,076</u>	<u>\$12,283</u>	<u>\$13,383</u>	<u>\$14,583</u>	<u>\$15,883</u>	<u>\$17,283</u>

ENVIRONMENTAL RESOURCES

Community Environmental Management

OBJECTIVE: To minimize the incidence of diseases associated with home and community environment.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$6,767	\$28,305	\$10,500	\$9,850	\$10,295	\$10,735	\$11,223
Federal Funds	121	18	.....	.....	.....	.....	.....
Other Funds .....	.....	52	.....	.....	.....	.....	.....
TOTAL	<u>\$6,888</u>	<u>\$28,375</u>	<u>\$10,500</u>	<u>\$9,850</u>	<u>\$10,295</u>	<u>\$10,735</u>	<u>\$11,223</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Population of communities with recognized vector problems (thousands)	7,348	9,626	9,601	9,575	9,550	9,525	9,500
Population of communities with vector control programs (thousands)	5,484	5,871	6,200	6,200	6,200	6,200	6,200
Communities receiving State grants for vector control	441	194	167	111	100	100	100
Inspections of institutions and schools	6,208	6,012	6,012	6,012	6,012	6,012	6,012
Inspections of food establishments	18,427	18,427	18,224	18,224	18,224	18,224	18,224
Inspections of public recreation areas	5,256	4,845	4,845	4,845	4,485	4,485	4,845
Capacity of licensed migrant labor camps	4,700	3,600	3,400	3,400	3,400	3,400	3,400
Population living in hygienically substandard housing (thousands)	2,828	2,755	2,681	2,608	2,534	2,464	2,394
Population served by inadequate/unsafe solid waste disposal facilities (thousands)	8,955	8,292	7,680	4,648	4,184	3,765	3,388

Community Environmental Management (continued)

Program Analysis:

The local community in Pennsylvania is faced with a myriad of environmental problems, many of which lend themselves to increasing the incidence of disease. The solutions are not easy, therefore they demand concentrated efforts by all levels of government. This program deals with departmental efforts in the areas of vector control, solid waste management, housing hygiene, institution, school and recreational facility sanitation, food protection and on-lot water supply and sewage disposal system regulation.

Basically, activities in all these problem areas consist of inspections, enforcement of regulations, plan review and consultation, provision of technical assistance and training. Various grants are made to local governments to aid them in carrying out their responsibilities in certain areas.

The results of these efforts could best be shown by a decline in the incidence of disease resulting from public contact with unsanitary conditions in the home and community. Since this is not known, what is shown in the program measures is the Department's success in reducing the number of contacts with such conditions by reducing the number of unsanitary situations. Using "inspections" is another step removed but does indicate a level of compliance with regulations since places inspected are either passed or closed down.

The number of Pennsylvanians affected by vector control problems and those covered with corrective programs have shown substantial increases recently primarily due to heavy flooding. Not only did the floods displace rat and mosquito populations which spread problems to previously unaffected areas but they also stimulated many municipalities into action. State grants for vector control programs were inflated with a million dollar appropriation from flood funds which is reflected above in the number of communities receiving aid in 1973-74. This is expected to decrease in future years as the total funds available remains constant. This decline will be countered by increased local participation as the number of persons covered by vector control programs increase and then stabilize.

The number of inspections of institutions and schools, food establishments and recreation areas is expected to remain constant in the face of increasing demands for program attention. This will require changes in priorities such as inspecting only those schools with cafeterias or private water supplies. The sharp decline in the number of inspections shown in last year's budget compared to this year's budget

results from a re-examination of the measure in view of what actually is occurring rather than what was anticipated.

The capacity of migrant camps will remain stationary or decline slightly given static program outputs and increased mechanization and economics of operating camps.

The population living in hygienically substandard housing is affected by the general standard of living (affecting the resources available for property maintenance), activities of local code enforcement agencies, Federal input into housing and the degree of inflation which may influence the living environment. Lacking a statewide housing code, the Department is concentrating on training local housing inspectors. Enforcement by State personnel will be concentrated in problem areas rather than answering scattered housing complaints as a means of more effective utilization of staff time.

The regulation of individual water supply and sewage disposal systems is controlled by the Department but is basically a local responsibility. Current trends, reinforced by recent legislation, indicate that local agencies will become more effective which will mean that State inspections and permit issuances will decline as Departmental training of local enforcement officers, increases.

Management of solid waste materials is one of the most pressing problems facing municipalities today. Over 100 million tons of solid waste are generated in Pennsylvania annually. Most of these wastes are improperly handled and cause air, water and land pollution and vector problems. More specifically, approximately 40 percent of all premises in the Commonwealth store or dispose of solid waste in an unsatisfactory manner on individual property. Approximately 50 percent of private and municipal collection systems are inadequate and only 18 percent of the 750 disposal operations meet minimum compliance due primarily to poor site location and operation. Of the 28 million acres in the State only 18 percent are suitable for land filling operations.

Again this is primarily a local responsibility but due to its magnitude it has seen increasing State, Federal and private input. Most recent on the State level is a program of capital loans aimed at development of resource recovery facilities. It remains to be seen whether this program will provide substantial benefit and changes may have to be made to further induce local involvement.

ENVIRONMENTAL RESOURCES

Community Environmental Management (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$5,717	\$ 6,515	\$ 9,000	\$8,350	\$ 8,770	\$ 9,210	\$ 9,673
Training and Certification of Sewage Enforcement Officers		215					
Solid Waste—Resource Recovery Administration		100					
Sewage Facilities Planning Grants	190	250	250	250	250	250	250
Sewage Facilities Enforcement Grants	160	600	600	600	625	625	650
Solid Waste Disposal Planning Grants	200	125	150	150	150	150	150
Solid Waste—Resource Recovery Loans		20,000					
Vector Control	500	500	500	500	500	500	500
GENERAL FUND TOTAL	<u>\$6,767</u>	<u>\$28,305</u>	<u>\$10,500</u>	<u>\$9,850</u>	<u>\$10,295</u>	<u>\$10,735</u>	<u>\$11,223</u>

Occupational Health and Safety

OBJECTIVE: To prevent occupational diseases and accidents caused by hazardous or unhealthful conditions in places of employment.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$2,709	\$3,027	\$3,822	\$3,458	\$3,635	\$3,822	\$4,020
Federal Funds	233	225	138	138	138	138	138
Other Funds . . . . .	.....	21	.....	.....	.....	.....	.....
TOTAL	<u>\$2,942</u>	<u>\$3,273</u>	<u>\$3,960</u>	<u>\$3,596</u>	<u>\$3,773</u>	<u>\$3,960</u>	<u>\$4,158</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Coal mining fatalities	25	18	12	10	9	8	7
Teams trained for mine rescue	63	68	93	100	105	110	115
Workers with lessened potential for getting occupational diseases	65,562	75,000	75,000	75,000	75,000	75,000	75,000
Workers whose exposure to hazardous working conditions will improve to safe levels	7,620	10,800	10,800	10,800	10,800	10,800	10,800

Program Analysis:

Historically protection of the working public from occupational diseases and injuries has been a responsibility of state government. This situation changed with passage of the Federal Williams-Steiger Occupational Safety and Health Act of 1970. Under this act the various states were given the option of establishing and enforcing their own standards consistent with those set by the Federal Government or having their programs pre-empted entirely by the Federal Government.

Pennsylvania's decision was to release control of those program areas affected by the Federal act, which covers the majority of occupational hazards. Certain responsibilities, however, remain with the State including public employes and mine and quarry workers protection, laser registration and control, supervision of the use of carcinogens and monitoring of in-plant medical programs.

Program measures were revised last year to reflect this change and have been adjusted this year also now that sufficient time has been available to determine the exact locations of facilities still under State jurisdiction. With a relatively stable State input the first two measures are anticipated to remain constant. Changes in employment level have not been projected since the program deals basically with working conditions and is affected more by the number of facilities.

Of the activities remaining, mine and quarry safety is probably of the most concern, particularly if, as anticipated, Pennsylvania coal becomes instrumental in solving the Nation's energy deficit.

On the surface, mine safety activities do not appear to have been overwhelmingly successful. During the past twenty years, man-days worked per fatality have fluctuated between a high of 315,000 (in 1972) and a low of 95,000 and man-days per nonfatal injury between 3,800 and 2,900. What is significant is that this has been maintained in the face of a doubling of the tons of coal produced per man-day worked, which brought with it a much increased hazard exposure level due to increased mechanization, one of the chief ingredients in mining accidents.

While it is not fitting to accept current accident rates, it is questionable whether a much increased State effort would result in decreasing accidents due to the very nature of the industry and the human element involved. However, because of the anticipated increase in coal production, a change in the training requirements of mine workers and labor's continuing push for more stringent safety requirements, the Department will be increasing its efforts in deep mine safety.

ENVIRONMENTAL RESOURCES

Occupational Health and Safety (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	<u>\$2,709</u>	<u>\$3,027</u>	<u>\$3,822</u>	<u>\$3,458</u>	<u>\$3,635</u>	<u>\$3,822</u>	<u>\$4,020</u>

Radiation Protection

OBJECTIVE: To protect all individuals from unnecessary radiation exposure from natural and artificial radiocontamination and unnecessary occupational and healing arts exposure.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$481	\$568	\$932	\$970	\$1,018	\$1,067	\$1,120
Federal Funds	20	30	15	15	15	15	15
Other Funds . . . . .	.....	4	.....	.....	.....	.....	.....
TOTAL	<u>\$501</u>	<u>\$602</u>	<u>\$947</u>	<u>\$985</u>	<u>\$1,033</u>	<u>\$1,082</u>	<u>\$1,135</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Radiation user inspections performed	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Users brought into compliance through inspections	500	500	500	500	500	500	500
Nuclear plant on-site analyses	290	360	500	575	650	800	800
Nuclear plant off-site analyses	2,000	2,000	2,000	2,000	2,000	2,000	2,000

Program Analysis:

An individual's exposure to radiation comes from many sources. The most direct source is from medical and dental x-ray machines. Secondary sources include equipment used in industry, research and education. Emissions from nuclear power plants provide another and the most controversial source of exposure.

Direct program effectiveness cannot be measured, therefore, secondary measures are shown in an effort to show the trend of departmental activities in this area.

The Commonwealth's commitment to eliminating overexposure from medical and industrial sources not covered by the Federal Energy Research and Development Administration is one of licensing sources and inspections to insure compliance with regulations. These inspection activities are the most direct means of public protection. Licensing of x-ray technicians and other paramedical users of radiation equipment is an additional insurance alternative but it is a marginal activity that would be undertaken only with the availability of at least partial Federal funding.

Inconclusive evidence as to the biological effects on individuals and their environment from exposure to long-term, low levels of radiation and the possibility of accidental release of contaminants from nuclear power plants has spurred a nationwide controversy particularly since nuclear energy is being projected as one of the nation's primary alternatives in meeting future electric power requirements and a major concentration of plants will be within or near Pennsylvania's borders. The Department of Environmental Resources has been successful in imposing considerably more stringent emission controls on nuclear plants than those imposed by the Energy Research and Development Administration which has the primary responsibility for setting such emission levels and safeguards.

In addition, the Department provides both on and off-site monitoring of nuclear power plants to assure compliance with radiation emission standards. Radiation levels from these plants measure near zero, however, with the increasing number of proposed plants in Pennsylvania, this will continue to be one of this program's most important activities.

Radiation Protection (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$481</u>	<u>\$568</u>	<u>\$932</u>	<u>\$970</u>	<u>\$1,018</u>	<u>\$1,067</u>	<u>\$1,120</u>

Development, Utilization and Regulation of Water Resources

OBJECTIVE: To maximize economic benefits from the utilization of water resources at the same time insuring the availability of a sufficient quantity of water to meet the current and future needs of the Commonwealth.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
General Fund	\$1,199	\$1,404	\$1,462	\$1,418	\$1,475	\$1,538	\$1,609	
Federal Funds	73	210	180	190	200	200	200	
Other Funds . . . . .	.....	5	.....	.....	.....	.....	.....
TOTAL	<u>\$1,272</u>	<u>\$1,619</u>	<u>\$1,642</u>	<u>\$1,608</u>	<u>\$1,675</u>	<u>\$1,738</u>	<u>\$1,809</u>	

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Available water supply in Pennsylvania (in millions of gallons)	6,430,000	6,604,000	6,776,000	6,949,000	7,124,000	7,299,000	7,474,000
Water needs in Pennsylvania (in millions of gallons)	4,949,000	5,080,000	5,212,000	5,345,000	5,480,000	5,615,000	5,750,000
Economic expansion attributed to availability of usable water supply	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Program Analysis:

Pennsylvania requires great quantities of water to support her heavy industry and population. The availability of water is affected by precipitation, surface runoff, percolation and impoundment. Pennsylvania has more rivers and streams than any other state and her average annual precipitation rate of 40 inches exceeds the national average by approximately 33 percent. Dams and reservoirs are capable of holding 12 percent of average surface runoff for later use and it is estimated that under Pennsylvania lie approximately 47 trillion gallons of water.

The Commonwealth, then, has a sufficient total supply of raw water available to meet her needs. However, water must be where it is needed, when it is needed, if it is to be of any economic benefit. For example, projections indicate that under average conditions the Delaware and St. Lawrence River Basins will have insufficient quantities of surface water in the year 2020. Under drought conditions the Ohio Basin would also be short.

Only by developing, controlling and administering her water resources on a comprehensive and coordinated basis will Pennsylvania be able to maintain her current prosperity and assure adequate supplies of good water necessary to meet future needs.

The trend in water resources regulation and development must move toward multi-purpose, multi-objective activities. To this end, the Commonwealth is developing a State Water Resources Plan which will identify the Commonwealth's water resource and related land uses in terms of current capacities and needs and future requirements for water supply (municipal, industrial, power generation and agricultural), water-oriented recreation flood damage abatement and water quality, and will present a series of choices for the best utilization, development and regulation of the resources for reaching economic environmental and social goals and objectives.

Development, Utilization and Regulation of Water Resources (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$ 551	\$ 706	\$ 814	\$ 757	\$ 796	\$ 844	\$ 896
Great Lakes Basin Commission	26	30	15	20	25	25	30
Delaware River Master	20	22	22	24	24	26	26
Ohio River Basin Commission	26	29	29	31	33	35	37
Susquehanna River Basin Commission	120	150	150	150	150	150	150
Potomac River Basin Advisory Committee	8	8	8	8	8	8	8
Interstate Commission on the Potomac River Basin	14	16	16	18	19	20	22
Delaware River Basin Commission	434	443	408	410	420	430	440
GENERAL FUND TOTAL	<u>\$1,199</u>	<u>\$1,404</u>	<u>\$1,462</u>	<u>\$1,418</u>	<u>\$1,475</u>	<u>\$1,538</u>	<u>\$1,609</u>

Development, Utilization and Regulation of Land Resources

OBJECTIVE: To maximize economic benefits from the utilization of land resources as well as insuring against undue destruction and depletion of these resources and the attendant property damage and degradation of water quality resulting from such depletion.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$6,891	\$7,354	\$10,333	\$8,395	\$8,783	\$9,196	\$ 9,632
Federal Funds	417	262	382	320	339	353	373
Other Funds . . . . .	.....	52	.....	.....	.....	.....	.....
TOTAL	\$7,308	\$7,668	\$10,715	\$8,715	\$9,122	\$9,549	\$10,005

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Property damage caused by soil erosion (in thousands)	\$530,438	\$529,202	\$527,969	\$508,034	\$472,471	\$429,949	\$391,253
Acres protected by soil conservation treatment (in thousands)	11,283	11,664	12,244	12,435	12,626	13,187	13,325
Acres of private timber land affected by professional assistance	106,000	109,000	112,000	115,000	118,000	121,000	124,000
Acres that should be reforested	764,000	744,000	724,000	704,000	684,000	624,000	600,000
Acres reforested	19,500	19,500	19,500	19,500	19,500	19,500	19,500

Program Analysis:

Few states in the nation have been so heavily endowed with natural resources as the Commonwealth. Forests still cover more than half of the Commonwealth's acreage while over 7.5 million acres are utilized as cropland or pasture. More than two billion dollars worth of wood and related products are manufactured yearly and the sale of timber products from State-owned forests produces income of over \$600,000 annually.

State activities supporting the economic value derived directly from land resources are varied. In addition to managing approximately 2 million acres of State-owned forest land, technical assistance in forest land management is provided to private landowners. State operated nurseries produce approximately 12 million seedlings per year for reforestation. Financial and technical support is given to local conservation districts. These local organizations are currently

operating in 65 counties with approximately 46,600 cooperating landowners and they effect over 9.6 million acres annually.

Since 1950, implementation of scientific timber management plans on State forest lands has resulted in the controlled harvest of 571 million board feet of sawtimber and 96 million cubic feet of pulpwood for use by Pennsylvania industry.

Effective land resource management also plays an important role in the quality of water resources. Recently enacted regulations covering erosion and sedimentation control are expected to force more conservation oriented activities by land disturbing elements. Currently, there are 15 municipal watersheds located on State forest land.

Land is a nonrenewable, static resource. Proper management is essential if we are to prosper.

ENVIRONMENTAL RESOURCES

Development, Utilization and Regulation of Land Resources (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$6,346	\$6,805	\$ 9,360	\$7,815	\$8,198	\$8,606	\$9,037
Small Watershed Projects	75	75	75	75	75	75	75
Local Soil and Water District Assistance	75	75	100	105	110	115	120
Annual Fixed Charges-Forest Lands . .	395	399	798	400	400	400	400
 GENERAL FUND TOTAL	<u><u>\$6,891</u></u>	<u><u>\$7,354</u></u>	<u><u>\$10,333</u></u>	<u><u>\$8,395</u></u>	<u><u>\$8,783</u></u>	<u><u>\$9,196</u></u>	<u><u>\$9,632</u></u>

Development, Utilization and Regulation of Mineral Resources

OBJECTIVE: To maximize the economic benefits available from the Commonwealth's mineral resources while minimizing the negative environmental consequences of such activities.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$3,281	\$3,458	\$5,091	\$4,925	\$5,167	\$5,421	\$5,689
Other Funds	2	27	2	2	2	2	2
TOTAL	<u>\$3,283</u>	<u>\$3,485</u>	<u>\$5,093</u>	<u>\$4,927</u>	<u>\$5,169</u>	<u>\$5,423</u>	<u>\$5,691</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Acres affected by active surface mines	14,500	14,800	15,000	15,000	15,500	16,000	16,000
Acres of inactive surface mines needing rehabilitation	298,000	296,000	294,000	292,000	290,000	290,000	290,000
Total acres rehabilitated	18,000	16,800	17,000	18,000	17,000	18,000	17,000
Increase in property value due to subsidence control (thousands)	\$29,000	\$33,500	\$40,000	\$46,000	\$53,000	\$62,000	\$68,000
Value of property protected by mine subsidence insurance (thousands)	\$131,000	\$178,000	\$190,000	\$200,000	\$210,000	\$220,000	\$230,000

Program Analysis:

Pennsylvania has ranked as one of the top mineral producing states for many years. Practically the entire national output of anthracite coal is mined here and the Commonwealth also has valuable deposits of high quality bituminous coal which are mined extensively. Other minerals produced in large volumes are cement, sand, gravel, iron ore, lime, slate, clay and natural gas. Pennsylvania produces the highest quality motor oil in the world.

The pursuit of the economic benefits available from such vast mineral resources has left behind more than its share of environmental harm. These negative effects, particularly as they relate to the coal industry, are by now well know, and are a target of Commonwealth activities in this program.

Under the provisions of the Surface Mining Conservation and Reclamation Act all lands affected by active surface mining are being reclaimed to avoid further desecration of the environment. The act requires that bonds be posted by the operators to assure reclamation. If the operator performs satisfactorily the bonds are returned; if not, the bonds are forfeited and the Commonwealth reclaims the land.

Rehabilitation of land scarred by past mining activities is being accomplished two ways. First, with the growing energy concern, active mining operations are increasingly returning to previously stripped areas to mine deeper coal seams or to salvage coal from refuse banks. These operations are there covered by the Surface Mining Act. No figures are currently

Development, Utilization and Regulation of Mineral Resources (continued)

Program Analysis: (continued)

available for this activity. Second, lands are reclaimed as a secondary benefit of stream pollution, mine fire and subsidence activities carried out primarily through the Land and Water Development Fund.

As can be seen in the program measures, many acres will remain scarred after the Land and Water Development program ends. It is hoped that in future years it will become economically feasible for private interests to reclaim additional

acres either for regular development or as a result of reining these lands.

The Commonwealth also operates a subsidence insurance program through which property owners can protect their interests at reasonable rates. It is anticipated that this program will continue to grow as more people become aware of its benefits.

Program Costs by Appropriations:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$3,271	\$3,418	\$5,081	\$4,915	\$5,157	\$5,411	\$5,679
Interstate Mining Commission	10	10	10	10	10	10	10
Emergency Mine Subsidence Relief		30					
GENERAL FUND TOTAL	\$3,281	\$3,458	\$5,091	\$4,925	\$5,167	\$5,421	\$5,689

Development, Operation and Maintenance of Recreation Areas and Facilities

OBJECTIVE: To provide open space areas and recreation facilities to maximize outdoor recreation opportunities for all Commonwealth citizens and out-of-state visitors.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$16,178	\$17,143	\$23,282	\$19,625	\$20,696	\$21,711	\$22,773
Special Funds	16	12	12	12	12	12	12
Federal Funds	338	242	.....	.....	.....	.....	.....
Other Funds	92	314	54	55	56	57	58
TOTAL	\$16,624	\$17,711	\$23,348	\$19,692	\$20,764	\$21,780	\$22,843

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
State park attendance in visitor days (thousands)	29,400	32,000	33,700	37,100	38,800	40,700	42,700
Capacity of State park facilities in visitor days (thousands)	29,400	32,000	33,700	33,700	33,700	33,700	33,700
State park closings due to capacity limitations	320	392	240	215	165	115	65

Program Analysis:

The outdoor recreation program in Pennsylvania has experienced several important changes during recent years. When more leisure time, greater affluence and better mobility produced the tremendous demand for outdoor recreation, it was realized that a major effort would be required not only to meet the statewide demand for recreation but to have them readily available to urban centers. The major effort to meet the demand has come from bond issues which provide major sources of funds for acquisition and development of public outdoor recreation areas in or near heavily populated areas.

As seen in the program measures above these continuing efforts to increase the capacity of facilities will reduce closings due to capacity limitations. These are defined as times when areas or whole parks must be closed for safety or other reasons due to overcrowding. Closings during 1973-74 and 1974-75 were unusually high due to flood damage at various locations. However, there is a limit to how far this figure can be reduced due to the daily fluctuation in demand. It is not feasible to attempt to meet peak demand loads. Good weather during holiday periods will usually produce unmet demands for facilities.

More subtle changes have also taken place in the actual operation of these facilities. Outdoor recreation has become a year-round proposition as opposed to a three to five month operation a few years back. More sophisticated recreational equipment and stricter sanitary standards have spurred comprehensive water and sewer systems at many areas. Public concern has resulted in making environmental education a routine activity.

These efforts have resulted in a vast system of 5,912 campsites, 14 swimming pools, 150 family cabins, 70 beaches, 14 water and 32 sewage treatment plants, 34,000 picnic tables, etc. provided in 103 separate operating areas. Until some efficient means is derived for measuring the true impact of these activities in terms of social and physical betterment, every effort is being made to align State output as closely as possible to the demand for services. This demand is now measured by the number of people who visit the recreational facilities in relation to the capacity of the facilities.

Development, Operation and Maintenance of Recreation Areas and Facilities (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$15,311	\$16,719	\$22,880	\$19,365	\$20,435	\$21,450	\$22,512
Annual Fixed Charges—Flood							
Lands	7	9	9	10	11	11	11
Annual Fixed Charges—Project 70	110	250	225	250	250	250	250
Erosion Control at Presque Isle							
State Park	750						
McKeever Environmental Learning Center		165					
Capital Improvements			168				
GENERAL FUND TOTAL	<u>\$16,178</u>	<u>\$17,143</u>	<u>\$23,282</u>	<u>\$19,625</u>	<u>\$20,696</u>	<u>\$21,711</u>	<u>\$22,773</u>
GAME FUND							
Annual Fixed Charges—Project 70	<u>\$ 15</u>	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 10</u>
FISH FUND							
Annual Fixed Charges—Project 70	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>

Fish Commission

The Fish Commission administers and enforces the fishing and boating laws of the Commonwealth and provides for the protection and propagation of aquatic life.

FISH COMMISSION

Summary by Fund and Appropriation

		(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76	1975-76
	Actual	Available	Estimate (12 months)	Budget (15 months)
General Fund				
General Government				
Atlantic States Marine Fisheries Commission	\$ 1	\$ 1	\$ 3	\$ 3
GENERAL FUND TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 3</u>	<u>\$ 3</u>
Fish Fund				
General Government				
General Operations	\$ 6,688	\$ 8,220	\$ 7,605	\$ 9,690
Total State Funds	<u>\$ 6,688</u>	<u>\$ 8,220</u>	<u>\$ 7,605</u>	<u>\$ 9,690</u>
Federal Funds	\$ 2	.....	.....	.....
Other Funds	2	\$ 2,446	\$ 2,168	\$ 2,752
FISH FUND TOTAL	<u>\$ 6,692</u>	<u>\$10,666</u>	<u>\$ 9,773</u>	<u>\$12,442</u>
Boating Fund				
General Government				
General Operations	\$ 1,265	\$ 1,838	\$ 1,680	\$ 2,110
Total State Funds	<u>\$ 1,265</u>	<u>\$ 1,838</u>	<u>\$ 1,680</u>	<u>\$ 2,110</u>
Federal Funds	\$ 69	\$ 67	\$ 110	\$ 110
Other Funds	2	2	3	5
BOATING FUND TOTAL	<u>\$ 1,336</u>	<u>\$ 1,907</u>	<u>\$ 1,793</u>	<u>\$ 2,225</u>
Department Total – All Funds				
General Fund	\$ 1	\$ 1	\$ 3	\$ 3
Special Funds	7,953	10,058	9,285	11,800
Federal Funds	71	67	110	110
Other Funds	4	2,448	2,171	2,757
TOTAL ALL FUNDS	<u>\$ 8,029</u>	<u>\$12,574</u>	<u>\$11,569</u>	<u>\$14,670</u>

General Government

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Atlantic States Marine Fisheries Commission			
State Funds	\$1	\$1	\$3

Provides for Pennsylvania's contribution to the Atlantic States Marine Fisheries Commission which develops a joint program for the better utilization of the Atlantic seaboard fisheries.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Atlantic States Marine Fisheries Commission	<u>\$1</u>	<u>\$1</u>	<u>\$3</u>

Fish Fund

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
General Operations			
State Funds	\$ 6,688	\$ 8,220	\$ 9,690
Federal Funds	2	.....	.....
Other Funds	2	2,446	2,752
TOTAL	<u>\$ 6,692</u>	<u>\$10,666</u>	<u>\$12,442</u>

Undertakes a variety of propagation and research activities to assure abundant supplies of aquatic life. Supplements the native fish stock to assure an ample supply of fish species for all anglers through the operation of fish hatcheries and supervision of private nurseries. Develops and maintains water and related land areas to improve public fishing, boating and related recreational activities. Enforces the fish laws of the Commonwealth.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorization:			
General Operations	\$ 6,688	\$ 8,220	\$ 9,690
Federal Funds:			
Emergency Employment Act	2	.....	.....
Other Funds:			
Sale of Vehicles	2	32	25
Aquatic Life Study .....	.....	75	.....
Reimbursement for Services —			
Boating Fund .....	.....	1,907	2,225
Reimbursement for Services —			
Land and Water Development Fund .....	.....	432	502
TOTAL	<u>\$ 6,692</u>	<u>\$10,666</u>	<u>\$12,442</u>

Boating Fund

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
General Operations			
State Funds	\$ 1,265	\$ 1,838	\$2,110
Federal Funds	69	67	110
Other Funds	2	2	5
TOTAL	<u>\$ 1,336</u>	<u>\$ 1,907</u>	<u>\$2,225</u>

Promotes watercraft safety, maintains and develops boating waterways and enforces the boating laws and regulations on the inland waters of the Commonwealth for safety in pleasure boating.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorization:			
General Operations	\$ 1,265	\$ 1,838	\$2,110
Federal Funds:			
United States Coast Guard for Safety	69	67	110
Other Funds:			
Sale of Vehicles	2	2	5
TOTAL	<u>\$ 1,336</u>	<u>\$ 1,907</u>	<u>\$2,225</u>

FISH COMMISSION

Summary of Agency Program By Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support . . .	\$1,339	\$ 1,455	\$ 1,748	\$ 1,448	\$ 1,460	\$ 1,490	\$ 1,532
Recreation	\$6,615	\$ 8,604	\$10,055	\$ 8,116	\$ 8,690	\$ 8,820	\$ 9,125
Recreational Fishing and Boating . . .	6,615	8,604	10,055	8,116	8,690	8,820	9,125
DEPARTMENT TOTAL	<u><u>\$7,954</u></u>	<u><u>\$10,059</u></u>	<u><u>\$11,803</u></u>	<u><u>\$ 9,564</u></u>	<u><u>\$10,150</u></u>	<u><u>\$10,310</u></u>	<u><u>\$10,657</u></u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 1	\$ 1	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
Special Funds	1,338	1,454	1,745	1,445	1,457	1,487	1,529
Other Funds . . . . .	. . . .	180	245	203	218	237	249
TOTAL	\$1,339	\$1,635	\$1,993	\$1,651	\$1,678	\$1,727	\$1,781

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary

concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services. This subcategory also provides for Pennsylvania's contribution to the Atlantic States Marine Fisheries Commission which develops a joint program for the better utilization of the Atlantic seaboard fisheries.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Atlantic States Marine Fisheries Commission	\$ 1	\$ 1	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
FISH FUND							
General Operations	\$1,167	\$1,274	\$1,500	\$1,242	\$1,239	\$1,250	\$1,280
BOATING FUND							
General Operations	\$ 171	\$ 180	\$ 245	\$ 203	\$ 218	\$ 237	\$ 249

Recreational Fishing and Boating

OBJECTIVE: To provide a satisfactory variety of opportunities for fishing and boating on Commonwealth waters.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Special Funds	\$6,615	\$ 8,604	\$10,055	\$8,116	\$ 8,690	\$ 8,820	\$ 9,125
Federal Funds	71	67	110	.....	.....	.....	.....
Other Funds	4	2,268	2,512	1,730	1,405	1,426	1,474
TOTAL	<u>\$6,690</u>	<u>\$10,939</u>	<u>\$12,677</u>	<u>\$9,846</u>	<u>\$10,095</u>	<u>\$10,246</u>	<u>\$10,599</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Fishing licenses sold	936,466	878,300	890,000	903,000	914,000	926,000	937,000
Pounds of fish stocked in Commonwealth streams and lakes	1,581,188	1,680,000	1,685,000	1,690,000	1,690,000	1,690,000	1,690,000
Boats registered	135,251	141,500	148,500	153,000	157,000	162,000	168,000
Accidents reported	86	90	95	95	95	95	95
Convictions for violation of Fish and Boating Laws	10,561	11,000	11,500	12,000	12,500	13,000	13,500

Program Analysis:

The ultimate impact provided by this program is the enjoyment and pleasure derived by anglers and boaters as a result of Commonwealth activities. Attesting to the presence of this impact is the fact that fishing license sales and boat registrations are continually increasing except for temporary setbacks caused by negative reactions to fee increases and outside conditions such as the energy crisis. These fluctuations, while an important consideration, cannot be allowed to conceal the fact that the true demand for outdoor water-related recreational opportunities is increasing steadily.

Satisfying this demand has become an increasingly difficult task. Greater demands are continually made for increased hatchery production, cleaner streams and more and better boating access and launching facilities. The availability of the Project 70 Land Acquisition Fund, Project 500 Land and Water Development Fund, and a portion of the Liquid Fuels Tax have made an expanded program possible while at the same time requiring maximum utility of revenue from license and registration fees.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
FISH FUND							
General Operations	<u>\$5,521</u>	<u>\$6,946</u>	<u>\$8,190</u>	<u>\$6,762</u>	<u>\$7,311</u>	<u>\$7,420</u>	<u>\$7,677</u>
BOATING FUND							
General Operations	<u>\$1,094</u>	<u>\$1,658</u>	<u>\$1,865</u>	<u>\$1,354</u>	<u>\$1,379</u>	<u>\$1,400</u>	<u>\$1,448</u>

Game Commission

The Game Commission administers and enforces the game laws of the Commonwealth and provides for the protection and propagation of wildlife.

GAME COMMISSION

Summary by Fund and Appropriation

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
Game Fund				
General Government				
General Operations	\$13,813	\$15,818	\$17,062	\$20,582
Total State Funds	<u>\$13,813</u>	<u>\$15,818</u>	<u>\$17,062</u>	<u>\$20,582</u>
Federal Funds	\$ 41	.....	.....	.....
Other Funds	220	\$ 270	\$ 290	\$ 291
GAME FUND TOTAL	<u>\$14,074</u>	<u>\$16,088</u>	<u>\$17,352</u>	<u>\$20,873</u>

Game Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Operations			
State Funds	\$13,813	\$15,818	\$20,582
Federal Funds	41	.....	.....
Other Funds	220	270	291
TOTAL	<u>\$14,074</u>	<u>\$16,088</u>	<u>\$20,873</u>

Conducts a full range of propagation, research and land management activities to assure sustained wildlife populations. Encourages conservation through the proper use and care of wildlife resources. Conducts hunter safety training classes. Supplements the native wildlife stock to assure an ample supply of game species for all hunters through the operation of game farms. Enforces the game laws of the Commonwealth and regulates hunting on open lands.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorizations:			
General Operations	\$13,813	\$15,818	\$20,582
Federal Funds:			
Reimbursement for Flood-Related Costs	41	.....	.....
Other Funds:			
Reimbursement for Comptroller Services	167	145	180
Sale of Vehicles	53	125	111
TOTAL	<u>\$14,074</u>	<u>\$16,088</u>	<u>\$20,873</u>

GAME COMMISSION

Summary of Agency Program By Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Administration and Support . . .	\$ 1,677	\$ 1,989	\$ 2,881	\$ 2,507	\$ 2,656	\$ 2,821	\$ 2,896
Recreation	\$12,136	\$13,829	\$17,701	\$15,403	\$16,314	\$17,329	\$18,434
Wildlife Management	\$12,136	\$13,829	\$17,701	\$15,403	\$16,314	\$17,329	\$18,434
DEPARTMENT TOTAL	<u><u>\$13,813</u></u>	<u><u>\$15,818</u></u>	<u><u>\$20,582</u></u>	<u><u>\$17,910</u></u>	<u><u>\$18,970</u></u>	<u><u>\$20,150</u></u>	<u><u>\$21,330</u></u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Special Funds	\$1,677	\$1,989	\$2,881	\$2,507	\$2,656	\$2,821	\$2,896
Other Funds	167	145	180	190	200	210	220
TOTAL	<u>\$1,844</u>	<u>\$2,134</u>	<u>\$3,061</u>	<u>\$2,697</u>	<u>\$2,856</u>	<u>\$3,031</u>	<u>\$3,116</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GAME FUND							
General Operations	<u>\$1,677</u>	<u>\$1,989</u>	<u>\$2,881</u>	<u>\$2,507</u>	<u>\$2,656</u>	<u>\$2,821</u>	<u>\$2,896</u>

Wildlife Management

OBJECTIVE: To establish a habitat for the production of a sustained yield of wildlife resources for their recreational use as well as the assurance of their perpetuation.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Special Funds	\$12,136	\$13,829	\$17,701	\$15,403	\$16,314	\$17,329	\$18,434
Federal Funds	41	.. . .	.. . .	.. . .	.. . .	.. . .	.. . .
Other Funds	53	125	111	120	130	140	150
TOTAL	<u>\$12,230</u>	<u>\$13,954</u>	<u>\$17,812</u>	<u>\$15,523</u>	<u>\$16,444</u>	<u>\$17,469</u>	<u>\$18,584</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Hunting licenses sold	1,185,000	1,160,000	1,170,000	1,180,000	1,190,000	1,200,000	1,210,000
Deer population	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Deer taken	127,000	115,000	115,000	115,000	115,000	115,000	115,000
Acres open to public hunting	7,791,559	8,291,000	8,300,000	8,705,000	8,705,000	8,705,000	8,705,000
Arrests for violation of game laws	8,900	9,050	9,100	9,150	9,250	9,250	9,250
Wildlife released to supplement native population:							
Pheasant	210,271	250,000	250,000	250,000	250,000	250,000	250,000
Wild Turkey	3,583	6,500	6,500	6,500	6,500	6,500	6,500
Duck	13,655	10,000	10,000	10,000	10,000	10,000	10,000

Program Analysis:

Aside from the perpetuation of wildlife species, the main impact of this subcategory is the enjoyment and satisfaction being experienced by hunters and trappers. Analysis of these effects is not possible at this time, however, a secondary measurement of the extent to which the program is achieving one part of its objective is the fact that a continuing supply of wildlife is available to sufficiently support an increasing recreational demand.

During 1973-74 the number of hunting licenses sold rose substantially from 1972-73 while the number of deer taken per license sold also rose from .095 to .107 attesting to the sufficiency of the deer population which is currently estimated at 600,000, up substantially from prior year estimates.

Of course, the rise in license sales cannot be attributed solely to the above. Probably the most influencing factor in 1973-74 was the high price of meat. Continuing increases in leisure time may also have an effect. The increase in license fees did not have the ordinary effect of holding down sales in the first year of an increase. Sales are expected to decrease

somewhat in 1974-75 then resume a more normal trend of slight increases in future years.

An important by-product of this program is land resource management. Not only does this provide open space areas excellent for non-hunting outdoor recreation, but it also provides economic and aesthetic benefits resulting from the wise use of such resources. In addition to the approximately two million acres owned and managed by the Commission, additional land is made available for hunting through cooperative programs with private landowners. This also encourages private landowners to practice good land management. The total amount of land available to hunters, however, is projected to peak in future years despite these efforts due to changes in trespassing laws and landowner opposition to other activities such as snowmobiling. The figure shown above for 1973-74 is lower than projected due to an updating of Commission files to reflect those landowners that have dropped from the program.

Wildlife Management (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GAME FUND							
General Operations	<u>\$12,136</u>	<u>\$13,829</u>	<u>\$17,701</u>	<u>\$15,403</u>	<u>\$16,314</u>	<u>\$17,329</u>	<u>\$18,434</u>

Department of Health

The Department of Health is responsible for planning and coordinating all the health resources of the Commonwealth. In addition, the Department provides some direct public health services, including programs for children, treatment for certain blood diseases, programs for communicable diseases, and subsidies for research and development.

The Secretary of Health receives assistance and information from approximately fifty advisory groups, the most prominent being: the Advisory Health Board; the Drug, Device and Cosmetic Board; the Advisory Committee for Clinical Laboratories, and the Comprehensive Health Planning Advisory Council.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	Details on Page	1975-76 State Funds (in thousands) (15 months)
General Government Operations	Comprehensive, Primary and Emergency Health Services	376	\$1,000
	<p>This Program Revision will provide funds to be used in the provision and development of primary health care and emergency health systems as well as in the regulation of health care rates.</p>		
General Government Operations	Maternal and Newborn Infant Care	380	\$ 716
	<p>This Program Revision will expand the maternity and infant care program from the present Federally funded demonstration projects to a statewide program. Comprehensive health services including prenatal and postnatal care will be made available to high risk pregnant women and their infants.</p>		
DEPARTMENT TOTAL			\$1,716

DEPARTMENT OF HEALTH
Summary by Fund and Appropriation

	1973-74	(Dollar Amounts in Thousands)		
	Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
General Fund				
General Government				
General Government Operations	\$21,704	\$27,675	\$30,357	\$36,200
Hemophilia Treatment	870	1,542	. . . .	. . . .
Sickle Cell Anemia	103	543	. . . .	. . . .
Vital Statistics Modernization . . . . .	. . . .	200	. . . .	. . . .
Sub-Total	<u>\$22,677</u>	<u>\$29,960</u>	<u>\$30,357</u>	<u>\$36,200</u>
Institutional				
Health Rehabilitation Services	<u>\$ 7,714</u>	<u>\$ 6,517</u>	<u>\$ 3,930</u>	<u>\$ 4,764</u>
Grants and Subsidies				
School Health Examinations	\$12,920	\$14,091	\$13,570	\$13,570
Local Health Departments	6,711	6,895	6,812	6,812
The Institute for Cancer Research	418	418	418	418
The Wistar Institute—Research	100	200	100	100
Lankenau Hospital—Research	75	75	75	75
Cardio-Vascular Studies—Philadelphia				
General Hospital	60	60	60	60
Cardio-Vascular Studies—St. Francis				
Hospital, Pittsburgh	60	60	60	60
Neurological Diseases—Inglis House,				
Philadelphia	25	25	25	25
Cerebral Palsy—St. Christopher's Hospital	75	75	75	75
Cerebral Dysfunction—Children's Hospital,				
Pittsburgh	25	25	25	25
Cleft Palate Clinic—Lancaster	30	30	30	30
Cleft Palate Clinic—Pittsburgh	30	30	30	30
Sub-Total	<u>\$20,529</u>	<u>\$21,984</u>	<u>\$21,280</u>	<u>\$21,280</u>
Total State Funds	<u><u>\$50,920</u></u>	<u><u>\$58,461</u></u>	<u><u>\$55,567</u></u>	<u><u>\$62,244</u></u>
Federal Funds	\$13,945	\$21,049	\$20,732	\$24,382
Other Funds	349	547	464	550
GENERAL FUND TOTAL	<u><u>\$65,214</u></u>	<u><u>\$80,057</u></u>	<u><u>\$76,763</u></u>	<u><u>\$87,176</u></u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
General Government Operations			
State Funds	\$21,704	\$27,675	\$36,200
Federal Funds	13,141	20,969	24,352
Other Funds	349	476	300
TOTAL	<u>\$35,194</u>	<u>\$49,120</u>	<u>\$60,852</u>

Provides for the administrative and overhead systems for the health services delivery system through the collection and dissemination of health statistics, the operation of laboratories, program evaluation, inspection and regulation of health facilities, inspection and regulation of drug manufacturers and distributors, and comprehensive health planning.

Provides for direct health services, which include: venereal disease prevention activities, emergency health services, well baby clinics, nutrition counseling, immunizations, employee health services, dental health services, migrant health programs, and home health services. Maintains four regional health offices, eight district health offices and approximately 60 State health centers. An additional 20 branch offices are located throughout the 67 counties. Collects, compiles and preserves all statistics of marriage, divorce, birth and deaths occurring in the State. Burial and removal permits are also issued.

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Appropriations:			
General Government Operations	\$21,704	\$25,175	\$36,200
General Government Operations—Recommended Deficiency .....	.....	2,500	.....
Federal Funds:			
Emergency Employment Act	37	.....	.....
Public Health Services Act	5,774	8,977	10,425
Social Security Act	6,894	11,252	13,067
Appalachian Regional Council	436	740	860
Other Funds:			
Vital Statistics Fees	30	30	38
Miscellaneous Receipts	319	234	262
Supplemental Retirement Contribution .....	.....	212	.....
TOTAL	<u>\$35,194</u>	<u>\$49,120</u>	<u>\$60,852</u>

GENERAL FUND

HEALTH

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Catastrophic Blood Diseases			
State Funds	\$ 973	\$ 2,085	. . . .

Provides for detection, diagnostic, outpatient and inpatient services to those persons with hemophilia, sickle cell anemia and renal disease in order to restore them to the highest possible level of health, and to reduce the need for extensive medical care. In 1975-76, funds for these programs are included in the General Government Operations appropriation.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Hemophilia Treatment	\$ 870	\$ 1,542	. . . .
Sickle Cell Anemia	103	543	. . . .
TOTAL	<u>\$ 973</u>	<u>\$ 2,085</u>	. . . .

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Vital Statistics Modernization			
State Funds	\$ 200	. . . .

Provides for the development of a modernized system for storing, retrieving and issuing copies of vital statistics information.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Vital Statistics Modernization	<u>\$ 200</u>	. . . .

GENERAL FUND

HEALTH

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Health Rehabilitation Services			
State Funds	\$ 7,714	\$ 6,517	\$ 4,764
Federal Funds	804	80	30
Other Funds .....	.....	71	250
TOTAL	\$ 8,518	\$ 6,668	\$ 5,044

The C. Howard Marcy hospital in Pittsburgh ceased providing inpatient services to the State's tuberculosis patients in that area on January 1, 1975. It is now being used by the Department of Public Welfare as a facility for the mentally retarded.

All inpatient tuberculosis services were ceased at Landis State Hospital, Philadelphia, during the 1973-74 fiscal year. However, funds were budgeted in 1974-75 to provide maintenance and security personnel for the State Laboratories which are located at the Landis facility.

The only State owned institution currently operated by the Department of Health is the Crippled Children's Hospital in Elizabethtown. The hospital offers a comprehensive program for the diagnosis, treatment, rehabilitation and restoration of physically disabled children throughout the Commonwealth.

Institution	Patient Capacity	Population October 1973	Population October 1974	Projected Population October 1975	Projected Percent of Capacity
Henry R. Landis State Hospital	385	.....	.....	.....	.....
C. Howard Marcy State Hospital	329	105	.....	.....	.....
Crippled Children's Hospital	115	91	86	81	70%
TOTAL	829	196	86	81	70%

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Total proposed expenditures by institution:			
Henry R. Landis State Hospital			
State Funds	\$ 1,537	\$ 1,037	.....
Federal Funds	326	.....	.....
Other Funds .....	.....	9	.....
TOTAL	\$ 1,863	\$ 1,046	.....
C. Howard Marcy State Hospital			
State Funds	\$ 3,384	\$ 1,523	.....
Federal Funds	419	50	.....
Other Funds .....	.....	29	.....
TOTAL	\$ 3,803	\$ 1,602	.....
Crippled Children's Hospital			
State Funds	\$ 2,793	\$ 3,957	\$ 4,764
Federal Funds	59	30	30
Other Funds .....	.....	33	250
TOTAL	\$ 2,852	\$ 4,020	\$ 5,044

GENERAL FUND

HEALTH

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Health Rehabilitation Services	\$ 7,714	\$ 6,517	\$ 4,764
Federal Funds:			
Social Security Act	745	50	.....
Elementary and Secondary Education Act	59	30	30
Other Funds:			
Institutional Collections .....	.....	.....	250
Supplemental Retirement Contributions .....	.....	71	.....
TOTAL	<u>\$ 8,518</u>	<u>\$ 6,668</u>	<u>\$ 5,044</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
School Health Examinations			
State Funds	\$12,920	\$14,091	\$13,570

Provides for reimbursement to school districts for providing certain health services to school children that will ensure that the children will develop their maximum potential. The funds are used to pay for school nurses, dental hygiene and examination services, and periodic vision and hearing tests.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
School Health Examinations	<u>\$12,920</u>	<u>\$14,091</u>	<u>\$13,570</u>

GENERAL FUND

HEALTH

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Local Health Departments			
State Funds	\$ 6,711	\$ 6,895	\$ 6,812

Provides those counties having an organized and locally funded county health department with per capita grants of \$1.50 per person or fifty percent of the operating budget whichever is lower. Local health departments are responsible for providing those services which the Commonwealth provides directly in those areas which lack local health departments.

Currently aid is provided to five full-time county health departments and the bi-city Allentown-Bethlehem Health Department.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Local Health Departments	<u>\$ 6,711</u>	<u>\$ 6,895</u>	<u>\$ 6,812</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Research and Health Information			
State Funds	\$ 713	\$ 813	\$ 713

Provides funds for research and the development of health information concerning the human condition with special concentration on cancer and cardio-vascular diseases.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
The Institute for Cancer Research	\$ 418	\$ 418	\$ 418
The Wistar Institute—Research	100	200	100
Lankenau Hospital—Research	75	75	75
Cardio—Vascular Studies—Philadelphia General Hospital	60	60	60
Cardio—Vascular Studies—St. Francis Hospital	60	60	60
TOTAL	<u>\$ 713</u>	<u>\$ 813</u>	<u>\$ 713</u>

GENERAL FUND

HEALTH

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Chronic, Catastrophic and Degenerative Diseases			
State Funds	\$ 185	\$ 185	\$ 185

Provides funds for the detection and treatment of various chronic, catastrophic and degenerative diseases including cerebral dysfunction, cystic fibrosis and cleft palate.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Neurological Diseases—Inglis House, Philadelphia	\$ 25	\$ 25	\$ 25
Cerebral Palsy—St. Christopher's Hospital	75	75	75
Cerebral Dysfunction—Children's Hospital, Pittsburgh	25	25	25
Cleft Palate Clinic—Lancaster	30	30	30
Cleft Palate Clinic—Pittsburgh	30	30	30
 TOTAL	 <u>\$ 185</u>	 <u>\$ 185</u>	 <u>\$ 185</u>

DEPARTMENT OF HEALTH

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 5,358	\$ 5,258	\$ 5,598	\$ 5,003	\$ 5,253	\$ 5,515	\$ 5,791
Comprehensive Health Systems Development	\$ 6,573	\$ 7,810	\$ 9,668	\$ 8,872	\$ 9,280	\$ 9,708	\$10,157
Medical Research and Health							
Information	2,883	3,531	3,659	3,346	3,478	3,616	3,761
Medical Facilities Review	1,302	1,510	1,768	1,580	1,659	1,742	1,829
Health Services Development	2,388	2,769	4,241	3,946	4,143	4,350	4,567
Health Maintenance	\$24,648	\$26,801	\$27,900	\$23,170	\$23,521	\$23,820	\$24,133
Health Maintenance and Disease							
Prevention	20,525	22,246	23,304	19,762	20,110	20,420	20,749
Detection and Diagnosis	4,123	4,555	4,596	3,408	3,411	3,400	3,384
Patient Care	\$14,341	\$18,592	\$19,078	\$17,092	\$17,937	\$18,828	\$19,760
Outpatient Treatment	8,046	13,211	14,459	13,149	13,801	14,488	15,206
Inpatient Treatment	6,078	5,129	4,324	3,680	3,860	4,050	4,249
Life Maintenance	217	252	295	263	276	290	305
DEPARTMENT TOTAL	<u>\$50,920</u>	<u>\$58,461</u>	<u>\$62,244</u>	<u>\$54,137</u>	<u>\$55,991</u>	<u>\$57,871</u>	<u>\$59,841</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76	1976-77	1977-78		
			(15 months)				
General Fund	\$5,358	\$5,258	\$5,598	\$5,003	\$5,253	\$5,515	\$5,791
Federal Funds	79	62	73	63	63	63	63
Other Funds	210	26	27	25	26	27	29
TOTAL	\$5,647	\$5,346	\$5,698	\$5,091	\$5,342	\$5,605	\$5,883

Program Analysis:

General Administration and Support within each Commonwealth department provides the administrative and overhead systems which support the operations of programs necessary for the achievement of the Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth is to minimize these administrative costs in relation to the costs of provided services.

Approximately fifty advisory groups provide assistance and information to the Secretary of Health, the most prominent being: The Advisory Health Board; The Drug, Device and

Cosmetic Board; the Advisory Committee for Clinical Laboratories and the Comprehensive Health Planning Advisory Council.

The State Bureau of Laboratories is currently located at Landis State Hospital in Philadelphia. With the closure of Henry R. Landis State Hospital and the imminent conveyance of this institution to the City of Philadelphia, it is proposed that these State laboratories be moved to a new location in Southeastern Pennsylvania. Until that time however, it will be necessary to budget funds in the Health Rehabilitation Services Appropriation to provide service support for the laboratory functions.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76	1976-77	1977-78		
			(15 months)				
GENERAL FUND							
General Government Operations	\$4,124	\$4,783	\$5,598	\$5,003	\$5,253	\$5,515	\$5,791
Health Rehabilitation Services	1,234	475	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$5,358	\$5,258	\$5,598	\$5,003	\$5,253	\$5,515	\$5,791

Medical Research and Health Information

OBJECTIVE: To improve the utilization of existing health resources, to develop more effective methods of gathering and utilizing health information, and to develop basic scientific knowledge about the nature of disease and illness including the effect of biological, social and environmental processes.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$2,883	\$3,531	\$3,659	\$3,346	\$3,478	\$3,616	\$3,761
Federal Funds	53	205	244	210	210	210	210
Other Funds	24	30	33	30	32	34	35
TOTAL	\$2,960	\$3,766	\$3,936	\$3,586	\$3,720	\$3,860	\$4,006

Program Analysis:

The basic aim of health information and research is to develop an information system which will provide an accurate picture of the health of the citizens of the Commonwealth on a regular and timely basis. At the present time a system for gathering and utilizing such information about the health of Pennsylvanians is being developed. Pennsylvania was one of thirteen states which was awarded a contract during 1974-75 by the National Center for Health Statistics for the purpose of implementing a coordinated, cooperative information system involving Federal, State and local agencies. The primary first year activity of the health facilities project has been planning and development.

One of the great handicaps to providing an adequate health delivery system is the lack of systematically gathered information about morbidity and mortality. Only certain diseases are presently reportable by law. In order to develop

adequate health care systems, it is essential to know what the state of health of the population is, and what types of health problems exist and to what extent they exist. Without this information, it is difficult, if not impossible to develop programs which deal with the most acute needs of Pennsylvania's citizens. With this type of information, however, it will be possible to concentrate on those areas which present the greatest threat to health. An adequate information system will also provide feedback to both laymen and health professionals on the effectiveness of their efforts.

A secondary, but important aim of health information and research is to encourage the study of the etiology of disease and the development of treatments. Funds are recommended for the direct support of basic research in the fields of cancer and cytology. In addition, the State will assist various institutions involved in heart disease research.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$2,170	\$2,518	\$2,946	\$2,633	\$2,765	\$2,903	\$3,048
Vital Statistics Modernization		200					
The Institute for Cancer Research	418	418	418	418	418	418	418
The Wistar Institute—Research	100	200	100	100	100	100	100
Lankenau Hospital—Research	75	75	75	75	75	75	75
Cardio-Vascular Studies— Philadelphia General Hospital	60	60	60	60	60	60	60
Cardio-Vascular Studies— St. Francis Hospital, Pittsburgh	60	60	60	60	60	60	60
GENERAL FUND TOTAL	\$2,883	\$3,531	\$3,659	\$3,346	\$3,478	\$3,616	\$3,761

Medical Facilities Review

OBJECTIVE: To insure that health facilities are sufficient in number and scope of operation and to insure that adequate and accessible health care can be provided to the citizens of Pennsylvania.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$1,302	\$1,510	\$1,768	\$1,580	\$1,659	\$1,742	\$1,829
Federal Funds	1,314	1,678	2,606	2,247	2,247	2,247	2,247
TOTAL	\$2,616	\$3,188	\$4,374	\$3,827	\$3,906	\$3,989	\$4,076

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Short-term hospital beds needed	53,700	54,200	54,800	55,300	55,900	57,400	58,548
Short-term hospital beds available	57,000	57,500	58,000	58,500	59,000	59,500	60,000
Value of applications approved by the State Comprehensive Health Planning Agency (in thousands)	\$233,311	\$237,977	\$233,800	\$224,600	\$225,500	\$220,300	\$218,900
Hospitals certified under Medical Assistance	193	245	245	245	245	245	245
Hospitals surveyed annually as required for State licensure and approval	223	235	235	235	235	235	235
Dollar value of adulterated, misbranded, bankrupt or distressed drugs removed from market (in thousands)	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000

Program Analysis:

There are three basic factors to be taken into consideration in regard to medical facilities. Are there sufficient facilities? Are they providing quality services? And are the facilities being utilized properly and effectively? Medical facilities range from hospitals to nursing homes to blood banks and laboratories.

Pennsylvania has an overabundance of short-term hospital beds and an extreme scarcity of nursing home or long-term care beds. Nursing homes are not the direct responsibility of the Department of Health and this is discussed in detail in the subcategory Medical Facilities Review in the Department of Public Welfare. The excess of short-term hospital beds of necessity raises the per diem cost to individuals requiring such

treatment. This is true since overhead costs remain basically the same regardless of occupancy rates, thus if occupancy rates are low, costs must be spread over fewer patients. This is not to suggest that more people should be placed in short-term hospital beds, it merely points out the need for an accommodation between supply and demand, and a close scrutiny of the utilization of short-term hospital beds. The average length of stay in hospitals is decreasing.

One method of developing the interface between supply and demand lies in the development of criteria by which to review the need for new or expanding health facilities. Section 1122 of Public Law 92-603 was enacted in 1972 with the intent of filling the gap between supply and demand through a

Medical Facilities Review

Program Analysis: (continued)

review of medical facilities capital expenditures. The purpose of the Federal law is to assure that Federal funds are not used to support unnecessary capital expenditures of over \$100,000 for such health care facilities as hospitals, nursing homes, health centers and health maintenance organizations. Instead, Federal funds via the Social Security Act should support only those facilities that are actually needed by their communities. Any construction proposal must be submitted to the areawide comprehensive health planning agency in which the capital expenditure would be made. The agency reviews the proposal and evaluates it against its own plan and criteria for health care in that community and submits its findings and recommendations to the State Comprehensive Health Planning Agency. The State Hill-Burton agency which is a separate agency in the Department of Health also reviews the proposal and submits its recommendations to the State Comprehensive Health Planning Agency. The State Planning Agency then conducts a review of the materials presented to justify reimbursement and prepares the final recommendation for the Secretary of Health. The value of all applications approved in that part of 1973-74 in which the review process was conducted totaled \$233.3 million and it is estimated that the total value of all applications approved in 1975-76 will amount to \$233.8 million. Examination of the program measure indicates that the estimated total value of applications approved will decrease in future years.

In addition to its review of capital expenditures, the State Hill-Burton agency prepares a State plan for construction and modernization of hospitals and other health facilities with the State and areawide comprehensive health planning agencies reviewing and commenting upon any proposed changes. This plan forms the facilities component of the State Comprehensive Health Plan and serves as a basis by which applications for Hill-Burton funding may be reviewed. The Federal Hill-Burton construction program provides grants, loans and loan guarantees for new construction or improvement of health care facilities. The Federal Public Health Service Act requires the State Hill-Burton agency to provide local or statewide comprehensive health planning agencies an opportunity to consider proposed projects within their areas before they may approve and recommend such projects for Federal assistance. During 1975-76 it is estimated

that 18 Hill-Burton applications will be approved for funding involving a value of \$88,000.

There is no current shortage of short-term hospital beds, and during 1975-76, 245 hospitals will be certified to provide Medical Assistance and Medicare services. In addition, 235 hospitals will be surveyed annually as required for State licensure or approval.

In addition to the role presently played by the Health Department in reviewing hospital facilities, the Department also regulates and licenses laboratories dealing with medical care and blood banks. The major focus in this area is to insure that laboratories and blood banks meet acceptable professional standards so that the citizens of the Commonwealth receive safe and adequate services.

Laboratories are to receive on-site inspection annually and are reviewed as to adequate space and equipment and as to accuracy in performing clinical tests. If a laboratory is found to be deficient in some way, additional follow-up visits are conducted. Laboratories engaged in interstate commerce are also evaluated at the time of State inspection for compliance with Federal requirements. In addition to the on-site inspection, samples are sent to the individual laboratories throughout the year for testing and a summary of the results is returned to the laboratory indicating the percentage of correct and incorrect results and indicating why the errors occurred. Individual laboratory technicians receive training in testing techniques if the need is indicated through either the on-site inspection or the mailed sample. Rules and regulations concerning the operation of blood banks are now being developed. Also, there is State effort in controlling the production and distribution of drugs.

A major thrust of this Administration to control the cost, use and quality of medical facilities is embodied in the proposed State Comprehensive Health Care Act of 1975. This act, which was reintroduced in the Legislature this session, provides for licensure, loan approval and certification of need of health care providers. All of these would require the prior approval of the State before implementation. With direction and control at the State level this proposed act would go a long way toward controlling the costs of medical care in the Commonwealth.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$1,302</u>	<u>\$1,510</u>	<u>\$1,768</u>	<u>\$1,580</u>	<u>\$1,659</u>	<u>\$1,742</u>	<u>\$1,829</u>

Health Services Development

OBJECTIVE: To develop a coordinated health care delivery system.

Recommended Program Costs:

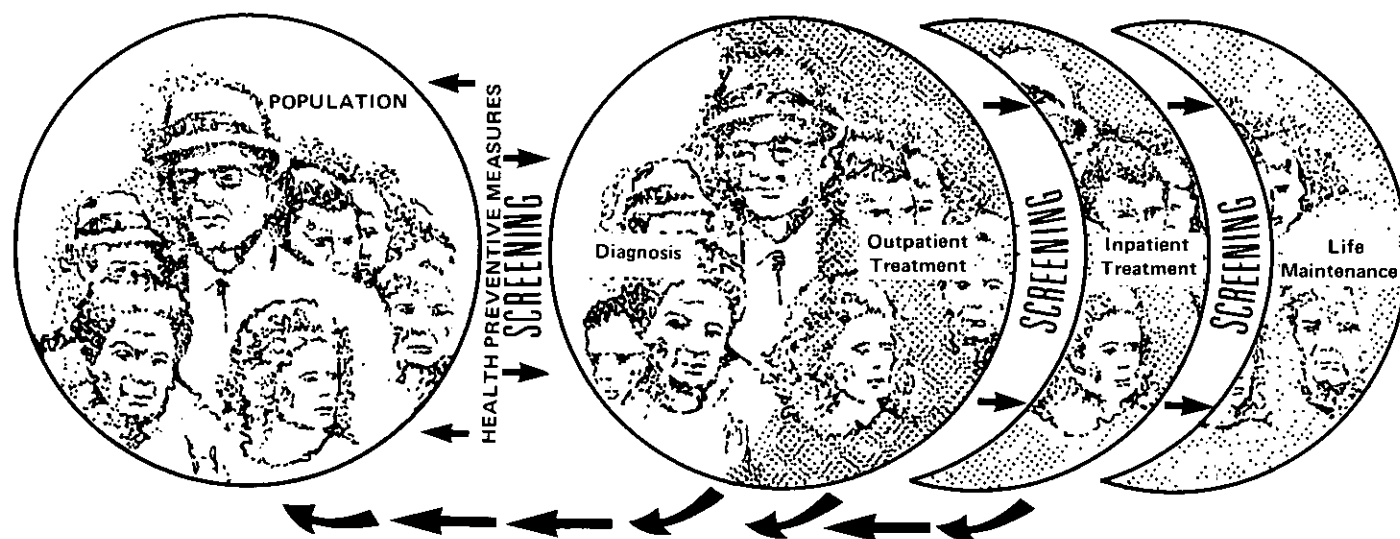
	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$2,388	\$2,769	\$4,241	\$3,946	\$4,143	\$4,350	\$4,567
Federal Funds	394	554	487	420	420	420	420
TOTAL	\$2,782	\$3,323	\$4,728	\$4,366	\$4,563	\$4,770	\$4,987

Program Analysis:

Presently there is no comprehensive health care delivery system in the Commonwealth of Pennsylvania. Activities in this program promote the development of a coordinated comprehensive health care delivery system which will provide high quality, economical and readily available health care to all the citizens of Pennsylvania.

A simplified model of the health care delivery system is provided in the diagram below. This is a model of a progressively intensive open system. Progressively intensive means that as one moves through the system the processes

involved are more complex and the cost in both human and financial resources becomes greater. An open system is one that has both entry and exit points. Obviously, it would be desirable to prevent anyone from requiring involvement with the health care system in its last four stages. If it were possible for prevention of disease to be complete so that no abnormalities were discovered through screening then the need for the other more intensive and expensive components of the system would be nonexistent.



One of the major faults with the present health care delivery system in Pennsylvania is the use of the more intensive components of the system especially inpatient treatment and underutilization of prevention and screening. This means that the most expensive portions of the system are being used most frequently resulting in undue human suffering and skyrocketing costs.

A maldistribution of entry points into the health care system has been a major factor in causing people to wait until an illness becomes serious before seeking medical attention. This problem is most common in rural areas and the ghetto areas of our cities. The major entry points to the health care system are the solo general practitioners' offices and the emergency rooms of general hospitals. The overall physician to

Health Services Development (continued)

Program Analysis: (continued)

population ratio in Pennsylvania is acceptable by national standards but physicians are maldistributed both geographically and according to speciality. One possible solution to the distribution of physicians problems is to provide incentives to induce physicians to practice in medically deprived areas by establishing a revolving loan fund from which money can be drawn to establish a primary health care corporation in that area.

Primary care is defined as that medical care needed by most of the people most of the time. Through cooperative planning with community groups and other governmental agencies the Department of Health has assisted in the establishment of 60 such centers in medically deprived areas with an additional 35 primary care centers estimated to be established in 1975-76. One such facility is the Benjamin R. Donolow Memorial Medical Center which began treating patients on September 9, 1974. The average number of patient visits per day was 27 in November, 1974, with an anticipated 150 patient visits per day to be serviced when full complement is achieved. Long-range goals of the Department include planning for conversion of the larger primary care centers to meet Federal Health Maintenance Organization Standards thus becoming available for Federal dollars.

The Division of Comprehensive Health Planning (CHP) has been designated under Federal law (P.L. 89-749) as the agent responsible for guiding the mental, personal and environmental health planning program in the Commonwealth as well as the responsibility for the coordination and capability of the entire health care delivery system. The responsibilities of CHP are carried out via a statewide plan. The plan is a yardstick which measures health needs and aspirations against the available resources so that conscious administrative decisions can be made on the allocation of resources. The State plan will provide a health profile of the Commonwealth in order to calculate the impact of the decisions made on resource allocation, and to provide the base for evaluation of the impact of the State plan. Planning affords the State the opportunity to contain cost by reducing duplication of services and facilities and halting the misallocation of health dollars. In addition, the plan will increase the efficiency of the providers of services through the coordination and synchronization of delivery mechanisms.

In addition to the plan, the implementing legislation

provided for an advisory council which emphasizes maximum citizen participation. The council is vested with the responsibility for advising the Governor and the Secretary of Health in responding to the broad gamut of health services. Proposed health legislation is also reviewed and analyzed as to the impact of such legislation on the State plan, on the health delivery system, and on the quality and cost of health care. The Division of Comprehensive Health Planning is also responsible for reviewing and commenting on all capital expenditures for health facilities involving Federal monies. In addition, the Certificate of Need legislation embodied in the Comprehensive Health Care Act of 1975 being considered by the Legislature would provide legislative authority for review and approval of all medical facilities and services.

Under the Federal Comprehensive Health Planning Act, each medical market area has an areawide CHP agency. They are either public or nonprofit private organizations that develop comprehensive regional, metropolitan area, or other local area plans for the coordination of existing and planned health services. The coordination effort involves the facilities and manpower required for the provision of such services. The state agency reviews the work activities and progress of the areawide agencies. Coordination of areawide agency activities and plans is also a state responsibility.

The orderly and economical development of health care resources requires the application of systematic planning principles to ensure the availability of high quality health care attainable for every person at the lowest reasonable cost to the consumer. A Program Revision providing for comprehensive, primary and emergency health services recommended for the 1975-76 fiscal year addresses this objective. The responsibility for this activity is jointly shared by the Pennsylvania Department of Health and nine regional planning agencies. During the 1974-75 fiscal year, funds were provided to strengthen these local agencies. These funds were disbursed by means of a contract agreement between the State and the individual regional agencies, based on a formula devised by the State Comprehensive Health Planning agency to provide funds to those local agencies with the greatest need. Although it is too early to conclusively evaluate this program, it is anticipated that the funds will enable the regional agencies to take a much more active and independent role in health planning.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$2,388</u>	<u>\$2,769</u>	<u>\$4,241</u>	<u>\$3,946</u>	<u>\$4,143</u>	<u>\$4,350</u>	<u>\$4,567</u>

**Health Services Development
Program Revision: Comprehensive, Primary and Emergency Health Services**

Recommended Program Revision Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$1,000</u>	<u>\$1,050</u>	<u>\$1,102</u>	<u>\$1,157</u>	<u>\$1,215</u>

Program Analysis:

The cost of medical care is rising rapidly and cost containment is currently receiving emphasis. In addition, means must be employed to fill the gaps in the health care delivery system. This Program Revision is a response to this problem and attempts to control health care costs where excessive, as well as to provide resources for health care services where they are needed most.

The shortage of physicians in rural Pennsylvania is rapidly becoming acute. Death and retirement are reducing the physician population far faster than young physicians can be recruited to practice in rural areas. Moreover, analysis of census tracts within heavily populated metropolitan areas reveals a similar doctor shortage. Scientific advances and the rapidly escalating costs of medical and hospital care are persuasive in discounting solo practice as a future method of dispensing primary care. Group practices supported by para-medical personnel offer the most promising mechanism for providing good medical care in larger quantities. This combination of physician and para-medical personnel can be well accomplished in a primary care center, community based and directed. The total care rendered can be more complete, less expensive and more satisfying to the patient and to the physician.

The outcome of any medical or traumatic event depends on three basic factors: the quality of initial care outside the hospital setting; the quality of definitive care in the hospital; and the time intervals involved. The quality of initial and definitive care can be improved, and time intervals between them reduced, only through the development of a total systems approach to emergency health services. The goal of this program is to reduce the incidence of premature death or unnecessary disability of persons who suffer sudden and catastrophic illness or injury by developing emergency health care delivery systems where needed which provide for the effective and coordinated delivery of emergency health services.

The Comprehensive Health Care Act of 1975 introduced in the legislature provides for licensure, rate approval and certification of need of health care providers. When this law passes it will establish a mechanism by which unnecessary health care facilities can be prevented and health care costs can be controlled.

The combined effect of this Program Revision is to assure that Pennsylvania's health resources are organized into a system providing comprehensive health services available to the people of Pennsylvania at a price they can afford and of a quality they deserve.

Program Revision Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$1,000</u>	<u>\$1,050</u>	<u>\$1,102</u>	<u>\$1,157</u>	<u>\$1,215</u>

Health Maintenance and Disease Prevention

OBJECTIVE: To promote sound health practices in the population; to reduce the need for remedial health care; and to reduce morbidity and mortality due to health defects and disease.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$20,525	\$22,246	\$23,304	\$19,762	\$20,110	\$20,420	\$20,749
Federal Funds	2,365	4,104	4,627	3,990	3,990	3,990	3,990
Other Funds . . . . .	.....	60	66	61	64	67	70
TOTAL	\$22,890	\$26,410	\$27,997	\$23,813	\$24,164	\$24,477	\$24,809

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Registered live births	150,655	145,655	140,000	135,000	132,000	130,000	129,000
Infants and preschool children under health supervision	87,000	90,400	94,000	97,700	101,600	105,600	110,000
Premature births per 1,000 live births	8.0	7.8	7.6	7.4	7.2	7.0	6.8
Death rate of children under one year of age per 1,000 live births	16.8	15.8	14.8	13.8	12.8	11.8	10.8
Total children immunized against diphtheria, pertussis, tetanus, measles, polio and rubella	659,680	705,000	535,000	495,000	460,000	440,000	415,000
Possible complications, defects and deaths prevented by immunization program for measles	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Reported incidence of primary and secondary syphilis*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Reported incidence of gonorrhea*	10,670	11,200	11,700	12,290	12,500	12,500	12,500
Total incidence of communicable disease less venereal diseases and animal bites	18,750	N/A	N/A	N/A	N/A	N/A	N/A
Families and individuals provided nutritional counseling	34,748	N/A	N/A	N/A	N/A	N/A	N/A
Families and individuals provided genetic counseling	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Families and individuals provided family planning services	8,434	N/A	N/A	N/A	N/A	N/A	N/A

* Excludes Philadelphia.

Health Maintenance and Disease Prevention (continued)

Program Analysis:

One aspect of the health care delivery system that has been receiving more attention in recent years is the prevention of disease and maintenance of health. The logic behind this thinking is that it is less expensive in human and financial terms and more rational to the individual, private insurers and government to maintain a state of good health rather than treat an illness.

The Commonwealth has the primary responsibility to protect the health of its residents. In the area of disease prevention and control, however, the six local health departments essentially relieve the Pennsylvania Department of Health of primary responsibility in their areas of jurisdiction. Local health departments are mandated to provide at least the following services: communicable disease control, including tuberculosis and venereal diseases; maternal and child health services; public health nursing; public health education; and collection and analysis of public health statistics.

Some of the activities that are undertaken in disease prevention have very tangible and measurable results. The use of vaccinations and inoculations against various childhood and other diseases has been extremely effective. Fluoridation of water supplies and the topical application of fluoride have shown measurable results in the reduction of dental cavities. Similarly the purification of public water supplies and the proper handling of waste have proven effective in disease prevention.

Other measures that are used in the fight against disease have had less easily measurable results. Their use should not be minimized, however, and work is now going on to develop data for them. An important component of prevention can broadly be classified as public health education. Through the broad dissemination of health information in the mass media and individual counseling the public is provided with information designed to help them maintain a high state of health. Family planning, counseling and services are provided to prospective parents at clinics throughout the State. Prenatal advice and counseling are offered to expectant parents to emphasize proper care of the mother to ensure a safe delivery. Health clinics are also available to provide guidance in the proper postnatal care of infants. At various clinics and conferences counseling is given on proper nutrition in an attempt to improve the dietary practices of the population.

While the State does not have a comprehensive child disease prevention program for infants, the Department of Health does have a set of activities that bear on disease

prevention. Statistics on infant mortality and the prematurity rate are good indicators of the effectiveness of prevention activity. A jurisdiction's infant mortality rate (death rate of children under one year of age per 1,000 live births) serves as the prime public health indicator of the well-being of its population. This indicator is used not only to assess a jurisdiction's progress over time, but also to compare its level of achievement relative to the status of state, county and municipal populations. Pennsylvania as a whole continues to show a gradual but steady decrease in infant mortality. However, a more comprehensive and detailed analysis of the State's statistical record of 1973 reveals that the discrepancy between the Pennsylvania infant mortality rate reported for "white" (15.8) and "other" (27.7) continues to be extreme. Moreover steady progress in the reduction of infant mortality is not occurring throughout all areas of the State. There is a total of ten municipalities and thirteen counties that have shown an actual increase in infant mortality in the prior five year period of 1966 to 1971.

The major problem in Pennsylvania, as reflected in infant mortality rates, exists in areas where there are: significant concentrations of medically indigent families, the presence of potential health care resources but a lack of an organized and publicly supported health care delivery system geared to the needs of pregnant women and their newborn infants. A Program Revision is recommended which expands the maternity care program to deal with the problems of infant mortality and prematurity.

Another sensitive indicator of the adequacy of the health status of a population is the incidence of premature births. Prematurity is a complex social problem involving factors as varied as inadequate housing conditions, poor socio-economic and nutritional status of prospective mothers, inadequate medical care, personal habits such as smoking and drug-taking and the occurrence of early teenage pregnancies. Low birth weight and premature termination of pregnancy increases not only the risk of infant death but also the risk of mental and physical defects in infants who survive. Consequently the prematurity rate of a population is a sensitive indicator of the percentage of developmentally disabled individuals one could anticipate within that population.

Health Maintenance and Disease Prevention (continued)

Program Analysis: (continued)

A statewide network of child health clinics, operated by the State and local health departments, provides ongoing health care to infants and preschool children. The children receive medical examinations and special screening tests for developmental disabilities, visual and hearing defects and anemia, as well as receiving standard immunizations.

While more concern is being given to health maintenance and disease prevention the major portion of health resources continue to flow into the remedial aspect of the health care system. A shift in resources from the one area to the other may produce a considerable payoff.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
GENERAL FUND								
General Government Operations . . .	\$ 4,124	\$ 4,783	\$ 6,314	\$ 5,754	\$ 6,043	\$ 6,335	\$ 6,662	
School Health Examinations	9,690	10,568	10,178	6,992	6,841	6,642	6,421	
Local Health Departments	6,711	6,895	6,812	7,016	7,226	7,443	7,666	
GENERAL FUND TOTAL	<u>\$20,525</u>	<u>\$22,246</u>	<u>\$23,304</u>	<u>\$19,762</u>	<u>\$20,110</u>	<u>\$20,420</u>	<u>\$20,749</u>	

**Health Maintenance and Disease Prevention
Program Revision: Maternal and Newborn Infant Care**

Recommended Program Revision Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$716</u>	<u>\$752</u>	<u>\$790</u>	<u>\$830</u>	<u>\$871</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
High risk pregnant women in receipt of maternity care in the program							
Current	6,000	6,000	6,000	6,000	6,000	6,000
Program Revision	8,000	12,000	18,000	21,000	24,000
High risk maternal infant care centers developed							
Current	3	3	3	3	3	3
Program Revision	6	9	12	15	18

Program Analysis:

There are large numbers of women in low income families in Pennsylvania who are receiving poor or no prenatal care. These women have a high incidence of complications of pregnancy and a high perinatal mortality rate. Their babies are delivered prematurely two or three times as frequently as the average for the nation as a whole. Such infants are especially vulnerable to brain damage, neurologic disability, and mental retardation.

The major objective of the maternal and infant care program is to reduce mortality and morbidity of newborn infants and their mothers. These are patients identified as high risk who will not receive the necessary health care without additional public support. Through a community outreach the more vulnerable patients will be found in the early stages of pregnancy and will be provided with comprehensive multidisciplinary health care services.

This Program Revision recommends the use of State funds

to expand the maternity and infant care program from the present Federally funded special demonstration projects located in Philadelphia, Pittsburgh, and Chester City to a statewide program. Such a program will provide an organized, community based health care delivery system throughout the Commonwealth. This system will ensure that pregnant women are identified early and that prenatal health care is readily available at the community level. It will also ensure the early identification of high risk mothers and the placement of such mothers under a rigorous program of ongoing health supervision. Specialized medical care resources will be made available for prompt referral and consultation of problem cases in maternity care. This care will extend from early prenatal care through hospitalization for labor and delivery and extend into postnatal follow-up for both the mother and the newborn infant.

Program Revision Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$716</u>	<u>\$752</u>	<u>\$790</u>	<u>\$830</u>	<u>\$871</u>

Detection and Diagnosis

OBJECTIVE: To detect disease and health defects in the population at the earliest possible stage of development, to ensure that disease and defects are properly diagnosed, and to place those individuals in need of treatment and/or rehabilitation in the most appropriate program.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$4,123	\$4,555	\$4,596	\$3,408	\$3,411	\$3,400	\$3,384
Federal Funds	1,972	3,325	3,653	3,150	3,150	3,150	3,150
Other Funds . . . . .	.....	12	.....	.....	.....	.....	.....
TOTAL	<u>\$6,095</u>	<u>\$7,892</u>	<u>\$8,249</u>	<u>\$6,558</u>	<u>\$6,561</u>	<u>\$6,550</u>	<u>\$6,534</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Persons screened for chronic diseases, venereal disease and tuberculosis	422,709	455,900	494,100	512,400	541,400	560,900	590,400
Abnormalities discovered by screening	274,760	296,335	321,165	333,060	351,910	364,585	383,760
New cases diagnosed and referred for treatment	274,760	296,335	321,165	333,060	351,910	364,585	383,760
Persons screened for phenylketonuria (PKU)	150,655	145,655	140,000	135,000	132,000	130,000	129,000
PKU discovered by screening	15	15	15	15	15	15	15
New cases of PKU diagnosed and referred for treatment	15	15	15	15	15	15	15
Stage of disease discovered	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Program Analysis:

Since even the optimum health system cannot prevent all disease and health defects, it is important to detect individuals with abnormalities, correctly diagnose their problems, and refer the individuals to the proper program for treatment. Through routine screening, early detection and diagnosis, an individual's disease or health defect can be identified at the earliest possible stage. It is possible to then use the least intensive treatment program necessary to restore him to a healthy state.

The physician is then responsible for determining the extent of treatment necessary. It is anticipated that if detection screening is a sound program then some of the burden will be

lifted from the physicians and they can better allocate that time towards curative measures.

The effectiveness of this program must be eventually measured by the number of individuals appropriately referred to outpatient as opposed to inpatient treatment, and by the stage of the disease when discovered. If for example, the venereal disease (VD) screening efforts discover mainly VD cases which require intensive treatment then something is wrong with the program. According to most medical economists, the value of early detection is that it tends to minimize cost in both human and economic terms.

Detection and Diagnosis (continued)

Program Analysis: (continued)

Initiatives on the part of both the Federal and State governments are focusing increasing attention and resources on screening, early detection, diagnosis and referral of individuals. In the Medical Assistance program, early screening and diagnosis of Medical Assistance eligibles under 21 years of age is being provided. This program is described fully under the Department of Public Welfare.

During 1974-75 the Health Department has launched a statewide program of adult multi-phasic health screening geared to the early detection and diagnosis of such chronic conditions as hypertension, heart disease, cancer, diabetes and chronic pulmonary disorders by using multiple tests administered at one time. The plan is to steadily expand this program as need dictates and treatment resources allow. Meanwhile, more traditional types of screening are being conducted statewide. These disease specific screening programs are available for glaucoma, cervical cancer, diabetes and venereal diseases. The Department also operates a statewide newborn phenylketonuria (PKU) screening program that is mandated by State law. As a result of prompt

detection of the disease in the newborn period, infants can be immediately placed on the special therapeutic diet, thereby preventing the development of the serious mental retardation that characterizes the untreated form of the disease.

Another type of activity is the School Health Examination program. Mandated services include: physical and dental examination, each three times during the student's school life; regularly scheduled screening tests for vision, hearing and growth; the services of a school nurse for each 1,500 students; services for tuberculosis screening, immunizations and dental hygiene are provided on a more selective basis. School districts are currently being encouraged to develop health services plans for reimbursement which will allow for flexibility in meeting the differences in health needs between regions and between the students of yesterday and today. Such programs are nurse oriented, with the school health program to be an integrated part of the health care delivery system of the community and thus possessing the potential of providing an important role in children's preventive medicine.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 868	\$1,007	\$1,179	\$1,053	\$1,106	\$1,161	\$1,219
School Health Examinations	3,230	3,523	3,392	2,330	2,280	2,214	2,140
Neurological Diseases, Inglis House, Philadelphia	25	25	25	25	25	25	25
GENERAL FUND TOTAL	\$4,123	\$4,555	\$4,596	\$3,408	\$3,411	\$3,400	\$3,384

Outpatient Treatment

OBJECTIVE: To reduce mortality and morbidity due to disease and health defects and to restore ill persons to the highest possible level of health with minimum involvement with the health care system.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$ 8,046	\$13,211	\$14,459	\$13,149	\$13,801	\$14,488	\$15,206
Federal Funds	5,913	9,276	9,983	8,610	8,610	8,610	8,610
Other Funds	115	366	217	201	211	221	232
TOTAL	\$14,074	\$22,853	\$24,659	\$21,960	\$22,622	\$23,319	\$24,048

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Children receiving outpatient treatment through Department supported programs for:*							
Cardiac	2,567	2,500	2,750	3,000	3,000	3,000	3,000
Cleft palate	2,808	2,800	2,800	2,800	2,800	2,800	2,800
Cystic fibrosis	533	530	530	530	530	530	530
Hemophilia	202	350	450	450	450	450	450
Speech and hearing	11,744	12,000	12,500	13,000	13,000	13,000	13,000
Dentofacial	104	150	200	200	200	200	200
Orthopedic	7,665	8,000	8,000	8,000	8,000	8,000	8,000
Neuromuscular	1,004	1,000	1,500	1,500	1,500	1,500	1,500
Phenylketonuria	135	135	135	135	135	135	135
Adults receiving outpatient treatment and/or services through Department supported programs for:							
Renal disease	639	759	900	1,000	1,000	1,000	1,000
Black lung	17,766	20,000	24,000	28,000	32,000	36,000	40,000
Tuberculosis	10,045	9,400	9,000	8,700	8,300	7,500	6,700
Venereal disease	18,500	19,425	20,396	21,416	21,500	21,500	21,500
Hemophilia	103	225	300	300	300	300	300
Children receiving outpatient treatment at the State Hospital for Crippled Children							
Children	2,862	3,000	3,200	3,400	3,600	3,600	3,600
Sickle cell patients receiving State support							
support		1,104	1,606	1,905	2,221	2,555	2,938

* Data obtained from Federal Crippled Childrens Report.

Outpatient Treatment (continued)

Program Analysis:

If the detection and diagnosis process functions optimally, a large portion of the individuals referred for treatment will require a minimum of outpatient care to restore them to good health. Outpatient treatment is generally thought to deal with the less intensive end of the health care continuum. More specifically, outpatient treatment is medical care which does not require the affected individual to stay overnight in a medical institution. Even within the outpatient care area there are various levels of intensity of care from the application of a bandage to the administration of renal dialysis. The effectiveness of outpatient care can be evaluated in terms of the length of treatment required to restore health, the intensity of treatment required to restore health, and whether or not a treated individual is referred for inpatient care or dies.

The Commonwealth supports outpatient treatment for various groups and in various ways. The major groups that receive outpatient treatment through State supported programs are hemophiliacs, renal disease victims and tuberculosis victims. Hemophilia represents a group of diseases where affected individuals have a life-long deficiency of important clotting factors of blood plasma. Individuals so affected have a chronic incapacity due to frequent hemorrhages, particularly into joints and muscles. There are slightly over 800 hemophiliacs in Pennsylvania with 575 persons taking part in the program in 1974-75. It is expected that the actual number of patients treated will not reach the maximum 800 because some individuals prefer to obtain treatment through private physicians. The hemophilia program presently consists of nine special centers which offer comprehensive evaluation and re-evaluation services and blood products for hospital, outpatient or home use. Patients must be registered with the program to receive these benefits, and insurance and Medical Assistance benefits are used before State program funds are expended. Any physician may refer a patient from Pennsylvania who has hemophilia to the closest center. Diagnostic services are offered at all centers. Immediate treatment, advice and suggestions for future treatment are also available. The centers make arrangements for the referring physician to receive clinical reports and, when feasible, to participate in the routine management of the patient. Funds for this program are now included in General Government Operations for the 1975-76 fiscal year.

With the passage of the Renal Disease Act in June, 1970, the Commonwealth became involved in the care of patients requiring lifesaving long-term hemodialysis. As of October, 1974, there were 761 active patients receiving treatment, with the future patient load estimated at 1,000 active patients by the end of 1976. Pennsylvania's Chronic Renal Disease Service emphasizes and promotes home dialysis which has such various advantages as providing an emotionally stable environment, lowering cost, eliminating transportation

problems, and sparing hospital facilities and personnel. Machines for home dialysis as well as the necessary supplies and equipment are provided. Training for home dialysis must be provided to both the patient and a helper in an approved maintenance dialysis center through 24 to 30 learning sessions. For those individuals who cannot be treated at home, chronic maintenance dialysis is provided. This method is more expensive than home dialysis and may present transportation problems for the patient since the dialysis center may be a distance from the patient's home. In response to this latter problem, satellite centers are being established in affiliation with a hospital providing comprehensive health services. Initially begun in 1972, 10 satellite centers are currently in operation with additional centers planned. In addition, the State has approved out-of-state hospitals located near Pennsylvania that meet set standards to provide dialysis treatment to Pennsylvania residents who live in rural areas near the borders of the State. Medicare coverage of chronic renal disease, which began on July 1, 1973, does not include a number of significant items: including the first three months of dialysis; deductibles and coinsurance; prescription drugs and other necessary supplies. Thus, even with Medicare, Pennsylvania continues to pay 55 percent of the cost during the first year of dialysis and not less than 25 percent during the second and subsequent years for the life of the patient.

Another type of outpatient treatment is physical therapy provided to stroke and heart attack victims and to children with handicapping conditions. Outpatient services are provided to children with cleft palate and dentofacial defects. Services are also provided to victims of chronic respiratory diseases. A new program of services for black lung victims was begun in 1973 under a grant from the Appalachian Regional Council. It is currently estimated that 24,000 persons will be served by this program in the 1975-76 budget year. Legislation passed in 1974-75 provided for a sickle cell anemia treatment program. The program calls for the creation of a comprehensive, continuous health care delivery system which would provide adequate nutrition, prompt medical treatment of infections and other complications, medication and a liaison with day care centers, welfare agencies, schools and vocational institutions. This program has not progressed as quickly as anticipated due to the lack of personnel needed to implement the program. Program costs for the 1975-76 fiscal year are included in General Government Operations.

Generally speaking outpatient medical services are less expensive in both human and economic terms than inpatient care. Thus, it is desirable to treat individuals when possible and appropriate on an outpatient basis. The last State operated tuberculosis hospital was closed in 1973-74. Individuals with tuberculosis are now treated as outpatients, when possible, receiving quality care at a lower cost to the State.

Outpatient Treatment (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$ 6,294	\$ 9,801	\$13,564	\$12,280	\$12,893	\$13,539	\$14,214
Hemophilia Treatment	870	1,542	.....	.....	.....	.....	.....
Health Rehabilitation Services	694	1,240	810	784	823	864	907
Sickle Cell Anemia	103	543	.....	.....	.....	.....	.....
Cerebral Dysfunction—Children's							
Hospital, Pittsburgh	25	25	25	25	25	25	25
Cleft Palate Clinic—Lancaster	30	30	30	30	30	30	30
Cleft Palate Clinic—Pittsburgh	30	30	30	30	30	30	30
GENERAL FUND TOTAL	<u>\$ 8,046</u>	<u>\$13,211</u>	<u>\$14,459</u>	<u>\$13,149</u>	<u>\$13,801</u>	<u>\$14,488</u>	<u>\$15,206</u>

Inpatient Treatment

OBJECTIVE: To reduce mortality and morbidity due to disease and health defects and to minimize time, resources and intensity in restoring ill persons to the highest possible level of health.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$6,078	\$5,129	\$4,324	\$3,680	\$3,860	\$4,050	\$4,249
Federal Funds	1,855	1,845	2,222	1,920	1,920	1,920	1,920
Other Funds . . . . .	. . . . .	53	207	170	178	187	197
TOTAL	\$7,933	\$7,027	\$6,753	\$5,770	\$5,958	\$6,157	\$6,366

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Persons receiving inpatient hospital care	1,595	1,445	1,495	1,475	1,470	1,465	1,460
Average length of inpatient hospital stay in days	8.4	8.4	8.3	8.2	8.1	8.0	7.9
Persons transferred from intensive care facilities to less intensive care facilities	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons restored to community at maximum level of functioning (tuberculosis only)	320	145	140	120	115	112	110

Program Analysis:

Inadequacies of outpatient treatment, the surfacing of an acute disease or an accident are events which can precipitate the need for inpatient health care.

Thus, inpatient care is the next logical phase of care along the proposed system's continuum.

Inpatient care can range in intensity from intermediate care facilities to skilled nursing homes. From short-term general hospital treatment to long-term acute hospital care. As in the Outpatient Treatment subcategory, the more complicated the procedures and/or the lengths of care required to restore health the more costly it is in human and financial terms. This is brought about by the large expenditure of resources for capital facilities, equipment and manpower.

The task and management of inpatient treatment is to minimize the length of stay and the intensity of medical procedures required to return a person to a healthy state, or to

place a person in a less intensive mode of care. Success of inpatient care can only be measured by the movement of persons from more intensive care units to less intensive care units. Examples of this include an individual moved from an intensive coronary care unit to a skilled nursing home, or the movement of a person from a skilled nursing home to an intermediate care facility. A clear indicator of success is returning an individual to the community or placing them in an outpatient treatment program.

Examination of the measures indicates that the average length of an inpatient hospital stay in days is slowly decreasing. In 1973-74, the average length of stay equaled 8.4 days. It is estimated that in 1975-76 the average length of stay will be reduced to 8.3 days with gradual reduction occurring in future years.

Steps are being taken in both the public and private sectors

Inpatient Treatment (continued)

to insure the proper utilization and quality of inpatient treatment. The Pre-discharge Utilization Review (PDUR) Program, which is discussed further under the Department of Public Welfare, is a program aimed at reducing the overutilization of inappropriate inpatient procedures.

The Comprehensive Health Planning Act created agencies under Section 314 (b). These agencies commonly called "b" agencies, are either public or private organizations on an areawide level which undertake both comprehensive planning and specific projects for the particular regions. The "b" agencies are becoming more involved in the planning of hospital construction and the building of facilities deemed inappropriate on the basis of demographic and potential demand data. The "b" agencies are not as effective as they could be, but it is hoped that in the near future they will become more useful.

One step towards making the "b" agencies more effective was a Program Revision funded in 1974-75 providing for financial aid to the local agencies. These funds have been distributed through contacts on a formula basis to the local agencies during the 1974-75 year with the intent of enabling the local agencies to operate at maximum efficiency and to make them less dependent on local contributions from the very

groups they are trying to regulate. It is too early at this point to evaluate the effect of the additional funding, but it is expected that the "b" agencies will become more viable.

Another type of institutional control system is being used by the Commonwealth Insurance Department. This effort is aimed at forcing large third party insurers to control the fees paid to providers.

All of these measures combined should produce a reduction in the length of stay, an increase in the number and rate of persons placed in outpatient treatment programs, and an increase in the number and rate of persons placed in less intensive facilities.

Pennsylvania is currently trying to get out of the direct provision of inpatient activities. The closing of Marcy State Hospital for the treatment of tuberculosis during the 1974-75 fiscal year is one such action designed to achieve this objective.

The Commonwealth provides support for inpatient treatment both in this subcategory and the subcategory Inpatient Hospital Services in the Department of Public Welfare. Direct services are provided for children with handicapping conditions. Inpatient services are purchased for tuberculosis victims, persons with cerebral palsy and children requiring cardiac surgery.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 217	\$ 252	\$ 295	\$ 263	\$ 276	\$ 290	\$ 305
Health Rehabilitation Services	5,786	4,802	3,954	3,342	3,509	3,685	3,869
Cerebral Palsy—St. Christopher's Hospital	75	75	75	75	75	75	75
GENERAL FUND TOTAL	<u>\$6,078</u>	<u>\$5,129</u>	<u>\$4,324</u>	<u>\$3,680</u>	<u>\$3,860</u>	<u>\$4,050</u>	<u>\$4,249</u>

Life Maintenance

OBJECTIVE: To provide the most appropriate care to those unable to return to the community in a self-sufficient capacity.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$217	\$252	\$295	\$263	\$276	\$290	\$305
Federal Funds .....	.....	.....	487	420	420	420	420
TOTAL	<u>\$217</u>	<u>\$252</u>	<u>\$782</u>	<u>\$683</u>	<u>\$696</u>	<u>\$710</u>	<u>\$725</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Functionally disabled persons 65 years and older	179,886	183,944	187,856	191,595	195,131	198,450	201,537
Persons provided life maintenance services in a noninstitutional setting	1,119	1,130	1,141	1,152	1,164	1,176	1,188

Program Analysis:

Long-term illness is a major public health problem and primary cause of disability. Primary prevention of chronic conditions are often limited because either the etiology of the disease is obscure or preventive measures have not yet been developed. The best the health care system can do for those individuals afflicted with long-term illness is prevent further disability, provide comfort and safety, and maintain a level of wellness consistent with the limitations imposed by the disease process since the possibility of cure or improvement is remote at this stage.

Life maintenance services can be provided in an institutional setting such as a nursing home, a general hospital, or the person's home. As in the other components of the health care system life maintenance services can be more or less intensive depending upon the conditions previously mentioned.

The Department of Health is not directly involved in the

provision of life maintenance services. This activity is primarily aimed at recipients of Medical Assistance and is more fully discussed under the subcategory Long-Term Care found in the Department of Public Welfare presentation.

In order to maintain a person's life it may be necessary to put them on a heart-lung machine. On the other hand, it may only be necessary to visit the person's home to ensure that he is fed and bathed. The Health Department mainly concerns itself with the latter problem through the home health activities of visiting nurses.

Thus, life maintenance is the final step of the system. It would be ideal if this phase of the continuum did not have to exist but because of uncontrollable factors the Commonwealth will have to care for some individuals for the duration of their lives.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$217</u>	<u>\$252</u>	<u>\$295</u>	<u>\$263</u>	<u>\$276</u>	<u>\$290</u>	<u>\$305</u>



Historical and Museum Commission

The Historical and Museum Commission is the official agency for the conservation and presentation of Pennsylvania's historic heritage. In executing its responsibilities, the Commission provides educational and recreational facilities to the public through historical, archaeological, and museum research, administration of public records, museum exhibition and interpretation, and historic site development.

HISTORICAL AND MUSEUM COMMISSION

Summary by Fund and Appropriations

	(Dollar Amounts in Thousands)			
1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)	
General Fund				
General Government				
General Government Operations	\$3,874	\$4,572	\$5,112	\$6,339
Valley Forge State Park	475	572	628	761
Washington Crossing State Park	352	444	482	578
Brandywine Battlefield Park Commission	80	91	105	131
Sub-Total	<u>\$4,781</u>	<u>\$5,679</u>	<u>\$6,327</u>	<u>\$7,809</u>
 Grants and Subsidies				
University of Pennsylvania Museum	\$ 100	\$ 100	\$ 100	\$ 100
Carnegie Museum	100	100	100	100
The Franklin Institute	300	300	300	300
Pennsylvania Academy of the Fine Arts	3	3	3	3
Academy of Natural Sciences of Philadelphia	70	77	77	77
Museum of the Philadelphia Civic Center	150	150	150	150
Buhl Planetarium and Institute of Popular Science	50	50	50	50
Philadelphia Museum of Art	75	100	100	100
Public Museum of Reading . . . . .	. . . .	100	. . . .	. . . .
Sub-Total	<u>\$ 848</u>	<u>\$ 980</u>	<u>\$ 880</u>	<u>\$ 880</u>
 Capital Improvements				
Capital Improvements . . . . .	. . . .	\$ 218	\$ 132	\$ 132
Total State Funds	<u>\$5,629</u>	<u>\$6,877</u>	<u>\$7,339</u>	<u>\$8,821</u>
 Federal Funds				
Federal Funds	\$ 22	\$ 60	\$ 120	\$ 120
Other Funds	58	98	46	46
GENERAL FUND TOTAL	<u>\$5,709</u>	<u>\$7,035</u>	<u>\$7,505</u>	<u>\$8,987</u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Government Operations			
State Funds	\$3,874	\$4,572	\$6,339
Federal Funds	22	60	120
Other Funds	55	90	44
TOTAL	\$3,951	\$4,722	\$6,503

Coordinates and directs the preservation of Pennsylvania's heritage through the collection of public records, natural history specimens, objects of art, historical objects and historic sites; and by promoting, acquisition, restoration, and operation of historical sites within the Commonwealth.

Among the major sites are Washington Crossing, Valley Forge, Brandywine Battlefield, Old Economy and Pennsbury Manor. Some of the major museums are William Penn Memorial Museum, Landis Valley Museum, Fort Pitt and the Anthracite Museum.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
General Government Operations	\$3,874	\$4,572	\$6,339
Federal Funds:			
Department of the Interior, National Park Services	22	60	120
Other Funds:			
Photo Copy Service	1	1	1
Eckley Rent from Properties	7	19	19
Reimbursement from Land and Water Development Fund	45	24	24
Pennsylvania Power and Light Grant— Archaeological	2	11	.....
Supplemental Retirement Contribution .....	.....	35	.....
TOTAL	\$3,951	\$4,722	\$6,503

GENERAL FUND

HISTORICAL AND MUSEUM COMMISSION

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Valley Forge State Park			
State Funds	\$ 475	\$ 572	\$ 761
Other Funds	2	5	2
	<u> </u>	<u> </u>	<u> </u>
TOTAL	\$ 477	\$ 577	\$ 763

Promotes and commemorates Pennsylvania's historical heritage through the restoration and operation of Valley Forge State Park, the site where General Washington's army was encamped during the winter of 1777-78.

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Appropriation:			
Valley Forge State Park	\$ 475	\$ 572	\$ 761
Other Funds:			
Rent from Properties	2	2	2
Supplemental Retirement Contribution .....	. . . .	3	. . . .
	<u> </u>	<u> </u>	<u> </u>
TOTAL	<u>\$ 477</u>	<u>\$ 577</u>	<u>\$ 763</u>

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Washington Crossing State Park			
State Funds	\$ 352	\$ 444	\$ 578
Other Funds	1	2	. . . .
	<u> </u>	<u> </u>	<u> </u>
TOTAL	\$ 353	\$ 446	\$ 578

Promotes and commemorates Pennsylvania's historical heritage through the restoration and operation of Washington Crossing State Park, the site where George Washington crossed the Delaware and captured Hessian troops at Trenton.

GENERAL FUND

HISTORICAL AND MUSEUM COMMISSION

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Washington Crossing State Park	\$ 352	\$ 444	\$ 578
Other Funds:			
Rent from Properties	1	1	.....
Supplemental Retirement Contribution .....	.....	1	.....
TOTAL	<u>\$ 353</u>	<u>\$ 446</u>	<u>\$ 578</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Brandywine Battlefield Park Commission			
State Funds	\$ 80	\$ 91	\$ 131
Other Funds .....	.....	1	.....
TOTAL	<u>\$ 80</u>	<u>\$ 92</u>	<u>\$ 131</u>

Promotes and commemorates Pennsylvania's historical heritage through the restoration and operation of Brandywine Battlefield Park, and the site of the strategic revolutionary war battle.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Brandywine Battlefield Park Commission	\$ 80	\$ 91	\$ 131
Other Funds:			
Supplemental Retirement Contribution .....	.....	1	.....
TOTAL	<u>\$ 80</u>	<u>\$ 92</u>	<u>\$ 131</u>

Grants and Subsidies

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Museum Development and Operation			
State Funds	\$ 848	\$ 980	\$ 880

Provides assistance to certain museums to carry out their cultural, scientific and educational programs.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
University of Pennsylvania Museum	\$ 100	\$ 100	\$ 100
Carnegie Museum	100	100	100
The Franklin Institute	300	300	300
Pennsylvania Academy of The Fine Arts	3	3	3
Academy of Natural Sciences of Philadelphia	70	77	77
Museum of the Philadelphia Civic Center	150	150	150
Buhl Planetarium and Institute of			
Popular Science	50	50	50
Philadelphia Museum of Art	75	100	100
Reading Public Museum .....	.....	100	.....
TOTAL	\$ 848	\$ 980	\$ 880

Capital Improvements

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Capital Improvements			
State Funds	\$ 218	\$ 132

Provides for picnic areas, exhibits and various safety and security items at various historic sites and museums.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation			
Capital Improvements	<u>\$ 218</u>	<u>\$ 132</u>

HISTORICAL AND MUSEUM COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 513	\$ 573	\$ 716	\$ 613	\$ 656	\$ 702	\$ 751
Administration of Public Records	\$ 270	\$ 307	\$ 387	\$ 328	\$ 351	\$ 376	\$ 402
Preserving Valuable Records	270	307	387	328	351	376	402
Cultural Enrichment	\$4,846	\$5,997	\$7,718	\$6,772	\$7,191	\$7,635	\$8,114
Development and Promotion of Pennsylvania State and Local History	211	266	342	303	326	346	370
Museum Development and Operations .	2,460	3,151	3,612	3,285	3,453	3,633	3,826
Development and Preservation of Historic Sites and Properties	2,175	2,580	3,764	3,184	3,412	3,656	3,918
DEPARTMENT TOTAL	<u><u>\$5,629</u></u>	<u><u>\$6,877</u></u>	<u><u>\$8,821</u></u>	<u><u>\$7,713</u></u>	<u><u>\$8,198</u></u>	<u><u>\$8,713</u></u>	<u><u>\$9,267</u></u>

HISTORICAL AND MUSEUM COMMISSION

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$513</u>	<u>\$573</u>	<u>\$716</u>	<u>\$613</u>	<u>\$656</u>	<u>\$702</u>	<u>\$751</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of the Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$513</u>	<u>\$573</u>	<u>\$716</u>	<u>\$613</u>	<u>\$656</u>	<u>\$702</u>	<u>\$751</u>

HISTORICAL AND MUSEUM COMMISSION

Preserving Valuable Records

OBJECTIVE: To assure the preservation and availability of the Commonwealth's important public records and to promote the safekeeping of county and municipal records of permanent value.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$270	\$307	\$387	\$328	\$351	\$376	\$402
Federal Funds .....	.....	.....	34	.....	.....	.....	.....
TOTAL	<u>\$270</u>	<u>\$307</u>	<u>\$421</u>	<u>\$328</u>	<u>\$351</u>	<u>\$376</u>	<u>\$402</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Cubic feet of permanent public records processed	2,600	4,000	4,000	4,000	4,000	4,000	4,000
Cubic feet of semi-active public records processed	21,623	23,000	24,000	27,000	30,000	30,000	30,000
Cubic feet of archival (permanent) material made available to researchers	37,000	43,000	50,000	55,000	60,000	65,000	70,000

Program Analysis:

The objective of this program is achieved through three basic approaches. First, ascertaining those records which qualify as worthy of preservation for posterity; cataloging, preserving and storing them in a predetermined and orderly manner for reference by students, scholars and historians. Second, planning and preparing of retention schedules for the preservation of county and local government records; advising, guiding and informing county and local government authorities in the systematic and proper manner of preserving records as prescribed by law and standard practice. Third receiving those Commonwealth records which by law or administrative directive must be preserved for specified lengths

of time; preserving and storing or disposing of them in a definite, orderly fashion in accordance with established retention schedules.

The true measure of whether or not the objective is fulfilled cannot be quantified. Only time will tell whether the right records were maintained. Some indication of this is shown in that the amount of material made available is continually increasing.

The measures are shown to indicate the magnitude of materials handled. It is anticipated that these will show a leveling trend.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$270</u>	<u>\$307</u>	<u>\$387</u>	<u>\$328</u>	<u>\$351</u>	<u>\$376</u>	<u>\$402</u>

HISTORICAL AND MUSEUM COMMISSION

Development and Promotion of Pennsylvania State and Local History

OBJECTIVE: To extend knowledge of Pennsylvania's historical heritage and promote interest in it.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$211	\$266	\$342	\$303	\$326	\$346	\$370
Other Funds	1	1	1	1	2	2	2
TOTAL	<u>\$212</u>	<u>\$267</u>	<u>\$343</u>	<u>\$304</u>	<u>\$328</u>	<u>\$348</u>	<u>\$372</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Pages of historical material published	2,000	2,200	2,300	2,300	2,300	2,400	2,400
Pages of historical materials added to collections	16,782	157,000	174,000	185,000	200,000	215,000	230,000
Publications distributed	217,899	220,000	235,000	250,000	250,000	275,000	275,000
Reference service actions	13,503	15,500	17,000	18,500	18,500	19,000	19,000
Historical organizations involved in commission programs	230	245	260	275	280	280	280

Program Analysis:

Through research and reference services, the Commission makes available historical information to the public and to other government agencies. Historical data and materials are prepared and published in pamphlet, brochure and book form and are made available for distribution or sale, as required, to historians, scholars, schools, historical societies and the general public.

Technical assistance, advice, guidance and information on history and historical events is provided for historical societies and groups. Emphasis is given to working with historical

societies as extensions which actually supplement the Commission's programs and encourage the interest of young people in Pennsylvania's heritage through such things as Junior Historian groups.

The actual increase in the public's knowledge and appreciation of Pennsylvania's history cannot be measured. However, an increasing demand for the Commission's services as shown above can be interpreted as an indication of success. The large increase in the pages of historical materials added to collections is due to more emphasis in that area.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$211</u>	<u>\$266</u>	<u>\$342</u>	<u>\$303</u>	<u>\$326</u>	<u>\$346</u>	<u>\$370</u>

HISTORICAL AND MUSEUM COMMISSION

Museum Development and Operation

OBJECTIVE: To assure provision of representative artifacts and specimens of history, art and science for the enlightenment, enjoyment and visual experience for all citizens.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$2,460	\$3,151	\$3,612	\$3,285	\$3,453	\$3,633	\$3,826
Other Funds	28	49	19	25	30	30	30
TOTAL	<u>\$2,488</u>	<u>\$3,200</u>	<u>\$3,631</u>	<u>\$3,310</u>	<u>\$3,483</u>	<u>\$3,663</u>	<u>\$3,856</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
State-owned museums:							
Museums in operation	10	11	13	15	15	15	15
Exhibits developed, updated and maintained	1,335	1,345	1,445	1,495	1,500	1,500	1,500
Walk-in visitations at museums	592,700	682,000	1,104,000	2,153,000	1,773,000	1,773,000	1,860,000
Persons participating in group visitations	300,000	425,000	543,000	852,000	715,000	715,000	715,000
State-aided museums:							
Museums receiving financial assistance	8	9	8	8	8	8	8

Program Analysis:

This program is responsible for the development, maintenance and operation of Pennsylvania's museum system. Included within this program are State-owned and operated museums which depend solely on appropriations to the Historical and Museum Commission and State-aided museums receiving financial assistance through State grants.

There are now eleven State-owned museums with others scheduled to open as indicated in the chart. All of these museums provide a variety of programs of interest on all types

of subjects which are educational and fulfilling to persons seeking information on our historical heritage.

There are also special and extension services which are beneficial to the public including a mobile museum program that brings displays to persons throughout Pennsylvania. Each year, as the projections indicate, there is a significant increase in the number of visitations to these facilities. The chart illustrates the upward trend visitations are expected to take and the anticipated increases caused by the Bicentennial.

HISTORICAL AND MUSEUM COMMISSION

Museum Development and Operation (Continued)

Program Analysis: (Continued)

VISITATION AT STATE-OWNED MUSEUMS

Museum	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
William Penn Memorial Museum	570,000	600,000	800,000	800,000	775,000	775,000	750,000
Pennsylvania Farm Museum	177,000	190,000	220,000	250,000	230,000	230,000	240,000
Fort Pitt Museum	15,000	100,000	100,000	100,000	90,000	90,000	100,000
Pennsylvania Military Museum	23,000	30,000	35,000	40,000	35,000	35,000	35,000
Eckley Anthracite Museum	4,200	15,000	35,000	40,000	38,000	38,000	40,000
Railroad Museum of Pennsylvania	2,500	50,000	200,000	220,000	200,000	200,000	225,000
Pennsylvania Lumber Museum	48,000	50,000	48,000	52,000	50,000	50,000	50,000
Somerset Historical Center	19,000	30,000	35,000	38,000	35,000	35,000	35,000
Old Mill Village Museum	27,000	30,000	35,000	40,000	35,000	35,000	35,000
Scranton Iron Furnace	7,000	10,000	12,000	20,000	20,000	20,000	10,000
Curtin Village . . . . .	.....	2,000	12,000	15,000	30,000	30,000	35,000
Lackawanna Anthracite Museum . . . . .	.....	.....	35,000	60,000	70,000	70,000	75,000
Great Meadows Amphitheatre . . . . .	.....	.....	80,000	90,000	90,000	90,000	100,000
Port of History Museum . . . . .	.....	.....	.....	1,210,000	750,000	750,000	800,000
Schuylkill Anthracite Museum . . . . .	.....	.....	.....	30,000	40,000	40,000	45,000
TOTAL	892,700	1,107,000	1,647,000	3,005,000	2,488,000	2,488,000	2,575,000

One of the best indicators of the success of this program is the number of visitations. From 1973-74 to 1976-77 there will be an estimated 2,112,300 additional visitors to all the museums owned and operated by the Commonwealth. In the

upcoming years there will be festivals planned, special events and dramatic productions related to the Bicentennial, which will contribute to a renewed desire to enjoy and preserve cultural and historical contributions from the past.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
GENERAL FUND								
General Government Operations	\$1,612	\$1,953	\$2,600	\$2,405	\$2,573	\$2,753	\$2,946	
University of Pennsylvania Museum	100	100	100	100	100	100	100	
Carnegie Museum	100	100	100	100	100	100	100	
The Franklin Institute	300	300	300	300	300	300	300	
Pennsylvania Academy of The Fine Arts	3	3	3	3	3	3	3	
Academy of Natural Sciences of Philadelphia	70	77	77	77	77	77	77	
Museum of The Philadelphia Civic Center	150	150	150	150	150	150	150	
Buhl Planetarium and Institute of Popular Science	50	50	50	50	50	50	50	
Philadelphia Museum of Art	75	100	100	100	100	100	100	
Public Museum of Reading . . . . .	.....	100	.....	.....	.....	.....	.....
Capital Improvements . . . . .	.....	218	132	.....	.....	.....	.....
GENERAL FUND TOTAL	\$2,460	\$3,151	\$3,612	\$3,285	\$3,453	\$3,633	\$3,826	

HISTORICAL AND MUSEUM COMMISSION

Development and Preservation of Historical Sites and Properties

OBJECTIVE: To utilize and interpret historic sites and properties as related to Pennsylvania's history and to promote an understanding and appreciation of the State's historical heritage.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$2,175	\$2,580	\$3,764	\$3,184	\$3,412	\$3,656	\$3,918
Federal Funds	22	60	86	91	97	100	100
Other Funds	29	48	26	23	33	33	33
TOTAL	<u>\$2,226</u>	<u>\$2,688</u>	<u>\$3,876</u>	<u>\$3,298</u>	<u>\$3,542</u>	<u>\$3,789</u>	<u>\$4,051</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Sites and properties operated	42	44	45	45	46	46	46
Annual visitors	5,808,000	7,289,000	10,194,000	12,156,000	10,842,000	10,032,000	9,905,000
Sites and properties surveyed	350	375	400	450	450	450	450
Historical markers erected, refurbished, replaced and/or maintained	1,357	1,367	1,377	1,387	1,397	1,407	1,417
Buildings to be maintained	120	123	123	125	125	125	125

Program Analysis:

The Pennsylvania Historical and Museum Commission is responsible for the care, preservation and maintenance of some 44 historic properties which have been committed to its custody by the General Assembly. These properties are scattered widely across the Commonwealth and are operated for the education and recreation of the public. Most of these sites have been restored to reflect the period of history they portray and the heritage of Pennsylvania and the United States.

The presentation of Pennsylvania's historic heritage involves much more than preserving historic buildings, relics and records. It calls for an active and diverse program to develop, interpret and promote interest in the important events in the Commonwealth's history. For this year and the following

years until 1977-78, as indicated by the chart, the visitation rates at these historic sites will increase and peak in the Bicentennial years, then taper off and return to a normal level. This projected increase in visitations can be attributed to a renewed interest in history, art and science for enlightenment, enjoyment and visual experience for all citizens, and is intensified by the Bicentennial.

The actual visitation figures for 1973-74 and 1974-75 were below previously estimated figures for those periods. This is attributed to the adverse effects of the energy shortage and the continued adverse effects of flood damage. With these two causes remedied or eased, we can see the anticipated figures becoming closer to normal through the Bicentennial years.

Development and Preservation of Historical Sites and Properties (Continued)

Program Analysis: (Continued)

VISITATIONS AT SELECTED STATE HISTORICAL SITES AND PROPERTIES

Property	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Valley Forge	3,303,000	3,694,000	5,507,000	6,205,000	6,100,000	5,300,000	5,000,000
Washington Crossing	1,881,000	2,500,000	3,200,000	4,280,000	3,000,000	3,000,000	3,200,000
Brandywine Battlefield	115,000	339,000	400,000	458,000	495,000	445,000	450,000
Ephrata Cloister	90,000	121,000	135,000	155,000	140,000	137,000	135,000
Old Economy	77,000	115,000	129,000	133,000	124,000	121,000	120,000
Flagship Niagara	52,000	65,000	106,000	121,000	111,000	105,000	105,000
Daniel Boone	59,000	70,000	110,000	115,000	111,000	105,000	105,000
Pennsbury Manor	38,000	45,000	85,000	89,000	84,000	80,000	85,000
Drake Well Museum	31,000	40,000	56,000	61,000	57,000	55,000	55,000
All others	162,000	300,000	466,000	539,000	620,000	682,000	650,000
TOTAL	5,808,000	7,289,000	10,194,000	12,156,000	10,842,000	10,032,000	9,905,000

Also under this program the Commonwealth cooperates with and advises historical societies and civic organizations in historic site preservation. Historical markers are placed and maintained along Pennsylvania's highways to acquaint the public with the historical significance of the locality. With the constant threat of sites being endangered by urbanization,

highway development and citizen carelessness, a survey program is being developed by the Commission to protect these historic facilities on State and national historical registers. This affords protection until any significant historical value of the property can be determined.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1979-80
			1975-76 (15 months)	1976-77	1977-78	1978-79	
GENERAL FUND							
General Government Operations	\$1,268	\$1,473	\$2,294	\$1,872	\$2,003	\$2,143	\$2,293
Valley Forge State Park	475	572	761	678	725	776	830
Washington Crossing State Park	352	444	578	521	563	608	657
Brandywine Battlefield Park Commission	80	91	131	113	121	129	138
GENERAL FUND TOTAL	<u>\$2,175</u>	<u>\$2,580</u>	<u>\$3,764</u>	<u>\$3,184</u>	<u>\$3,412</u>	<u>\$3,656</u>	<u>\$3,918</u>



State Horse Racing Commission

The State Horse Racing Commission regulates thoroughbred horse racing within the Commonwealth by developing and implementing rules, regulations and procedures which insure the public and horse owners of honest, safe, competitive, pari-mutuel, thoroughbred horse races.

STATE HORSE RACING COMMISSION

Summary by Fund and Appropriation

		(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76	1975-76
	Actual	Available	Estimate (12 months)	Budget (15 months)
State Horse Racing Fund				
General Government				
General Operations	\$ 642	\$ 814	\$ 884	\$ 1,080
Transfer to General Fund	15,267	15,983	15,370	23,055
Transfer to Fair Fund . . . . .	. . . . .	1,216	2,296	3,445
Total State Funds	<u><u>\$15,909</u></u>	<u><u>\$18,013</u></u>	<u><u>\$18,550</u></u>	<u><u>\$27,580</u></u>
 Other Funds	 1	 1	. . . . .	. . . . .
 DEPARTMENT TOTAL	 <u><u>\$15,910</u></u>	 <u><u>\$18,014</u></u>	 <u><u>\$18,550</u></u>	 <u><u>\$27,580</u></u>

State Horse Racing Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Operations			
State Funds	\$ 642	\$ 814	\$ 1,080
Other Funds	1	1	.....
TOTAL	<u>\$ 643</u>	<u>\$ 815</u>	<u>\$ 1,080</u>

Implements rules, regulations and procedures to insure the public of honest, safe and competitive thoroughbred horse races.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorization:			
General Operations	\$ 642	\$ 814	\$ 1,080
Other Funds:			
Sale of Automobiles	1	1	.....
TOTAL	<u>\$ 643</u>	<u>\$ 815</u>	<u>\$ 1,080</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Transfer to General Fund			
State Funds	\$15,267	\$15,983	\$23,055

Beginning in 1974-75 eighty-seven percent of all monies derived from horse racing and not required for administrative expenses are transferred to the General Fund where they are received as miscellaneous revenues and do not support a specific program. Previously all surplus was transferred.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorization:			
Transfer to General Fund	<u>\$15,267</u>	<u>\$15,983</u>	<u>\$23,055</u>

OTHER SPECIAL FUNDS

STATE HORSE RACING COMMISSION

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Transfer to Fair Fund			
State Funds	\$ 1,216	\$ 3,445

Beginning in 1975-76, thirteen percent of all monies derived from horse racing and not required for administrative expenses is transferred to the Pennsylvania Fair Fund for support of specific programs. Previously there was no transfer.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorization:			
Transfer to Pennsylvania Fair Fund	<u>\$ 1,216</u>	<u>\$ 3,445</u>

HORSE RACING COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Consumer Protection	\$15,909	\$18,013	\$27,580	\$23,274	\$22,109	\$22,411	\$22,720
Regulation of Horse Racing	15,909	18,013	27,580	23,274	22,109	22,411	22,720

HORSE RACING COMMISSION

Regulation of Horse Racing

OBJECTIVE: To prevent consumer fraud in thoroughbred horse racing

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Special Funds	\$15,909	\$18,013	\$27,580	\$23,274	\$22,109	\$22,411	\$22,720
Other Funds	1	1	.....	.....	.....	.....	.....
TOTAL	<u>\$15,910</u>	<u>\$18,014</u>	<u>\$27,580</u>	<u>\$23,274</u>	<u>\$22,109</u>	<u>\$22,411</u>	<u>\$22,720</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Incidence of patron complaints	15	15	15	15	15	15	15
Incidence of noncompliance with established rules and regulations	400	400	400	400	400	400	400
Participants to be licensed	13,500	14,000	14,500	15,000	15,500	16,000	16,500
Investigations performed to insure compliance with established rules and regulations	2,000	2,000	2,000	2,000	2,000	2,000	2,000

Program Analysis:

The activities of this program are aimed at insuring that horse racing events are fair and unbiased. It is estimated that there will be 4,000 thoroughbred horse races held within the Commonwealth in 1975-76, with 14,500 participants to be licensed. The number of consumer complaints has been minimal. As the data indicate they amounted to 15 in 1973-74 with this number expected to stabilize. When comparing the projected number of thoroughbred races to be conducted and the number of licensed participants with the approximately

400 incidence of noncompliance with established rules and regulations, the success of the licensing, security and enforcement procedures becomes apparent. These procedures are designed to contribute to the overall confidence factor of patrons, thus assuring a continuation of the current wagering level and concomitant revenues for the Commonwealth.

The number of investigations is projected to remain constant. This measure reflects an investigation of any infraction of the rules and regulations no matter how minor.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
STATE HORSE RACING FUND							
General Operations	\$ 642	\$ 814	\$ 1,080	\$ 884	\$ 929	\$ 975	\$ 1,023
Transfer to General Fund	15,267	15,983	23,055	19,479	18,426	18,649	18,876
Transfer to Fair Fund .....	.....	1,216	3,445	2,911	2,754	2,787	2,821
TOTAL	<u>\$15,909</u>	<u>\$18,013</u>	<u>\$27,580</u>	<u>\$23,274</u>	<u>\$22,109</u>	<u>\$22,411</u>	<u>\$22,720</u>

Insurance Department

The Insurance Department executes the insurance laws of the Commonwealth, examines and supervises domestic insurance companies, settles complaints and regulates insurance rates. The Department also licenses Pennsylvania and out-of-state companies, makes investigations of alleged violations of the law and supervises the dissolution of companies.

INSURANCE DEPARTMENT
Summary by Fund and Appropriation

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
General Fund				
General Government				
General Government Operations	\$3,983	\$4,504	\$4,660	\$5,867
Total State Funds	<u>\$3,983</u>	<u>\$4,504</u>	<u>\$4,660</u>	<u>\$5,867</u>
Other Funds	\$ 109	\$ 85	\$ 35	\$ 42
GENERAL FUND TOTAL	<u>\$4,092</u>	<u>\$4,589</u>	<u>\$4,695</u>	<u>\$5,909</u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
General Government Operations			
State Funds	\$3,983	\$4,504	\$5,867
Other Funds	109	85	42
	<u> </u>	<u> </u>	<u> </u>
TOTAL	\$4,092	\$4,589	\$5,909

Administers the internal activities of the Department; examines insurance companies for financial stability, compliance with the law, treatment of policyholders, income, disbursements and loss payments; reviews rates, policies and any policyholders' inquiries or complaints; investigates and takes appropriate action on alleged violations of the law or regulations; supervises the liquidation of insolvent insurance companies.

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Appropriation:			
General Government Operations	\$3,983	\$4,504	\$5,867
Other Funds:			
Reimbursement for Companies in Liquidation	109	50	42
Supplemental Retirement Contribution .....	.....	35	.....
	<u> </u>	<u> </u>	<u> </u>
TOTAL	<u>\$4,092</u>	<u>\$4,589</u>	<u>\$5,909</u>

INSURANCE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 957	\$1,004	\$1,313	\$1,123	\$1,439	\$1,569	\$1,815
Consumer Protection	\$3,026	\$3,500	\$4,554	\$3,864	\$5,085	\$5,619	\$6,285
Regulation of Insurance Industry	3,026	3,500	4,554	3,864	5,085	5,619	6,285
DEPARTMENT TOTAL	<u><u>\$3,983</u></u>	<u><u>\$4,504</u></u>	<u><u>\$5,867</u></u>	<u><u>\$4,987</u></u>	<u><u>\$6,524</u></u>	<u><u>\$7,188</u></u>	<u><u>\$8,100</u></u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$957</u>	<u>\$1,013</u>	<u>\$1,313</u>	<u>\$1,123</u>	<u>\$1,439</u>	<u>\$1,569</u>	<u>\$1,815</u>

Program Analysis:

This subcategory provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of the objectives of the

Commonwealth and Insurance Department. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$957</u>	<u>\$1,013</u>	<u>\$1,313</u>	<u>\$1,123</u>	<u>\$1,439</u>	<u>\$1,569</u>	<u>\$1,815</u>

Regulation of Insurance Industry

OBJECTIVE: To assure efficiency of insurance industry and its ability to satisfy contractual obligations and to prevent abuse of the public by illegal or unfair practices.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$3,983	\$4,504	\$5,867	\$4,987	\$6,524	\$7,188	\$8,100
Other Funds	109	85	42	35	35	35	35
TOTAL	<u>\$4,092</u>	<u>\$4,589</u>	<u>\$5,909</u>	<u>\$5,022</u>	<u>\$6,559</u>	<u>\$7,223</u>	<u>\$8,135</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Savings through reduction of insurance premiums (in thousands)	\$37,800	\$29,900	\$31,500	\$33,000	\$34,700	\$36,500	\$38,300
Savings from departmental intervention (in thousands)	\$3,100	\$3,200	\$3,200	\$3,300	\$3,300	\$3,400	\$3,500
Companies audited annually	1,122	1,067	1,083	1,090	1,100	1,110	1,110
Companies audited quarterly	116	175	185	185	185	190	195
Companies in liquidation	22	13	9	7	5	4	3
Complaints received and processed	17,596	19,000	19,200	19,800	19,900	20,000	20,500

Program Analysis:

The Pennsylvania Insurance Department is charged with maintaining a balance between consumer and industry interests. The Insurance Department is obliged to use its regulatory authority to ensure that the industry is doing its best to make the insurance market responsive to the daily needs of the consumer, by making available to them reliable and responsible choices for needed insurance coverages at appropriate rates. At the same time, it is the Department's responsibility to promote an economic climate within the industry that will allow any of the 1,190 companies operating within statutory law to realize a reasonable rate of return on their business.

Each insurance company must be examined by the Insurance Department for financial stability, compliance with the law, treatment of policyholders, income, disbursements and loss payments. Newly licensed companies and companies who fail four solvency tests established by the National Association of Insurance Commissioners are audited quarterly for a period of five years. The present "financial crunch" will,

quite likely, result in a significant increase in the number of quarterly audits during 1974-75, as shown in the measures. Furthermore, special examinations are conducted on companies that show evidence of financial difficulty or other malpractices during the annual audit. All other domestic companies are examined at least once every four years pursuant to statutory law. This examination benefits the consumer, as well as the insurance industry by identifying problem areas which if unchecked could lead to liquidation. The Insurance Department is also charged with administering the entire liquidations process. As the measures show, due to closer monitoring of insurance companies, there is a constant decrease projected for liquidations beyond fiscal 1975-76.

The approach used to attain the objectives of this program, not only involves the use of regulatory law, but at the same time emphasizes the development of an informed and enlightened citizenry. The "shoppers' guides to insurance" have provided the public with consumer information that simplified market decisions and saved millions of dollars for

Regulation of Insurance Industry (continued)

Program Analysis: (continued)

the general public. It is impossible to accurately calculate the savings resultant from the "shoppers' guides" because there are two million guides in circulation of which 1.2 million were reproduced by agencies other than the Insurance Department. Of the total printed, 75,000 have gone out-of-state.

With the growth of public awareness, there has been a corresponding increase in the number of consumer complaints registered with the Insurance Department. Thus, there has been placed an increased emphasis on evaluating and processing consumer complaints. Besides the main office in Harrisburg, regional offices were established and traveling complaint teams added to cover the smaller communities throughout the Commonwealth. It is expected that the expansion of consumer complaint functions will result in a gradual increase of dollars recovered during the next several

years, as well as a closer adherence to the regulatory law by insurance companies.

Another area of savings to the consumer has occurred in the reduction of requested premium rate increases. In 1973-74, this savings amounted to \$37,800,000. This figure is considerably less than estimated previously, due mainly to more refined methods of data collection. The elimination of Federal wage price controls will further contribute to the decrease in the amount saved through premium reductions. The passage of no-fault insurance legislation will result in an estimated additional first year savings of \$70 million to the consumer, while enabling more prompt payment to victims of motor vehicle accidents through the reduction of the need for long and costly lawsuits.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)					
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80	
GENERAL FUND								
General Government Operations	<u>\$3,983</u>	<u>\$4,504</u>	<u>\$5,867</u>	<u>\$4,987</u>	<u>\$6,524</u>	<u>\$7,188</u>	<u>\$8,100</u>	

Department of Justice

The Department of Justice furnishes the Governor and his departments, boards and commissions with legal services; enforces compliance with civil rights laws and laws governing conduct of public employes; maintains a State system for custody and rehabilitation of convicted criminals; assists in the improvement of the Juvenile Court System; recommends commutation of sentences and fines and provides programs for the protection of the consumer. The Department also coordinates State and local plans for crime prevention and control and assists State and local agencies in developing more effective methods of dealing with crime.

DEPARTMENT OF JUSTICE
Summary by Fund and Appropriation

	1973-74 Actual	(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
General Fund				
General Government				
General Government Operations	\$ 6,961	\$ 6,653	\$ 7,673	\$ 9,732
Bureau of Drug Control .....	.....	2,790	3,052	3,807
Pennsylvania Crime Commission	174	239	607	734
Juvenile Court Judges Commission	150	168	201	249
Sub-Total	<u>\$ 7,285</u>	<u>\$ 9,850</u>	<u>\$11,533</u>	<u>\$ 14,522</u>
Institutional				
State Correctional Institutions	\$46,523	\$57,143	\$64,276	\$ 78,137
Grants and Subsidies				
Improvement of County Juvenile				
Probation Services	\$ 1,320	\$ 1,320	\$ 1,452	\$ 1,452
Aid to Local Law Enforcement	1,154	1,150	1,110	1,350
Yablonski Trials .....	.....	410	.....	.....
Sub-Total	<u>\$ 2,474</u>	<u>\$ 2,880</u>	<u>\$ 2,562</u>	<u>\$ 2,802</u>
Capital Improvements				
Capital Improvements .....	.....	.....	\$ 181	\$ 181
Total State Funds	<u>\$56,282</u>	<u>\$69,873</u>	<u>\$78,552</u>	<u>\$ 95,642</u>
Federal Funds	\$ 7,076	\$ 7,007	\$ 6,261	\$ 7,141
Other Funds	402	835	799	1,012
GENERAL FUND TOTAL	<u>\$63,760</u>	<u>\$77,715</u>	<u>\$85,612</u>	<u>\$103,795</u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Government Operations			
State Funds	\$ 6,961	\$ 6,653	\$ 9,732
Federal Funds	3,046	3,739	4,261
Other Funds	345	418	937
TOTAL	\$10,352	\$10,810	\$14,930

Provides legal counsel in matters affecting the operation of State agencies. Maintains the Board of Pardons which reviews applications for reprieves, commutation of sentences and pardons. Helps promote the integrity of State Government through investigations of illegal and/or improper activities on the part of Commonwealth employes. Protects the citizens from fraudulent and dishonest business practices by investigating complaints and when necessary seeks injunctions to halt such practices. Provides coordination of State, local and private efforts to reduce and prevent the spread of crime in the Commonwealth. Also coordinates the use of all Federal funds given to State and local agencies under the Omnibus Crime Control and Safe Streets Act, shown under *Restricted Receipts*.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
General Government Operations	\$ 6,961	\$ 5,887	\$ 9,732
General Government Operations—Deficiency .....	.....	766	.....
Federal Funds:			
Omnibus Crime Control and Safe Streets Act	2,558	3,339	3,864
Emergency Employment Act	138	.....	.....
Social Security Act	282	337	397
Highway Safety Act	60	58	.....
Inter Governmental Personnel Act	8	.....	.....
Food and Drug Administration .....	.....	5	.....
Other Funds:			
Reimbursement for Comptroller's Services	300	300	897
Collection Fee Reimbursement	45	56	40
Supplemental Retirement Contribution .....	.....	62	.....
TOTAL	\$10,352	\$10,810	\$14,930

GENERAL FUND

JUSTICE

		(Dollar Amounts in Thousands)	
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Bureau of Drug Control			
State Funds	\$ 2,790	\$ 3,807
Federal Funds	348	383
TOTAL	<u>\$ 3,138</u>	<u>\$ 4,190</u>

Protects the Commonwealth by enforcing the laws against the trafficking and distribution of narcotics and dangerous drugs.

		(Dollar Amounts in Thousands)	
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Bureau of Drug Control	\$ 2,790	\$ 3,807
Federal Funds:			
Omnibus Crime Control and Safe Streets Act	348	383
TOTAL	<u>\$ 3,138</u>	<u>\$ 4,190</u>

		(Dollar Amounts in Thousands)	
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Pennsylvania Crime Commission			
State Funds	\$ 174	\$ 239	\$ 734
Federal Funds	1,021	744	734
Other Funds .....	.....	2	.....
TOTAL	<u>\$ 1,195</u>	<u>\$ 985</u>	<u>\$ 1,468</u>

Conducts investigations into organized crime activities and into causes of such crime. Seeks to determine and combat causes of organized crime as well prevent specific occurrences of it.

GENERAL FUND

JUSTICE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Fund			
Appropriation:			
Pennsylvania Crime Commission	\$ 174	\$ 239	\$ 734
Federal Funds:			
Omnibus Crime Control and Safe Streets Act	1,021	744	734
Other Funds:			
Supplemental Retirement Contribution . . . . .	. . . . .	2	. . . . .
TOTAL	<u><u>\$ 1,195</u></u>	<u><u>\$ 985</u></u>	<u><u>\$ 1,468</u></u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Juvenile Court Judges Commission			
State Funds	\$ 150	\$ 168	\$ 249
Federal Funds	63	51	35
Other Funds . . . . .	. . . . .	2	. . . . .
TOTAL	<u><u>\$ 213</u></u>	<u><u>\$ 221</u></u>	<u><u>\$ 284</u></u>

Provides advice to the juvenile courts of the Commonwealth on matters pertaining to the care and maintenance of delinquent juveniles. Administers the merit classification system for county juvenile probation officers. Conducts training sessions for judges and probation officers.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Juvenile Court Judges Commission	\$ 150	\$ 168	\$ 249
Federal Funds:			
Omnibus Crime Control and Safe Streets Act	63	51	35
Other Funds:			
Supplemental Retirement Contribution . . . . .	. . . . .	2	. . . . .
TOTAL	<u><u>\$ 213</u></u>	<u><u>\$ 221</u></u>	<u><u>\$ 284</u></u>

Institutional

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
State Correctional Institutions			
State Funds	\$46,523	\$57,143	\$78,137
Federal Funds	2,946	2,125	1,728
Other Funds	57	413	75
TOTAL	\$49,526	\$59,681	\$79,940

Maintains a system providing care, rehabilitation and custody for those individuals committed to the Bureau of Corrections by the courts. Seven State correctional institutions and one regional facility at Greensburg are presently operated by the Bureau. Of the seven State correctional institutions, the one at Muncy is primarily for female offenders.

Besides providing for the basic maintenance of the institutions' inmates, medical, surgical and psychiatric care is provided to correct physical and emotional problems that may hinder the rehabilitative process. Emphasis is placed on providing the vocational and educational training necessary to remedy the general lack of adequate education and skilled work experience that most inmates have when entering the institution. Correctional Industries, financed from the Manufacturing Fund, provides some of the vocational training and work programs. Programs are provided through parent institution: A mobile forestry conservation camp is attached to the institution at Rockview; a number of prerelease centers have been established to provide a transition for inmates between the institution and return to the community. The prerelease centers are located in urban areas and provide workrelease and special treatment programs to aid the individual in the crucial period that usually follows upon release. In addition, funds have been provided to open a maximum security facility. The location of this facility is not yet certain. This residence will house inmates who have not responded to treatment at other correctional institutions.

The institutional population for the prior, current and upcoming year are:

Institutions	Inmate Capacity Oct. 1975	Population Oct. 1973	Population Oct. 1974	Projected Population Oct. 1975	Projected Percent of Capacity
Huntingdon	1,162	795	745	750	65%
Muncy	274	180	174	180	66%
Pittsburgh	1,150	842	774	780	68%
Camp Hill	1,363	775	850	860	63%
Rockview	907	655	728	740	82%
Graterford	1,967	1,424	1,526	1,525	77%
Dallas	975	765	708	720	74%
Greensburg	173	164	166	170	98%
Community Treatment Centers	630	368	344	300	48%
TOTAL	8,601	5,968	6,015	6,025	70%

Total Proposed expenditures by institution:

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Bureau of Corrections			
State Funds	\$ 1,255	\$ 2,285	\$ 2,844
Federal Funds	952	830	677
Other Funds . . . . .	.....	22	2
TOTAL	\$ 2,207	\$ 3,137	\$ 3,523
SCI Huntingdon			
State Funds	\$ 5,461	\$ 6,857	\$ 9,454
Federal Funds	26	1	1
Other Funds	3	46	10
TOTAL	\$ 5,490	\$ 6,904	\$ 9,465
SCI Muncy			
State Funds	\$ 2,159	\$ 2,857	\$ 3,625
Federal Funds	140	140	113
Other Funds	6	6	3
TOTAL	\$ 2,305	\$ 3,003	\$ 3,741
SCI Pittsburgh			
State Funds	\$ 7,266	\$ 8,571	\$11,527
Federal Funds	84	20	16
Other Funds	13	68	11
TOTAL	\$ 7,363	\$ 8,659	\$11,554
SCI Camp Hill			
State Funds	\$ 6,901	\$ 8,342	\$11,408
Federal Funds	468	453	368
Other Funds . . . . .	.....	62	11
TOTAL	\$ 7,369	\$ 8,857	\$11,787
SCI Rockview			
State Funds	\$ 5,597	\$ 6,861	\$10,057
Federal Funds	245	12	10
Other Funds	6	46	9
TOTAL	\$ 5,848	\$ 6,919	\$10,076

Total proposed expenditures by institution: (continued)

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
SCI Graterford			
State Funds	\$10,288	\$12,228	\$16,984
Federal Funds	155	202	164
Other Funds	16	87	18
TOTAL	\$10,459	\$12,517	\$17,166
SCI Dallas			
State Funds	\$ 6,064	\$ 7,428	\$ 9,876
Federal Funds	202	43	35
Other Funds	1	48	9
TOTAL	\$ 6,267	\$ 7,519	\$ 9,920
SRCF Greensburg			
State Funds	\$ 1,532	\$ 1,714	\$ 2,362
Federal Funds	674	424	344
Other Funds	12	28	2
TOTAL	\$ 2,218	\$ 2,166	\$ 2,708

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
State Correctional Institutions	\$46,523	\$52,343	\$78,137
State Correctional Institutions—Deficiency . . . . .	.....	4,800	.....
Federal Funds:			
Elementary and Secondary Education Act	165	170	.....
Omnibus Crime Control and Safe Streets Act	2,436	1,820	1,615
Emergency Employment Act	105	5	.....
Maintenance of Federal Prisoners	240	130	113
Other Funds:			
Community Treatment Centers—Room and Board Payments	47	38	60
Sale of Institutional Scraps	10	10	15
Supplemental Retirement Contribution . . . . .	.....	365	.....
TOTAL	\$49,526	\$59,681	\$79,940

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Improvement of Juvenile Probation Services			
State Funds	\$ 1,320	\$ 1,320	\$ 1,452

Provides grants to county juvenile probation agencies for upgrading their services. The grants are used to provide additional staff, and to raise the quality of juvenile probation staff through minimum standards and training programs.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Improvement of Juvenile Probation Services	<u>\$ 1,320</u>	<u>\$ 1,320</u>	<u>\$ 1,452</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Aid to Local Law Enforcement			
State Funds	\$ 1,154	\$ 1,150	\$ 1,350

Provides for the payment of the Federally required State match to enable local units of government to receive grants through the Omnibus Crime Control and Safe Streets Act.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Aid to Local Law Enforcement	<u>\$ 1,154</u>	<u>\$ 1,150</u>	<u>\$ 1,350</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Yablonski Trial Expenses			
State Funds	\$ 410	.....

Provide funds to Washington County for expenses incurred in the trials of the accused killers of slain labor leader Joseph Yablonski.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Yablonski Trial Expenses	<u>\$ 410</u>	.....

Capital Improvements

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Capital Improvements			
State Funds	\$ 181

Provides funds to make capital improvements at the State Correctional Institution at Muncy.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Capital Improvements	<u>\$ 181</u>

RESTRICTED RECEIPTS

JUSTICE

Restricted Receipts Not Included in Department Total

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
General Fund			
Omnibus Crime Control and Safe Street Act	<u>\$38,782</u>	<u>\$31,904</u>	<u>\$39,442</u>

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DEPARTMENT OF JUSTICE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$14,090	\$18,180	\$22,313	\$20,194	\$22,763	\$ 25,424	\$ 28,012
Fiscal Management	\$ 145	\$ 201	\$ 279	\$ 225	\$ 236	\$ 247	\$ 259
Collection of Delinquent Accounts . . .	145	201	279	225	236	247	259
Consumer Protection	\$ 676	\$ 993	\$ 1,271	\$ 1,092	\$ 1,146	\$ 1,203	\$ 1,326
Protect Consumer from Fraudulent Practices	676	993	1,271	1,092	1,146	1,203	1,326
Control and Reduction of Crime	\$41,371	\$50,499	\$71,779	\$63,169	\$68,662	\$ 73,962	\$ 77,663
Criminal Law Enforcement	2,736	4,879	6,314	5,498	6,113	6,859	7,284
Reintegration of Juvenile Delinquents .	1,735	1,670	1,923	1,963	2,221	2,429	2,641
Reintegration of Offenders	36,900	43,950	63,542	55,708	60,328	64,674	67,738
DEPARTMENT TOTAL	<u>\$56,282</u>	<u>\$69,873</u>	<u>\$95,642</u>	<u>\$84,680</u>	<u>\$92,807</u>	<u>\$100,836</u>	<u>\$107,260</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$14,090	\$18,180	\$22,313	\$20,194	\$22,763	\$25,424	\$28,012
Federal Funds	3,023	2,680	2,630	3,068	3,420	3,398	3,643
Other Funds	299	373	897	693	716	739	763
TOTAL	<u>\$17,412</u>	<u>\$21,233</u>	<u>\$25,840</u>	<u>\$23,955</u>	<u>\$26,899</u>	<u>\$29,561</u>	<u>\$32,418</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of program activities necessary for the achievement of Commonwealth and Agency objectives. Included in this program is the Board of Pardons which reviews applications for reprieves, commutation of sentences and pardons. Also, within this program is the Governor's Justice Commission.

This commission, acting as the State Planning Agency, administers all the Federal Funds from the Law Enforcement Assistance Administration. The success or failure of all these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the cost of provided services.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 4,202	\$ 4,805	\$ 7,176	\$ 6,194	\$ 6,763	\$ 7,366	\$ 8,012
Correctional Institutions--							
State-owned	9,888	13,375	15,137	14,000	16,000	18,058	20,000
GENERAL FUND TOTAL	<u>\$14,090</u>	<u>\$18,180</u>	<u>\$22,313</u>	<u>\$20,194</u>	<u>\$22,763</u>	<u>\$25,424</u>	<u>\$28,012</u>

Collection of Delinquent Accounts

OBJECTIVE: To assure the availability of resources for the Commonwealth's programs through the equitable and efficient administration of Pennsylvania revenue system.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$145	\$201	\$279	\$225	\$236	\$247	\$259
Other Funds	46	45	40	35	35	35	35
TOTAL	<u>\$191</u>	<u>\$246</u>	<u>\$319</u>	<u>\$260</u>	<u>\$271</u>	<u>\$282</u>	<u>\$294</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Dollars collected	\$7,006,664	\$8,500,000	\$9,500,000	\$11,000,000	\$12,000,000	\$12,000,000	\$13,500,000
Cost per dollar collected (in cents) . . . . .	.03	.03	.03	.02	.02	.02	.02
New claims	17,273	13,260	13,448	13,435	14,315	14,868	14,495
Dollar amount of new claims	\$12,488,159	\$7,830,000	\$8,005,000	\$8,470,000	\$8,720,000	\$9,100,000	\$9,320,000

Program Analysis:

This program is solely centered in the Commonwealth Collections Division of the Department of Justice. This division acts as the Commonwealth's bill collector. If an individual or organization has not paid its account within ninety days, this division receives the account for collection. These accounts may range from failure to pay enough income tax to overdue parking violations at the State colleges.

This division processes over 13,000 new cases a year. Fiscal year 1973-74 data reflects an inordinate number of income tax

claims. It is anticipated that a greater familiarity with State income tax regulations will produce a leveling off of such claims.

The cost of collecting these overdue accounts is quite small. It costs about \$.03 to collect each dollar that is delinquent. This is because the vast majority of the delinquent accounts are paid after notification by the Justice Department that the account is overdue. Very few cases ever involve litigation.

Program Costs by Appropriation:

GENERAL FUND	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Government Operations	<u>\$145</u>	<u>\$201</u>	<u>\$279</u>	<u>\$225</u>	<u>\$236</u>	<u>\$247</u>	<u>\$259</u>

Protect Consumers from Fraudulent Practices

OBJECTIVE: To decrease the incidence of fraud and deceptive business practices.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 676	\$ 993	\$1,271	\$1,092	\$1,146	\$1,203	\$1,326
Federal Funds	678	614	543	531	532	547	511
TOTAL	<u>\$1,354</u>	<u>\$1,607</u>	<u>\$1,814</u>	<u>\$1,623</u>	<u>\$1,678</u>	<u>\$1,750</u>	<u>\$1,837</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Consumer complaints concerning business practices investigated and mediated ...	26,003	27,000	29,500	32,000	33,000	34,500	35,000
Dollar value of recoupment to consumers regarding business practices	\$1,824,345	\$2,300,000	\$2,475,000	\$2,675,000	\$2,800,000	\$2,925,000	\$3,050,000

Program Analysis:

The major emphasis of this program is on mediating consumer complaints. The mediating approach is limited in that relief is afforded only after an injustice has been committed and is provided only to those instituting a complaint. Nonetheless, this approach is valuable in providing consumers a place to register complaints and have some action taken on their behalf. This is amply indicated by the program data which estimates that 26,000 consumer complaints will be investigated and/or mediated for 1975-76. It is anticipated that the program will be able to recoup almost \$2.5 million. This is approximately \$85 for each consumer complaint investigated. This indicates that this program represents many small claims which do not warrant the hiring of an attorney and proceeding with court action.

The volume of complaints investigated and mediated in 1973-74 represents a 59 percent increase over a two year period. This is due in large part to the number of people that have been referred to the Bureau of Consumer Protection by other people. Forty-two percent of all individuals seeking the Bureau's assistance were referred by a friend or relative. Secondly, the Bureau conducts an extensive public

information program. By using radio, television, billboards and newspapers, the Bureau of Consumer Protection has been able to inform most Pennsylvanians that it is available to help them. Future projections predict a leveling off in the number of complaints processed.

Not all activity has been confined to complaint investigation. The Bureau has assisted local district attorneys in conducting about 20 prosecutions and 75 joint investigations. Also the Bureau has stopped a great deal of misleading and illegal advertising.

When the Bureau receives several similar complaints about the same business establishment a thorough investigation may be conducted. Such investigations often result in consent agreement. Under such an agreement a business, without admitting to past illegalities, agrees not to engage in a specific practice in the future. Such a decree has court sanction and future violation of it will result in the court punishing the violator. It is difficult to measure the savings to consumers which result from such decrees. But, it is clear that they are substantial since the effect is to eliminate an unfair practice for all customers of an establishment.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 676	\$ 993	\$1,271	\$1,092	\$1,146	\$1,203	\$1,326

Criminal Law Enforcement

OBJECTIVE: To minimize the incidence of crime through active enforcement of criminal law.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$2,736	\$4,879	\$6,314	\$5,498	\$6,113	\$6,859	\$7,284
Federal Funds	1,345	2,427	2,505	1,866	1,410	996	1,034
Other Funds .....	.....	2	.....	.....	.....	.....	.....
TOTAL	\$4,081	\$7,308	\$8,819	\$7,364	\$7,523	\$7,855	\$8,318

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Investigations performed by the Bureau of Investigations	104	125	140	145	150	150	150
Value of State property saved and/or funds recoverable through Bureau of Investigations	\$1,199,000	\$700,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Actions resulting from investigations of government employees	15	25	30	30	40	40	50
Drug inspections at pharmacies, hospitals, institutions, professional and retail locations	2,641	3,800	4,478	4,856	4,856	4,856	4,856
Drug Law arrests:							
Cannabis (marijuana and hashish)	N/A	360	466	572	572	572	572
Heroin	N/A	90	117	143	143	143	143
Stimulants	N/A	175	215	215	215	215	215
Hallucinogens	N/A	105	135	164	164	164	164
All other drugs	N/A	60	78	95	95	95	95
Total	675	750	971	1,192	1,192	1,192	1,192

Program Analysis:

Criminal law enforcement in the Department of Justice consists of four highly specialized investigative organizations and a local aid program.

The first and most general investigative agency of the Department is the Pennsylvania Crime Commission. This Commission has jurisdiction to hold hearings concerning all aspects of organized crime within the Commonwealth.

Programmatic emphasis varies within a given time frame for the Commission. During last year the Commission concentrated on the Philadelphia Police Department. The Commission conducted 292 hearings that were essential to developing factual data and establishing patterns of corruption. As a result of the Crime Commission investigation, the second and newest investigative and prosecutorial office,

Criminal Law Enforcement: (continued)

Program Analysis: (continued)

the Office of Special Prosecutor, was created to prosecute those involved in the corruption. The creation of this special office is unusual. Most prosecutions arising from an investigation are undertaken by the local district attorneys. In other general investigative activity, the Commission has investigated political bribery, misuse of public funds, manipulation of municipal contracts, zoning and building code administration.

The third investigative organization is the Bureau of Investigations. This bureau is charged to investigate allegations of improper or criminal activities by employes of the Commonwealth as well as criminal activity that is perpetuated against the Commonwealth. This office, when requested, will also investigate local governments and assist other State, Federal or local investigative bodies. For fiscal year 1973-74, the Bureau undertook 104 investigations. The major areas of investigation were student loan fraud involving Pennsylvania Higher Education Assistance Agency (PHEAA) grants, contract fraud, unethical judicial conduct, larceny, kickbacks to public officials and welfare fraud.

As noted in the measures, these investigations often yield significant savings to the Commonwealth. In 1973-74 the bureau had an exceptional year. They uncovered an unusually large amount of fraud involving student loans and investigated a number of false claims for reimbursement of flood losses.

The fourth investigating function relates exclusively to illegal drugs. Under the Commonwealth's Master Plan for the Prevention, Treatment and Control of Drug Abuse, the Department of Justice has the responsibility for criminal enforcement and compliance with Pennsylvania Drug Law. This function is carried out through the Office of Drug Law Enforcement which coordinates the activities of the Bureau of Drug Control in the Department of Justice, and of State Police troopers assigned to this function.

The Governor's Council on Drug and Alcohol Abuse estimates that in excess of two million Pennsylvanians are illegally experimenting with drugs. With such widespread

disregard for the Commonwealth's drug laws, it is obvious that any enforcement effort will deal with only a small portion of violators. In this regard, drug laws are similar to laws regulating others vices such as gambling and prostitution in that they are widely disregarded and difficult to enforce due to the absence of a complaining victim.

The largest number of drug arrests is for cannabis which is commonly known by its two forms—marijuana and hashish. During the first 11 months of 1974, 48 percent of drug law arrests were for cannabis, 18 percent for stimulants, 14 percent for hallucinogens, 12 percent for heroin, and 8 percent for all other drugs.

In addition to standard undercover activities two approaches to drug law enforcement have been undertaken. First they are investigating the financiers and managers of the illicit drug distribution system. This group is relatively immune from prosecution under State or Federal drug statutes since those drug statutes are directed essentially to users and distributors. In order to prosecute these individuals, an extensive financial background is done in conjunction with agencies of the Federal Government, primarily the Internal Revenue Service. The Office of Drug Law Enforcement hopes it will then be able to prosecute this group on non-drug related criminal statutes. It is anticipated that most of the prosecutions will be income tax related, stemming from examinations of individual tax records.

Secondly, inspections are made of pharmacies, hospitals and other institutions where dangerous drugs can be obtained. These inspections provide the opportunity for the Bureau of Drug Control to find and investigate institutions where large discrepancies exist in their drug inventory, thus curtailing a major source of illegal drug supplies.

The local aid portion of this program is conducted through the Governor's Justice Commission. The Commission required State funds beginning in 1974-75 to enable local government to receive grants from the Federal Law Enforcement Assistance Agency.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$1,938	\$ 654	\$1,006	\$ 800	\$ 840	\$ 882	\$ 926
Pennsylvania Crime Commission	174	239	734	683	992	1,408	1,478
Aid to Local Law Enforcement	624	786	767	687	687	687	687
Bureau of Drug Control		2,790	3,807	3,328	3,594	3,882	4,193
Yablonski Trials		410					
GENERAL FUND TOTAL	\$2,736	\$4,879	\$6,314	\$5,498	\$6,113	\$6,859	\$7,284

Reintegration of Juvenile Delinquents

OBJECTIVE: To reduce the recurrence of juvenile delinquency through replacement of criminal behavior with socially acceptable behavior.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$1,735	\$1,670	\$1,923	\$1,963	\$2,221	\$2,429	\$2,641
Federal Funds	63	51	35	20	16	.....	.....
Other Funds . . . . .	.....	2	.....	.....	.....	.....	.....
TOTAL	<u>\$1,798</u>	<u>\$1,723</u>	<u>\$1,958</u>	<u>\$1,983</u>	<u>\$2,237</u>	<u>\$2,429</u>	<u>\$2,641</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Percentage of juveniles referred as delinquents more than once during the year*	46%	46%	46%	46%	46%	46%	46%
Percentage of juveniles referred as delinquents who were referred in the previous year**	25%	25%	25%	25%	25%	25%	25%
Average county probation officer caseload	35	35	35	35	35	35	35
Courts participating in juvenile probation grant programs	56	56	58	60	62	62	62

*Excludes Allegheny County.
**Excludes Philadelphia.

Program Analysis:

The most precise means of determining the effectiveness of this program is to measure the rate of recidivism among disposed juvenile delinquency cases. However, present juvenile court record keeping systems do not permit an accurate measure of recidivism. There are two different measures of recidivism which are employed by juvenile courts. One system measures the number of juveniles referred as delinquents more than once in a year. The second measures the number of juveniles referred as delinquent who were similarly referred during a previous year. Although both of these measures provide information which is helpful in measuring program effectiveness, the lack of a uniform system makes it impossible to arrive at an accurate statewide measure of recidivism.

All courts except Philadelphia and Allegheny County report both measures. Philadelphia reports only juveniles referred more than once in a year, while Allegheny reports

only juveniles referred in the previous year. Thus, data for both measures is incomplete. Since the courts are a separate branch of government they may chose their own records systems and uniformity is not required by law.

Also, it should be pointed out many other counties do not have adequate reporting systems. Improvement in some of these reporting systems has altered the recidivism data from the previous year's request.

The basic thrust of this program continues to be the provision of technical and financial assistance to the juvenile probation staffs of the county juvenile courts. A merit compensation plan for county juvenile probation officers was implemented through this program during 1972-73. The purpose of this compensation plan is to reduce the high turnover rate in county juvenile probation officers by providing compensation which is competitive with other social

Reintegration of Juvenile Delinquents (Continued)

Program Analysis: (Continued)

service jobs and by providing a career ladder for juvenile probation officers. However, there has not been a reduction in the turnover rate of juvenile probation officers. At present, recruitment of qualified new officers is not a problem. This could be a result of the merit compensation plan but it could also be attributed to the poor job market for recent social service graduates.

When the merit compensation plan was established the Commonwealth mandated minimum salary levels for juvenile probation officers. These minimum levels had to be met by all counties receiving funds through the grant program. Such action may no longer be feasible because many probation officers now have their salaries established, directly or indirectly, through collective bargaining.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
Juvenile Court Judges Commission . . .	\$ 150	\$ 168	\$ 249	\$ 224	\$ 242	\$ 266	\$ 276
Improvement of County Juvenile Probation Services	1,320	1,320	1,452	1,597	1,837	2,021	2,223
Aid to Local Law Enforcement	265	182	222	142	142	142	142
GENERAL FUND TOTAL	<u>\$1,735</u>	<u>\$1,670</u>	<u>\$1,923</u>	<u>\$1,963</u>	<u>\$2,221</u>	<u>\$2,429</u>	<u>\$2,641</u>

Reintegration of Offenders

OBJECTIVE: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$36,900	\$43,950	\$63,542	\$55,708	\$60,328	\$64,674	\$67,738
Federal Funds	1,967	1,235	1,428	2,476	2,793	3,144	3,541
Other Funds	57	413	75	185	208	232	259
TOTAL	\$38,924	\$45,598	\$65,045	\$58,369	\$63,329	\$68,050	\$71,538

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
State and local penal facilities requiring inspections	528	535	540	550	560	570	580
County municipal jails not meeting State requirements	159	125	120	115	110	105	95
Annual receptions who are parole violators	624	625	625	625	625	625	625

Program Analysis:

This program, conducted by the Bureau of Correction and the Governor's Justice Commission, is for offenders who are sentenced by the courts to correctional institutions.

The Bureau of Correction has a dual role. By isolating dangerous offenders it removes for a time, the opportunity for such offenders to continue their criminal activities in society. However, since 98 percent of those individuals incarcerated in State correctional institutions eventually return to society, it is necessary that prisons do more than just isolate offenders. Efforts must be made to alter behavior patterns. This is particularly true since a significant portion of crime is committed by habitual offenders. Therefore, improved programs for the rehabilitation of offenders are necessary if crime is to be substantially reduced.

Studies on parolees indicate a correlation between the ability of an ex-offender to hold a job and his ability to lead a crime free life. A recent survey showed that approximately 53 percent of the inmates in State correctional institutions were unemployed prior to their commitment. The average inmate completed only eight grades of school with a grade

achievement level of less than six grades. However, the average IQ of inmates is 96.5, only slightly below normal. This data indicates a definite need for education. Unfortunately, in the past, the educational program was given only minimal support. As a result, the program was transferred to the Department of Education. It is still too early to measure the impact of this transfer.

The Budget for 1975-76 includes funding for a proposed maximum security facility. This facility is designed to house those individuals that have caused serious disturbances in other institutions. By removing such individuals from the general prison population, it is hoped that some of the violence that has occurred in the institutions will diminish.

For 1975-76, emphasis will be placed upon the improvement of counseling, with the necessary increase in security. The counseling function is designed to aid offenders in coping with personal, psychological and medical problems which may effect their behavior pattern. The increases in rehabilitative programs require a corresponding increase in

Reintegration of Offenders (Continued)

Program Analysis: (Continued)

security due to additional mobility within the institutions.

In addition to having custody of individuals, the Bureau of Correction also has the responsibility to inspect all local detention facilities to insure their compliance with State standards. In fiscal year 1973-74, there were 159 such facilities that did not meet State standards. This is approximately 30 percent of all local correctional facilities. To upgrade these facilities and to improve the personnel at the local institutions, the Commonwealth provides funds through the Governor's Justice Commission. These funds provide the required State

match to enable local governments to receive Federal grants from the Law Enforcement Assistance Agency. By the end of the decade, it is hoped that the number of facilities not meeting State standards will be less than 100.

Since the primary thrust of this program is aimed at reducing crime, the only real way of measuring its effectiveness is to determine the rate of recidivism among individuals after their release from incarceration. However, the Bureau has not considered this information of sufficient value to commit the resources necessary to obtain it.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Correctional Institutions—State Owned	\$36,635	\$43,768	\$63,000	\$55,427	\$60,047	\$64,393	\$67,457
Aid to Local Law Enforcement	265	182	361	281	281	281	281
Capital Improvements . . . . .	.....	.....	181	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$36,900</u>	<u>\$43,950</u>	<u>\$63,542</u>	<u>\$55,708</u>	<u>\$60,328</u>	<u>\$64,674</u>	<u>\$67,738</u>



Department of Labor and Industry

The Department of Labor and Industry serves the labor and industrial interests of the Commonwealth by promoting the health, welfare and safety of employes; maintaining continuous production and employment by acting to reduce industrial strife; rehabilitating the vocationally handicapped; stabilizing the income of employes who become victims of certain occupational diseases or who sustain work-related injuries; promoting apprenticeship training programs.

DEPARTMENT OF LABOR AND INDUSTRY

Summary by Fund and Appropriation

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
General Fund				
General Government				
General Government Operations	\$12,044	\$13,625	\$10,056	\$12,638
Fire and Panic Regulation Enforcement .....	.....	500	.....	.....
Additional Labor Mediators .....	.....	250	.....	.....
Sub-Total	<u>\$12,044</u>	<u>\$14,375</u>	<u>\$10,056</u>	<u>\$12,638</u>
Grants and Subsidies				
Occupational Disease Payments	\$21,701	\$ 2,100	.....	.....
Work Incentive .....	.....	250	\$ 250	\$ 250
Transfer to Vocational Rehabilitation Fund	5,880	8,139	8,708	8,708
Workmen's Compensation Payments .....	.....	.....	.....	.....
Sub-Total	<u>\$27,581</u>	<u>\$10,489</u>	<u>\$ 8,958</u>	<u>\$ 8,958</u>
Total State Funds	<u><u>\$39,625</u></u>	<u><u>\$24,864</u></u>	<u><u>\$19,014</u></u>	<u><u>\$21,596</u></u>
Federal Funds	\$ 88	.....	.....	.....
Other Funds	554	\$ 1,121	\$ 1,026	\$ 1,313
GENERAL FUND TOTAL	<u><u>\$40,267</u></u>	<u><u>\$25,985</u></u>	<u><u>\$20,040</u></u>	<u><u>\$22,909</u></u>
Revenue Sharing Trust Fund				
Grants and Subsidies				
Occupational Disease Payments .....	.....	\$22,115	\$31,800	\$39,846
REVENUE SHARING TRUST FUND TOTAL .....	.....	<u><u>\$22,115</u></u>	<u><u>\$31,800</u></u>	<u><u>\$39,846</u></u>
Department Total -- All Funds				
General Fund	\$39,625	\$24,864	\$19,014	\$21,596
Special Funds .....	.....	22,115	31,800	39,846
Federal Funds	88	.....	.....	.....
Other Funds	554	1,121	1,026	1,313
TOTAL ALL FUNDS	<u><u>\$40,267</u></u>	<u><u>\$48,100</u></u>	<u><u>\$51,840</u></u>	<u><u>\$62,755</u></u>

* Recommending introduction of legislation to have industry, rather than the State pick up the cost.

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Government Operations			
State Funds	\$12,044	\$14,375	\$12,638
Federal Funds	88	.....	.....
Other Funds	554	1,121	1,313
TOTAL	\$12,686	\$15,496	\$13,951

Provides the overall direction, coordination, establishment of policies and regulations and operation of programs relating to consumer protection, accident prevention, industrial relations, manpower training, income maintenance and other areas relating to labor and industry. Also provides departmental administrative support in the areas of legal services, public relations, personnel, budget, procurement and management methods.

Provides an economic base for individuals unable to sustain a minimally acceptable level of existence because of occupational disease or injury. Also provides a program of public employee's retirement, disability and survivors insurance through the administration of the Federal Social Security Program for employees of the Commonwealth and its political subdivisions.

Insures that minimum and prevailing wages are paid when legally mandated to those persons who are employed.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
General Government Operations	\$12,044	\$13,625	\$12,638
Fire and Panic Regulation Enforcements .....	.....	500	.....
Additional Labor Mediators .....	.....	250	.....
Federal Funds:			
Occupational Safety and Health Act	88	.....	.....
Other Funds:			
Nursing Home Inspections	554	999	1,313
Supplemental Retirement Contribution .....	.....	122	.....
TOTAL	\$12,686	\$15,496	\$13,951

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Occupational Disease Payments			
State Funds	\$21,701	\$ 2,100	.....

Provides grants to alleviate economic hardships of persons who are disabled due to certain occupational diseases, principally silicosis and silica-related diseases. Also provides cash payments to partially disabled persons who, through subsequent injury, become totally disabled. Additional monies for the available year and funding for the budget year are provided under the Revenue Sharing Trust Fund.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Occupational Disease Payments	\$21,701	.....	.....
Occupational Disease Payments—Deficiency .....	.....	2,100	.....
TOTAL	<u>\$21,701</u>	<u>\$ 2,100</u>	.....

GENERAL FUND

LABOR AND INDUSTRY

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Work Incentive			
State Funds	\$ 250	\$ 250

Provides counseling, job training and placement services to eligible persons receiving public assistance in the form of Aid to Families with Dependent Children for the purpose of providing an opportunity for economic self-sufficiency.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Work Incentive	<u>\$ 250</u>	<u>\$ 250</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Transfer to Vocational Rehabilitation Fund			
State Funds	\$ 5,880	\$ 8,139	\$ 8,708

Operates to enable the physically and mentally handicapped and socially disadvantaged to prepare for and function as a part of the labor force by providing physical restoration, training, counseling and placement services.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Transfer to Vocational Rehabilitation Fund	<u>\$ 5,880</u>	<u>\$ 8,139</u>	<u>\$ 8,708</u>

Revenue Sharing Trust Fund

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Occupational Disease Payments			
State Funds	\$22,115	\$39,846

Provides grants to alleviate economic hardships of persons who are disabled due to certain occupational diseases, principally silicosis and silica-related diseases. Also provides cash payments to partially disabled persons who, through subsequent injury, become totally disabled.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Occupational Disease Payments	<u>\$22,115</u>	<u>\$39,846</u>

RESTRICTED RECEIPTS

LABOR AND INDUSTRY

Restricted Receipts Not Included in Department Total

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Disability Determination—Federal	<u>\$ 9,082</u>	<u>\$11,433</u>	<u>\$15,625</u>

DEPARTMENT OF LABOR AND INDUSTRY

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 1,568	\$ 1,931	\$ 2,471	\$ 2,381	\$ 2,500	\$ 2,625	\$ 2,756
Personal Economic Development	\$33,017	\$38,819	\$50,524	\$45,261	\$43,604	\$44,382	\$45,427
Employability Development—Socially and Economically Disadvantaged		250	250	250	250	250	250
Employability Development—Physically and Mentally Handicapped	5,880	8,139	8,708	11,756	10,027	10,728	11,693
Income Maintenance	27,137	30,430	41,566	33,255	33,327	33,404	33,484
Labor Management Relations	\$ 1,368	\$ 1,803	\$ 2,316	\$ 2,161	\$ 2,269	\$ 2,383	\$ 2,502
Labor Relations Stability	1,368	1,803	2,316	2,161	2,269	2,383	2,502
Community and Housing Hygiene and Safety	\$ 3,381	\$ 4,089	\$ 5,686	\$ 4,654	\$ 4,888	\$ 5,135	\$ 5,390
Accident Prevention in Multiple Dwellings	3,381	4,089	5,686	4,654	4,888	5,135	5,390
Consumer Protection	\$ 291	\$ 337	\$ 445	\$ 410	\$ 432	\$ 455	\$ 478
Regulation of Consumer Products and Promotion of Fair Business Practices	291	337	445	410	432	455	478
DEPARTMENT TOTAL	<u>\$39,625</u>	<u>\$46,979</u>	<u>\$61,442</u>	<u>\$54,867</u>	<u>\$53,693</u>	<u>\$54,980</u>	<u>\$56,553</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$1,568</u>	<u>\$1,931</u>	<u>\$2,471</u>	<u>\$2,381</u>	<u>\$2,500</u>	<u>\$2,625</u>	<u>\$2,756</u>

Program Analysis:

This subcategory contains those necessary services which cannot reasonably be charged directly to special substantive programs due to their generalized nature. The success or failure of these supportive services can only be indirectly

reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$1,568</u>	<u>\$1,931</u>	<u>\$2,471</u>	<u>\$2,381</u>	<u>\$2,500</u>	<u>\$2,625</u>	<u>\$2,756</u>

Employability Development—Socially and Economically Handicapped

OBJECTIVE: To improve the employment capabilities of those persons in the Commonwealth who are unemployed or underemployed as a result of social and economic handicaps.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u> </u>	<u>\$250</u>	<u>\$250</u>	<u>\$250</u>	<u>\$250</u>	<u>\$250</u>	<u>\$250</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Work Incentive Program:							
Persons registered	43,175	41,139	41,139	41,139	41,139	41,139	41,139
Participants	15,898	27,018	27,018	27,018	27,018	27,018	27,018
Successful completions	5,119	7,289	7,289	7,289	7,289	7,289	7,289
Participants placed in employment . . .	8,563	10,800	10,800	10,800	10,800	10,800	10,800
Participants employed one year after placement	5,000						

Program Analysis:

In 1974 Congress passed the Comprehensive Employment Training Act (CETA) initiating a new Federal approach to funding of manpower programs. Many categorical programs have been melted into a system of formula grants to the state and local prime sponsors. In Pennsylvania there are 28 local prime sponsors and the State acts as prime sponsor for 24 counties which do not meet the criteria for operation as independent prime sponsors.

While the new act allows for programs which can be more responsive to local needs, it also creates some new problems. Prominent among these is the difficulty of conducting either planning or evaluation on a statewide basis.

The Bureau of Employment Security will still be attempting to provide services such as an expanded Job Bank System and an Occupational Employment Survey (OES) system.

The major program which was not eliminated by CETA is the Work Incentive Program (WIN). Responsibility for this program lies with the Bureau of Employment Security.

The main objective of the program is to rehabilitate welfare recipients from dependency to independence. While the Department of Public Welfare has responsibility for conducting the physical examination to determine client fitness for the WIN program and providing child care facilities,

social services and welfare allowances, BES provides the necessary services to either place job-ready enrollees in employment or place non-job ready enrollees in a suitable training program. Each enrollee is paid \$30 a month by Labor and Industry as an incentive to continue the program.

During fiscal 1973-74 registration in the WIN Program became a mandatory requirement for certain aid to families with dependent children (AFDC) recipients. This caused increased registration activity to pick up those people who had not voluntarily registered in previous years. Registry drops in 1974-75 as the increased activity subsides. The level of 41,139 shown is a realistic picture of caseload level.

Participants increased during 1974-75 as WIN program emphasis shifted to job placement. Participation will be limited to one year at which time the person is either a successful completion or returned to the general caseload. Those people who find employment before completion of their training program are included in the number of participants placed in employment, but are not considered successful completors. Most WIN training averages 6 months in duration. Increased participation is due to shortened program length.

The ultimate measure of the impact of this program is the amount of savings to the Commonwealth when recipients

Employability Development—Socially and Economically Handicapped (continued)

Program Analysis: (continued)

become self-sufficient and no longer dependent upon the welfare system. It is estimated that \$15,096,181 will be saved in 1974-75 in either reduced payments or recipients removed from the rolls. Since the target group of the WIN program is the hard core unemployed, the sagging economy will have a negative effect on this program. The hard-core unemployed

will be forced to compete on the employment market with unemployed skilled workers. It is possible that the Comprehensive Employment Training Act will alleviate the seriousness of this problem through public service employment programs.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Work Incentive	<u> </u>	<u>\$250</u>	<u>\$250</u>	<u>\$250</u>	<u>\$250</u>	<u>\$250</u>	<u>\$250</u>

Employability Development—Physically and Mentally Handicapped

OBJECTIVE: To enhance the ability of the handicapped unemployed and underemployed to function as a part of the labor force and to gain full employment.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$5,880</u>	<u>\$8,139</u>	<u>\$8,708</u>	<u>\$11,756</u>	<u>\$10,027</u>	<u>\$10,728</u>	<u>\$11,693</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Handicapped persons of employable age . .	463,000	482,000	493,000	498,000	494,000	479,000	450,000
Case load carry over from previous years . .	61,904	63,171	68,671	75,171	83,671	94,171	106,421
New referrals	61,250	71,000	78,000	86,000	95,000	104,000	112,000
Total case load	<u>123,154</u>	<u>134,171</u>	<u>146,671</u>	<u>161,171</u>	<u>178,671</u>	<u>198,171</u>	<u>218,421</u>
Cases closed:							
Ineligible	29,506	35,000	39,000	43,000	48,000	53,000	57,000
Rehabilitated	21,607	20,500	21,000	21,500	22,000	22,750	23,500
Competitive	16,642	16,000	16,200	16,500	17,000	17,000	17,000
Noncompetitive	4,965	4,500	4,800	5,000	5,000	5,750	6,500
Non-rehabilitated	<u>8,870</u>	<u>10,000</u>	<u>11,500</u>	<u>13,000</u>	<u>14,500</u>	<u>16,000</u>	<u>17,500</u>
Total cases closed	<u>59,983</u>	<u>65,500</u>	<u>71,500</u>	<u>77,500</u>	<u>84,500</u>	<u>91,750</u>	<u>98,000</u>
Cases carried over	63,171	68,671	75,171	83,671	94,171	106,421	120,421

Program Analysis:

An objective statement of this program in much simpler terms is vocational rehabilitation. It is in effect a manpower training program designed to deal with the needs of a special clientele group. The target group includes all types of physical disabilities, as well as alcoholics, drug addicts and public offenders. However, eligibility criteria requires that there be a reasonable expectation that services render the individual fit to perform some work activity whether competitive or noncompetitive. While it is certainly desirable that these people become self-sufficient, an important objective is to accomplish some degree of productivity. These groups are dealt with in terms of attaining a vocational objective and results are evaluated in terms of improvement in work status.

The number of clients rehabilitated has shown a steady growth over the past years. However, for several reasons, it is expected that this number will drop this year and then increase at a much slower rate. One reason is that emphasis is being placed on rehabilitating the severely disabled client.

Those clients will require more extensive and varied services and therefore, the output of this program will be affected. In addition, these services will greatly increase the cost of rehabilitation per case. Emphasis on the severely handicapped will also result in a change in the breakdown between competitively and noncompetitively employed rehabilitants due to the more limited range of work activities attainable by the client. Another reason for a drop in 1974-75 is that a 60 day follow-up of completers is done instead of 30 days as in previous years which means we lose the last month of the fiscal year. These completers would be shown in 1975-76.

The above program measures for 1973-74 indicate the active case load was 123,154 and 59,983 were processed and closed, the remainder of 63,171 are carried over to next fiscal year and become part of that year's case load. Of 59,983 closed, 29,506 were closed ineligible, 21,607 were successfully rehabilitated and 8,870 not rehabilitated.

Employability Development—Physically and Mentally Handicapped (continued)

CASES ACCEPTED FOR VOCATIONAL REHABILITATION SERVICES AND CLOSED PER 100,000 POPULATION BY DISTRICT OFFICE

District Office	Cases Per		Cases Per		Cases Per	
	100,000 Population	Rehab Ratio	100,000 Population	Rehab Ratio	100,000 Population	Rehab Ratio
Allentown	286.7	6.8	362.3	4.2	246.4	2.7
Altoona	341.4	3.4	371.4	3.6	453.6	3.8
DuBois	253.3	2.8	299.5	2.5	398.1	8.1
Erie	263.4	3.7	310.7	3.1	319.0	2.4
Harrisburg	281.3	3.0	296.0	2.4	346.0	3.5
Johnstown	281.5	2.9	346.3	2.5	287.2	2.7
New Castle	135.0	1.6	190.3	1.2	374.8	2.5
North Philadelphia	201.7	1.7	251.3	1.1	141.3	1.2
Philadelphia Center City	250.6	2.5	290.1	2.4	226.8	1.1
Pittsburgh	219.1	2.7	235.2	2.9	327.7	2.2
Reading	122.3	2.3	115.9	2.9	238.7	2.5
Rosemont	350.0	5.7	256.5	4.9	102.9	2.2
Wilkes-Barre	295.6	4.2	320.5	3.2	290.3	3.5
Williamsport					347.6	2.9
York					184.5	2.9
TOTAL	230.7	2.9	254.0	2.4	256.1	2.4

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
Vocational Rehabilitation	\$5,880	\$8,139	\$8,708	\$11,756	\$10,027	\$10,728	\$11,693

Employability Development—Physically and Mentally Handicapped (continued)

**BUREAU OF VOCATIONAL REHABILITATION
CASE LOAD DATA
1973-74**

Disabilities	(1) Closed After Acceptance For Services	(2) Cases Rehabilitated		(3) Clients Unemployed at Acceptance		(4) Rehabilitations Placed in Competitive Employment		(5) Rehabilitations Placed in Sheltered and Protected Employment and as Homemakers and Unpaid Family Workers		(6) Average Change Weekly Income Rehab Competitive Employment	(7) Ave. Cost Per Rehab.
	Total	Number	% of Col. 1	Number	% of Col. 2	Number	% of Col. 2	Number	% of Col. 2	Amount	Amount
Visual	2,438	2,022	83%	1,044	52%	1,633	81%	389	19%	\$58.68	\$ 443.45
Hearing	2,059	1,821	88%	717	39%	1,303	72%	518	28%	\$51.72	\$ 787.90
Orthopedic Deformities	6,179	4,401	71%	3,186	72%	2,903	66%	1,498	34%	\$93.43	\$1,176.31
Amputee or Loss of Limb	1,298	1,049	81%	464	44%	619	59%	430	41%	\$55.61	\$ 869.98
Mental Disorders	8,785	5,209	59%	4,361	84%	4,453	85%	756	15%	\$94.29	\$ 740.47
Mental Retardation	2,648	1,801	68%	1,723	96%	1,238	69%	563	31%	\$77.20	\$1,165.06
Other Disabling Conditions	7,070	5,304	75%	3,234	61%	4,493	85%	811	15%	\$68.78	\$ 825.61
TOTAL	30,477	21,607	71%	14,729	68%	16,642	77%	4,965	23%	\$77.72	\$868.04
Drug and Alcohol	1,789	1,098	61%	952	87%	1,010	92%	88	8%	\$107.22	\$574.55
Public Assistance	7,610	4,477	59%	3,628	81%	3,254	73%	1,223	27%	\$88.20	\$610.57
Public Offender	1,733	812	47%	768	95%	798	98%	14	2%	\$100.40	\$533.99
Severely Disabled	5,956	5,073	85%	3,825	75%	2,980	59%	2,093	41%	\$105.30	\$1,194.00
Social Security Disability Insurance Beneficiaries ..	2,343	1,355	58%	1,112	82%	541	40%	814	60%	\$81.55	\$1,171.60

The table takes the basic measures of the program starting with cases accepted for services and carries through the normal progression a participant would follow. Once accepted the client must show up as successfully rehabilitated or non-rehabilitated. As the measures indicate 59,983 clients received service and were closed in 1973-74. Of the number closed eligible 71 percent were successfully rehabilitated with 77 percent of those rehabilitated placed in competitive employment. Thirty-two percent were employed at acceptance.

The table also indicates the varying degrees of success accomplished with different categories of disability. Certain handicaps are more susceptible to rehabilitation than others. District offices also experience varying degrees of success as indicated on the following table showing rehabilitation ratios by district office over a three year period. Cases closed are all

clients either successful rehabilitated or closed not rehabilitated, after they have been accepted for services. Successful rehabilitants are those clients who complete training and are suitably employed for 60 days. Clients are closed not rehabilitated for various reasons, e.g., refused services, death, institutionalization of client, transferred to another agency or moved. The rehabilitation ratio is the number of clients successfully rehabilitated compared to the number closed not rehabilitated. There are many possible explanations for the wide variations in success among the district offices including the possibility of adverse labor markets for employing handicapped individuals. These variations may also be indicative of problems in providing strong central management to facilitate uniform interpretation of the law and program policies at the district level.

Income Maintenance

OBJECTIVE: To increase the economic stability of citizens of the Commonwealth protecting and insuring the earnings of employes from factors over which they have no control.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$27,137	\$ 8,315	\$ 1,720	\$ 1,455	\$ 1,527	\$ 1,604	\$ 1,684
Special Funds .....	.....	22,115	39,846	31,800	31,800	31,800	31,800
Other Funds .....	.....	61	.....	.....	.....	.....	.....
TOTAL	\$27,137	\$30,491	\$41,566	\$33,255	\$33,327	\$33,404	\$33,484

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Minimum wage violations cited	489	1,055	970	929	837	647	667
Persons receiving subminimum rates	1,063	1,594	1,198	1,157	1,116	970	1,011
Claims for nonpayment of wages	2,362	2,729	2,763	2,812	2,836	2,860	2,846
Nonpayment of wage claims settled	1,418	1,438	1,450	1,476	1,489	1,501	1,494
Inspections made to insure prevailing rates used and paid on public works projects	8,856	7,359	7,727	8,113	8,519	8,945	9,392
Occupational disease payments out of Commonwealth funds	7,200	8,000	11,000	10,500	10,000	9,200	8,800
Workmen's compensation payments	75,400	75,900	75,900	76,900	76,900	76,900	76,900
Individuals filing for unemployment compensation	726,744	804,597	795,000	747,000	727,000	727,000	727,000

Program Analysis:

While the most obvious form of income maintenance provided by the State is Public Assistance, the Department of Labor and Industry operates a number of programs to increase the economic stability of citizens in the Commonwealth. These programs fall generally into two categories: those which provide income protection for the person who is employed

and those which provide cash assistance to the individual and his dependents when he becomes unemployed for a number of reasons.

The first category includes the State's programs of minimum wage, wage payment and collection and prevailing wage enforcement. To some extent the State's role in these

Income Maintenance (continued)

Program Analysis: (continued)

areas has been preempted by the Federal Government, however, it is still significant in smaller establishments and in the wage payment and collection area which has no Federal counterpart.

Impact levels in minimum wage and collection are based on the presumption that compensation at the current minimum wage level will afford employes of the Commonwealth an acceptable standard of living. On this basis impact is measured by the number of employes brought up to the minimum wage level by collection of underpaid and/or unpaid wages through routine and complaint investigations and wage claim investigations. Recently enacted legislation raised the State's minimum wages to \$2.00 per hour effective January 1, 1975. The new mandatory rate basically affects employers whose gross sales do not exceed \$250,000 a year and will cover about 1 million employes.

Because of the new law it is expected that minimum wage violations will increase substantially in the short run and then begin to decrease through employer knowledge of the law while unpaid wage collections will continue to increase due to the inflated economy's impact on small businesses and increased awareness on the part of wage earners of the protections offered by the Wage Payment and Collection Law.

The income of employes is also protected by the State's Prevailing Wage Law which requires the establishment of minimum wages to be paid workers on projects valued at \$25,000 or more which are funded by State Government and public agencies of its political subdivisions. The decrease in the number of inspections to be made compared to last year's estimate results from a decrease in the number of inspectors and a changing emphasis on the quality as opposed to the quantity of inspections made.

Workmen's compensation is a system of payments made through private insurance companies and self-insurance systems to employes who sustain injury during the course of their employment. The State provides regulation of the system and sets levels of compensation.

The impact of workmen's compensation is reflected in the dollar value of income replaced by payments and the number of awards for payment. The maximum level of compensation for new claimants has been geared under recent changes in the law to a percentage of the statewide average weekly wage; thereby introducing an automatic adjustment factor into the system. Act 263 of 1974 will further increase benefits to new claimants by raising the maximum payment to 100 percent of the statewide average weekly wage effective July 1, 1975. This increase is reflected in the projected increase in dollar value of income replaced. This act also provides for the first time in the history of workmen's compensation for payment from the General Fund. Also effective July 1, 1975 the State is

obligated to make payments to self-insured employers and insurance carriers to raise the compensation of those employes receiving compensation for injuries prior to January 17, 1968 to sixty dollars (\$60) per week. It is estimated that payments will be made to 4,000 persons at a 1975-76 cost to the State of \$3.5 million. Although this appropriation is already passed, we consider these payments the responsibility of the self-insured employers and insurance carriers involved and are recommending legislation to make industry responsible. It should be noted that funding of the administrative costs associated with Occupational Disease Payments and Workmen's Compensation has not been provided. Legislation is also being drawn up to make industry responsible for these costs as is done in other states.

The Act also makes participation in the system mandatory for all employers.

Occupational disease payments are made primarily to victims of silicosis and related diseases, commonly referred to as "black lung" or "miners asthma". Since enactment of extensive changes in the law in 1973, industry is gradually assuming the costs of these payments. In 1974-75, fifty percent of the costs for new claimants is being paid by industry. Persons who stopped working prior to July 1, 1973 may still be eligible under other programs for lower rates of compensation.

It was anticipated that the level of required funding for occupational disease payments would drop off as a result of the changes in the law in 1973. Instead payments have increased for several reasons. First the Federal Government in its review of claims has not accepted as many cases as anticipated, thus, leaving the cases in the State's program and since January 1, 1974 the Federal Government has been operating under stricter payment requirements than the State. Second reforms and revisions in the referee system have greatly reduced the backlog of old claims. These improvements have a dual impact. They bring a substantial additional number of claimants on board and they generate unusually large initial payments for claimants whose cases have been pending for sometime. In addition Act 263 of 1974 will increase the rate of payment for those claimants paid under the Workmen's Compensation Law.

This program also includes public employe's retirement, disability and survivors insurance which is concerned with the administration of the Federal Social Security Program for employes of the Commonwealth and its political subdivisions which elect to extend coverage to their employes.

The impact of the current economic downturn is directly and almost immediately felt by the Unemployment Compensation Fund. In November, 1974 the seriousness of the situation was reflected in a State unemployment rate of

Income Maintenance (continued)

Program Analysis: (continued)

6.5 percent compared to 5.8 percent in October and 4.3 percent a year ago. This rate rose still higher in January, 1975 to 7.7 percent. While there was joblessness spread throughout the economy it was particularly heavy in the apparel, electrical, machine, construction and service industries. About 80 percent of unemployed workers are eligible for unemployment compensation for a period up to 30 weeks under normal economic conditions. This 30 week benefit period can be extended to 39 weeks if the rate of insured unemployment exceeds 4%. These additional nine (9) weeks are 50% Federally funded. Recently passed Federal legislation provides an additional 13 week benefit period which is totally Federally funded. This additional period extends possible total coverage to 52 weeks a year. The rate of compensation is approximately half the worker's normal earnings up to a maximum of \$96 a week.

As well as the rate of unemployment increasing, the average length of unemployment has been increasing. In 1973-74 the average was 12 weeks while in 1974-75 it is estimated that the average length of unemployment will increase to 15 weeks. Projections of individuals receiving unemployment compensation assume the worst of the economic downturn will be over in 1975-76 and the situation will level out in subsequent years.

Administration of the Unemployment Compensation Fund is the responsibility of the Bureau of Employment Security. The Fund is composed of contributions by employers who make contributions in proportion to their size and their use of the Fund. Both the Fund itself and administrative costs are non-budgeted funds which do not appear in this document.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 5,436	\$ 6,215	\$ 1,720	\$ 1,455	\$ 1,527	\$ 1,604	\$ 1,684
Occupation Disease Payments	21,701	2,100	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$27,137</u>	<u>\$ 8,315</u>	<u>\$ 1,720</u>	<u>\$ 1,455</u>	<u>\$ 1,527</u>	<u>\$ 1,604</u>	<u>\$ 1,684</u>
REVENUE SHARING TRUST FUND							
Occupational Disease Payments . . . . .	.....	<u>\$22,115</u>	<u>\$39,750</u>	<u>\$31,800</u>	<u>\$31,800</u>	<u>\$31,800</u>	<u>\$31,800</u>

Labor Relations Stability

OBJECTIVE: To achieve a minimum level of economic loss resulting from a breakdown in collective bargaining procedures.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$1,368</u>	<u>\$1,803</u>	<u>\$2,316</u>	<u>\$2,161</u>	<u>\$2,269</u>	<u>\$2,383</u>	<u>\$2,502</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Public Bargaining Units							
Dispute notices received	718	875	925	1,000	1,100	1,200	1,200
Cases mediated	352	612	740	850	990	1,080	1,080
Percent of cases mediated	49%	70%	80%	85%	90%	90%	90%
Private Bargaining Units							
Dispute notices received	3,494	3,500	3,550	3,600	3,600	3,600	3,600
Cases mediated	123	175	265	360	396	432	432
Percent of cases mediated	3.5%	5.0%	7.5%	10%	11%	12%	12%
Total dispute notices resulting in strike activity	94	100	110	120	120	120	120
Percent of notices resulting in strike activity	2.2%	2.3%	2.5%	2.7%	2.7%	2.7%	2.7%
Percent of labor force organized							
Public	36%	50%	50%	50%	50%	50%	50%
Private	20%	20%	20%	20%	20%	20%	20%
Unfair charges filed	325	345	350	365	365	370	385

Program Analysis:

The departmental administrative agencies involved in labor relations are the Labor Relations Board and the Bureau of Mediation. The Labor Relations Board deals with certification of bargaining units within the public and private sector. Under the private sector a decrease in the number of bargaining units certified by the Board is expected due to the jurisdictional guidelines of the National Labor Relations Board. The jurisdiction is determined by the total dollar amount of business transacted by the employer. As prices increase, even small employers are approaching the point where their dollar volume places them under national jurisdiction. The percent of the public sector organized also is difficult to assess because there is some question about the coverage of the term public employe under the Pennsylvania Public Employee Relations

Act. Certification is only part of the duties of the Board. In addition, unfair labor practices charges are filed with the Board for disposition. An increase in charges filed is anticipated due to the organizational effort of the lower municipal level where bargaining sophistication is lacking. This forecast should hold until bargaining relationships solidify and achieve this sophistication.

The legal framework of labor mediation in Pennsylvania rests on two acts, The Pennsylvania Labor Mediation Act of 1937 and the Public Employee Relations Act, better known as Act 195 of 1970. The Mediation Act of 1937, passed in the same year as the Pennsylvania Labor Relations Act, was a broad mandate to mediate labor disputes including grievances. While the mediation act did not specify the scope of mediation

Labor Relations Stability (continued)

Program Analysis: (continued)

activity the Labor Relations Act did exclude public employees. Therefore, mediation under the original law was primarily mediation of private sector disputes. When Act 195 was passed in 1970 there was a drastic shift in workload to the public sector because under Act 195 mediation is mandatory, and the limited right to strike is conditioned upon complying with the dispute settlement procedures of the law. Mediation is the unavoidable or mandatory step. The public sector now accounts for two-thirds of active mediation cases.

The objective of the Bureau of Mediation is to provide mediation services to the public and private sectors. The economic conditions now existing may have substantial effect on the strike activity as periods of rapid inflation cause increased strike activity due to monetary considerations. The Bureau feels that it should be involved in 90 percent of the activities in the public sector. Although the Labor Mediation Act calls for 100 percent coverage, it is estimated that at least 10 percent of the notices received will be from parties who will settle contract negotiations without the need of the services of a mediator. They are currently only involved in 70 percent of the negotiations. In numbers this means that out of the 875 dispute notices anticipated in 1974-75, mediation can only be provided in 612 of the cases. Under the private sector it is a bit more difficult to assess the need. Dispute notices

received from the private sector are governed by the National Labor Relations Act and Pennsylvania Act 177 of 1937. Parties to a contract are not required by law to call in the services of a mediator. Prior to the passage of Act 195 the historical data of the Bureau shows that they were involved in about 11 to 13 percent of the strike activity. It could be assumed that the demand to be met in the private sector should be about 13 percent. However, the Bureau is currently only providing about 5 percent of the mediation services.

To help alleviate this problem, additional funds were provided for additional staff by the Legislature in the 1974-75 budget. However, the effects of these new mediators will not be felt immediately. The success of a mediator depends on his knowledge, experience and ability to inspire confidence in his expertise and impartiality. A newly hired mediator must develop these tools before he becomes fully operational and effective. For these reasons the measures reflect the delayed impact in the 1976-77 fiscal year. The availability of more mediators also will result in State involvement in more negotiations. Of the number of cases where State mediation is involved only about 2 percent result in strike activity. Thus as mediation involvement increases it can only have a beneficial effect on the economy.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$1,368	\$1,553	\$2,316	\$2,161	\$2,269	\$2,383	\$2,502
Additional Labor Mediators		250					
GENERAL FUND TOTAL	<u>\$1,368</u>	<u>\$1,803</u>	<u>\$2,316</u>	<u>\$2,161</u>	<u>\$2,269</u>	<u>\$2,383</u>	<u>\$2,502</u>

Accident Prevention in Multiple Dwellings

OBJECTIVE: To eliminate fire and other hazards in multiple dwelling units and other places of public habitation and assembly.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$3,381	\$4,089	\$5,686	\$4,654	\$4,888	\$5,135	\$5,390
Federal Funds	88	.. . .	.. . .	.. . .	.. . .	.. . .	.. . .
Other Funds	554	1,060	1,313	1,129	1,185	1,244	1,306
TOTAL	\$4,023	\$5,149	\$6,999	\$5,783	\$6,073	\$6,379	\$6,696

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Places of public habitation and assembly:							
Units examined or inspected	106,500	135,000	155,000	155,000	155,000	155,000	155,000
Violations cited	9,683	10,500	11,300	12,200	12,200	14,200	15,300
Violations abated	7,206	9,500	12,500	12,500	12,500	12,500	12,500
Health care facilities examined or inspected	1,700	1,700	2,000	2,175	2,350	2,350	2,350
Health care facilities requiring extended treatment or revealing violations	1,670	1,970	2,145	2,320	2,320	2,320	2,320
Health care facilities with approved plans of correction adopted or violation abated	1,002	1,302	1,477	1,652	1,652	1,652	1,652

Program Analysis:

Under the provisions of the State's Fire and Panic Act, the Department of Labor and Industry has the responsibility for enforcing the fire safety regulations that apply to a wide variety of buildings. Apartment buildings, hotels and schools all must be approved by the Department except those in Philadelphia, Pittsburgh and Scranton. These three cities are exempt from the Fire and Panic Act and each has its own set of regulations which it is responsible for enforcing. However, the Commonwealth does have complete enforcement responsibilities for all nursing homes and other health care facilities throughout the State.

Plans for all new construction except private dwellings and additions to all existing construction covering the classes of buildings contained in the Act are examined and approved and field inspections made to determine compliance with approved

plans. Also covered under this subcategory is the Industrial Board which acts as the examination agency for anyone seeking licenses for operation of boilers, unfired pressure vessels and elevators. The Board meets monthly to consider petitions requesting exemption from interpretation of, or an extension of time to comply with regulations of the Department. Hearings are held as requested and decisions are disseminated to interested parties.

However, the number one priority of the Department for the past two and half years has been the inspection of health care facilities. A life safety code survey and either compliance or an acceptable plan of action are necessary requirements to receive Federal Medicaid and Medicare funds under Title XVIII and XIX of Social Security Act. Of the 669 licensed homes, 539 homes receive Medicaid and Medicare funds.

Accident Prevention in Multiple Dwellings (continued)

Program Analysis: (continued)

An additional \$500,000 was appropriated in fiscal year 1974-75 to increase the inspection force in order to accelerate the compliance process.

Safety improvements to and modernization of facilities is causing a severe financial burden on the owners, and if faced with major capital expenditures to bring their facilities into compliance, some existing nursing homes may be forced to close. With the current nursing home shortage, the situation may become critical if still more homes are forced to close. Health care facilities may be approved with acceptable plans of

correction indicating the corrective action that will be done to eliminate code violations. This means that a facility may have an approval without correcting 100 percent of the violations cited.

In order to eliminate hazardous conditions existing in these homes and provide adequate housing for the aged, a \$100 million bond issue was approved which provides loans for renovation purposes at low interest rates. Additional information on this program is presented under the Department of Commerce which is administering the program.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$3,381	\$3,589	\$5,686	\$4,654	\$4,888	\$5,135	\$5,390
Fire and Panic Regulation Enforcement	500						
GENERAL FUND TOTAL	<u>\$3,381</u>	<u>\$4,089</u>	<u>\$5,686</u>	<u>\$4,654</u>	<u>\$4,888</u>	<u>\$5,135</u>	<u>\$5,390</u>

Regulation of Consumer Products and Promotion of Fair Business Practices

OBJECTIVE: To minimize the availability of misrepresented or adulterated products and services.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$291</u>	<u>\$337</u>	<u>\$445</u>	<u>\$410</u>	<u>\$432</u>	<u>\$455</u>	<u>\$478</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Activities under the Bedding and Upholstery and the Stuffed Toy Laws:							
Manufacturers, importers and dealers . .	4,406	4,500	4,600	4,600	4,700	4,700	4,700
Registrations, licenses and certificates	7,138	7,200	7,300	7,300	7,400	7,400	7,400
Inspections	7,925	7,925	7,950	8,000	8,000	8,000	8,000
Violations for misrepresented or adulterated products and	475	634	636	720	720	720	720
Percent of total	6%	8%	8%	9%	9%	9%	9%
Articles in violation of regulations	18,611	25,000	25,000	25,000	25,000	25,000	25,000
Articles brought into compliance	17,696	25,000	25,000	25,000	25,000	25,000	25,000
Private employment agencies:							
Agency representatives registered	1,810	2,300	2,400	2,500	2,500	2,500	2,500
Complaints resulting in refunds	152	150	150	150	150	150	150
Dollars refunded	\$57,142	\$59,000	\$59,000	\$59,000	\$59,000	\$59,000	\$59,000
Violations cited	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Violations abated	1,350	1,350	1,350	1,350	1,350	1,350	1,350

Program Analysis:

The Department's two areas of concern under this program are (1) protection of the public from unsafe, unclean or misrepresented materials used in bedding, upholstery or stuffed toys and (2) regulation of employment agencies to prevent unfair business practices.

Licenses, certificates or permits are issued, upon completion of satisfactory inspections, to manufacturers and retailers dealing in the commodities covered under the Bedding and Upholstery Law and the Stuffed Toy Law.

The same system of enforcement is utilized for the registration and licensure of employment agencies to ensure that ethical and fair business practices are employed. The Department is responsible for the licensing of 650 employment agencies and the registering of approximately 2,300 representatives who work for these agencies.

The impact in both areas is reflected by the number of compliances resulting from violations cited. Neither program should experience any significant change in violations or compliances. The bedding and upholstery and stuffed animals

inspections will continue at their current level as there are no foreseeable trends or technological changes in the industry that would affect present law enforcement. The number of compliances shown reflects the total number of individual articles brought into compliance.

In the employment services area, violations are cited at a rate of 1,500 annually including carry over violations that are not abated in the same year as citing. Violations here are estimates for all years due to lack of written records of telephone citations. A slight decrease in violations is anticipated due to the stringent refund requirements that requires the employment agency to refund any charges made if employment is terminated in the first 10 weeks. This stipulation is written into all contracts and only allows two exceptions: if the employee does not report for work at all or if he terminates employment to take a higher paying position. These refunds are indicators of the more serious violations in the employment services area.

Regulation of Consumer Products and Promotion of Fair Business Practices (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	<u>\$291</u>	<u>\$337</u>	<u>\$445</u>	<u>\$410</u>	<u>\$432</u>	<u>\$455</u>	<u>\$478</u>

Department of Military Affairs

The Department of Military Affairs provides organized combat-ready units, both Army and Air National Guard, for call to Federal duty in the event of national emergency and to State duty in time of disaster or civil disorder. Their duties are to protect the lives and property of the people of Pennsylvania; preserve peace, order and public safety; administer the laws that provide for the well-being of Pennsylvania veterans and their dependents.

The Department of Military Affairs consists of the Adjutant General and the State Armory Board, State Military Reservation Commission, State Veterans' Commission and the Board of Trustees, Soldiers and Sailors Home.

DEPARTMENT OF MILITARY AFFAIRS

Summary by Fund and Appropriation

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
General Fund				
General Government				
General Government Operations	\$5,307	\$6,919	\$7,531	\$ 8,895
Veterans Action Centers	26	.....	.....	.....
Emergency Transportation Crisis Relief	1,254	.....	.....	.....
Emergency Snow Removal .....	.....	80	.....	.....
Sub-Total	<u>\$6,587</u>	<u>\$6,999</u>	<u>\$7,531</u>	<u>\$ 8,895</u>
 Institutional				
Soldiers and Sailors Home	<u>\$ 552</u>	<u>\$ 615</u>	<u>\$ 670</u>	<u>\$ 820</u>
 Grants and Subsidies				
Education of Veterans Children	\$ 60	\$ 80	\$ 65	\$ 75
Veterans Assistance	600	700	650	800
Blind Veterans Pension	77	85	80	100
Sub-Total	<u>\$ 737</u>	<u>\$ 865</u>	<u>\$ 795</u>	<u>\$ 975</u>
 Capital Improvements				
Capital Improvements .....	.....	\$ 99	.....	.....
Total State Funds	<u>\$7,876</u>	<u>\$8,578</u>	<u>\$8,996</u>	<u>\$10,690</u>
 Federal Funds				
Federal Funds	\$ 360	\$ 375	\$ 390	\$ 628
Other Funds	96	139	83	93
GENERAL FUND TOTAL	<u>\$8,332</u>	<u>\$9,092</u>	<u>\$9,469</u>	<u>\$11,411</u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
General Government Operations			
State Funds	\$5,333	\$6,919	\$8,895
Federal Funds	47	60	168
Other Funds	96	132	93
	<u> </u>	<u> </u>	<u> </u>
TOTAL	\$5,476	\$7,111	\$9,156

Provides the administrative and overhead systems for the various substantive National Guard and veterans' programs. Maintains a statewide warning communications network, an armory system, and training program for National Guardsmen. Assists veterans and their dependents in obtaining benefits due them under State and Federal laws by coordinating all matters relating to veterans' affairs. Distributes the grants described in the "Grants and Subsidies" section.

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Appropriation:			
General Government Operations	\$5,307	\$6,919	\$8,895
Veterans Action Centers	26	.....	.....
Federal Funds:			
Military Reservation Maintenance	16	20	133
Armory Planning and Functions	31	40	35
Other Funds:			
Home Rentals	22	23	23
Armory Rentals	74	70	70
Supplemental Retirement Contribution .....	.....	39	.....
	<u> </u>	<u> </u>	<u> </u>
TOTAL	<u>\$5,476</u>	<u>\$7,111</u>	<u>\$9,156</u>

GENERAL FUND

MILITARY AFFAIRS

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Emergency Transportation Crisis Relief			
State Funds	\$1,254	.....	.....

Maintained security on Commonwealth highways during the strike of the independent truck drivers and insured safe passage for those who were not striking.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Emergency Transportation Crisis Relief	<u>\$1,254</u>	.....	.....

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Emergency Snow Removal			
State Funds	\$ 80	.....

Provided manpower to western Pennsylvania for emergency snow removal following a severe snow storm in December 1974.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Emergency Snow Removal	<u>\$ 80</u>	.....

Institutional

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)	
Soldiers and Sailors Home				
State Funds	\$ 552	\$ 615	\$ 820	
Federal Funds	313	315	460	
Other Funds .....	. . . .	7	. . . .
TOTAL	<u>\$ 865</u>	<u>\$ 937</u>	<u>\$1,280</u>	

Provides for the operation of the Soldiers and Sailors Home at Erie for domiciliary and nursing care for indigent, invalid, or disabled Pennsylvania veterans. Skilled nursing care and related medical services, supportive personal care and individual services are provided for residents.

The institutional population for the prior, current and upcoming year is:

Institution	Capacity	Population Oct. 1973	Population Oct. 1974	Projected Population Oct. 1975	Projected Per Cent of Capacity
Soldiers and Sailors Home	175	166	166	175	100%

		(Dollar Amounts in Thousands)		
		1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds				
Appropriation:				
Soldiers and Sailors Home		\$ 552	\$ 615	\$ 820
Federal Funds:				
Federal Reimbursements		313	315	460
Other Funds:				
Supplemental Retirement Contribution .....		. . . .	7	. . . .
TOTAL		<u>\$ 865</u>	<u>\$ 937</u>	<u>\$1,280</u>

Grants and Subsidies

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Education of Veterans Children			
State Funds	\$ 60	\$ 80	\$ 75

Provides grants of \$200 per semester to children of deceased or disabled veterans to attend institutions of higher learning within the Commonwealth which are approved by the State Veterans Commission.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Education of Veterans Children	<u>\$ 60</u>	<u>\$ 80</u>	<u>\$ 75</u>

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Veterans Compensation and Assistance			
State Funds	\$ 677	\$ 785	\$ 900

Provides temporary assistance to veterans who are in need of financial support. Funds for food, clothing, fuel and shelter are made available for a period of up to three months. Grants pensions of \$50 a month to Pennsylvania veterans, who while performing active military service, suffered disease or injury which resulted in functional blindness.

Also grants payments of \$1,000 to returning veterans who were taken prisoners of war in the Vietnam Conflict.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Veterans Assistance	\$ 600	\$ 700	\$ 800
Blind Veterans Pension	77	85	100
TOTAL	<u><u>\$ 677</u></u>	<u><u>\$ 785</u></u>	<u><u>\$ 900</u></u>

Capital Improvements

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Capital Improvements			
State Funds	\$ 99	.....
Federal Funds	120	.....
TOTAL	<u>\$ 219</u>	.....

Provides for small capital improvements at various locations which are necessary to the operation of the Department's programs.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Capital Improvements	\$ 99	.....
Federal Funds:			
Armory Construction Funds	120	.....
TOTAL	<u><u>\$ 219</u></u>	.....

RESTRICTED RECEIPTS

MILITARY AFFAIRS

Restricted Receipts Not Included in Department Total

	1973-74	(Dollar Amounts in Thousands)	1975-76
	Actual	1974-75 Available	Budget (15 months)
General Fund			
Site Purchase and Armory Erection	\$ 28	\$ 2	.....
Federal Reimbursement - Flood Related Costs	241	.....	.....
TOTAL	<u>\$269</u>	<u>\$ 2</u>	.....

DEPARTMENT OF MILITARY AFFAIRS

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 867	\$1,039	\$ 1,310	\$ 1,197	\$ 1,301	\$ 1,424	\$ 1,562
Higher Education	\$ 82	\$ 106	\$ 106	\$ 108	\$ 111	\$ 114	\$ 116
Financial Aid to Students	82	106	106	108	111	114	116
Physical Health Treatment	\$ 552	\$ 615	\$ 820	\$ 721	\$ 834	\$ 958	\$ 1,140
Long Term Domiciliary and Nursing Home Maintenance and Care	552	615	820	721	834	958	1,140
Maintenance of Public Order	\$5,425	\$4,770	\$ 7,014	\$ 6,564	\$ 6,986	\$ 7,429	\$ 7,916
Disaster Assistance	5,425	4,770	7,014	6,564	6,986	7,429	7,916
Veterans' Compensation	\$ 950	\$2,048	\$ 1,440	\$ 1,149	\$ 1,193	\$ 1,239	\$ 1,290
Veterans' Compensation and Assistance	950	2,048	1,440	1,149	1,193	1,239	1,290
DEPARTMENT TOTAL	<u>\$7,876</u>	<u>\$8,578</u>	<u>\$10,690</u>	<u>\$ 9,739</u>	<u>\$10,425</u>	<u>\$11,164</u>	<u>\$12,024</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 867	\$1,039	\$1,310	\$1,197	\$1,301	\$1,424	\$1,562
Other Funds . . . . .	.....	8	.....	.....	.....	.....	.....
TOTAL	\$ 867	\$1,047	\$1,310	\$1,197	\$1,301	\$1,424	\$1,562

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support within the Department of Military Affairs. A primary concern is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$867</u>	<u>\$1,039</u>	<u>\$1,310</u>	<u>\$1,197</u>	<u>\$1,301</u>	<u>\$1,424</u>	<u>\$1,562</u>

Financial Aid to Students

OBJECTIVE: To assist the children of deceased or disabled veterans in obtaining education.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$82</u>	<u>\$106</u>	<u>\$106</u>	<u>\$108</u>	<u>\$111</u>	<u>\$114</u>	<u>\$116</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Children of deceased and disabled veterans	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Requests for aid	125	125	125	125	125	125	125
Students receiving financial aid	148	147	160	160	160	160	160
Students completing courses of instruction	38	40	40	40	40	40	40

Program Analysis:

This program is administered by the Department of Military Affairs and is responsible for providing financial assistance to children of deceased or disabled veterans attending institutions of higher learning within the Commonwealth. These students receive grants of \$200 per semester.

This program is separate from any scholarship program administered by the Pennsylvania Higher Education Assistance Agency (PHEAA). It is possible for a student to receive aid from both the Department of Military Affairs and PHEAA, although the amount of money from PHEAA might be

adjusted by the \$200 per semester amount depending on the individual circumstances.

Although the merits of this program are recognized, it should be noted that the Pennsylvania Higher Education Assistance Agency is increasing its financial assistance program and also that the number of aid recipients, eligible for the \$200 Department of Military Affairs grant, is projected to level off in future years. Thus any increases in this program would not be justifiable on a priority basis.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$22	\$ 26	\$ 31	\$ 28	\$ 31	\$ 34	\$ 36
Education of Veterans' Children	60	80	75	80	80	80	80
GENERAL FUND TOTAL	<u>\$82</u>	<u>\$106</u>	<u>\$106</u>	<u>\$108</u>	<u>\$111</u>	<u>\$114</u>	<u>\$116</u>

Long-Term Domiciliary and Nursing Home Maintenance and Care

OBJECTIVE: To provide skilled nursing and domiciliary care for veterans.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$552	\$615	\$ 820	\$ 721	\$ 834	\$ 958	\$1,140
Federal Funds	313	315	460	345	350	360	360
Other Funds .....	.....	7	.....	.....	.....	.....	.....
TOTAL	<u>\$865</u>	<u>\$937</u>	<u>\$1,280</u>	<u>\$1,066</u>	<u>\$1,184</u>	<u>\$1,318</u>	<u>\$1,500</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Veterans in Pennsylvania	1,870,000	1,889,000	1,899,000	1,900,000	1,920,000	1,940,000	2,000,000
Veterans in Soldiers and Sailors Home ...	166	175	175	175	175	175	175
Skilled nursing care days	23,501	27,375	27,375	27,375	27,375	27,375	27,375
Domiciliary care days	35,399	36,500	36,500	36,500	36,500	36,500	36,500

Program Analysis:

The Department of Military Affairs maintains the Soldiers and Sailors Home which provides both nursing and domiciliary facilities to those veterans who are disabled, indigent or in need of care. The program receives assistance from the Federal Government: \$4.50 per capita per day for domiciliary patients, \$6.00 per patient day for nursing home care, and \$6.00 per day for aid and attendance given directly to the patient.

The facility at Erie, Pennsylvania, now supports 175 beds. Although it is filled to capacity, there is a waiting list of 100 veterans. A criticism of this program is that no real effort is

provided towards rehabilitating the veteran in the Home. If the goal of this program is to provide skilled nursing and domiciliary care for veterans with rehabilitation as an end product, then perhaps these veterans should be in rehabilitative programs provided by other agencies of the Commonwealth. If the goal of this program is a maintenance function, then private facilities, where the Commonwealth would provide 50 percent of the costs with Federal Medicaid paying the remainder, might be more economically feasible. In either case, the administration of this program by the Department of Military Affairs should be re-evaluated.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Soldiers and Sailors Home	<u>\$552</u>	<u>\$615</u>	<u>\$820</u>	<u>\$721</u>	<u>\$834</u>	<u>\$958</u>	<u>\$1,140</u>

Disaster Assistance

OBJECTIVE: To achieve and maintain a readiness capability in units of the Pennsylvania National Guard for quick and effective response to State or Federal mobilization.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$5,425	\$4,770	\$7,014	\$6,564	\$6,986	\$7,429	\$7,916
Federal Funds	47	60	168	140	140	140	140
Other Funds	96	116	93	85	85	85	85
TOTAL	<u>\$5,568</u>	<u>\$4,946</u>	<u>\$7,275</u>	<u>\$6,789</u>	<u>\$7,211</u>	<u>\$7,654</u>	<u>\$8,141</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Operating facilities	282	282	282	282	282	282	282
Pennsylvania National Guard personnel ...	22,843	22,251	22,251	22,251	22,251	22,251	22,251
Federally recognized units of Pennsylvania Army and Air National Guard	206	203	203	203	203	203	203
Units maintaining satisfactory annual general inspection and training ratings	206	203	203	203	203	203	203

Program Analysis:

This program provides the administrative, training and training support areas necessary to the Pennsylvania National Guard in order to maintain a readiness capability in the event of emergencies either within the Commonwealth or requiring Federal mobilization.

In 1973-74, the National Guard was activated under this program to assist in the truckers' strike. A total of 35,169 man-days were expended on this task. The year 1974-75, again required the activation of the Guard to handle the snow emergency in western Pennsylvania. A total of 1,784 man-days were required on this occasion. It must be mentioned that the cost of mobilizing the National Guard is borne by the

Commonwealth only in State-declared emergencies. In all national emergency situations, whenever the Federal Government calls up the Guard, the cost is borne by the Federal Government. Furthermore, all costs attendant with training, such as summer camp and monthly guard meetings, are fully funded by the Federal Government.

Because of the unpredictability of the occurrences, it is not possible to forecast future trends and develop direct measures for this program's efficiency. Reactive capability of the National Guard is, therefore, measured indirectly through the number of units meeting Federally established inspection and training ratings.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	<u>\$5,425</u>	<u>\$4,770</u>	<u>\$7,014</u>	<u>\$6,564</u>	<u>\$6,986</u>	<u>\$7,429</u>	<u>\$7,916</u>

Veterans Compensation and Assistance

OBJECTIVE: To provide advisory and financial assistance to eligible Pennsylvania veterans and their dependents.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 950	\$2,048	\$1,440	\$1,149	\$1,193	\$1,239	\$1,290
Other Funds . . . . .	.....	8	.....	.....	.....	.....	.....
TOTAL	\$ 950	\$2,056	\$1,440	\$1,149	\$1,193	\$1,239	\$1,290

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Veterans in Pennsylvania	1,870,000	1,889,000	1,899,000	1,900,000	1,920,000	1,940,000	2,000,000
Veterans and dependents assisted	10,466	12,000	12,000	12,000	12,000	12,000	12,000
Blind veterans in Pennsylvania	129	150	150	150	150	150	150
Blind veterans assisted and dependents	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Prisoners of war from Pennsylvania	34	.....	.....	.....	.....	.....	.....

Program Analysis:

The Department of Military Affairs administers four aid programs within this subcategory.

Veterans assistance —Temporary assistance is given to veterans who are in need of financial support, in the form of grants for food, clothing, fuel and shelter for a period not exceeding three months. During fiscal year 1973-74, there were 4,515 veterans covered under this program. It is anticipated that due to the high unemployment rate, there will be an increase in the number of veterans applying for this assistance.

Blind veterans pension —This program provides grants of \$50 per month for those Pennsylvania veterans who incurred functional blindness while performing active military service. During fiscal year 1973-74, there were 129 veterans on the rolls. It is anticipated that, as an aftermath of the Vietnam Conflict additional veterans will be applying.

Veterans action centers —This is a temporary program, of 18 months duration, designed primarily to handle the sizeable influx of Vietnam veterans. It is aimed at coordinating all matters relating to veterans affairs and to serve as a focal point

for veterans assistance and information. There are fifteen centers located throughout the Commonwealth. From the program's inception on July 1 through October 1974, there were 2,191 cases processed. The program has served its intended purpose, further extension is not needed in view of the ongoing veterans programs within the Bureau of Veterans Affairs and Assistance, which should be able to handle regular workload.

Vietnam Bonus —This program is responsible for the payment of the Vietnam bonus to those Pennsylvania veterans who served during this conflict. Payments consist of \$25 per month of service, up to a maximum of \$750, which are paid to the veteran. In case of death resulting from injury or disease received while serving in the Vietnam Conflict, a payment of \$1,000 is made to the next of kin. As of October 1974, there were 188,368 claims paid. Applications can be received by the Bureau until March 28, 1975, at which time in accordance with the law no applications will be accepted for processing. In view of this, a reduction of staff is anticipated.

Veterans Compensation and Assistance (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$247	\$1,263	\$ 540	\$ 384	\$ 403	\$ 424	\$ 450
Veterans Assistance	600	700	800	675	700	725	750
Blind Veterans Pensions	77	85	100	90	90	90	90
Veterans Action Centers	26	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$950</u>	<u>\$2,048</u>	<u>\$1,440</u>	<u>\$1,149</u>	<u>\$1,193</u>	<u>\$1,239</u>	<u>\$1,290</u>

Milk Marketing Board

The Milk Marketing Board supervises, inspects and regulates the milk industry of the Commonwealth and establishes reasonable trade control and marketing practices.

MILK MARKETING BOARD
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)			
	1973-74	1974-75	1975-76	1975-76
	Actual	Available	Estimate (12 months)	Budget (15 months)
General Fund				
Grants and Subsidies				
Transfer to Milk Marketing Board	\$ 650	\$ 700	\$ 660	\$ 750
	<u>650</u>	<u>700</u>	<u>660</u>	<u>750</u>
GENERAL FUND TOTAL	<u>\$ 650</u>	<u>\$ 700</u>	<u>\$ 660</u>	<u>\$ 750</u>
Milk Marketing Fund				
General Government				
General Government	\$ 362	\$ 383	\$ 617	\$ 779
	<u>362</u>	<u>383</u>	<u>617</u>	<u>779</u>
Total State Funds	<u>\$ 362</u>	<u>\$ 383</u>	<u>\$ 617</u>	<u>\$ 779</u>
Other Funds . . . . .	. . . . .	\$ 5	. . . . .	. . . . .
	<u>.</u>	<u>5</u>	<u>.</u>	<u>.</u>
MILK MARKETING FUND TOTAL	<u>\$ 362</u>	<u>\$ 388</u>	<u>\$ 617</u>	<u>\$ 779</u>
Department Total -- All Funds				
General Fund	\$ 650	\$ 700	\$ 660	\$ 750
Special Funds	362	383	617	779
Other Funds . . . . .	. . . . .	5	. . . . .	. . . . .
	<u>650</u>	<u>700</u>	<u>660</u>	<u>750</u>
	<u>362</u>	<u>383</u>	<u>617</u>	<u>779</u>
	<u>.</u>	<u>5</u>	<u>.</u>	<u>.</u>
TOTAL ALL FUNDS	<u>\$1,012</u>	<u>\$1,088</u>	<u>\$1,277</u>	<u>\$1,529</u>

Grants and Subsidies

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Transfer to Milk Marketing Board			
State Funds	\$650	\$700	\$750

The Milk Marketing Board is a Special Fund agency financed from license fees, permit fees and fines. This General Fund appropriation is made to provide sufficient funds for the Board's operations.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Transfer to Milk Marketing Board	<u>\$650</u>	<u>\$700</u>	<u>\$750</u>

Milk Marketing Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Operations			
State Funds	\$ 362	\$ 383	\$ 779
Other Funds	650*	705*	750*
TOTAL	<u>\$1,012</u>	<u>\$1,088</u>	<u>\$1,529</u>

Supervises, inspects and regulates the milk industry of the Commonwealth and establishes reasonable trade control and marketing practices.

Formulates policy; holds public hearings and subsequently issues and enforces General Marketing Orders, rules and regulations; handles all legal matters including prosecution and levying of penalties against violators of the Milk Marketing Law.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorization:			
General Operations	\$ 362	\$ 383	\$ 779
Other Funds:			
Transfer from General Fund	650	700	750
Sale of Motor Vehicles .....	.....	5	.....
TOTAL	<u>\$1,012</u>	<u>\$1,088</u>	<u>\$1,529</u>

*Other funds includes the transfer from the General Fund which is not carried forward to the Summary by Fund and Appropriation to avoid double counting.

MILK MARKETING BOARD

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 167	\$ 216	\$ 321	\$ 191	\$ 199	\$ 209	\$ 218
Consumer Protection	\$ 845	\$ 867	\$1,208	\$ 196	\$ 207	\$ 217	\$ 230
Regulation of Milk Industry	845	867	1,208	196	207	217	230
DEPARTMENT TOTAL	<u>\$1,012</u>	<u>\$1,083</u>	<u>\$1,529</u>	<u>\$ 387</u>	<u>\$ 406</u>	<u>\$ 426</u>	<u>\$ 448</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Special Funds	<u>\$167</u>	<u>\$216</u>	<u>\$321</u>	<u>\$191</u>	<u>\$199</u>	<u>\$209</u>	<u>\$218</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
MILK MARKETING FUND							
General Operations	<u>\$167</u>	<u>\$216</u>	<u>\$321</u>	<u>\$191</u>	<u>\$199</u>	<u>\$209</u>	<u>\$218</u>

Regulation of Milk Industry

OBJECTIVE: To maintain an adequate supply of wholesome fluid milk.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 650	\$ 700	\$ 750	.....	.....	.....	.....
Special Funds	195	167	458	\$ 196	\$ 207	\$ 217	\$ 230
Other Funds .....	.....	5	.....	.....	.....	.....	.....
TOTAL	<u>\$ 845</u>	<u>\$ 872</u>	<u>\$1,208</u>	<u>\$ 196</u>	<u>\$ 207</u>	<u>\$ 217</u>	<u>\$ 230</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Supply of fluid milk to demand for fluid milk	126%	127%	126%	125%	126%	127%	127%
Public hearings held	5	8	8	.....	.....	.....	.....
Licenses and permits issued	4,392	4,300	4,250	4,200	4,200	4,200	4,200
Dealer audits made to determine compliance with rules and regulations	2,643	2,500	2,500	2,500	2,500	2,500	2,500
Citations issued against license violators	336	300	300	300	300	300	300

Program Analysis:

Milk price control in Pennsylvania had its origin in the economic depression of the early nineteen thirties. It was a reaction against the serious economic consequences which threatened to destroy the Commonwealth's dairy industry. The conceptual framework of the program remains essentially unchanged.

Accomplishment of the objective of insuring an adequate milk supply is attained through setting of minimum prices paid to farmers, minimum prices dealers can charge to wholesale and retail customers and minimum prices stores can charge consumers. While the need to insure a wholesome supply of milk still exists in this time of fluctuating prices and increased consumer activism, the State's three pronged approach to regulation has placed the Milk Marketing Board in the awkward position of trying to fairly represent everyone from the producer to the consumer. It has been argued that the

consumer interest, at least, would be best served by the abolishment of price regulation at the retail level thus allowing the market place to determine prices. On the other side, some support has arisen for having the Board establish maximum as well as minimum prices to be charged to consumers.

The regulation process is further complicated by the existence of Federal Marketing Order protection of dairy farmers. About 80 percent of the State's farmers operate under Federal Order programs. The Federal Marketing Order sets prices and regulations for the sale of milk to processors. While the Order does not establish retail prices for milk, it does assure the consumer of a dependable, uninterrupted supply of milk at a price that does not swing violently according to changing marketing conditions. Rather, since prices are determined on a monthly basis, the system is responsive to changing conditions.

Regulation of Milk Industry (Continued)

Program Analysis: (Continued)

It is anticipated that the Federal Government will be expanding its milk marketing order programs to cover the entire State. For this reason the budget anticipates that the Milk Marketing Board will no longer regulate milk prices in fiscal year 1976-77 and will retain only the function discussed below.

In addition to its price setting functions the Board licenses milk dealers of various classes and milk haulers, weighers, and testers. Milk dealers are required to furnish surety bonds to insure payments to the dealers. Additional service is provided to farmers through a program of test checks on the weights and butterfat tests received from dealers.

It has been determined that when supplies of fluid milk

approximate 125 percent of fluid sales a proper balance exists between supply and demand conditions. If the supply exceeds 125 percent of demand by more than 8 percentage points it is an indication that a severe imbalance is occurring in the milk market. The data indicate that the supply of milk will continue to be between 125 and 127 percent of demand thus assuring an adequate supply of milk. Additionally, the increase in citations issued against license violators over last years projections represents the increased enforcement activities of the Board. These activities are expected to continue at current levels. The decrease in dealer's audits represents the use of the board's personnel in this enforcement area.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Transfer to Milk Marketing Fund	<u>\$ 650</u>	<u>\$ 700</u>	<u>\$ 750</u>	. . . .	. . . .	. . . .	. . . .
MILK MARKETING FUND							
General Operations	<u>\$ 195</u>	<u>\$ 167</u>	<u>\$ 458</u>	<u>\$ 196</u>	<u>\$ 207</u>	<u>\$ 217</u>	<u>\$ 230</u>

Board of Probation and Parole

The Board of Probation and Parole rehabilitates and supervises persons on probation or parole, helping them to integrate within society. The Board attempts to allow an early and controlled release of persons from correctional institutions as well as detect those who cannot adjust to the community. Beyond cases normally under the State's jurisdiction, State probation services and presentence investigations are provided upon request from the courts.

The Board is comprised of five members appointed by the Governor with Senate confirmation.

BOARD OF PROBATION AND PAROLE

Summary by Fund and Appropriation

		(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
General Fund				
General Government				
General Government Operations	\$ 6,252	\$ 6,697	\$ 7,759	\$ 9,688
 Grants and Subsidies				
Improvement of Adult Probation Services	\$ 1,150	\$ 1,409	\$ 1,550	\$ 1,550
Total State Funds	<u>\$ 7,402</u>	<u>\$ 8,106</u>	<u>\$ 9,309</u>	<u>\$11,238</u>
 Federal Funds				
Other Funds	\$ 5,927	\$ 7,365	\$ 7,893	\$ 9,318
	.....	76	.....	.....
GENERAL FUND TOTAL	<u>\$13,329</u>	<u>\$15,547</u>	<u>\$17,202</u>	<u>\$20,556</u>

General Government

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
General Government Operations			
State Funds	\$ 6,252	\$ 6,697	\$ 9,688
Federal Funds	3,754	5,316	6,318
Other Funds .....	.....	76	.....
TOTAL	\$10,006	\$12,089	\$16,006

Seeks to reduce the incidence of criminal recidivism by providing parolees and probationers with supervision, counseling and treatment to enable them to satisfactorily adjust to society. Conducts presentence investigations to assist the courts in making sentencing decisions.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
General Government Operations	\$ 6,252	\$ 6,697	\$ 9,688
Federal Funds:			
Omnibus Crime Control and Safe Streets Act	1,791	2,426	2,101
Social Security Act	1,837	2,473	3,855
Emergency Employment Act	60	126	.....
Economic Opportunity Act .....	.....	45	90
Comprehensive Employment Training Act .....	.....	164	200
Operation Mainstream	66	82	72
Other Funds:			
Supplemental Retirement Contribution .....	.....	76	.....
TOTAL	\$10,006	\$12,089	\$16,006

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Improvement of Adult Probation Services			
State Funds	\$ 1,150	\$ 1,409	\$ 1,550
Federal Funds	2,173	2,049	3,000
TOTAL	<u>\$ 3,323</u>	<u>\$ 3,458</u>	<u>\$ 4,550</u>

Assists counties in improving adult probation services by providing funds for additional probation officers who meet standards established by the Board.

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Appropriation:			
Improvement of Adult Probation Services	\$ 1,150	\$ 1,409	\$ 1,550
Federal Funds:			
Omnibus Crime Control and Safe Streets Act	2,173	2,049	3,000
TOTAL	<u>\$ 3,323</u>	<u>\$ 3,458</u>	<u>\$ 4,550</u>

BOARD OF PROBATION AND PAROLE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support . . .	\$ 987	\$ 875	\$ 1,294	\$ 1,157	\$ 1,215	\$ 1,276	\$ 1,340
Control and Reduction of Crime	\$6,415	\$7,231	\$ 9,944	\$ 8,612	\$ 9,059	\$ 9,529	\$10,031
Reintegration of Adult Offenders . . .	6,415	7,231	9,944	8,612	9,059	9,529	10,031
DEPARTMENT TOTAL	<u>\$7,402</u>	<u>\$8,106</u>	<u>\$11,238</u>	<u>\$ 9,769</u>	<u>\$10,274</u>	<u>\$10,805</u>	<u>\$11,371</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 987	\$ 875	\$1,294	\$1,157	\$1,215	\$1,276	\$1,340
Federal Funds	372	282	260	216	227	238	250
Other Funds .....	.....	20	.....	.....	.....	.....	.....
TOTAL	\$1,359	\$1,177	\$1,554	\$1,373	\$1,442	\$1,514	\$1,590

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of the "reintegration of offenders" programs necessary for the achievement of Commonwealth and Agency

objectives. Also included are the direct decision making activities of the Parole Board. The Board makes approximately 10,000 case decisions, involving requests for parole and revocation hearings, per year.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$987</u>	<u>\$875</u>	<u>\$1,294</u>	<u>\$1,157</u>	<u>\$1,215</u>	<u>\$1,276</u>	<u>\$1,340</u>

Reintegration of the Adult Offender

OBJECTIVE: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 6,415	\$ 7,231	\$ 9,944	\$ 8,612	\$ 9,059	\$ 9,529	\$10,031
Federal Funds	5,555	7,083	9,058	8,255	8,752	9,221	9,707
Other Funds . . . . .	....	56	....	....	....	....	....
TOTAL	<u>\$11,970</u>	<u>\$14,370</u>	<u>\$19,002</u>	<u>\$16,867</u>	<u>\$17,811</u>	<u>\$18,750</u>	<u>\$19,738</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Probationers and parolees in case load . . .	11,724	12,850	14,000	15,150	16,200	17,350	18,400
Inmates released on parole or reparole . .	2,724	3,000	3,300	3,600	3,900	4,200	4,500
Successful completions of State probation and parole	3,146	3,600	4,000	4,400	4,800	5,200	5,600
Percentage of successful completion of probation and parole:							
State supervision	77%	78%	78%	79%	80%	81%	81%
County supervision	93%	94%	94%	94%	94%	94%	94%
Parole or probation violators under State supervision returned to prison for:							
Violation of rules	9%	9%	9%	9%	8%	8%	8%
New offenses	14%	13%	13%	12%	12%	11%	11%
Convicted cases in which preparole investigations conducted	3,278	3,525	3,775	4,025	4,275	4,525	4,775
Court requests for presentence investigations to be conducted by the board	1,542	1,600	1,650	1,700	1,750	1,800	1,850

Program Analysis:

Crime has many varied and complex ramifications, possessing no single face and limited to no one particular social group. Crime results from the everyday interaction between persons within a cultural system, their reactions to social conditions and responses to existing opportunities.

Within this framework, the conviction and sentencing of an individual is in theory a means of deterring future crimes by other potential criminals. It also serves to remove the threat posed by the criminal towards society and finally begins the process of rehabilitation.

In 1973-74, a total of 7,842 presentence investigations were conducted in the Commonwealth in hopes of determining the most beneficial means of rehabilitation for convicted offenders: probation or incarceration. Probation characteristically is the conditional suspension of a sentence plus the supervision of the offender during his period of sentence. It presumes that with proper supervision the individual will use his self-motivating potential to gain conformity and commitment to established law.

For reasons determined by a court, many individuals are

Reintegration of the Adult Offender (Continued)

Program Analysis (Continued)

not placed on probation but are instead institutionalized. As each individual fulfills his sentencing obligation within the confines of the institution, he becomes eligible for parole. Parole is the conditional release of a person from a penal institution under strict supervision within the community. In 1973-74, there were 4,105 persons eligible for State parole in Pennsylvania and of these, 2,724 were released. To assist the Board in determining which individuals were good parole risks, 3,278 pre-parole investigations were completed.

As noted, whether an individual is on probation or parole, proper supervision is an integral part of the rehabilitative process. New programs have been developed and others have been expanded to help the client plan his employment future, budget his finances and to become sensitized to the resources offered by the community. Psychologically, the individual is given emotional support in re-entering society and adopting to new pressures found in living a productive and law abiding lifestyle.

One of the ways to determine if a rehabilitative program is working is to determine how many individuals have

successfully completed the program. In 1973-74, of the number of persons completing their term under State supervision for parole or probation, 77 percent did so successfully. This success rate has been significantly increasing since 1969-70, when it was 69 percent. The increasing success rate indicates that the expansion of services which has occurred since 1969-70 has produced a significant reduction in criminal recidivism. Individuals under county supervision showed a better success ratio as 93 percent successfully completed their terms. However, it is important to note that the county authorities handle less serious cases more accessible to rehabilitation.

The Commonwealth provides cash assistance to the counties to increase their staff capabilities, thus rendering more individualized service to their clients.

In conclusion, with the expansion of programs and the increasing of staffs, resulting in manageable case loads, the chances of an individual profiting from the probation and parole part of the rehabilitation process is enhanced.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$5,265	\$5,822	\$8,394	\$6,984	\$7,350	\$7,735	\$ 8,147
Improvement of Adult Probation Services	1,150	1,409	1,550	1,628	1,709	1,794	1,884
GENERAL FUND TOTAL	<u>\$6,415</u>	<u>\$7,231</u>	<u>\$9,944</u>	<u>\$8,612</u>	<u>\$9,059</u>	<u>\$9,529</u>	<u>\$10,031</u>



Department of Property and Supplies

The Department of Property and Supplies administers the leasing, purchasing, transportation, construction, repair and maintenance services for all agencies of the Commonwealth.

DEPARTMENT OF PROPERTY AND SUPPLIES

Summary by Fund and Appropriation

		(Dollar Amounts in Thousands)			
	1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)	
General Fund					
General Government					
General Government Operations	\$20,728	\$23,362	\$26,184	\$ 31,829	
Printing and Distribution of the Pennsylvania Manual .....	.....	140	.....	.....
Sub-Total	<u>\$20,728</u>	<u>\$23,502</u>	<u>\$26,184</u>	<u>\$ 31,829</u>	
Debt Service Requirements					
General State Authority Rentals	<u>\$57,975</u>	<u>\$57,970</u>	<u>\$56,000</u>	<u>\$ 56,000</u>	
Capital Improvements					
Capital Improvements	\$ 71	.....	.....	.....
Total State Funds	<u>\$78,774</u>	<u>\$81,472</u>	<u>\$82,184</u>	<u>\$ 87,829</u>	
Federal Funds					
Other Funds	\$ 111	.....	.....	.....
	6,884	\$ 7,638	\$ 9,910	\$ 11,350	
GENERAL FUND TOTAL	<u>\$85,769</u>	<u>\$89,110</u>	<u>\$92,094</u>	<u>\$ 99,179</u>	
Motor License Fund					
Debt Service Requirements					
General State Authority Rentals	\$ 1,510	\$ 1,543	\$ 1,543	\$ 1,543	
MOTOR LICENSE FUND TOTAL	<u>\$ 1,510</u>	<u>\$ 1,543</u>	<u>\$ 1,543</u>	<u>\$ 1,543</u>	
Fish Fund					
Debt Service Requirements					
General State Authority Rentals	\$ 71	\$ 75	\$ 75	\$ 75	
FISH FUND TOTAL	<u>\$ 71</u>	<u>\$ 75</u>	<u>\$ 75</u>	<u>\$ 75</u>	
Boating Fund					
Debt Service Requirements					
General State Authority Rentals	\$ 2	\$ 2	\$ 2	\$ 2	
BOATING FUND TOTAL	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	
Department Total – All Funds					
General Fund	\$78,774	\$81,472	\$82,184	\$ 87,829	
Special Funds	1,583	1,620	1,620	1,620	
Federal Funds	111	.....	.....	.....
Other Funds	6,884	7,638	9,910	11,350	
TOTAL ALL FUNDS	<u>\$87,352</u>	<u>\$90,730</u>	<u>\$93,714</u>	<u>\$100,799</u>	

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Government Operations			
State Funds	\$20,728	\$23,362	\$31,829
Federal Funds	111	.....	.....
Other Funds	4,765	5,488	7,200
TOTAL	<u>\$25,604</u>	<u>\$28,850</u>	<u>\$39,029</u>

Provides for direction and coordination of the department's programs which include acting as purchasing agent for all agencies, maintaining a system for the distribution of Federal and State surplus property as well as federally donated commodities, providing for the insurance and leased space requirements of agencies, maintaining the Commonwealth automotive fleet, and furnishing the necessary maintenance, janitorial, and custodial services for Commonwealth owned buildings in Harrisburg, Pittsburgh, and Philadelphia.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
General Government Operations	\$20,728	\$23,362	\$31,829
Federal Funds:			
Emergency Employment Act	111	.....	.....
Other Funds:			
Fees for Comptroller Services	879	1,016	1,396
Sales and Rental of Automotive Equipment	3,316	3,738	5,128
Commissions Earned—Employee Group Life			
Insurance Administration	15	15	19
Warehouse Rental	100	100	125
Receipt of Service Charge—Federal			
Surplus Property	455	425	532
Supplemental Retirement Contribution .....	.....	194	.....
TOTAL	<u>\$25,604</u>	<u>\$28,850</u>	<u>\$39,029</u>

GENERAL FUND

PROPERTY AND SUPPLIES

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Printing and Distribution of the Pennsylvania Manual			
State Funds	\$ 140	.....

Provides for the bi-annual printing and distribution of the Pennsylvania Manual.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Printing and Distribution of the Pennsylvania Manual	\$ 140	.....

Debt Service Requirements

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
General State Authority Rentals			
State Funds	\$57,975	\$57,970	\$56,000
Other Funds	2,119	2,150	4,150
TOTAL	<u>\$60,094</u>	<u>\$60,120</u>	<u>\$60,150</u>

Makes rental payments to the General State Authority for the use of grounds, buildings and equipment financed and constructed by the Authority other than for State-aided colleges and universities which are paid by the Department of Education. This amount also provides for fire and boiler insurance premiums.

The rental payments are for the retirement of bonds issued by the Authority. Since 1968, capital construction has been financed by General Obligation Bonds and the debt service is paid through the Treasury Department.

GENERAL FUND

PROPERTY AND SUPPLIES

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
General State Authority Rentals	\$57,975	\$57,970	\$56,000
Other Funds:			
Fees from Dormitory Rentals	1,840	2,150	2,150
Fees from Student Union Rentals	279	.....	2,000
TOTAL	\$60,094	\$60,120	\$60,150

Capital Improvements

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Capital Improvements			
State Funds	\$ 71	.....	.....

Provided for additional facilities at the Altoona State Office Building.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Capital Improvements	\$ 71	.....	.....

Debt Service Requirements

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General State Authority Rentals			
State Funds	\$ 1,510	\$ 1,543	\$1,543

Makes rental payments to the General State Authority for the use of grounds, buildings, and equipment that were acquired, financed and constructed by the Authority for the Department of Transportation and the State Police. The Commonwealth secures title to the buildings and the property after the total cost of each has been matched by rental payments.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
General State Authority Rentals	<u>\$ 1,510</u>	<u>\$ 1,543</u>	<u>\$1,543</u>

Fish Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General State Authority Rentals			
State Funds	\$ 71	\$ 75	\$ 75

Provides for rental payments to the General State Authority for the use of grounds, buildings, and equipment which were acquired, financed, and constructed by the Authority.

The Commonwealth secures title to the buildings and property after the total cost of each has been matched by rental payments.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
General State Authority Rentals	<u>\$ 71</u>	<u>\$ 75</u>	<u>\$ 75</u>

Boating Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General State Authority Rentals			
State Funds	\$ 2	\$ 2	\$ 2

Provides for rental payments to the General State Authority for the use of grounds, buildings, and equipment which were acquired, financed, and constructed by the Authority.

The Commonwealth secures title to the buildings and property after the total cost of each has been matched by rental payments.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
General State Authority Rentals	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>

DEPARTMENT OF PROPERTY AND SUPPLIES
Summary of Agency Program by Category and Subcategory
General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 3,399	\$ 4,167	\$ 5,283	\$ 4,675	\$ 4,886	\$ 5,435	\$ 5,696
Commodity Management	\$ 3,673	\$ 3,700	\$ 4,966	\$ 5,136	\$ 5,546	\$ 5,988	\$ 6,467
Procurement and Distribution of Commodities	\$ 3,036	\$ 2,861	\$ 3,776	\$ 4,119	\$ 4,448	\$ 4,803	\$ 5,187
Disposition and Utilization of Surplus and Donated Commodities	637	839	1,190	1,017	1,098	1,185	1,280
Physical Facilities Management	\$13,727	\$15,635	\$21,580	\$18,618	\$20,111	\$21,723	\$23,466
Management and Operation of Facilities	13,727	15,635	21,580	18,618	20,111	21,723	23,466
Financing Commonwealth Obligations . . .	\$59,558	\$59,590	\$57,620	\$59,620	\$59,620	\$59,620	\$59,620
Payment to General State Authority Rentals	59,558	59,590	57,620	59,620	59,620	59,620	59,620
DEPARTMENT TOTAL	<u>\$80,357</u>	<u>\$83,092</u>	<u>\$89,449</u>	<u>\$88,049</u>	<u>\$90,163</u>	<u>\$92,766</u>	<u>\$95,249</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$3,399	\$4,167	\$5,283	\$4,675	\$4,886	\$5,435	\$5,696
Federal Funds	26	.....	.....	.....	.....	.....	.....
Other Funds	891	1,077	1,415	1,223	1,320	1,425	1,540
TOTAL	<u>\$4,316</u>	<u>\$5,244</u>	<u>\$6,698</u>	<u>\$5,898</u>	<u>\$6,206</u>	<u>\$6,860</u>	<u>\$7,236</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of various specific programs but which because of their generalized nature cannot be reasonably charged to any one substantive program. Such services include overall

executive direction, manpower management, fiscal accounting and management information processing.

This program also provides support for the printing and distribution of the Pennsylvania Manual which is issued bi-annually.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$3,399	\$4,027	\$5,283	\$4,525	\$4,886	\$5,275	\$5,696
Printing and Distribution of the Pennsylvania Manual .....	.....	140	.....	150	.....	160	.....
GENERAL FUND TOTAL	<u>\$3,399</u>	<u>\$4,167</u>	<u>\$5,283</u>	<u>\$4,675</u>	<u>\$4,886</u>	<u>\$5,435</u>	<u>\$5,696</u>

Procurement and Distribution of Commodities

OBJECTIVE: To provide the Commonwealth agencies with commodities within a reasonable time and which conform to accepted standards of quality.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$3,036	\$2,861	\$3,776	\$4,119	\$4,448	\$4,803	\$5,187
Federal Funds	7	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
Other Funds	3,319	3,765	5,128	4,103	4,103	4,103	4,103
TOTAL	<u>\$6,362</u>	<u>\$6,626</u>	<u>\$8,904</u>	<u>\$8,222</u>	<u>\$8,551</u>	<u>\$8,906</u>	<u>\$9,290</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Value of purchases made (in thousands)	\$137,425	\$138,000	\$138,500	\$139,000	\$139,750	\$140,225	\$141,000
Tests and inspections made on commodities	20,835	21,063	21,297	21,531	21,772	22,014	22,261
Commodities rejected	150	150	150	150	150	150	150
Specifications established, reviewed or amended	181	190	200	210	220	230	240

Program Analysis:

This program deals with the procurement of commodities for the various Commonwealth agencies. The main activities are establishing and updating standards and specifications for materials and products purchased by the Commonwealth, actually purchasing the products, and testing the products to insure compliance with established standards.

Through high standards and exacting tests it is felt that the Commonwealth obtains a superior product with a reasonable expectation of receiving full performance. This program also provides for inspecting the manufacturing facilities and equipment of unknown or marginal vendors. In this way, unqualified vendors are eliminated and therefore the risk of receiving an inferior product is greatly reduced.

The final facet of this program concerns its purchasing agent function. It provides the conduit through which the Commonwealth enters into contracts for the vast spectrum of

goods and materials requested by the agencies. Among the various activities supporting this function are receiving purchase requisitions, preparing requisitions for bidding, maintaining vendor security, awarding bids and writing purchase orders. This purchasing function is also responsible for implementing Act 31 of 1971 which permits any political subdivision or any authority created by a political subdivision to participate in Commonwealth contracts for the purchases of goods or materials. In this way, units of government much smaller than the Commonwealth are able to benefit from the price discount available to the Commonwealth by virtue of large, bulk purchases. Currently 65 percent of the Commonwealth's political subdivisions are utilizing the provisions of this Act and while exact savings would be hard to quantify, this practice undoubtedly produces a saving of tax dollars at the local level.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	<u>\$3,036</u>	<u>\$2,861</u>	<u>\$3,776</u>	<u>\$4,119</u>	<u>\$4,448</u>	<u>\$4,803</u>	<u>\$5,187</u>

Disposition and Utilization of Surplus and Donated Commodities

OBJECTIVE: To derive maximum utilization of all surplus and donated commodities.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$ 637	\$ 839	\$1,190	\$1,017	\$1,098	\$1,185	\$1,280
Other Funds	455	437	532	459	495	535	578
TOTAL	\$1,092	\$1,276	\$1,722	\$1,476	\$1,593	\$1,720	\$1,858

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Dollar value of Federal surplus property on hand (in thousands)	\$11,721	\$11,000	\$11,250	\$11,500	\$11,750	\$12,000	\$12,250
Dollar value of Federal donated food made available (in thousands)	\$16,189	\$15,000	\$15,500	\$16,500	\$16,500	\$17,000	\$17,500
Persons receiving donated food	1,435,300	1,500,000	1,500,000	1,550,000	1,550,000	1,575,000	1,575,000
Interagency transfers of State surplus property	506	500	500	500	500	500	500

Program Analysis:

This program is concerned with the administration of the Commonwealth's activities pertaining to the utilization of all surplus property and donated commodities. The operations of this program are concentrated in three areas which are Federal surplus property, Federally donated commodities and surplus property belonging to the Commonwealth.

Functioning as an intermediary between the Federal Government and eligible tax supported or nonprofit tax exempt health, education and civil defense organizations this program obtains surplus Federal property from various military installations at no cost other than for screening and transportation. The property is then sold to eligible organizations for a nominal service charge. Examples of eligible organizations would be medical institutions, hospitals, clinics, schools and school systems, colleges and universities, noncommercial educational radio and television stations, and civil defense organizations established pursuant to State law.

The utilization of Federal surplus property by these eligible organizations saves a significant amount of tax dollars at the local level by providing needed products at a fraction of their cost in the open market.

A further area of activity for this program is administering the distribution of Federally donated food to various school lunch programs, nonprofit summer camps, and many Head Start and Office of Economic Opportunity projects throughout the Commonwealth. Pursuant to Federal requirements, Commonwealth involvement is limited to inspecting recipient institutions to insure adherence to all Federal and Commonwealth regulations regarding proper food storage and utilization.

The third major involvement of this program concerns the disposition of surplus Commonwealth property. In 1974-75 the total value of the Commonwealth's surplus property is estimated to be \$655,000 with \$70,000 representing the amount that will be transferred between agencies, \$350,000 the value of the surplus property sold, and \$235,000 the value of the property used as trade-ins. By administering a system of either transferring the Commonwealth's surplus property to a requesting agency or disposing of it through sales to the general public or as trade-ins on new goods, this program assures the maximum utilization of the Commonwealth's property.

PROPERTY AND SUPPLIES

Disposition and Utilization of Surplus and Donated Commodities (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	<u>\$ 637</u>	<u>\$ 839</u>	<u>\$1,190</u>	<u>\$1,017</u>	<u>\$1,098</u>	<u>\$1,185</u>	<u>\$1,280</u>

Management and Operation of Facilities

OBJECTIVE: To provide and maintain the Commonwealth's real property and facilities in order that Commonwealth operations may be conducted in the most efficient and economical manner possible.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$13,727	\$15,635	\$21,580	\$18,618	\$20,111	\$21,723	\$23,466
Federal Funds	78	.....	.....	.....	.....	.....	.....
Other Funds	100	209	125	100	100	100	100
TOTAL	\$13,905	\$15,844	\$21,705	\$18,718	\$20,211	\$21,823	\$23,566

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Work orders received	8,345	8,000	8,100	8,200	8,300	8,400	8,500
Lease agreements executed	561	570	575	580	585	590	600
Requests for space allocation	119	130	150	160	175	190	210
Requests for design, survey and/or inspection work	605	625	657	690	725	761	800

Program Analysis:

The activities of this program include three main areas of operation which are management of construction projects, providing janitorial and custodial services, and acquisition and effective utilization of space and facilities.

The management of construction projects involves preparing and approving plans, designs and specifications for construction or renovation projects as well as supervising and inspecting the projects. In addition all designs and plans of the General State Authority are reviewed and the Authority's various construction projects are inspected for compliance with all State laws and building codes.

This program also provides for the required maintenance, janitorial, and custodial services for Commonwealth owned land and buildings in Harrisburg and for the Philadelphia and Pittsburgh State Office Buildings. Some of the services provided are plumbing and electrical repairs, air conditioning

and heating maintenance, upholstering and furniture repair, carpentry work, and general housekeeping and cleaning services. Work is performed both on a routine base and as the result of a work order from a using department.

The third area of operation for this program concerns the economical acquisition and efficient utilization of space and facilities. This entails contracting for the rent of office space for Commonwealth activities that cannot adequately be housed in Commonwealth owned buildings as well as surveying the space requirements and determining space allocation for all Commonwealth agencies both in Commonwealth owned and leased buildings.

As the descriptions of the various measures indicate, the level of operation for this program is dependent upon the requests of the various Commonwealth agencies for a particular service.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$13,656	\$15,635	\$21,580	\$18,618	\$20,111	\$21,723	\$23,466
Capital Improvements	71	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$13,727	\$15,635	\$21,580	\$18,618	\$20,111	\$21,723	\$23,466

Payment of General State Authority Rentals

OBJECTIVE: To make rental payments to the General State Authority for projects financed and constructed by the Authority.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$57,975	\$57,970	\$56,000	\$58,000	\$58,000	\$58,000	\$58,000
Special Funds	1,583	1,620	1,620	1,620	1,620	1,620	1,620
Other Funds	2,119	2,150	4,150	2,150	2,150	2,150	2,150
TOTAL	\$61,677	\$61,740	\$61,770	\$61,770	\$61,770	\$61,770	\$61,770

Program Analysis:

The Department of Property and Supplies makes payments to the General State Authority for rent and other charges that are due on leases or other contractual agreements between the Department and the General State Authority. Payments are for the use of grounds, buildings and equipment financed and constructed by the Authority with the exception of projects for State-aided colleges and universities which are paid for by

the Department of Education. This amount also provides for fire and boiler insurance premiums.

The rental payments are for the retirement of bonds issued by the Authority. Since 1968, capital construction has been financed by General Obligation Bonds and the debt service is paid through the Treasury Department.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General State Authority Rentals	\$57,975	\$57,970	\$56,000	\$58,000	\$58,000	\$58,000	\$58,000
MOTOR LICENSE FUND							
General State Authority Rentals	\$ 1,510	\$ 1,543	\$ 1,543	\$ 1,543	\$ 1,543	\$ 1,543	\$ 1,543
FISH FUND							
General State Authority Rentals	\$ 71	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75
BOATING FUND							
General State Authority Rentals	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2

Public Utility Commission

The Public Utility Commission protects the citizens and the public utility corporations of the State by insuring that safe and adequate public utility services are available at fair and reasonable rates. This is accomplished through enforcement of the Public Utility Law and promulgation of regulations adopted by the Commission.

The Commission is comprised of five members appointed by the Governor with Senate confirmation.

The dollar amounts shown are not appropriations from the General Fund. Under the provisions of Act 33 of 1972 the Commission receives a budgetary authorization ceiling from the Governor and the Appropriations Committees of the House and Senate. It then bills the utilities for the amounts of the approved estimate of expenditures and expends directly from the funds collected.

PUBLIC UTILITY COMMISSION

Summary by Fund and Appropriation

	1973-74 Actual	(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
General Fund				
(Restricted Revenue Account)				
General Government				
Executive Authorization				
General Government Operations*	\$6,609	\$7,959	\$9,385**

* Executive Authorization from restricted revenue account which is not included in General Fund Totals.

** Due to present legal provisions it was necessary to issue an executive authorization for the 12 months beginning July 1, 1975. Legislation to make the Public Utility Commission's fiscal year concurrent with that of the General Fund will be proposed.

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (12 months)**
General Government Operations			
State Funds	\$6,609	\$7,959	\$9,385

Protects the consumer by regulating the rates charged by public utility companies and by developing a comprehensive, long-range plan to assure adequate utility capacity for the future. Inspects railroad grade crossings to insure compliance with safety standards.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (12 months)**
Source of Funds			
Executive Authorization:*			
General Government Operations	<u>\$6,609</u>	<u>\$7,959</u>	<u>\$9,385</u>

* Executive Authorization from restricted revenue account which is not included in General Fund Totals.

** Due to present legal provisions it was necessary to issue an executive authorization for the 12 months beginning July 1, 1975. Legislation to make the Public Utility Commission's fiscal year concurrent with that of the General Fund will be proposed.

PUBLIC UTILITY COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (12 months)**	1976-77	1977-78		
General Administration and Support	\$1,753	\$2,177	\$2,628	\$ 3,124	\$ 3,660	\$ 4,237	\$ 4,904
Consumer Protection	\$4,856	\$5,782	\$6,757	\$ 7,726	\$ 8,984	\$10,429	\$12,021
Regulation of Public Utilities	\$4,856	\$5,782	\$6,757	\$ 7,726	\$ 8,984	\$10,429	\$12,021
DEPARTMENT TOTAL	<u>\$6,609</u>	<u>\$7,959</u>	<u>\$9,385</u>	<u>\$10,850</u>	<u>\$12,644</u>	<u>\$14,666</u>	<u>\$16,925</u>

** Due to present legal provisions it was necessary to issue an executive authorization for the 12 months beginning July 1, 1975. Legislation to make the Public Utility Commission's fiscal year concurrent with that of the General Fund will be proposed.

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (12 months)**	1976-77	1977-78		
Other Funds	<u>\$1,753</u>	<u>\$2,177</u>	<u>\$2,628</u>	<u>\$3,124</u>	<u>\$3,660</u>	<u>\$4,237</u>	<u>\$4,904</u>

Program Analysis:

General Administration and Support provides for the administrative overhead systems which support the operations of programs necessary for the achievement of the Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize

these administrative costs in relation to the costs of provided services. Due to present legal provisions, it was necessary to issue an executive authorization for the 12 months beginning July 1, 1975. Legislation to change the Public Utility Commission's fiscal year, concurrent with that proposed for the General Fund, will be submitted.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (12 months)**	1976-77	1977-78		
RESTRICTED REVENUE ACCOUNT (General Fund)*							
General Operations	<u>\$1,753</u>	<u>\$2,177</u>	<u>\$2,628</u>	<u>\$3,124</u>	<u>\$3,660</u>	<u>\$4,237</u>	<u>\$4,904</u>

*Not included in General Fund totals.
**See Program Analysis for explanation.

Regulation of Public Utilities

OBJECTIVE: To ensure that safe and adequate public utility services are available to the public at fair and reasonable rates.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (12 months)**	1976-77	1977-78	1978-79	1979-80
Other Funds	<u>\$4,856</u>	<u>\$5,782</u>	<u>\$6,757</u>	<u>\$7,726</u>	<u>\$8,984</u>	<u>\$10,429</u>	<u>\$12,021</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Percent of utilities not meeting safety standards	2%	2%	2%	2%	2%	2%	2%
Formal and informal complaints resolved	2,580	2,670	2,870	3,170	3,370	3,570	3,770
Investigations resulting from complaints	2,674	2,869	3,170	3,476	3,676	3,876	4,076
Investigations conducted on order of the Commission	3	3	5	5	5	5	5
Railroad crossings upgraded on order of the Commission	380	390	400	400	400	400	400

Program Analysis:

The Public Utility Commission regulates the rates charged by public utilities, inspects or tests the services and facilities, and examines the accounts of appropriate public utilities and contract carriers by motor vehicle; prescribes uniform systems of accounts for the various classes of public utilities; prescribes service regulations for common and contract carriers by motor vehicle; conducts studies for possible adverse impact on the public interest in contracts between public utilities and municipalities and contracts for service between public utilities and their affiliates; holds public hearings and oral argument on complaints instituted on its own motion and on complaints, applications and petitions submitted to it by utility customers and others where, in its judgement, necessity for hearing and/or oral argument is indicated; studies the pleadings, evidence, and briefs submitted to it; and enters appropriate written orders. Primary areas of concern for this program are the energy crisis and the review of rate increase requests.

In the past, the Commission has placed considerable emphasis on assuring utilities a fair rate of return on investment. This was done so that utilities were able to

maintain sufficient cash to provide continual service to customers. In this regard, major emphasis has been placed on rate increases for small water companies. The Commission was concerned that many small water companies did not have sufficient knowledge to properly file for a rate increase. As a result, an effort was undertaken to school these companies in approved accounting and how to properly file for a rate increase.

It is felt that the Commission has placed too great an emphasis on assuring adequate profit for utilities and not enough emphasis on the concerns of consumers. In 1975-76, it is anticipated that more concern will be given to consumers. Specifically, the Commission will place more emphasis on analyzing rate requests to assure that consumers are given good service at the lowest price possible. More emphasis will also be placed on attempting to resolve consumer complaints against utilities.

Another aspect of this program involves the Commission's efforts as agent in enforcing the Federal Railroad Safety Act of 1970 and the Federal Gas Pipeline Safety Act of 1968. The

Regulation of Public Utilities (Continued)

Program Analysis: (Continued)

enforcement of these Federal regulations assures protection to the citizenry of the Commonwealth through the monitoring of possible gas pipeline explosions and accidents from violations of the railroad safety standards.

Although only approximately 2 percent of all utilities do not meet safety standards, the number of substandard rail facilities have increased to over 20 percent. In order to alleviate those unsafe standards the Commission has issued slow orders for unsafe track. The Commission in accordance with railroad regulations lists specific requirements concerning track, its alignment, appurtenances and inspections, as well as maintenance of track inspection records. These regulations were promulgated as a result of derailments. Investigations by the Commission are conducted to assure that track and track maintenance procedures are updated and a program of twice-weekly inspections are made on tracks where speeds of 20 miles per hour or more are reported by timetable operators.

During the 1974-75 fiscal year the Commission established a gas supply section. It is the responsibility of this section to

monitor the natural gas supply in conformance with Commission regulations. The natural gas deficiency is expected to worsen over the next three years. The Federal Power Commission reports that the imbalance on a nationwide basis, between natural gas supply and demand, has steadily widened and sees no slowing or reversal of this trend. It is within this section that complaints and requests for exceptions from the natural gas regulations are prepared and submitted to the Commission for final decisions. Inspections are then made to assure compliance with federal natural gas regulations and Commission orders. Currently natural gas is being prohibited in any new construction, with the exception of those having homes built as replacement for previous gas serviced homes, such as renewal projects.

Due to present legal provisions it was necessary to issue an executive authorization for 12 months beginning July 1, 1975. Legislation to make the Public Utility Commission's fiscal year concurrent with that of the General Fund will be proposed.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (12 months) **	1976-77	1977-78	1978-79	1979-80
RESTRICTED REVENUE ACCOUNT (General Fund)*							
General Operations	<u>\$4,856</u>	<u>\$5,782</u>	<u>\$6,757</u>	<u>\$7,726</u>	<u>\$8,984</u>	<u>\$10,429</u>	<u>\$12,021</u>

* Not included in General Fund totals.
 ** See program analysis for explanation.

Department of Public Welfare

The Department of Public Welfare provides financial assistance to the economically dependent through public assistance grants and medical assistance payments; provides care, treatment and rehabilitation to the socially, mentally and physically disabled; and engages in activities, including education and research, which serve to prevent or reduce economic, social, mental and physical disabilities.

Services are provided directly through administration of program services and indirectly through programs of standard setting, regulation, supervision, licensing, grants, subsidies and purchase of services.

The public welfare system is headed by a Secretary who is served by an Advisory Public Welfare Board.

The actual delivery of welfare services is executed through regional offices, county boards of assistance and various types of institutions.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	Details on Page	1975-76 State Funds (in thousands) (15 months)
Small Unit Residential Treatment	Expansion of Community Living Arrangements for the Mentally Retarded	618	\$ 1,886
	<p>This Program Revision will provide for the continued expansion of community living arrangements as an alternative to institutionalization for the mentally retarded.</p>		
Cash Assistance	Increased Cash Assistance Grants	627	\$39,541
	<p>Effective September 1, 1975, this is an increase of 6 percent to the standard grant. This grant increase will help to narrow the gap between the amount of the present grant level and the growth rate of the Consumer Price Index.</p>		
Supplemental Grants—Aged, Blind and Disabled	Increased Supplemental Grants—Aged, Blind and Disabled	628	\$15,000
	<p>A 6 percent grant increase is being recommended as of January 1, 1976 for all SSI recipients. Additional individual grants will be made to those selected persons residing in approved licensed Personal Care Homes.</p>		
	DEPARTMENT TOTAL		<u>\$56,427</u>

DEPARTMENT OF PUBLIC WELFARE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)			
1973-74 Actual	1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)	
General Fund				
General Government				
General Government Operations	\$ 14,540	\$ 16,711	\$ 20,529	\$ 24,348
Institutional				
Youth Development Centers and Forestry				
Camps	\$ 18,212	\$ 21,367	\$ 20,241	\$ 24,221
State Restoration Centers	4,669	6,498	5,620	6,399
State General Hospitals	8,349	10,980	7,211	7,131
Mental Health and Mental Retardation				
Services	310,279	283,243	322,698	391,918
Institution for the Mentally Retarded—				
Southeastern	2,365	.....	.....	.....
Mental Health and Mental Retardation				
Services—Additional Staff .....	.....	2,500	.....	.....
Mental Health and Mental Retardation				
Services—Resident Population				
Dispersal .....	.....	500	.....	.....
Community Services for the Mentally Ill				
and Mentally Retarded	3,600	67,630	80,438	101,008
Small Unit Residential Treatment	1,400	13,596	15,230	19,062
Sub-Total	<u>\$ 348,874</u>	<u>\$ 406,314</u>	<u>\$ 451,438</u>	<u>\$ 549,739</u>
Grants and Subsidies				
Cash Assistance	\$ 375,387	\$ 404,203	\$ 561,496	\$ 723,060
County Administration	62,881	78,499	82,612	103,265
Claims Settlement .....	.....	2,000	2,133	2,563
Medical Assistance	187,321	231,981	284,737	356,527
Supplemental Grants—Aged, Blind and Disabled .....	.....	40,619	58,528	76,866
Aging Programs	494	4,717	5,094	5,167
Training Personnel at Geriatric Homes	50	50	50	50
Blind Programs	701	778	840	1,050
County Child Welfare Programs	39,547	39,109	46,039	53,608
Day Care Services	4,200	5,700	6,356	7,433
Juvenile Delinquency Programs	1,500	2,000	2,500	2,500
Chronic Disease Hospitals	600	.....	.....	.....
Home for Crippled Children, Pittsburgh .....	.....	250	250	250
Children's Heart Hospital, Philadelphia .....	.....	500	500	500
Armstrong County Health Center .....	.....	200	.....	.....
Western Psychiatric Institute and Clinic	3,500	3,500	3,500	3,500
Pennsylvania Association for the Blind,				
Pittsburgh .....	.....	25	25	25
Center for the Blind, Philadelphia .....	.....	25	25	25
Beacon Lodge Camp	16	25	25	25
Social Services .....	.....	2,198	2,944	3,433
Arsenal Family and Children's Center .....	.....	100	100	100
Sub-Total	<u>\$ 676,197</u>	<u>\$ 816,479</u>	<u>\$1,057,754</u>	<u>\$1,339,947</u>

DEPARTMENT OF PUBLIC WELFARE

**Summary by Fund and Appropriation
(continued)**

	1973-74 Actual	(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
Capital Improvements				
Capital Improvements	\$ 794	\$ 466	\$ 162	\$ 162
Total State Funds	<u>\$1,040,405</u>	<u>\$1,239,970</u>	<u>\$1,529,883</u>	<u>\$1,914,196</u>
Federal Funds	\$ 675,008	\$ 768,701	\$ 974,730	\$1,210,049
Other Funds	77,591	83,704	87,515	108,525
GENERAL FUND TOTAL	<u>\$1,793,004</u>	<u>\$2,092,375</u>	<u>\$2,592,128</u>	<u>\$3,232,770</u>
 Revenue Sharing Trust Fund				
Grants and Subsidies				
Supplemental Grants—Aged, Blind and Disabled	\$ 11,000	.....	.....	.....
Aging Programs	1,800	.....	.....	.....
Day Care Services	6,400	\$ 4,900	.....	.....
REVENUE SHARING TRUST FUND TOTAL	<u>\$ 19,200</u>	<u>\$ 4,900</u>	.....	.....
 Department Total — All Funds				
General Fund	\$1,040,405	\$1,239,970	\$1,529,883	\$1,914,196
Special Funds	19,200	4,900	.....	.....
Federal Funds	675,008	768,701	974,730	1,210,049
Other Funds	77,591	83,704	87,515	108,525
TOTAL ALL FUNDS	<u>\$1,812,204</u>	<u>\$2,097,275</u>	<u>\$2,592,128</u>	<u>\$3,232,770</u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
General Government Operations			
State Funds	\$ 14,540	\$ 16,711	\$ 24,348
Federal Funds	14,615	12,091	19,915
Other Funds	784	1,096	980
TOTAL	\$ 29,939	\$ 29,898	\$ 45,243

Provides the administrative and support systems for the operation of the various substantive health, social and economic development programs. Directs the development and implementation of the Commonwealth health, social and economic development policies and programs.

Provides direction and overhead support for restoration centers, youth development centers, general hospitals, institutions for the retarded and institutions for the mentally ill.

Provides overall planning and direction for a comprehensive social services system.

Promotes the reduction of ill health among Pennsylvania residents by licensing and regulating selected medical facilities, and provides direction for health programs for Pennsylvania residents who are unable to purchase adequate health care services.

Provides the overall planning and direction for individuals striving to attain and maintain a minimally acceptable level of living.

Source of Funds

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Appropriation:			
General Government Operations	\$ 14,540	\$ 16,711	\$ 24,348
Federal Funds:			
Social Security Act Assistance Contribution	\$ 12,008	\$ 8,838	\$ 14,482
Support for Child Welfare	1,214	1,416	2,366
Older Americans Act	850	785	1,315
Vocational Rehabilitation	206	267	445
Title 18-Medicare	46	550	910
Hill-Burton Funds	86	. . . .	. . . .
Elementary and Secondary Education Act	134	200	350
Foster Grandparents Program	27	28	35
Emergency Employment Act	26	. . . .	. . . .
Mental Retardation Planning Program	18	7	12

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds (Continued)			
Other Funds:			
Comptroller's Billing	132	132	132
Reimbursement for Institutional Collection	276	360	420
Non-Governmental Project Grants	2	5	10
Sale of Vehicles	1	.....	.....
Reimbursement for Processing Center	365	368	418
Conference Registration Fees	8	.....	.....
Supplemental Retirement Contribution	.....	231	.....
TOTAL	\$ 29,939	\$ 29,898	\$ 45,243

Institutional

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Youth Development Centers and Forestry Camps			
State Funds	\$ 18,212	\$ 21,367	\$ 24,221
Federal Funds	597	2,174	755
Other Funds	20	149	20
TOTAL	\$ 18,829	\$ 23,690	\$ 24,996

Maintains a system to socially rehabilitate and train youths, ages 12 to 18, committed as delinquent by the courts, to meet acceptable standards of behavior and to increase their readiness to return to school or jobs.

The institutional populations for the prior, current and upcoming years are:

	Bed Capacity	Population Oct. 1973	Population Oct. 1974	Projected Population Oct. 1975	Projected Percent of Capacity
Youth Development Centers					
Cornwells Heights	250	130	94	136	54%
Loysville	150	103	107	105	70%
New Castle	250	238	214	250	100%
Warrendale	151	122	110	130	86%
Waynesburg	150	135	110	144	96%
Youth Forestry Camps					
Camp No. 1	52	53	54	52	100%
Camp No. 2	52	48	51	52	100%
Camp No. 3	56	59	51	56	100%
Philadelphia Day Treatment Center	60	29	30	50	83%
TOTAL	1,171	917	821	975	83%

GENERAL FUND

PUBLIC WELFARE

(Dollar Amounts in Thousands)

	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Total Proposed Expenditures by Institution:			
YDC Cornwells Heights			
State Funds	\$ 3,795	\$ 3,503	\$ 3,830
Federal Funds	17	80	22
Other Funds	4	23	4
TOTAL	\$ 3,816	\$ 3,606	\$ 3,856
YDC Loysville			
State Funds	\$ 2,280	\$ 2,871	\$ 3,038
Federal Funds	115	46	29
Other Funds	5	21	5
TOTAL	\$ 2,400	\$ 2,938	\$ 3,072
YDC New Castle			
State Funds	\$ 3,499	\$ 4,540	\$ 4,853
Federal Funds	138	115	120
Other Funds	5	35	5
TOTAL	\$ 3,642	\$ 4,690	\$ 4,978
YDC Warrendale			
State Funds	\$ 2,145	\$ 2,897	\$ 3,200
Federal Funds	68	138	107
Other Funds	2	20	2
TOTAL	\$ 2,215	\$ 3,055	\$ 3,309
YDC Waynesburg			
State Funds	\$ 2,276	\$ 2,879	\$ 3,171
Federal Funds	83	70	72
Other Funds	1	20	1
TOTAL	\$ 2,360	\$ 2,969	\$ 3,244
YF Camp No. 1—Raccoon Creek			
State Funds	\$ 583	\$ 862	\$ 926
Federal Funds	28	5	5
Other Funds	1	4	1
TOTAL	\$ 612	\$ 871	\$ 932

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
YF Camp No. 2—Hickory Run			
State Funds	\$ 554	\$ 863	\$ 923
Federal Funds	29	6	3
Other Funds .....	.....	3	.....
TOTAL	\$ 583	\$ 872	\$ 926
YF Camp No. 3—Trough Creek			
State Funds	\$ 529	\$ 792	\$ 838
Federal Funds	34	6	3
Other Funds .....	.....	3	.....
TOTAL	\$ 563	\$ 801	\$ 841
Philadelphia Day Treatment Center			
State Funds	\$ 2,551	\$ 2,160	\$ 3,442
Federal Funds	85	1,708	394
Other Funds	2	20	2
TOTAL	\$ 2,638	\$ 3,888	\$ 3,838

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Youth Development Centers and Forestry Camps	\$ 18,212	\$ 21,367	\$ 24,221
Federal Funds:			
Elementary and Secondary Education Act (Title I)	412	348	.....
Omnibus Crime Control and Safe Streets Act .....	.....	.....	.....
Emergency Employment Act	38	.....	.....
LEAA Grants—Group Homes	147	226	255
Social and Rehabilitation Services (Title IV-A) .....	.....	1,600	500
Other Funds:			
Cafeteria Receipts	20	20	20
Miscellaneous Receipts .....	.....	.....	.....
Supplemental Retirement Contribution .....	.....	129	.....
TOTAL	\$ 18,829	\$ 23,690	\$ 24,996

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
State Restoration Centers			
State Funds	\$ 4,669	\$ 6,498	\$ 6,399
Federal Funds	4,596	6,191	8,361
Other Funds	609	668	790
TOTAL	\$ 9,874	\$ 13,357	\$ 15,550

Provides rehabilitative treatment to restore former psychiatric patients to a self-sufficient status, enabling institutionalized patients to return to the community. Provides intensive outpatient and short-term inpatient treatment services to delay or eliminate the need for extended institutional placement.

The institutional populations for the prior, current and upcoming years are:

State Restoration Centers	Patient Capacity	Population Oct. 1973	Population Oct. 1974	Projected Population Oct. 1975	Projected Percent of Capacity
Western	104	100	801	86	83%
South Mountain	1,000	831	91	950	95%
TOTAL	1,104	931	892	1,036	94%

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Total Proposed Expenditures by Institution			
Western Restoration Center			
State Funds	\$ 1,336	\$ 1,330	\$ 1,280
Federal Funds	439	1,345	1,421
Other Funds	68	79	87
TOTAL	\$ 1,843	\$ 2,754	\$ 2,788
South Mountain Restoration Center			
State Funds	\$ 3,333	\$ 5,168	\$ 5,119
Federal Funds	4,157	4,846	6,940
Other Funds	541	589	703
TOTAL	\$ 8,031	\$ 10,603	\$ 12,762

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
State Restoration Centers	\$ 4,669	\$ 6,498	\$ 6,399
Federal Funds:			
Medical Assistance	4,542	6,191	8,361
Neighborhood Youth Corps and New Careers	42	. . . .	. . . .
Emergency Employment Act	1	. . . .	. . . .
Reimbursement for Flood Related Costs	11	. . . .	. . . .
Other Funds:			
Cafeteria Receipts	20	21	27
Institutional Collections	570	585	738
Canteen Receipts	19	20	25
Supplemental Retirement Contribution . . . . .	. . . .	42	. . . .
TOTAL	\$ 9,874	\$ 13,357	\$ 15,550

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
State General Hospitals			
State Funds	\$ 8,349	\$ 10,980	\$ 7,131
Federal Funds	259	. . . .	. . . .
Other Funds	25,261	30,162	41,782
TOTAL	\$ 33,869	\$ 41,142	\$ 48,913

Provides hospitalization and other medical services to people in formerly depressed areas of the Commonwealth where local communities have been unable to assume these responsibilities. The current trend is toward reducing financial dependency upon the Commonwealth, by having the community take them over.

The institutional populations for the prior, current and upcoming years are:

State General Hospital	Patient Capacity	Population Oct. 1973	Population Oct. 1974	Projected Population Oct. 1975	Projected Percent of Capacity
Ashland	182	134	97	94	52%
Coaldale	118	68	69	67	57%
Connellsville	141	65	47	45	32%
Hazleton	159	104	92	89	56%
Locust Mountain	86	66	61	59	69%
Nanticoke	111	94	65	63	57%
Philipsburg	170	107	119	115	68%
Scranton	193	109	116	112	58%
Shamokin	109	70	65	63	58%
TOTAL	1,269	817	731	707	56%

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Total Proposed Expenditures by Institution			
Ashland			
State Funds	\$ 1,067	\$ 1,717	\$ 1,141
Federal Funds	60	.....	.....
Other Funds	3,866	4,346	6,685
TOTAL	\$ 4,993	\$ 6,063	\$ 7,826
Coaldale			
State Funds	\$ 987	\$ 646	\$ 285
Federal Funds	45	.....	.....
Other Funds	2,020	3,360	4,596
TOTAL	\$ 3,052	\$ 4,006	\$ 4,881
Connellsville			
State Funds	\$ 1,032	\$ 1,411	\$ 713
Federal Funds	39	.....	.....
Other Funds	2,239	2,554	4,178
TOTAL	\$ 3,310	\$ 3,965	\$ 4,891
Hazleton			
State Funds	\$ 1,002	\$ 1,651	\$ 856
Federal Funds	21	.....	.....
Other Funds	3,632	4,054	5,849
TOTAL	\$ 4,655	\$ 5,705	\$ 6,705
Locust Mountain			
State Funds	\$ 739	\$ 891	\$ 499
Other Funds	1,775	2,051	2,925
TOTAL	\$ 2,514	\$ 2,942	\$ 3,424
Nanticoke			
State Funds	\$ 430	\$ 604	\$ 571
Federal Funds	39	.....	.....
Other Funds	2,404	2,669	3,343
TOTAL	\$ 2,873	\$ 3,273	\$ 3,914

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Philipsburg			
State Funds	\$ 664	\$ 1,283	\$ 784
Federal Funds	1	.....	.....
Other Funds	3,553	3,912	5,432
TOTAL	<u>\$ 4,218</u>	<u>\$ 5,195</u>	<u>\$ 6,216</u>
Scranton			
State Funds	\$ 1,789	\$ 2,101	\$ 2,139
Federal Funds	41	.....	.....
Other Funds	3,792	4,698	5,014
TOTAL	<u>\$ 5,622</u>	<u>\$ 6,799</u>	<u>\$ 7,153</u>
Shamokin			
State Funds	\$ 639	\$ 676	\$ 143
Federal Funds	13	.....	.....
Other Funds	1,980	2,518	3,760
TOTAL	<u>\$ 2,632</u>	<u>\$ 3,194</u>	<u>\$ 3,903</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
State General Hospitals	\$ 8,349	\$ 10,980	\$ 7,131
Federal Funds:			
Neighborhood Youth Corps and New Careers	28	.....	.....
Operation Mainstream	32	.....	.....
Emergency Employment Act	191	.....	.....
Reimbursement for Flood Related Costs	8	.....	.....
Other Funds:			
Sale of Reclaimable Materials	8	.....	.....
Cafeteria Receipts	95	102	136
Miscellaneous Institutional Reimbursements	3	.....	.....
Institutional Collections	25,155	29,786	41,646
Supplemental Retirement Contribution .....	.....	274	.....
TOTAL	<u>\$ 33,869</u>	<u>\$ 41,142</u>	<u>\$ 48,913</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Mental Health and Mental Retardation Services			
Institutions for the Mentally III and Mentally Retarded			
State Funds	\$250,521	\$286,243	\$391,918
Federal Funds	69,073	88,001	104,930
Other Funds	32,915	30,494	34,203
TOTAL	\$352,509	\$404,738	\$531,051

The institutions for the mentally ill are intended to provide a therapeutic residential environment for those mentally disabled persons requiring a hospital program in the form of a multidisciplinary approach consisting of psychiatric, medical, nursing, psychological, social service, educational and therapeutic activities. The inpatient population has been decreasing since 1955. With the development of community mental health centers and county plans there has been a more dramatic decrease in the patient population. It is anticipated that this reduction will continue.

Institutions for the mentally retarded assist mentally retarded persons in achieving their maximum potential self-sufficiency through programmed care, treatment, and training in a residential facility.

The institutional populations for the prior, current and upcoming year are:

Institutions for the Mentally III	Patient Capacity*	Population Oct. 1973	Population Oct. 1974	Projected Population Oct. 1975	Projected Percent of Capacity
Allentown	992	1,028	893	848	85%
Clark Summit	764	707	591	561	73%
Danville	1,535	1,429	1,345	1,278	83%
Dixmont	356	473	459	436	122%
Eastern Pennsylvania Psychiatric Institute	163	93	79	75	46%
Eastern State School and Hospital	231	217	189	179	77%
Embreeville	476	529	234	222	47%
Farview	1,049	518	481	457	44%
Harrisburg	1,031	1,071	792	752	73%
Haverford	561	496	457	434	77%
Holidaysburg	511	522	373	354	69%
Mayview	1,835	1,786	1,632	1,550	84%
Norristown	1,689	1,663	1,521	1,445	86%
Philadelphia	2,390	1,508	1,324	1,258	53%
Retreat	748	663	609	578	77%
Somerset	279	350	256	243	87%
Torrance	1,259	1,389	1,217	1,156	92%
Warren	1,539	1,131	886	841	55%
Wernersville	832	924	826	785	94%
Woodville	1,484	1,437	1,268	1,204	81%
TOTAL	19,724	17,934	15,432	14,656	74%

* Excludes 1,242 beds at the State mental hospitals which are in intermediate care units established for the mentally retarded.

GENERAL FUND

PUBLIC WELFARE

Institutions for the Mentally Retarded	Patient Capacity *	Population Oct. 1973	Population Oct. 1974 **	Projected Population Oct. 1975 ***	Projected Percent of Capacity
Cresson	746	495	533	508	68%
Ebensburg	941	990	1,005	965	103%
Hamburg	944	820	872	849	90%
Laurelton	564	440	439	400	71%
Pennhurst	2,039	1,606	1,518	1,445	71%
Polk	2,029	2,707	2,744	2,145	106%
Selinsgrove	1,636	1,542	1,629	1,531	94%
Western	701	656	707	684	98%
White Haven	654	915	909	887	136%
Embreeville	360	. . . .	320	320	89%
Southeastern	512	. . . .	97	250	49%
Marcy	274	. . . .	104	274	100%
TOTAL	11,400	10,171	10,877	10,258	90%

(Dollar Amounts in Thousands)

	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Total Proposed Expenditures by Institution:			
IMI Allentown			
State Funds	\$ 8,068	\$ 8,445	\$ 12,029
Federal Funds	1,532	2,634	3,170
Other Funds	1,274	1,183	1,359
TOTAL	\$ 10,874	\$ 12,262	\$ 16,558
IMI Clarks Summit			
State Funds	\$ 5,750	\$ 6,078	\$ 8,128
Federal Funds	1,040	1,596	1,772
Other Funds	692	668	754
TOTAL	\$ 7,482	\$ 8,342	\$ 10,654
IMI Danville			
State Funds	\$ 8,766	\$ 9,987	\$ 13,828
Federal Funds	2,160	2,709	3,047
Other Funds	1,882	1,594	1,821
TOTAL	\$ 12,808	\$ 14,290	\$ 18,696
IMI Dixmont			
State Funds	\$ 4,045	\$ 4,444	\$ 5,959
Federal Funds	1,475	1,974	2,366
Other Funds	522	486	541
TOTAL	\$ 6,042	\$ 6,904	\$ 8,866

*Includes 1,242 beds for the mentally retarded at State mental hospitals.
 **Includes 1,128 mentally retarded persons in intermediate care units established at State mental hospitals.
 ***Includes 1,144 mentally retarded persons estimated to be in intermediate care units located at State mental hospitals.

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Eastern Pennsylvania Psychiatric Institute			
State Funds	\$ 9,468	\$ 9,907	\$ 12,385
Federal Funds	18	297	337
Other Funds	291	357	393
TOTAL	\$ 9,777	\$ 10,561	\$ 13,115
IMI Eastern State School and Hospital			
State Funds	\$ 7,261	\$ 5,680	\$ 7,212
Federal Funds	48	2,203	2,810
Other Funds	215	276	322
TOTAL	\$ 7,524	\$ 8,159	\$ 10,344
IMI Embreeville			
State Funds	\$ 4,404	\$ 5,694	\$ 7,440
Federal Funds	2,675	3,076	3,697
Other Funds	874	865	1,032
TOTAL	\$ 7,953	\$ 9,635	\$ 12,169
IMI Farview			
State Funds	\$ 4,615	\$ 5,124	\$ 6,675
Federal Funds	348	457	593
Other Funds	3,253	3,398	4,459
TOTAL	\$ 8,216	\$ 8,979	\$ 11,727
IMI Harrisburg			
State Funds	\$ 8,498	\$ 7,510	\$ 10,495
Federal Funds	2,695	3,905	4,172
Other Funds	1,541	1,575	1,922
TOTAL	\$ 12,734	\$ 12,990	\$ 16,589
IMI Haverford			
State Funds	\$ 6,781	\$ 7,815	\$ 9,903
Federal Funds	643	771	928
Other Funds	1,760	1,624	1,938
TOTAL	\$ 9,184	\$ 10,210	\$ 12,769
IMI Hollidaysburg			
State Funds	\$ 4,853	\$ 4,423	\$ 5,897
Federal Funds	704	1,681	1,982
Other Funds	546	686	833
TOTAL	\$ 6,103	\$ 6,790	\$ 8,712

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
IMI Mayview			
State Funds	\$ 11,584	\$ 12,600	\$ 18,733
Federal Funds	3,609	4,514	4,152
Other Funds	1,580	1,324	1,377
TOTAL	\$ 16,773	\$ 18,438	\$ 24,262
IMI Norristown			
State Funds	\$ 16,595	\$ 18,251	\$ 24,317
Federal Funds	3,209	4,091	4,095
Other Funds	2,348	2,014	2,181
TOTAL	\$ 22,152	\$ 24,356	\$ 30,593
IMI Philadelphia			
State Funds	\$ 23,552	\$ 29,825	\$ 37,954
Federal Funds	4,084	730	333
Other Funds	1,485	1,615	1,816
TOTAL	\$ 29,121	\$ 32,170	\$ 40,103
IMI Retreat			
State Funds	\$ 4,869	\$ 5,365	\$ 7,604
Federal Funds	1,132	1,359	1,260
Other Funds	831	754	844
TOTAL	\$ 6,832	\$ 7,478	\$ 9,708
IMI Somerset			
State Funds	\$ 3,619	\$ 3,140	\$ 4,548
Federal Funds	886	2,085	2,622
Other Funds	390	372	410
TOTAL	\$ 4,895	\$ 5,597	\$ 7,580
IMI Torrance			
State Funds	\$ 10,198	\$ 11,784	\$ 16,900
Federal Funds	1,843	2,403	2,462
Other Funds	1,540	1,337	1,449
TOTAL	\$ 13,581	\$ 15,524	\$ 20,811
IMI Warren			
State Funds	\$ 10,949	\$ 11,928	\$ 16,755
Federal Funds	2,571	3,424	3,672
Other Funds	1,612	1,398	1,519
TOTAL	\$ 15,132	\$ 16,750	\$ 21,946

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
IMI Wernersville			
State Funds	\$ 6,365	\$ 6,580	\$ 8,808
Federal Funds	2,032	2,992	3,166
Other Funds	1,308	1,330	1,634
TOTAL	\$ 9,705	\$ 10,902	\$ 13,608
IMI Woodville			
State Funds	\$ 11,186	\$ 12,945	\$ 18,744
Federal Funds	2,594	3,435	2,840
Other Funds	1,510	1,349	1,481
TOTAL	\$ 15,290	\$ 17,729	\$ 23,065
IMR Cresson			
State Funds	\$ 4,790	\$ 5,099	\$ 6,648
Federal Funds	2,847	3,380	4,399
Other Funds	314	280	266
TOTAL	\$ 7,951	\$ 8,759	\$ 11,313
IMR Ebensburg			
State Funds	\$ 5,330	\$ 5,720	\$ 7,443
Federal Funds	6,561	7,509	9,670
Other Funds	404	421	410
TOTAL	\$ 12,295	\$ 13,650	\$ 17,523
IMR Hamburg			
State Funds	\$ 3,762	\$ 4,371	\$ 6,003
Federal Funds	3,744	4,706	6,220
Other Funds	556	441	424
TOTAL	\$ 8,062	\$ 9,518	\$ 12,647
IMR Laurelton			
State Funds	\$ 3,738	\$ 4,161	\$ 5,431
Federal Funds	2,304	2,723	3,678
Other Funds	339	290	278
TOTAL	\$ 6,381	\$ 7,174	\$ 9,387
IMR Pennhurst			
State Funds	\$ 20,094	\$ 23,497	\$ 32,908
Federal Funds	2,753	4,112	5,397
Other Funds	1,204	988	842
TOTAL	\$ 24,051	\$ 28,597	\$ 39,147

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
IMR Polk			
State Funds	\$ 19,255	\$ 25,004	\$ 34,930
Federal Funds	914	1,203	1,914
Other Funds	2,269	1,955	2,080
TOTAL	\$ 22,438	\$ 28,162	\$ 38,924
IMR Selinsgrove			
State Funds	\$ 7,493	\$ 8,308	\$ 11,634
Federal Funds	6,539	8,167	10,813
Other Funds	1,230	885	751
TOTAL	\$ 15,262	\$ 17,360	\$ 23,198
IMR Western			
State Funds	\$ 6,586	\$ 7,616	\$ 11,037
Federal Funds	2,856	3,146	4,192
Other Funds	368	292	219
TOTAL	\$ 9,810	\$ 11,054	\$ 15,448
IMR White Haven			
State Funds	\$ 5,626	\$ 6,482	\$ 8,759
Federal Funds	5,257	5,719	7,431
Other Funds	775	667	638
TOTAL	\$ 11,658	\$ 12,868	\$ 16,828
IMR Southeastern			
State Funds	\$ 2,421	\$ 7,186	\$ 9,273
Federal Funds .....	.....	.....	.....
Other Funds	2	50	.....
TOTAL	\$ 2,423	\$ 7,236	\$ 9,273
IMR Marcy			
State Funds .....	.....	\$ 1,274	\$ 3,538
Federal Funds .....	.....	1,000	1,740
Other Funds .....	.....	20	210
TOTAL .....	.....	\$ 2,294	\$ 5,488

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Mental Health and Mental Retardation			
Services	\$248,156*	\$275,243	\$391,918
Mental Health and Mental Retardation			
Services—Recommended Deficiency . . . . .	. . . . .	8,000	. . . . .
Institution for Mentally Retarded—			
Southeastern	2,365	. . . . .	. . . . .
Mental Health and Mental Retardation			
Services—Additional Staff . . . . .	. . . . .	2,500	. . . . .
Mental Health and Mental Retardation			
Services—Resident Population			
Dispersal . . . . .	. . . . .	500	. . . . .
Federal Funds:			
Medical Assistance Payments	66,042	84,868	101,065
Elementary and Secondary Education	1,532	2,236	2,800
Foster Grandparents	545	564	665
New Careers	102	. . . . .	. . . . .
Reimbursement Grants	293	333	400
Indirect Cost	8	. . . . .	. . . . .
Operation Mainstream	106	. . . . .	. . . . .
Emergency Employment Act	389	. . . . .	. . . . .
Reimbursement for Flood Related Costs	56	. . . . .	. . . . .
Other Funds:			
Payments for Meals and Supplies	702	735	800
Payroll Reimbursement from Canteen Funds	313	328	400
Sale of Reclaimable Materials	39	. . . . .	. . . . .
Institutional Collections	31,628	26,725	33,003
Miscellaneous Institutional Reimbursements	232	. . . . .	. . . . .
Sale of Automobiles	1	. . . . .	. . . . .
Supplemental Retirement Contribution . . . . .	. . . . .	2,706	. . . . .
TOTAL	<u>\$352,509</u>	<u>\$404,738</u>	<u>\$531,051</u>

* Represents amount allocated for State institutional programs from the \$310,279,000 appropriated for Mental Health and Mental Retardation Services.

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Community Services for the Mentally III and Mentally Retarded			
State Funds	\$ 58,156	\$ 67,630	\$101,008
Federal Funds	646	640	640
TOTAL	<u>\$ 58,802</u>	<u>\$ 68,270</u>	<u>\$101,648</u>

Provides services mandated by the Mental Health and Mental Retardation Act of 1966 to persons suffering from a mental disability. The Act assures the continuous provision of services to all persons in need at the community level.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Mental Health and Mental Retardation			
Services	\$ 54,556*	. . . . .	. . . . .
Community Services for the Mentally III and Mentally Retarded	3,600	\$ 67,630	\$101,008
Federal Funds:			
Public Health Service	646	640	640
TOTAL	<u>\$ 58,802</u>	<u>\$ 68,270</u>	<u>\$101,648</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Small Unit Residential Treatment			
State Funds	\$ 8,967	\$ 13,596	\$ 19,062
Federal Funds	275	567	600
TOTAL	<u>\$ 9,242</u>	<u>\$ 14,163</u>	<u>\$ 19,662</u>

Provides for the purchase of residential services for the mentally retarded at the community level.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Mental Health and Mental Retardation			
Services	\$ 7,567*	. . . . .	. . . . .
Small Unit Residential Treatment	1,400	\$ 13,596	\$ 19,062
Federal Funds:			
Social and Rehabilitation Services	53	128	150
Developmental Disabilities Act	222	439	450
TOTAL	<u>\$ 9,242</u>	<u>\$ 14,163</u>	<u>\$ 19,662</u>

* Represents the amount allocated from the \$310,279,000 appropriated for Mental Health and Mental Retardation Services.

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Cash Assistance			
State Funds	\$375,387	\$404,203	\$ 723,060
Federal Funds	255,894	276,753	518,775
Other Funds	14,911	17,000	26,000
TOTAL	<u>\$646,192</u>	<u>\$697,956</u>	<u>\$1,267,835</u>

The cash grants are designed to help all eligible persons obtain a decent and healthful standard of living through direct cash assistance. The grant categories are Aid For Dependent Children, State Blind Pensions and General Assistance.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Cash Assistance	\$375,387	\$404,203	\$ 723,060
Federal Funds:			
Social Security Funds	255,894	276,753	518,775
Other Funds:			
Restitutions and Reimbursements—			
Cash Assistance	14,911	17,000	26,000
TOTAL	<u>\$646,192</u>	<u>\$697,956</u>	<u>\$1,267,835</u>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
County Administration			
State Funds	\$ 62,881	\$ 80,499	\$105,828
Federal Funds	89,988	80,321	112,815
Other Funds	3,091	3,222	3,750
TOTAL	<u>\$155,960</u>	<u>\$164,042</u>	<u>\$222,393</u>

Provides staff to determine eligibility to receive cash grants, medical assistance and food stamps. Also provides the social services intended to strengthen family life and help persons realize their maximum potential for achieving self-sufficiency. The Bureau of Claim Settlement provides staff to make collections from financially responsible relatives of recipients.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
County Administration	\$ 62,881	\$ 78,499	\$103,265
Claims Settlement .....	.....	2,000	2,563
Federal Funds:			
Vocational Rehabilitation Act	1,200	1,432	1,817
Social Security Act	87,709	78,075	110,040
Food and Nutrition Act	1,006	814	958
Emergency Employment Act	73	.....	.....
Other Funds:			
County Share of Food Stamp Program	2,386	2,313	3,727
Project for Non-governmental Agencies	683	.....	.....
Non-Federal Salary Reimbursements	4	5	5
Sales of Automobiles	18	18	18
Supplemental Retirement Contribution .....	.....	886	.....
TOTAL	<u>\$155,960</u>	<u>\$164,042</u>	<u>\$222,393</u>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Medical Assistance			
State Funds	\$187,321	\$231,981	\$356,527
Federal Funds	187,625	214,089	328,551
TOTAL	<u>\$374,946</u>	<u>\$446,070</u>	<u>\$685,078</u>

Provides all eligible persons under age 65 with physicians services whenever rendered, inpatient hospital care, post-hospital care, clinic services, nursing care in the home, private nursing home care and nursing care in public institutions. Similar services are provided for persons over age 65 for whom such care is not already furnished under Medicare.

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Appropriation:			
Medical Assistance	\$187,321	\$231,981	\$356,527
Federal Funds:			
Social Security Act	187,625	214,089	328,551
TOTAL	<u>\$374,946</u>	<u>\$446,070</u>	<u>\$685,078</u>

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Supplemental Grants—Aged, Blind and Disabled			
State Funds	\$ 40,619	\$ 76,866

Provides additional cash assistance to the aged, blind and disabled eligibles under the Federal Supplemental Security Income program. State assistance to these persons is necessary to maintain the level of income that existed prior to federalization and to recognize the effects of inflation on fixed minimal incomes. The Old Age Assistance, Aid to the Blind and Aid to the Disabled categories of assistance became a completely Federal program on January 1, 1974.

Refer to the Revenue Sharing Trust Fund for further information and for the costs in the 1973-74 fiscal year.

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Appropriation:			
Supplemental Grants—Aged, Blind and Disabled	<u>\$ 40,619</u>	<u>\$ 76,866</u>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Aging Programs			
State Funds	\$ 494	\$ 4,717	\$ 5,167
Federal Funds	5,762	26,728	35,465
TOTAL	<u>\$ 6,256</u>	<u>\$ 31,445</u>	<u>\$ 40,632</u>

Encourages communities to develop programs which will help elderly persons achieve or maintain independent living and a role in community life. Services provided in this program include meals on wheels, establishment of multi-services centers throughout the State, homemakers and chore services.

Refer to Revenue Sharing Trust Fund for further information regarding the Aging Programs appropriation.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Aging Programs	\$ 494	\$ 4,717	\$ 5,167
Federal Funds:			
Funds for Older Americans	5,762	10,949	18,620
Social Security Act .....	.....	15,447	16,178
SSI Alert Grant .....	.....	332	667
TOTAL	<u>\$ 6,256</u>	<u>\$ 31,445</u>	<u>\$ 40,632</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Training Personnel at Geriatric Homes			
State Funds	\$ 50	\$ 50	\$ 50
Federal Funds	150	150	150
TOTAL	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 200</u>

Contracts with appropriate institutions for training nursing home personnel.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Training Personnel at Geriatric Homes	\$ 50	\$ 50	\$ 50
Federal Funds:			
Social Security Act	150	150	150
TOTAL	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 200</u>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Blind Programs			
State Funds	\$ 701	\$ 778	\$ 1,050
Federal Funds	1,506	3,126	4,220
TOTAL	<u>\$ 2,207</u>	<u>\$ 3,904</u>	<u>\$ 5,270</u>

Provides remedial eye care, vocational rehabilitation for persons who are visually handicapped and grants to vocational rehabilitation agencies for expanded programs to enable agencies to serve more people.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Blind Programs	\$ 701	\$ 778	\$ 1,050
Federal Funds:			
Services for the Blind	1,506	3,126	4,220
TOTAL	<u>\$ 2,207</u>	<u>\$ 3,904</u>	<u>\$ 5,270</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
County Child Welfare Programs			
State Funds	\$ 39,547	\$ 39,109	\$ 53,608
Federal Funds	13,498	7,546	7,882
TOTAL	<u>\$ 53,045</u>	<u>\$ 46,655</u>	<u>\$ 61,490</u>

Provides foster family care, services to unmarried parents and their children, adoption services, protective services, institutional and other group care. These services are provided or purchased by county child welfare agencies. Also included are funds to reimburse private facilities providing services to adjudicated youths being detained in the Commonwealth.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
County Child Welfare Programs	\$ 39,547	\$ 39,109	\$ 53,608
Federal Funds:			
Services for Child Welfare	13,498	7,546	7,882
TOTAL	<u>\$ 53,045</u>	<u>\$ 46,655</u>	<u>\$ 61,490</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Day Care Services			
State Funds	\$ 4,200	\$ 5,800	\$ 7,533
Federal Funds	30,377	31,587	35,838
Other Funds .....	.....	913	1,000
TOTAL	\$ 34,577	\$ 38,300	\$ 44,371

Day care services are provided in day care centers or family day care homes to help children achieve the readiness level needed for entering and performing adequately in school. Such services also provide a safe, stimulating place for a child to stay while family members work; allows family members to seek training and employment; provides balanced meals, medical care, and needed counseling services to other family members. Refer to the Revenue Sharing Trust Fund regarding the Day Care Services appropriation for further information.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Day Care Services	\$ 4,200	\$ 5,700	\$ 7,433
Arsenal Family and Children's Center .....	.....	100	100
Federal Funds:			
Social Security Act	30,377	31,587	35,838
Other Funds:			
Fee Schedule .....	.....	913	1,000
TOTAL	\$ 34,577	\$ 38,300	\$ 44,371

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Juvenile Delinquency Programs			
State Funds	\$ 1,500	\$ 2,000	\$ 2,500
Federal Funds	147	334	384
TOTAL	\$ 1,647	\$ 2,334	\$ 2,884

The purpose of this activity is to promote and maintain effective police handling of children to assure that they will receive appropriate police service and to redirect juvenile gang activities toward socially acceptable conduct.

To accomplish this purpose, the State provides financial aid to local governments for the purchase of additional police staff, increasing salaries for the present staff, specialized training in the handling of children. This program also provides for the development and improvement of community programs and resources geared to the betterment of its youths.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Juvenile Delinquency Programs	\$ 1,500	\$ 2,000	\$ 2,500
Federal Funds:			
Social Security Act	147	284	284
Youth Service System Grant .....	.....	50	100
TOTAL	\$ 1,647	\$ 2,334	\$ 2,884

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Medical Facilities Chronic Disease Hospitals—State Aided			
State Funds	\$ 600	\$ 750	\$ 750

Reimburses certain chronic disease hospitals for long term treatment of indigent persons under age 65. Presently, two institutions are subsidized: Children's Heart Hospital, Philadelphia, and Home for Crippled Children, Pittsburgh.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Chronic Disease Hospitals	\$ 600	.....	.....
Home for Crippled Children, Pittsburgh .....	.....	\$ 250	\$ 250
Children's Heart Hospital, Philadelphia .....	.....	500	500
TOTAL	\$ 600	\$ 750	\$ 750

GENERAL FUND

PUBLIC WELFARE

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Armstrong County Health Center			
State Funds	\$ 200	.....

Provides operating funds to Armstrong County Health Center in order that the county residents may receive comprehensive health services.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Armstrong County Health Center	<u>\$ 200</u>	.....

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Mental Health and Mental Retardation Western Psychiatric Institute and Clinic			
State Funds	\$ 3,500	\$ 3,500	\$ 3,500

This grant helps offset the cost of research into the causes, treatment, prevention and cure of various types of nervous disorders and mental diseases and the cost of training qualified personnel needed as a result of the mounting number of persons requiring attention for mental disorders.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Western Psychiatric Institute and Clinic	<u>\$ 3,500</u>	<u>\$ 3,500</u>	<u>\$ 3,500</u>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Blind Centers			
State Funds	\$ 16	\$ 75	\$ 75

Provides an opportunity for blind individuals to participate in summer recreational programs at Beacon Lodge Camp near Lewistown. Also it provides some financial support for other centers and associations for the blind throughout the State.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Pennsylvania Association for the Blind,			
Pittsburgh . . . . .	. . . . .	\$ 25	\$ 25
Center for the Blind, Philadelphia . . . . .	. . . . .	25	25
Beacon Lodge Camp	\$ 16	25	25
TOTAL	<u>\$ 16</u>	<u>\$ 75</u>	<u>\$ 75</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Social Services			
State Funds	\$ 2,198	\$ 3,433
Federal Funds	18,403	30,768
TOTAL	<u>\$ 20,601</u>	<u>\$ 34,201</u>

This appropriation provides various services such as social services in housing authorities, legal services and family planning, to those individuals determined eligible, as mandated by the Federal Government. Provides for the United Service Agency previously funded from the 1972 flood appropriation which terminates in June 1974.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Social Services			
	\$ 2,198	\$ 3,433
Federal Funds:			
Social Security Act			
	18,403	30,768
TOTAL	<u>\$ 20,601</u>	<u>\$ 34,201</u>

Capital Improvements

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Public Welfare Institutions			
State Funds	\$ 794	\$ 466	\$ 162

This will provide for demolition and minor construction projects at the State General Hospitals, State Schools and Hospitals, State Mental Hospitals and Youth Development Centers, as identified in the Capital Budget Section.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Capital Improvements	<u>\$ 794</u>	<u>\$ 466</u>	<u>\$ 162</u>

Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Supplemental Grants—Aged, Blind and Disabled			
State Funds	\$ 11,000	.....	.....

Provides a supplemental grant to those aged, blind and disabled persons receiving assistance under the Federal Supplemental Security Income program. In addition to this appropriation, \$1,289,000 was expended in 1973-74 from the Cash Assistance Appropriation. For further information refer to the Supplemental Grants—Aged, Blind and Disabled Appropriation in the General Fund section.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Supplemental Grants—Aged, Blind and Disabled	<u>\$ 11,000</u>	.....	.....

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Aging Programs			
State Funds	\$ 1,800	.....	.....

Provides for additional services to those elderly persons who are receiving cash assistance, as well as those poor and low income aged individuals who are non-recipients of cash assistance. Specific services include: meals on wheels, multi-services centers, homemaker services and chore services.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Aging Programs	<u>\$ 1,800</u>	.....	.....

OTHER SPECIAL FUNDS

PUBLIC WELFARE

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Day Care Services			
State Funds	\$ 6,400	\$ 4,900	.....

. Provides funds for the purchase of essential equipment to comply with the Commonwealth's Life Safety Code, and provides services to nonpublic assistance children, on a sliding fee basis. '

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Day Care Services	<u>\$ 6,400</u>	<u>\$ 4,900</u>	.....

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Fund			
New Careers Program—Federal Grant	\$ 17	. . . .	. . . .
Earned Interest—Patient Account Social Security	29	\$ 33	\$ 46
Southeastern Pennsylvania Institutional Area Service Unit—Institutional Payments	3,053	3,200	4,375
Economic Opportunity Act, Title I— Federal Grant	25	. . . .	. . . .
Federal Social and Rehabilitation Services— Community Mental Health/Mental Retardation Program	9,738	10,000	12,500
TOTAL	<u>\$12,862</u>	<u>\$13,233</u>	<u>\$16,921</u>

DEPARTMENT OF PUBLIC WELFARE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Administration and Support	\$ 11,977	\$ 12,827	\$ 18,487	\$ 16,282	\$ 17,634	\$ 18,248	\$ 19,399
Medical Programs	\$ 205,877	\$ 257,777	\$ 381,464	\$ 308,748	\$ 322,730	\$ 337,348	\$ 352,623
Medical Facilities Review	159	401	588	496	522	551	580
Health Services Support and Development	6,133	6,018	16,137	13,218	13,855	14,523	15,224
Prevention—Physical Health Screening, Diagnosis and Referral	61	200	250	300	350	400	450
Outpatient Services—Physical Health	3,403	4,359	11,192	10,933	11,430	11,949	12,485
Inpatient Hospital Services	53,926	55,474	103,970	82,826	86,556	90,455	94,529
Long Term Care	105,708	141,332	180,449	146,801	153,407	160,312	167,530
	36,487	49,993	68,878	54,174	56,610	59,158	61,825
Mental Health	\$ 203,873	\$ 219,475	\$ 309,695	\$ 266,044	\$ 276,544	\$ 288,439	\$ 300,871
Mental Health Systems Support	11,098	12,224	15,864	15,015	14,659	15,204	15,776
Primary Prevention—Mental Health	1,322	1,737	2,501	2,125	2,250	2,385	2,530
Early Intervention and Evaluation	8,428	11,071	20,268	17,185	18,215	19,310	20,470
Outpatient Services—Mental Health	11,021	12,115	17,226	14,635	15,515	16,445	17,430
Partial Hospitalization	1,380	1,813	2,885	2,465	2,610	2,765	2,930
Short-Term Inpatient Services (Community)	3,225	4,237	6,065	5,100	5,400	5,725	6,070
Inpatient Services (State Mental Hospitals)	167,399	176,278	244,886	209,519	217,895	226,605	235,665
Social Development of Individuals	\$ 128,559	\$ 149,270	\$ 186,299	\$ 164,537	\$ 170,835	\$ 181,258	\$ 190,267
Youth Development Services	18,212	21,401	24,221	21,700	23,002	24,382	25,845
Services to the Community	3,956	7,399	8,709	9,588	10,052	10,434	10,985
Family Support Services	106,391	120,470	153,369	133,249	137,781	146,442	153,437
Mental Retardation	\$ 118,679	\$ 152,779	\$ 207,368	\$ 180,442	\$ 188,076	\$ 196,073	\$ 204,430
Mental Retardation Systems Support	3,097	4,029	5,775	4,963	5,251	5,565	5,895
Prevention—Mental Retardation	1,322	1,737	2,604	2,210	2,340	2,480	2,630
Early Identification, Diagnosis and Case Management	10,137	11,171	16,159	13,680	14,430	15,225	16,070
Independent and Family Living Arrangements	9,985	12,961	20,334	17,478	18,480	19,540	20,655
Community Living Arrangements	7,928	10,574	13,562	14,960	15,620	16,310	17,020
Institutional Living Arrangements (Private Licensed Facilities)	7,026	6,930	8,680	6,930	6,930	6,930	6,930
State Schools and Hospitals	79,184	105,377	140,254	120,221	125,025	130,023	135,220
Economic Development of the Disadvantaged and Handicapped	\$ 390,640	\$ 452,742	\$ 810,883	\$ 630,846	\$ 631,159	\$ 646,441	\$ 667,129
Income Maintenance	390,640	452,742	810,883	630,846	631,159	646,441	667,129
DEPARTMENT TOTAL	<u>\$1,059,605</u>	<u>\$1,244,870</u>	<u>\$1,914,196</u>	<u>\$1,566,899</u>	<u>\$1,606,978</u>	<u>\$1,667,807</u>	<u>\$1,734,719</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Department can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$11,977	\$12,827	\$18,487	\$16,282	\$17,634	\$18,248	\$19,399
Federal Funds	9,465	7,930	13,579	11,035	11,322	12,446	13,137
Other Funds	776	1,096	980	864	916	970	1,028
TOTAL	<u><u>\$22,218</u></u>	<u><u>\$21,853</u></u>	<u><u>\$33,046</u></u>	<u><u>\$28,181</u></u>	<u><u>\$29,872</u></u>	<u><u>\$31,664</u></u>	<u><u>\$33,564</u></u>

Program Analysis:

General Administration and Support within each substantive program area provides the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Department objectives.

The administrative costs for regional offices, various

commissions and advisory committees, and the Central office are included in this subcategory.

A primary concern of the Commonwealth is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	<u><u>\$11,977</u></u>	<u><u>\$12,827</u></u>	<u><u>\$18,487</u></u>	<u><u>\$16,282</u></u>	<u><u>\$17,634</u></u>	<u><u>\$18,248</u></u>	<u><u>\$19,399</u></u>

Medical Facilities Review

OBJECTIVE: To insure the quality of health care given to and the safety of the patients in Pennsylvania's long-term care facilities.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 159	\$ 401	\$ 588	\$ 496	\$ 522	\$ 551	\$ 580
Federal Funds	611	972	1,413	1,186	1,248	1,313	1,380
TOTAL	\$ 770	\$1,373	\$2,001	\$1,682	\$1,770	\$1,864	\$1,960

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Total beds in licensed long-term nursing care facilities	52,340	61,562	72,337	80,511	85,275	90,554	95,478
Percent of skilled nursing beds licensed but not certified:							
Private	25.14%	20.07%	18.21%	18.65%	18.70%	18.74%	18.79%
County .....	.01%	.22%	.20%	.15%	.41%	.29%	.17%
State .....	.78%	.49%	.14%	0.00%	0.00%	0.00%	0.00%
Percent of intermediate care beds licensed but not certified:							
Private	21.86%	18.80%	16.57%	16.76%	16.70%	17.33%	17.44%
County	11.72%	8.67%	6.62%	5.24%	5.64%	5.44%	5.55%
State	3.22%	1.24%	0.00%	0.00%	0.00%	0.00%	0.00%

Program Analysis:

The responsibility for the review of medical facilities by this agency is confined to long-term care facilities. While this type of review is actually another function of the subcategory Health Services Support and Development, it is such a large, complicated and important function that it appears here as a separate subcategory.

Long-term care medical facilities are faced with the responsibility of caring for a mostly aged clientele which is both ambulatory and nonambulatory, but rarely capable of much self-preservation. These facilities must also be capable of dispensing immediate and emergency care at all times.

A prime necessity for insuring that long-term care is delivered safely and with quality, is to insure that facilities providing such care are built and maintained to adequately provide such care. In this respect, the Department of Public Welfare has the ultimate responsibility for licensing and certifying such institutions for long-term care.

The act of licensing is a State requirement for all long-term

care facilities. Whereas, certification is a Federal requirement for those homes providing care to Medicare and/or Medicaid patients. Annual sanitation, fire, health and civil rights inspections are made before a license may be issued to a facility. A facility may be certified if it is licensed, if it meets the more stringent Medicaid and Medicare service program standards, and if it agrees to be certified and accept Medicaid and Medicare patients. The certification process also defines the level of care to be provided in a facility. A facility may be classified as a skilled nursing care facility (SNF), as an intermediate care facility (ICF), or as a combination facility (SNF/ICF). Although licensing does not define any specific level of care, any facility which maintains nursing home beds that do not fall under the Federal certification classification system are referred to as residential facilities. There are also facilities which have been certified to provide skilled and/or intermediate care, but also maintain residential beds.

Medical Facilities Review (Continued)

Program Analysis: (Continued)

Currently, there are about 670 facilities providing long-term nursing care in the Commonwealth. Within these facilities, approximately 63 percent of the beds are privately-owned, 23 percent of the beds are county-owned, and 14 percent of the beds are State-owned. About 95 percent of all facilities have building violations under the Life Safety Code, however, provisional licenses are issued to those facilities where a plan for deficiency correction has been submitted and approved. Without a license or a provisional license, no facility may provide long-term care. It is expected that at least 50 homes will be forced to close by the end of the 1974-75 fiscal year. Since it is usually the small, old, family-operated nursing homes that are so deficient that standards cannot be met reasonably, the total number of beds to be lost with these closings will not be catastrophic.

The need for nursing homes will not diminish in the next few years. By most indicators it will increase. For instance, the total population of the Commonwealth is projected to increase by 1.4 percent between 1974 and 1980, whereas, the over-65 population, which overwhelmingly dominates the nursing home population, is expected to increase 12 percent by 1980. Also, the popularity of nursing homes for the aged is not decreasing. It used to be that the primal family unit would and could take care of its aged members. However, lifestyles have changed and the aged often lack alternatives to nursing homes. Furthermore, until all facilities are fully in compliance with State licensing standards, and certification of participating

facilities is not in jeopardy, new construction will be needed to meet the demand.

The Nursing Home Loan Agency was created during 1974 to provide inexpensive loans to upgrade existing nursing homes to come into compliance with State and Federal standards. It is hoped that, through these loans, demand for beds will at least be met partially. For further information see the Industrial Development subcategory in the Department of Commerce.

In conjunction with this and other positive incentives to increase availability of facilities, the simplification of organizational difficulties revolving around the regulation of nursing facilities must occur.

A major difficulty in regulating these facilities is the separation of licensure responsibilities of hospitals and nursing homes between two State departments, and the often conflicting separation of certification responsibilities for facilities under the Medicare and Medicaid laws.

These conflicting responsibilities are further complicated by the recent Federal regulations requiring administration of Medicare and Medicaid by a single state agency. The problem of which single state agency is responsible has not been addressed, nor has the responsibility for making this decision been claimed by any one person or body.

For further discussion of the causes or possible solutions to the nursing home problem, refer to the subcategory Long-term Care.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 159	\$ 134	\$ 205	\$ 175	\$ 185	\$ 197	\$ 208
County Administration		267	383	321	337	354	372
GENERAL FUND TOTAL	<u>\$ 159</u>	<u>\$ 401</u>	<u>\$ 588</u>	<u>\$ 496</u>	<u>\$ 522</u>	<u>\$ 551</u>	<u>\$ 580</u>

Health Services Support and Development

OBJECTIVE: To support a health care system in which appropriate health services are available to all who are eligible and to develop and evaluate new health delivery systems and reimbursement mechanisms that will efficiently provide high quality comprehensive care to the population.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$ 6,133	\$ 6,018	\$16,137	\$13,218	\$13,855	\$14,523	\$15,224
Federal Funds	4,979	8,310	18,703	15,515	16,272	17,064	17,893
Other Funds	1,795	2,120	2,924	2,456	2,579	2,708	2,843
TOTAL	\$12,907	\$16,448	\$37,764	\$31,189	\$32,706	\$34,295	\$35,960

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Persons enrolled in health maintenance organizations or health plans	11,000	24,000	60,000	60,000	60,000	60,000	60,000
Nursing school graduates from State general hospital nursing schools	101	114	132	134	135	135	135
Inpatient hospital days of care delivered to Medical Assistance patients determined inappropriate for Medical Assistance reimbursement	N/A	134,615	114,585	108,465	101,077	88,538	78,112
Medical Assistance nursing care cases reviewed	20,292	29,000	36,000	40,100	42,400	45,000	47,400
Nursing care claims disallowed	6,210	9,000	11,500	12,400	12,700	13,100	13,300
Percent of all hospitals participating in Medical Assistance program and PDUR	N/A	58	60	60	60	60	60
Cases covered by PDUR	N/A	251,564	239,305	240,500	241,700	242,900	244,100

Program Analysis:

The support and development of a health care system is the convergence of the present system's control and feedback mechanisms with the theoretical application of possible new systems. The need for health care will always exist, whereas, the emphasis of health care delivery will change depending on the perceived health care needs of the eligible population at a

given point in time. Discovering these changing priorities and reorienting the health care delivery system to the resulting needs is the aim of this subcategory.

Under the Medical Assistance program, control and feedback is a primary responsibility of several review functions. Through utilization review, a random sampling of

Health Services Support and Development (continued)**Program Analysis: (continued)**

all types of medical invoices are reviewed and evaluated prior to payment. Furthermore, all hospital claims are subject to utilization review.

With supporting documents, medical professionals review the invoices for quality and pattern of care. Other provider invoices are reviewed for type of diagnosis, pattern of care and charges allowable under Medical Assistance. After review of these invoices, abuses and overcharges are forwarded to the Utilization Review Committee for appropriate action; the remaining invoices are processed for payment.

Through this review function, profiles are built on providers, abuse patterns are noted, proof is obtained and enforcement is initiated. Since 1971, inpatient hospital expenditures, as a percentage of total Medical Assistance expenditures, have declined from 44.3 percent (1970-1971) to 23.2 percent (1973-1974). This is due primarily to the Department's tightened review of claims for hospital care and to the expansion of outpatient services which have decreased the need for inpatient care.

To reduce abuse and eventually eliminate the need to review all hospital claims, the Department recently went to a statewide implementation of the Pre-Discharge Utilization Review (PDUR) program. Every participating hospital is now required to have PDUR or a facsimile in order to receive reimbursement. At the time of patient admission, a review of the diagnosis is conducted and the length of stay is determined by Department medical professionals. Any extension beyond the initial determination must be specially approved.

The effect of PDUR is to insure the participating hospitals that their claims on the Medical Assistance program will not be denied or reduced, and to insure that the Commonwealth will not overpay claims. Until all claims under the old review system are settled, a dual system will exist.

This 1973-74 fiscal year saw the initiation of long-term care medical review. The intent of this type of review is to eliminate overutilization, to improve patient care, and to make early determination of bed availability. One of the immediate results of this review was to reclassify skilled nursing home patients to less intensive intermediate care facilities.

Another review function deals specifically with the screening done for all eligible children. As each child is screened, diagnosed and treated, a profile is developed for that child. It is the responsibility of the Department that a pretreatment review be made of each profile. This review assures that, based on the screening, the diagnosis and suggested treatment are appropriate.

Another agency program provides for a form of control and feedback by delivering health care service training. Training for personnel at geriatric homes is provided at mobile training sites set up around the State. These in-service training sessions are conducted to provide up-to-date information on new treatment procedures and current problems of the aged. In addition, four State general hospitals have diploma schools for the training of registered nurses. In 1973, 101 nurses were graduated and in 1974 there were 114 graduated from State general hospitals.

Until recently, very little emphasis was placed on developing alternative and improved methods of delivering health care within this agency. There are several reasons for this, but the general contention is that Medical Assistance, which dominates the medical programs in this agency, was viewed as a grant program, and not a system of health care delivery. Rising costs and a better informed management, however, are forcing a higher quality assessment of the worth of adequate health care on the whole lifestyle of an individual.

The Medical Assistance program is designed to give an eligible person the right to choose a medical provider when this person decides they need medical care. However, this manner of helping people purchase essentials has a major negative impact on the health care system if competition between providers and an adequate supply of services does not exist. The health care industry is clearly not competitive, and there are not enough resources to meet demand. This situation leads to an increase in medical prices but not necessarily to a corresponding increase in quality care. Therefore, to insure accountability, quality care, favorable cost benefit ratio and minimal impact on the health care system, administrators have had to begin taking an active interest in the manner and method of delivering health care services.

Because the traditional Medical Assistance fee-for-service system has such a substantial impact on the health care system of the Commonwealth, alternative ways of providing services are being developed. Health maintenance organizations (HMO) are health care associations that provide full medical services for a fixed annual fee. At no further charge, subscribers are entitled to all the health care they need, ranging from sophisticated surgery to regular check-ups. This method offers much built-in incentive for the organization to maintain the health of its subscribers. Two HMO projects supported in part by this agency are the Temple HMO and Philadelphia Health Plan HMO. The latter is quite new, thus, there is little available data. However, the Temple HMO was begun in the 1971-1972

Health Services Support and Development (continued)

Program Analysis: (continued)

fiscal year. It was conceived as a project to provide better health care to all subscribers—Medical Assistance recipients and members of the community. According to a recent sampling for a forthcoming program audit of the Medical Assistance enrollees at Temple who previously had received services under the regular method, 51 percent preferred the HMO method of providing services.

One of the theoretical advantages of an HMO is the less expensive overall cost of providing medical care. Providing salaries to professionals was one major reason given to support this advantage. However, to date, the Temple HMO has had limited success in reducing costs. (The problems of hospitalization in this HMO are discussed in the subcategory Inpatient Hospital Services).

While success has not been overwhelming for the Temple HMO, one demonstration alone cannot decide the usefulness of such a major new concept in total health care delivery.

The conflicting problems of hospitals' fixed costs and outpatient improved services is discussed at length in other subcategories under medical programs.

The United Service Agency (USA) in northeast Pennsylvania began another type of study this past fiscal year. The USA has received permission from the Federal Government and from the Commonwealth to raise physician and outpatient clinic

fees for Medical Assistance above the State's normal fees. The purposes of this study are twofold: discovering if there is a relationship of the provider and patient participation in Medical Assistance to the rate of reimbursement, and if there is a relationship of the outpatient rate of reimbursement to the decrease in inpatient hospital utilization.

One other demonstration project is still in the planning stage. Plans for the Armstrong County Health Center are still being developed, however, the State intends to lease the Center to the community. Inpatient and outpatient services will be provided to the community with a special emphasis on the rehabilitation and restoration of geriatrics.

Although the last major program innovation to be discussed here is also discussed under the subcategory Outpatient Services, the concept of it is important enough to note it once more. Controlling payment of pharmaceutical claims and correct utilization of drug services through an experienced contractor may well have merit for large complicated programs. In addition, payment for this contractual service is not based on the actual usage of drug services. Instead, it is based on a fixed rate per eligible recipient per month. In this manner, fiscal planning is made easier for the State and some amount of risk is absorbed by the contractor.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$1,071	\$1,004	\$ 1,535	\$ 1,309	\$ 1,388	\$ 1,471	\$ 1,560
County Administration	2,973	4,249	5,901	4,911	5,157	5,415	5,686
Medical Assistance	2,039	515	8,651	6,948	7,260	7,587	7,928
Training Personnel at Geriatric Homes	50	50	50	50	50	50	50
Armstrong County Health Center . . . . .	. . . . .	200	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
GENERAL FUND TOTAL	\$6,133	\$6,018	\$16,137	\$13,218	\$13,855	\$14,523	\$15,224

Prevention—Physical Health

OBJECTIVE: To reduce the incidence of disease and promote the maintenance of good health in the eligible population by ensuring the availability of preventive health services.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 61	\$ 200	\$ 250	\$ 300	\$ 350	\$ 400	\$ 450
Federal Funds	3,930	7,703	14,250	17,200	19,900	20,850	22,050
TOTAL	\$ 3,991	\$ 7,903	\$14,500	\$17,500	\$20,250	\$21,250	\$22,500

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Infant mortality rate in the population	16.8	15.8	14.8	13.8	12.8	11.8	10.8
Persons receiving routine family planning medical services	118,248	133,520	148,555	166,382	186,293	208,649	210,500
Eligible aged persons in need of nutritional services	491,876	502,976	513,669	523,891	533,561	542,640	551,300
Persons receiving nutritional services	10,800	12,680	13,000	13,694	14,790	15,973	17,251

Program Analysis:

The theoretical health care delivery system incorporates several stages of treatment in the sequential development of a disease. Each stage reflects the degree of intensity of the disease and the corresponding degree of medical care needed to treat the disease. The first phase of the health care delivery system is the prevention of disease. A good health care delivery system will dedicate more time, effort and money to the primary stages of health care delivery so that less suffering and reduced use of resources will occur in the more intensive

stages of health care. In large part, prevention is an individual responsibility, however, educating the individual to accept and understand this responsibility is also a part of prevention.

With preventive medicine, one of the desired impacts of the system is to reduce the infant mortality rate. The Commonwealth has a relatively high infant mortality rate, particularly among minority groups, in comparison to surrounding states. Through family planning clinics under the Medical Assistance program, prevention services, such as

Prevention—Physical Health (continued)

Program Analysis: (continued)

genetic screening and counseling, are being provided. At least one expert says that about 20 percent of the total national cost of health care is attributable to genetic diseases. Through such screening and counseling, a couple can learn of the possibilities of occurrence of genetic disease in their offspring and can take appropriate action.

Another agency-operated prevention program is the nutrition program for the aged. It has been demonstrated that malnutrition frequently leads to serious illnesses and diseases. It is estimated that between 30 and 40 percent of the elderly

persons in the Commonwealth suffer to some extent from malnutrition. The nutrition program is designed to provide meals for aged persons, in a group setting or at home to counteract those conditions which lead the aged to neglect eating properly.

The nutrition program for the aged was initially started in 1968, however, only minimal efforts were made until 1974-75 when a substantial increase in funding provided a significant increase in services. This is discussed in the subcategory Services to the Community.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76	1976-77	1977-78		
			(15 months)				
GENERAL FUND							
Medical Assistance	<u>\$ 61</u>	<u>\$200</u>	<u>\$250</u>	<u>\$300</u>	<u>\$350</u>	<u>\$400</u>	<u>\$450</u>

Screening, Diagnosis and Referral

OBJECTIVE: To detect and diagnose diseases at the earliest possible stage of development and refer to appropriate treatment resources in order to reduce morbidity and the incidence of debilitating diseases.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$ 3,403	\$ 4,359	\$11,192	\$10,933	\$11,430	\$11,949	\$12,485
Federal Funds	2,291	6,516	9,300	9,040	9,454	9,886	10,338
TOTAL	\$ 5,694	\$10,875	\$20,492	\$19,973	\$20,884	\$21,835	\$22,823

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Persons eligible for Medical Assistance . .	1,035,900	1,063,500	1,278,900	1,257,500	1,255,800	1,263,900	1,280,000
Percentage of total cases screened with physical, mental or dental abnormalities	N/A	48.7%	48.6%	48.6%	48.5%	48.4%	48.3%
Cases with physical, mental or dental abnormalities referred for and receiving treatment	N/A	40.0%	42.5%	45.2%	48.0%	51.0%	54.2%
Persons to age 21 eligible for screening program	400,000	410,000	518,800	492,600	478,300	483,000	492,700
Diagnostic lab and radiological services	295,386	369,200	424,600	488,300	561,300	645,500	742,300
Visually Handicapped:							
Impaired persons in Pennsylvania . . .	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Persons referred for treatment	7,445	9,169	10,085	11,094	12,203	13,423	14,765
Persons referred to vocational rehabilitation	3,308	4,180	4,598	5,058	5,564	6,117	6,729

Screening, Diagnosis and Referral (continued)

Program Analysis:

The second phase of the health care delivery system is screening, diagnosis and referral. This type of health care serves not only as a checkpoint for the effectiveness of preventative health programs, but also as a point of detection in the early development of a disease.

Several Department of Public Welfare medical programs are directed toward the screening, diagnosis and referral type of health care. Last year, a program began to periodically screen and treat all Medical Assistance eligible children. The intentions of this program are to: bring needed medical care to children who are not receiving it, encourage good health habits at an early age, detect diseases at an early stage before irreparable harm occurs, and identify and further prevent neglect and/or child abuse.

Administratively, the strategy of the screening and treatment program is to provide relatively inexpensive tests and observations for the purpose of discovering diseases before they progress to the point of requiring costly treatment.

During 1973-74 there were approximately 400,000 eligible

children who required screening. To date 85,000 screenings will have been completed during 1974-75 and it is estimated that 100,000 will be screened during 1975-76. By far the largest number of health defects found have been dental problems. Consequently, the Department has increased efforts to treat these problems.

Another part of the Medical Assistance program provides screening and diagnosis services to all the eligible population. However, these pathological and radiological services are provided only at the request of a physician.

Other screening activities within this agency are directed specifically towards an individual's visual capacity. Through the Bureau of the Visually Handicapped these activities include identification and treatment of the impairment and provision of social and rehabilitative services which enable the individual to realize her/his potential capabilities. Counseling and casework services are provided to encourage and support individuals and families who must deal with blindness. Referrals for vocational rehabilitation are also made.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
County Administration	\$ 70	\$ 863	\$ 1,562	\$ 1,304	\$ 1,369	\$ 1,438	\$ 1,509
Medical Assistance	3,238	3,340	9,433	9,455	9,881	10,325	10,790
Blind Programs	95	106	147	124	130	136	136
Pennsylvania Association for the Blind, Pittsburgh . . . . .	. . . . .	25	25	25	25	25	25
Center for the Blind, Philadelphia . . . . .	. . . . .	25	25	25	25	25	25
GENERAL FUND TOTAL	\$ 3,403	\$ 4,359	\$11,192	\$10,933	\$11,430	\$11,949	\$12,485

Outpatient Services – Physical Health

OBJECTIVE: To assure adequate high quality outpatient health services to improve and maintain physical well-being and to avoid unnecessary inpatient care for the eligible population.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 53,926	\$ 55,474	\$103,970	\$ 82,826	\$ 86,556	\$ 90,455	\$ 94,529
Federal Funds	41,068	47,572	79,738	64,596	67,503	70,541	73,715
Other Funds	2,538	2,218	2,925	2,458	2,580	2,709	2,844
TOTAL	\$ 97,532	\$105,264	\$186,633	\$149,880	\$156,639	\$163,705	\$171,088

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Eligible Medical Assistance persons	1,035,900	1,063,500	1,278,900	1,257,500	1,255,800	1,263,900	1,280,000
Routine outpatient clinic services provided	2,635,035	2,976,800	3,220,500	3,484,500	3,771,000	4,081,000	4,417,000
Persons receiving dental treatment	311,445	342,600	376,900	435,983	492,400	556,200	628,200
Persons receiving treatment in a physician's office	3,405,504	4,171,900	4,797,600	5,204,100	5,878,100	6,639,500	7,499,200
Persons receiving one or more pharmaceutical services per year	6,120,648	6,916,300	7,953,700	8,669,500	9,449,800	10,300,300	10,932,700
General or ambulance transportation services	11,838	14,800	18,500	18,700	21,500	24,700	28,400
Home health care visits	169,387	177,856	186,700	196,000	205,800	216,100	226,900
Post-hospitalization days of care	52,800	55,400	63,800	67,000	70,400	73,900	77,600
Restoration centers:							
Persons receiving outpatient services	609	650	650	650	650	650	650
Average visits per patient	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State general hospitals:							
Persons receiving outpatient services	113,412	115,000	118,000	121,000	122,000	124,000	126,000
Average visits per patient	1.09	1.09	1.10	1.10	1.12	1.13	1.14

Outpatient Services – Physical Health (Continued)

Program Analysis:

The third stage of the health care delivery system reflects the majority of services offered to a person who does not need 24-hour care in a health care facility. Should the first and second stages of the health care delivery system be functioning optimally, most persons referred to outpatient services will require only minimal care to restore them to good health, and even fewer will need inpatient services.

As already indicated in the previous subcategories, the first two stages of health care delivery are not presently functioning at an optimal level. For this, and other reasons, outpatient services have historically been the most important source of nonintensive health care delivery.

The present emphasis of outpatient services must be reoriented and the intent of the present program must be redefined so that these services function correctly in the health care delivery continuum. At present, this program operates as the only source of primary health care for most patients, and it acts as the customary initial contact point into the health care system for most of the consumers. Instead, it should be used as a means of furthering continuity in the system. If the initial stages of health care delivery detect any disorders, then outpatient services should be emphasized as a means of providing more intensive care than in the early stages of the health care delivery system. In addition, this stage should function as a means of eliminating unnecessary inpatient care.

Outpatient services include clinic and office care (medical, psychiatric, dental, drug and alcohol, podiatric and chiropractic), pharmaceutical services, transportation, home health care, medical appliance and prosthetic services, and post hospital care. Under the Medical Assistance program the medically needy are excluded from pharmaceutical, medical appliance and prosthetic, podiatric and dental services. The medically needy are persons who do not receive cash assistance grants, but remain financially eligible for all but these four Medical Assistance services.

The Department also provides outpatient services at the nine State general hospitals and at one restoration center. Emergency room treatment and clinical visits are provided at the general hospitals. Western Restoration Center's outpatient department provides people from the community with diagnosis, evaluation, social counseling and referral, certain forms of treatment and, when required, appropriate placement in other medical facilities.

While this wide range of available services often stymies any attempt to effectively control the entire system of outpatient services, this same variety of services offers many opportunities for improving specific pieces of the system. Since outpatient services represent one of the larger portions of this agency's medical services expenditures, streamlining the

delivery of medical care and reducing its cost can be most affected at this level of care.

Ambulatory services provided at the inner-city hospital clinics have become the principal source of health care for low income urban residents. The gradual and continued departure of local physicians, the decrease in general practitioners, and the increase in specialists have helped to dry up the availability of traditional primary health care delivery other than in a hospital emergency room. In addition, these trends have been aided by the continual rise in health care costs. This has popularized the use of the clinics and emergency rooms as primary health care delivery centers. The effect of this is to overburden a system which was originally designed for only emergency services of a crisis nature. Because of the shortage of service delivery points, and the misutilization of emergency services, low income persons have not had access to good quality primary care.

In 1974, this agency increased its level of reimbursement to hospital clinics for clinic visits from \$6 to \$9 per visit. This initiated the Hospital Ambulatory Reimbursement Program (HARP). It is the intent of this program to encourage hospitals to improve their outpatient services not only to the low income, but, also, to the entire community served by the hospital. Through this increased reimbursement plan, the hospitals can develop better care with improvement of existing programs and/or they can widen the variety of services provided.

One method of improvement could be to provide ambulatory services in the hospital of the same character as those offered to the inpatient. An example of this is what is referred to as "in-and-out" surgery, where simple, inpatient surgical procedures are adapted to an outpatient basis. This obviously has the advantage of providing the public needed health care at greater convenience and at a lesser cost.

Under the Medical Assistance program a new management technique has been applied to the administration of pharmaceutical services. The Department has contracted with a third party to take over the administration and responsibility for payment of pharmaceutical invoices. This responsibility includes management of a complete and ongoing data system that will, among other things, determine misutilization of pharmaceutical services by the providers and/or the consumers. The Department will pay the contractor a flat per capita rate per month, regardless of the number of prescriptions filled. Thus, accountability and timely payment of invoices will not only aid in the management of all services, but also, it will encourage more equal treatment of Medical Assistance recipients as opposed to the general consumer.

Outpatient Services – Physical Health (Continued)

Program Analysis: (Continued)

Outpatient services are particularly affected by the Commonwealth Medical Fees Schedule Committee. This committee is assigned the responsibility for insuring that medical services paid for by various State agencies are in accordance with the procedures and rates detailed in the Commonwealth Medical Fee Schedule. Requests for fee increases must go through this committee. In 1974, for

example, the Committee recommended across-the-board increases for medical appliances and prosthetic and dental services. Physicians' fees were raised from \$4 to \$6 in 1973.

During 1973 this agency approved 82 surgical procedures for payment as outpatient services. In addition out-of-hospital oxygen therapy and inhalation equipment and methadone services are now approved for payment on an outpatient basis.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
State Restoration Centers	\$ 6	\$ 7	\$ 7	\$ 7	\$ 8	\$ 8	\$ 9
State General Hospitals	893	876	570	606	636	668	701
Medical Assistance	53,027	54,591	103,393	82,213	85,912	89,779	93,819
GENERAL FUND TOTAL	\$ 53,926	\$ 55,474	\$103,970	\$ 82,826	\$ 86,556	\$ 90,455	\$ 94,529

Inpatient Hospital Services

OBJECTIVE: To insure the availability of quality inpatient services to the eligible population in order to reduce morbidity and length of disability and to minimize time in the hospital.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$105,708	\$141,332	\$180,449	\$146,801	\$153,407	\$160,312	\$167,530
Federal Funds	69,645	82,017	102,428	81,774	85,453	89,299	93,318
Other Funds	20,463	25,183	35,097	29,481	30,955	32,502	34,128
TOTAL	\$195,816	\$248,532	\$317,974	\$258,056	\$269,815	\$282,113	\$294,976

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Persons eligible for Medical Assistance	1,035,900	1,063,500	1,278,900	1,257,500	1,255,800	1,263,900	1,280,000
Eligible persons receiving inpatient care	238,794	237,564	239,305	240,500	241,700	242,900	244,100
Average length of stay in days:							
Statewide	8.4	8.4	8.2	8.2	8.1	8.0	7.9
Medical Assistance	8.8	8.4	8.3	8.2	8.2	8.1	8.0
Average cost per day per hospital stay:							
Statewide	\$93.68	\$100.14	\$115.16	\$132.40	\$152.26	\$182.71	\$219.25
Medical Assistance	\$73.40	\$ 78.97	\$101.76	\$122.11	\$146.53	\$175.84	\$211.01
Persons receiving inpatient services:							
State general hospitals	32,120	30,936	29,761	28,640	27,552	26,511	25,504

Program Analysis:

Inpatient hospital care is intensive and costly in comparison to those health services described in the preceding subcategories. This subcategory includes care for Medical Assistance patients, care for any patient in State general hospitals and care provided in selected other hospitals.

The Commonwealth operates nine general hospitals and assists two chronic disease hospitals. Originally, the State general hospitals were intended to provide low cost care to patients in the coal mining regions of the State. With the advent of Medicare, Medical Assistance and third party insurers such as Blue Cross, patients are now being fully charged for using the facilities. With increasing third party

support, it is anticipated that the local communities will take over the institutions and manage them with the intention of gearing the institutions to the particular needs of each area.

The Commonwealth also assists two chronic disease hospitals which care for chronically ill indigent patients who are no longer eligible for Medical Assistance. The Chronic Disease Hospitals Appropriation became two separate appropriations this year: Children's Heart Hospital and Home for Crippled Children.

Clearly the largest cost item in this subcategory is the care delivered under Medical Assistance. Coverage is provided to eligible Medical Assistance recipients on a 24-hour basis for

Inpatient Hospital Services (continued)

Program Analysis: (continued)

room, board and professional services. The Medical Assistance patient is entitled to the same quantity and standard of care as is normally furnished other patients. Initially a recipient can only be eligible for admission under Medical Assistance upon the recommendation of a physician or dentist. Payment will not be made for diagnostic tests unless they are necessary for the diagnosis and treatment of the same illness for which the patient was admitted or tests which cannot be performed on an outpatient basis. Hospital care solely for beautifying purposes, as well as admissions for any experimental research, is not payable through Medical Assistance.

The ultimate success of this program should be gauged by a reduction in the need for inpatient services which can be measured indirectly by admissions and duration of stay as well as the extent to which patients are being restored to the community. The table below shows recent trends in the use of

inpatient services by Medical Assistance recipients as compared to selected characteristics of statewide inpatient hospital usage. As can be seen, the number of Medical Assistance cases has maintained a downward trend since 1971-72. Average days of stay have also taken a downward trend, although it is much more persistent than admission trends. The average cost per patient day has risen steadily, showing an increase per year throughout the period of 16.38 percent. The statewide figures show a similar persistent drop in average length of stay. At this point in time, the length of stay for Medical Assistance recipients is becoming more comparable to the statewide hospital length of stay. With the continued implementation of professional standards review along with pre-discharge utilization review, lengths of stay for Medical Assistance patients should continue nearly equal to those experienced by the statewide population.

INPATIENT HOSPITAL UTILIZATION CHARACTERISTICS

Fiscal Year	STATEWIDE			MEDICAL ASSISTANCE			TEMPLE HEALTH MAINTENANCE ORGANIZATION (HMO)		
	Number of Cases	Length of Stay(days)	Cost Per Day	Number of Cases	Length of Stay(days)	Cost Per Day	Number of Cases	Length of Stay(days)	Cost Per Day
1968-69	1,660,122	9.1	\$50.75	206,476	11.1	\$34.65	NA	NA	NA
1969-70	1,696,108	8.9	58.46	239,102	10.4	43.69	NA	NA	NA
1970-71	1,751,825	8.6	66.35	272,712	9.6	54.12	NA	NA	NA
1971-72	1,737,587	8.3	76.32	261,905	9.3	62.30	NA	NA	NA
1972-73	1,739,774	8.5	85.71	250,416	8.9	70.04	551	9.46	\$118.73
1973-74	1,741,500	8.4	93.68	238,794	8.8	73.40	512	8.25	137.00
1974-75	1,743,300	8.4	100.14	237,564	8.4	82.02	493	8.33	175.00

While several new programs have been developed to encourage the use of less intensive care, the Department has also instituted the Pre-Discharge Utilization Review (PDUR) program. Review of each Medical Assistance case is made upon admission. Length of stay is predetermined so that only those cases with prior permission may stay beyond the initially approved length of stay. During October, 1974, PDUR, which had been only a demonstration project in Allegheny County, became a statewide requirement of all participating hospitals.

The presumption has been that, by limiting hospital admittances and stays to only those necessary, costs would go

down. Concurrently, greater use would be made of less intensive and less expensive preventive services and outpatient treatment, and greater emphasis on preventive measures would work to produce fewer long-term disabilities. However, there are some short-term implications of this policy on inpatient hospital costs.

As noted in the table, statewide occupancy rates are dropping consistently. Hospitals, because of high fixed costs, are unable to adjust their costs to the point where the cost per patient day can be lowered. As occupancy rates move downward, lengths of stay shortened and admissions reduced,

Inpatient Hospital Services (continued)

Program Analysis: (continued)

a rigid cost picture is prorated over fewer patients which has the effect of driving the cost per patient upward. Certainly, the rising cost of medical services is, in large measure, attributable to general inflationary trends in the economy as a whole; but built-in hospital cost rigidities do much to prohibit reductions in medical care prices. The table shows that in spite of the wage and price controls evoked between 1971-72 and 1973-74, cost per day showed a diminished but continued escalation.

The Department of Public Welfare pays hospitals for services rendered to Medical Assistance recipients. The hospitals are paid on a "reasonable cost" basis. Reasonable cost simply means that the daily cost of hospital care is determined by dividing the hospital's total allowable expenses by the total number of patient days. This reimbursement method helps to assure that payments for services will reflect current hospital costs. With this assurance, however, comes the fact that there is little to restrain medical costs; there are virtually no operative market forces, i.e., competition within the industry, or governmental regulations to control costs. Consequently, there is very little incentive to find means of reducing hospital costs.

These factors are reflected in the 1975-76 budget with rather dramatic increases expected for the first full year since the lifting of wage and price controls on the medical services industry. Furthermore, the above mentioned factors warn against the likelihood of reductions in Medical Assistance payments for inpatient hospital services. Even if inflation is brought within acceptable limits, hospital cost rigidities and

reasonable cost reimbursements would work to stabilize or increase payments per patient day.

In response to the mounting costs of this segment of Medical Assistance, the Commonwealth has begun exploring alternative methods of dispensing medical services. One such alternative is to establish health maintenance organizations (HMO).

One experimental HMO, operated by Temple University, is currently delivering services. The table shows hospital utilization for the Temple HMO. As can be seen, the Temple experiment in its four years of operation has not yet been able to substantially modify hospital utilization characteristics. Average length of stay is virtually the same for those under Medical Assistance, those enrolled in the HMO, and the statewide experience. However, since the doctors employed by the HMO do not have staff privileges in four out of the five hospitals to which HMO patients are sent, the length of stay is not directly under their control. But, currently, it cannot be determined whether this factor has any bearing on the lengths of stay experienced by HMO patients. However, the HMO figures indicate a substantially higher cost per day than that generally experienced by Medical Assistance recipients. At least a partial explanation may lie in the fact that the overwhelming majority of the HMO patients are sent to Temple University Hospital where the per diem rates are substantially higher than statewide averages. While this HMO experiment has not yet proven successful, this concept has been successfully applied elsewhere in the nation.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
State General Hospitals	\$ 7,292	\$ 9,851	\$ 6,418	\$ 6,814	\$ 7,155	\$ 7,512	\$ 7,888
Medical Assistance	97,816	130,659	173,281	139,237	145,502	152,050	158,892
Chronic Disease Hospitals	600	.....	.....	.....	.....	.....	.....
Home for Crippled Children, Pittsburgh . . . . .	.....	250	250	250	250	250	250
Children's Heart Hospital, Philadelphia . . . . .	.....	500	500	500	500	500	500
Capital Improvements . . . . .	.....	72	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$105,708</u>	<u>\$141,332</u>	<u>\$180,449</u>	<u>\$146,801</u>	<u>\$153,407</u>	<u>\$160,312</u>	<u>\$167,530</u>

Long-Term Care

OBJECTIVE: To insure the availability of high quality care in skilled nursing (SNF) or intermediate care facilities (ICF) for those who do not require intensive care but cannot be maintained within a family or household unit.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
General Fund	\$ 36,487	\$ 49,993	\$ 68,878	\$ 54,174	\$ 56,610	\$ 59,158	\$ 61,825	
Federal Funds	77,474	83,776	137,660	108,164	112,738	117,540	122,579	
Other Funds	1,074	1,309	1,626	1,366	1,434	1,506	1,581	
TOTAL	<u>\$115,035</u>	<u>\$135,078</u>	<u>\$208,164</u>	<u>\$163,704</u>	<u>\$170,782</u>	<u>\$178,204</u>	<u>\$185,985</u>	

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Persons eligible for Medical Assistance . . .	1,035,900	1,063,500	1,278,900	1,257,500	1,255,800	1,268,900	1,280,000
Eligible persons receiving skilled nursing care	17,495	22,400	23,500	26,000	29,000	31,000	33,000
Eligible persons receiving intermediate care	7,892	9,000	10,000	10,800	11,500	12,500	13,500
State restoration centers:							
Persons receiving skilled nursing care:							
Medical Assistance	140	140	140	140	140	140	140
Non-Medical Assistance	3	3	3	3	3	3	3
Average length of stay for skilled nursing patients	350	350	350	350	350	350	350
Persons receiving intermediate care:							
Medical Assistance	740	740	850	850	850	850	850
Non-Medical Assistance	20	20	15	15	15	15	15
Average length of stay for intermediate care patients	300	300	300	300	300	300	300
State general hospitals:							
Persons receiving skilled nursing care:							
Medical Assistance	3	5	5	5	5	5	5
Non-Medical Assistance	40	42	42	42	42	42	42
Average length of stay for skilled nursing patients	300	300	300	300	300	300	300

Long-Term Care (Continued)

Program Analysis:

This subcategory deals specifically with the provision of skilled nursing or intermediate care to persons eligible for Medical Assistance, persons in the State restoration centers and persons in State general hospitals. Funds for mental health institutional patients are not reflected here.

Skilled nursing care is defined by the Federal Government as those nursing care services and/or rehabilitation services needed by the patient on a daily and continuing basis. Intermediate care is defined by the Commonwealth as care given in a facility which provides for food, shelter, health services, and supervision for a period exceeding 24 hours. Both types of long-term care are designed for persons who require round-the-clock supervision but do not require more intensive and expensive inpatient acute or chronic hospital care.

Skilled nursing facilities and intermediate care facilities provide services to two major categories of patients: (1) those who need temporary care in order to be restored to the community and (2) those who need continuing care on a long-term basis. The first category of patients consists most often of persons discharged from an inpatient hospital setting and requiring medical services while convalescing after intensive medical services, such as surgery. These persons may be of any age. The second category of patients consists of persons who may or may not have been in an inpatient hospital setting but who have a chronic disabling condition which more than likely will prevent them from returning to the community. Most of the persons in this category are 65 years of age and older.

The two major issues concerning long-term care are: supply and demand and appropriateness of care, although they are rarely separate or distinct issues. Present controversy surrounding the nursing homes in Pennsylvania centers around the absolute shortage of long-term care beds. Disregarding income status and Medical Assistance eligibility, there are more people in need of skilled nursing and intermediate care than there are available beds. Unfortunately, there are no reliable data on the exact size of the total deficit of nursing home beds. However, the House of Representatives' 1974 report on the nursing home problem estimated that there is or will be in the very near future, a deficit of 21,618 nursing home beds. Exactly how many of these represent beds that are or will be needed by Medical Assistance recipients is not known. A figure of 50 percent or over would not be unreasonable since over 57 percent of existing nursing home beds, or approximately 35,000 out of 61,232, are occupied by Medical Assistance patients.

The causes of the present nursing bed shortage are numerous and complicated. One of the causes is that nursing home operators, whether private, county or State, have not made the necessary improvements in their facilities to meet licensing and certification standards established by the State

and Federal governments and have failed to expand their capacity to meet the need for beds. The major reason for this failure to upgrade existing facilities and develop new ones, some contend, was the lack of proper incentives whether negative, e.g., revocation of licenses and certification, or positive, e.g., Medical Assistance reimbursement rates sufficiently high to induce improvement and expansion of facilities. The lack of positive and negative incentives is currently being rectified. The State is now stringently enforcing licensing and certification standards. Furthermore, it is moving toward achieving a Federally-mandated reasonable cost-related reimbursement system for nursing homes participating in the Medical Assistance program. Finally, the State has raised its rates for the reimbursement of skilled nursing beds to a maximum of \$20 per day and intermediate care beds to a maximum of \$18.50 per day for care provided to Medical Assistance recipients.

For the short term, the strict enforcement of licensing and certification standards will exacerbate the nursing bed shortage by forcing the elimination of substandard beds. While the increase in Medical Assistance reimbursement rates may partially offset the loss of beds, there will still be a net short term loss of beds available for Medical Assistance eligibles. The allocation of funds from the \$100 million bond issue approved in 1974 for loans for capital improvements to nursing homes is another partial solution.

Because of the projected shortage of beds, the problem of immediately relocating long-term care patients through the elimination of substandard beds is overwhelming. Though the Department has made every effort to staff and train relocation teams, the data available indicate that more lives will be lost just from this transition, than if these patients remained in substandard homes. Furthermore, it is extremely difficult to find enough available beds to which these patients can be transferred. The supply and demand of nursing home beds is clearly an issue fraught with many conflicting problems. Resolution of these will occur only with the passage of time and with much effort.

As if these problems were not enough, there remains the appropriateness of care issue. This issue can be summarized in the following manner: people in nursing care beds should receive the level of care they need and be provided nursing care in the proper setting. Two problems involved in this issue are: the misutilization of skilled nursing and intermediate care beds, and the provision of skilled nursing and intermediate care in other than approved facilities. An improper level of care is provided to a person when skilled nursing care is provided to a person needing less intensive intermediate care. The reverse may also occur. Thus, a person may be provided more intensive care than required or be provided insufficient care. The extent of this

Long-Term Care (Continued)

Program Analysis: (Continued)

problem is not definitely known. The size of this problem, however, is indicated by the fact that of 7,900 beds reviewed prior to mid-December, 1973, by Department of Welfare medical review teams, about 4,000, were reclassified from skilled nursing to intermediate care. The second major way skilled nursing and intermediate care beds can and are misused is by placing persons who have no nursing care needs in them. In other words, long-term care beds can be and are sometimes used to provide residential or domiciliary care. The extent of this problem is not presently known. The misuse of nursing care beds in this manner is understandable, since some persons, especially the aged, may have no other place to go. It is still deplorable since it denies the use of beds to people needing nursing care services.

Obviously people should receive nursing care in the proper setting, however, this is not always the case. Approximately 6,000 individuals for whom no psychiatric care is required, now reside in State mental institutions and do need skilled nursing or intermediate care. These people should be provided nursing care in a nursing home setting, not in mental institutions. In addition, approximately 10,000 persons are receiving less than adequate care in unlicensed boarding homes. These people should also be provided nursing care in nursing facilities.

A partial solution to the appropriateness of the care problem may lie in the improvement of the present medical review function. Medical review consists of the review of every Medical Assistance long-term care patient record to insure that appropriate care was provided. In addition, the Federal requirement that professional standards review organizations be set up to review the appropriateness and quality of care in long term facilities should serve to assure the appropriateness of care. A full solution, however, will require an increase in the supply of long-term beds to provide care to those now receiving it in inappropriate settings.

One report on the nursing home problem stated that long-term care is as complicated as it is, primarily because no single kind of medical treatment facility can adequately meet the needs of all the elderly. But to go one step further, it can be said that no facility adequately meets the needs of all elderly. Not only do we need long-term care facilities to meet the medical needs of the elderly, but we need to develop organizations and activities that will offer services that will stimulate the elderly. Mental and physical stimulation is one of the best preventive health measures. Efforts to provide such stimulation are discussed in the subcategory Services to the Communities.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
State Restoration Centers	\$ 4,663	\$ 6,491	\$ 6,392	\$ 5,894	\$ 6,188	\$ 6,498	\$ 6,822
State General Hospitals	164	253	143	151	159	167	175
County Administration	520	573	824	682	716	752	790
Medical Assistance	31,140	42,676	61,519	47,447	49,547	51,741	54,038
GENERAL FUND TOTAL	<u>\$36,487</u>	<u>\$49,993</u>	<u>\$68,878</u>	<u>\$54,174</u>	<u>\$56,610</u>	<u>\$59,158</u>	<u>\$61,825</u>

Mental Health Systems Support

OBJECTIVE: To maintain a system in which mental health services are available to all those in need of them and in which services are delivered in an efficient and effective manner employing state-of-the-art science and technology.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$11,098	\$12,224	\$15,864	\$15,015	\$14,659	\$15,204	\$15,776
Federal Funds	266	968	1,143	1,056	1,076	1,100	1,123
Other Funds	145	149	185	149	155	161	167
TOTAL	\$11,509	\$13,341	\$17,192	\$16,220	\$15,890	\$16,465	\$17,066

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Unduplicated persons provided mental health services	108,659	113,770	120,154	127,770	136,603	146,659	157,963
Professionals required to provide services to the mentally disabled	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Professionals employed	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Program Analysis:

The activities included in this subcategory are designed to maintain and develop the entire mental health service delivery system. Planning, coordination, administration, manpower development, research and demonstration serve to support and improve the mental health service system. Since this subcategory provides no direct services to persons with mental disabilities, the impact or effect of this subcategory on individuals must be measured indirectly by the levels of effectiveness achieved by the substantive subcategories which follow it.

In this budget presentation a progressively intensive service delivery system model, in which processes generally become more complicated and intensive as one proceeds through the system, is used to view the Commonwealth's mental health programs. The overall goal of this system is to prevent the occurrence of mental disability and, if preventive activities fail, to restore persons who become mentally disabled to maximum levels of functioning with minimum involvement with the mental health care system. The value underlying the system's goal is independence. A progressively intensive system should

maximize the use of the processes at the front of the system and minimize the utilization of the more intensive, complicated and costly processes at the end of the system.

The mental health service delivery system model is divided into six subcategories in addition to the Systems Support subcategory. Each subcategory represents activities designed to meet specific subcategory objectives which in turn represent steps toward reaching the system's goal. The six subcategories are: Primary Prevention; Early Intervention and Evaluation; Outpatient Services; Partial Hospitalization; Short-Term Inpatient Services; and Inpatient Services - State Mental Hospitals. The six subcategories serve as a conceptual framework for the analysis of the Commonwealth's mental health programs. Progress toward achievement of the objectives can be quantified by collecting information defined by the program measures. Thus the Commonwealth's mental health programs can be evaluated by measuring the progress toward achieving the subcategory objectives and by extension toward attainment of the system's goal.

Mental Health Systems Support (continued)**Program Analysis: (continued)**

The key to effective monitoring and evaluation of the Commonwealth's mental health programs is the collection and reporting of information about the effect the programs are having on people. The program measures listed for each subcategory define the types of data that must be collected in order to measure the impact of the mental health programs. The Commonwealth will continue to develop mechanisms for planning, data collection and evaluation, all required for rational program development and management of all levels in the mental health system.

The analytical framework described above should not be confused with the actual mechanisms for the delivery of services. At present the delivery of mental health services by the Commonwealth is accomplished through two major mechanisms: community mental health programs and the State operated mental health hospital program. Prior to 1966 the Commonwealth's efforts in the mental health field were centered on the State mental institutions. A person with a mental health problem was either hospitalized or left to find services in the private sector. In order to rectify the deficiencies of the Commonwealth's mental health program and make services available to a greater number of people, the General Assembly mandated the creation of a community mental health program by passage of the Mental Health and Mental Retardation Act of 1966.

It was envisioned that the development of community services would supplement the traditional institutional services thereby creating a comprehensive mental health services delivery system capable of providing the appropriate response, when and where it was needed. It was expected that the role of the State mental hospitals would diminish since they would become only one type of service provider among many. Also, only those persons requiring long-term psychiatric care would be admitted to the mental hospitals.

As services developed, several significant deficiencies have been identified. The community services have not been merged with the institutions in terms of funding, patient care programs or emphasis. Many organizational and political barriers have developed which almost completely stymied the de-emphasis of the institutional component. These deficiencies can be rectified by developing a statewide policy for the future use of the institutions, the elimination of direct patient access to institutions except through the community based program, the development of policies and mechanisms by which personnel can transfer from one part of the system to another, and the provision of a single funding stream through the community program thereby giving them the option of purchasing services from the institutions or other providers of service.

In order to correct these deficiencies and improve the delivery of mental health services to the citizens of Pennsylvania, the Department of Public Welfare has embarked on a comprehensive and systematic implementation planning process for mental health services. This planning effort came about in recognition of the fact that the issues inherent in formulating and implementing the future directions of systems change were enormously complex and often controversial. A number of earlier proposals, studies and recommendations exist which will be carefully reviewed and interpreted into a plan for action. It is anticipated that this endeavor will strengthen the contributions to mental health care being made by all components of the system--institutional, regional, base service units and local provider agencies. The intention is not to create a new mental health system; instead this effort is designed to build upon the best parts of the system as they presently exist. In this fashion the Commonwealth expects to continue developing a comprehensive statewide system of services for the mentally ill.

Mental Health Systems Support (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$ 253	\$ 464	\$ 709	\$ 604	\$ 641	\$ 679	\$ 720
Mental Health and Mental Retardation Services	7,345	4,948	6,940	6,041	6,283	6,535	6,796
Community Services for Mentally Ill and Mentally Retarded .....	.....	3,312	4,715	3,995	4,235	4,490	4,760
Western Psychiatric Institute and Clinic	3,500	3,500	3,500	4,375	3,500	3,500	3,500
GENERAL FUND TOTAL	\$11,098	\$12,224	\$15,864	\$15,015	\$14,659	\$15,204	\$15,776

Primary Prevention—Mental Health

OBJECTIVE: To lower the risk of occurrence of mental disability in the general population and to increase community awareness that mental disabilities can be treated.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
General Fund	<u>\$1,322</u>	<u>\$1,737</u>	<u>\$2,501</u>	<u>\$2,125</u>	<u>\$2,250</u>	<u>\$2,385</u>	<u>\$2,530</u>	

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Incidence of mental disability	236,000	236,000	236,000	261,000	287,500	287,500	287,500
Percentage of cases that are initiated through self-referrals	35	35	35	40	43	45	50
Attendance at community meetings	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Program Analysis:

The mental health system's primary prevention efforts presently consist of activities designed to promote community awareness that mental disabilities can be an individual's temporary reaction to a series of stressful events; that, the duration and intensity of the disability can be significantly diminished with early intervention; and, that treatment is available through the mental health care delivery system. This general theme is conveyed to the public by means of community meetings, consultations with non-mental health professionals such as doctors, clergy, law enforcement officers and others and through consultations with community service agencies.

At the present time, the data available to measure the effectiveness of community awareness activities are limited. If more complete data were available, however, an increase in attendance at community meetings or an increase in self-referrals as a percentage of total referrals might indicate that some degree of community awareness is being attained.

The only data available currently, is for the six month period in 1973 from June to December. This time limited data demonstrates approximately 39 percent of all referrals were self-referrals, 36 percent were referrals from professionals, i.e.,

general medical profession, clergy, teachers, lawyers, 11 percent were referrals from the base service units and 14 percent were referrals from other agencies.

The other component of the primary prevention objective is to lower the risk of occurrence of mental disability. To accomplish this objective it is necessary to eliminate the causes of mental disability. Environmental factors are usually considered to be a primary cause of many mental disabilities and they can be numerous and extremely complex. If prevention of mental disabilities is to be successful, it must be successful at controlling and/or eliminating all causative factors. The greater the number of causal factors, the less likely is the prospect of preventing the resultant event. In order to develop and operate an effective prevention program, it is necessary to have reliable information concerning the causal factors of mental illness and the types of disability by the characteristics of the persons affected, such as: age, socio-economic status and geographic location. Such information would indicate whether or not mental disabilities occur with differing frequencies among different population groups. This information would allow the mental health care system to focus prevention efforts on segments of the

Primary Prevention—Mental Health (continued)

Program Analysis: (continued)

population at high risk of developing mental disabilities. Unfortunately, this type of information is not systematically collected or evaluated.

Research aimed at measuring the incidence of mental disability by geographic and demographic characteristics was recently conducted in Colorado. It was demonstrated that emotional disorders are not necessarily randomly distributed throughout the population. People who have received inpatient mental health hospitalization tended to be concentrated in sections of cities where there is social isolation and social disequilibrium. As an example, the inpatient admission rate for schizophrenia was found to be particularly high from those areas where there are relatively high nonwhite populations, disrupted marriages, juvenile delinquency and where there is relatively low income. Also, by analyzing time series data, it was demonstrated that these areas tended to attract people with psychiatric disabilities looking for a compatible environment. The shortcoming of this research, however, was that it relied on inpatient admission data which could be biased by the services provided by the admitting hospital and it relied on the physician's diagnosis based on his individual definition of mental dysfunction.

Obviously, a universally accepted definition of mental health is necessary before information can be gathered systematically and analyzed for the causal factors contributing to mental dysfunction. Such a universal definition does not exist. The American Psychiatric Association defines mental

health as: "A state of being, relative rather than absolute, in which a person has effected a reasonably satisfactory integration of his instinctual drives. His integration is acceptable to himself and to his social milieu as reflected in his interpersonal relationships, his level of satisfaction in living, his actual achievement, his flexibility, and the level of maturity he has attained". One major problem with this definition, as with most other definitions of mental health is that it uses criteria that are essentially value judgments. What, for example, is "acceptable" and "satisfactory" to one psychiatrist may not be to another, and what is the basis for determining "maturity" and "flexibility" in an individual?

The subjectivity of this definition suggests that mental health and illness are highly nonspecific and arbitrary. Standard prevalence figures often used such as, "one out of every ten" or "six out of every ten" should be viewed skeptically because of the inherent complexity of the concepts "mental health" and "mental illness". However, these prevalence figures will continue to be widely used until more refined data is available. With this refined data, the incidence of disability by type and target group can be explored and primary prevention programs can be designed to reduce disability by type of psychopathology and particular population. Program effectiveness of primary preventive activities could then be measured by a reduction in the incidence of mental disability by target group and by type of disability.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Mental Health and Mental Retardation Services	\$1,322	.....	.....	.....	.....	.....	.....
Community Services for Mentally Ill and Mentally Retarded . . . . .	.....	\$1,737	\$2,501	\$2,125	\$2,250	\$2,385	\$2,530
GENERAL FUND TOTAL	<u>\$1,322</u>	<u>\$1,737</u>	<u>\$2,501</u>	<u>\$2,125</u>	<u>\$2,250</u>	<u>\$2,385</u>	<u>\$2,530</u>

Early Intervention and Evaluation

OBJECTIVE: To reduce the disabling effect of a mental condition by providing services that diminish the severity of temporary personal crises and select the appropriate treatment alternatives for each individual.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	<u>\$ 8,428</u>	<u>\$11,071</u>	<u>\$20,268</u>	<u>\$17,185</u>	<u>\$18,215</u>	<u>\$19,310</u>	<u>\$20,470</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Percent of crises resolved without referral	21%	19%	19%	19%	19%	19%	19%
Percent of crises resolved and referred to appropriate services	79%	81%	81%	81%	81%	81%	81%
First time contacts with mental health system as a result of crisis intervention	189	316	410	472	519	570	627
Total contacts with mental health system through crisis intervention	1,110	1,708	2,306	2,767	3,043	3,347	3,681
Persons referred from intake to:							
Outpatient services	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Partial hospitalization	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Inpatient services	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Community generic services	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total referrals to mental health system	88,880	89,580	91,705	93,906	96,188	98,556	101,021
Persons contacting the system by referral source:							
Crisis intervention	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Physicians, clergy or other professional sources	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Self-referral and family referral	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other mental health facilities	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Early Intervention and Evaluation (continued)

Program Analysis:

The function of this subcategory is to serve as the entry point for the Commonwealth's mental health services delivery system. The activities in this subcategory not only facilitate the entry of persons in need of mental health services into the appropriate portions of the system, but also screen out those who come into contact with the system but do not need mental health services.

Persons generally enter the mental health system for two reasons: one is the occurrence of a crisis or emergency episode in a person's life and the other is the result of a more gradual and progressive disability. Both situations require an appropriate response from the mental health system. Each situation, however, demands a different set of activities in response to the problems presented.

A nonemergency or noncrisis situation usually results in an evaluation of the client's service needs, referral to appropriate services, and case management to insure that the client receives the required services.

The traditional mode of treatment in the event of a crisis or emergency has been the emergency room of a general hospital. Recently a set of activities known as the crisis intervention program has been developed specifically for use by the mental health system to respond to personal crises and emergencies. The purpose of the crisis intervention program is to diminish the severity of a personal crisis which may be due to, or result in, a mental disability by responding to situations with on the scene aid. When the system is notified of an emergency, resources are marshaled rapidly to provide mental health services such as counseling, diagnosis and evaluation and quick referral. The normal time frame of evaluation and referral is collapsed from days and weeks to hours.

Crisis intervention personnel make every attempt to find a satisfactory solution to a crisis that does not require long-term involvement with the mental health system. Thus, the crisis intervention team often refers people to generic service agencies. In order to make proper referrals to non-mental health agencies, crisis intervention staff must be aware of all the community services and resources that might help alleviate a person's problem. If it is determined that a person needs mental health services, the crisis intervention program strives to match the person with an appropriate program outside of a mental hospital or other inpatient hospital setting.

Crisis intervention as a separate identifiable set of activities is so new that information about the operation of a full scale crisis intervention program is available from only one county where the program was run as a demonstration project. The crisis intervention unit in the demonstration county assisted 1,110 cases during one year of operation. It was able to deal with 235 cases using its own resources and referred 875 cases

to appropriate community services. The number of admissions to the local State mental hospital from the county was reduced by 50 percent over the previous year when the county did not have a crisis intervention unit. All other conditions being the same, the information from the demonstration county indicates that the presence of a crisis intervention unit has a significant effect on reducing admissions and readmissions to State mental hospitals.

The 1974-75 budget provided funds to develop and implement the crisis intervention concept throughout all of the community mental health programs during 1974-75. While the individual services and methods of service delivery may differ from county to county, the principle of crisis intervention will remain to provide on-the-scene aid to individuals with problems and channel them into appropriate service programs outside the mental health system when possible.

The effectiveness measure, percent of crises resolved without referral, indicates the number of problems handled that were of a mild nature or of short duration and the success of the crisis intervention services in dealing with these problems. It also indicates the number of contacts that do not result in further involvement with the system and, thus, crisis intervention's ability to keep people out of the mental health system. The second effectiveness measure, percent of crises resolved and referred to appropriate services, indicates the success of crisis intervention in alleviating temporary crises and either bringing people into the mental health system or diverting them to generic services. The number of persons served by crisis intervention should increase dramatically as these services expand throughout the State.

First time contacts with the mental health system compared to total contacts with the mental health system would indicate the ability of the system to reach persons who have not been previously served. Persons referred from intake to various types of services implies the severity of the disability at intake. The more severe the disability the more intensive the treatment. As crisis intervention programs become operational statewide, the proportion of persons referred to the more intensive services should decrease.

Total referrals to the mental health system would indicate the level of demand for services. The referral source would indicate the awareness of the system and the willingness to use the system on the part of various groups. Presently, information is not collected and tabulated for most of the measures discussed above. It will be necessary to actively seek this information to measure the effectiveness of this subcategory.

Early Intervention and Evaluation (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
Mental Health and Mental Retardation Services	\$ 8,428	.....	.....	.....	.....	.....	.....
Community Services for Mentally Ill and Mentally Retarded . . . . .	.....	\$11,071	\$20,268	\$17,185	\$18,215	\$19,310	\$20,470
GENERAL FUND TOTAL	<u>\$ 8,428</u>	<u>\$11,071</u>	<u>\$20,268</u>	<u>\$17,185</u>	<u>\$18,215</u>	<u>\$19,310</u>	<u>\$20,470</u>

Outpatient Services – Mental Health

OBJECTIVE: To reduce mental disability and to restore mentally disabled individuals to the highest possible level of mental health and self-sufficiency with minimum dependence on the mental health system.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$11,021</u>	<u>\$12,115</u>	<u>\$17,226</u>	<u>\$14,635</u>	<u>\$15,515</u>	<u>\$16,445</u>	<u>\$17,430</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Persons receiving services on an outpatient basis (stated as an average monthly case load)	35,189	36,596	38,060	39,582	41,165	41,165	41,165
Average length of treatment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cases closed	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to partial hospitalization	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to inpatient treatment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons placed in employment	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Program Analysis:

Outpatient services is the first level of treatment in the mental health delivery system. Its objective is to reduce mental disability and to restore mentally disabled individuals to the highest possible level of mental health and self-sufficiency with minimum dependence on the mental health system. Since services provided on an outpatient basis are usually made available by the local mental health center and/or base service unit, the client can remain in the community. Therefore, with an effective outpatient services program, institutionalization is unnecessary. The services offered by the local base service units may vary from center to center, depending on client need and professional persuasion. Generally speaking,

however, three broad areas of service are offered to outpatients: (1) treatment services; (2) vocational rehabilitation services; and (3) life management and social rehabilitation.

Treatment services usually consist of psychotherapy and chemotherapy. Broadly considered, psychotherapy is a mode of treatment for problems of an emotional nature in which a trained person deliberately establishes a professional relationship with a patient with the objective of removing, modifying or retarding existing symptoms, or mediating disturbed patterns of behavior and of promoting positive personality growth and development. There are numerous

Outpatient Services — Mental Health (continued)

Program Analysis: (continued)

approaches to psychotherapy with each approach based on a particular theory of human behavior. Each system of psychotherapy defines and attempts to modify various aspects of human behavior according to its underlying theory. For all their diversity, however, the various systems of psychotherapy do have one important factor in common, that is, that man is capable of change and capable of bringing this change about himself, provided he is aided in his search for change.

Chemotherapy is a primary means of treating those individuals suffering from an acute mental illness who have not responded to traditional psychotherapy. It can also be supportive treatment to those individuals receiving and responding to psychotherapy. More potent and experimental drugs are usually dispensed to those individuals who have not responded to more traditional therapies.

Vocational rehabilitation services and life management and social rehabilitation services are services provided for special populations; mainly, those individuals who have recently been released from State mental institutions and are now in need of employment, social and personal skills. The acquisition of these skills will allow the individual to remain in a community setting while receiving treatment services at a local mental health center.

In a vocational rehabilitation center, prospective clients are

tested to obtain information about their abilities, attributes and values. Employment opportunities are sought for those capable of competitive employment, while noncompetitive employment is provided by sheltered workshops for those who cannot compete. Vocational skills for competitive employment may also be acquired at various job training centers or at the sheltered workshops.

Life management and social services are designed to assist individuals adjust to an unstructured environment. Clients receive training in personal and social skills prior to leaving an institutional setting; however, these same skills must be reinforced after the client leaves the institution. Examples of these skills are: home management training, personal financial management training, personal health care and various types of recreational and social activities.

More refined data will have to be obtained, to determine whether or not outpatient services are having an impact on the recipients of outpatient services. It will be necessary to know: persons receiving service on an outpatient basis, cases closed, persons referred to more intensive services, persons placed in employment and other measures of program effectiveness. Hopefully, this data will begin to be available in the near future.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Mental Health and Mental Retardation Services	\$ 9,221	.....	.....	.....	.....	.....	.....
Community Services for Mentally Ill and Mentally Retarded	1,800	\$12,115	\$17,226	\$14,635	\$15,515	\$16,445	\$17,430
GENERAL FUND TOTAL	<u>\$11,021</u>	<u>\$12,115</u>	<u>\$17,226</u>	<u>\$14,635</u>	<u>\$15,515</u>	<u>\$16,445</u>	<u>\$17,430</u>

Partial Hospitalization

OBJECTIVE: To reduce mental disability through a planned program of various treatment modalities by providing care and treatment (more than 3 hours and less than 24 hours per day) in a partial hospitalization setting for those individuals not yet able to return to the community on a full-time basis.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$1,380</u>	<u>\$1,813</u>	<u>\$2,885</u>	<u>\$2,465</u>	<u>\$2,610</u>	<u>\$2,765</u>	<u>\$2,930</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Persons receiving services in a partial hospitalization setting (stated as an average monthly case load)	2,305	3,400	3,570	3,715	3,865	4,020	4,180
Average length of treatment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cases closed	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to outpatient treatment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to inpatient treatment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons restored to independent living in the community	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons placed in employment	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Program Analysis:

Partial hospitalization is the next step in the continuum of services provided by the mental health delivery system. Its objective is to reduce mental disability through a planned program of various treatment modalities by providing care and treatment (more than three hours but less than twenty-four hours per day) for those individuals not yet able to return to the community on a full-time basis. These services are provided in a partial hospital setting, and are more intensive than those provided on an outpatient basis but less intensive than 24 hour-a-day hospital care, whether it be short-term or longer. The term partial hospitalization refers to the duration of the services provided to an individual in a 24 hour period and not the nature of the services.

The services provided in a partial hospitalization setting generally include: treatment, vocational rehabilitation, life management and social rehabilitation. These services were mandated to be provided on a partial hospitalization basis by the Mental Health and Mental Retardation Act of 1966. The partial hospitalization arrangement is unique in that day, evening and weekend care is offered to meet the specific schedule and needs of the patient. It is designed for those patients who are able to respond to treatment short of total inpatient care, but who require a program beyond the design and capability of outpatient services.

Services offered on a partial hospitalization basis may be given to the mentally disabled on an intensive basis without

Partial Hospitalization (continued)

Program Analysis: (continued)

disrupting ties with homes, families, employment and the community in general. This is viewed as most important in order to prevent the difficulties of long-term chronicity too often associated with inpatient care. Thus, partial hospitalization is an alternative to inpatient care for carefully selected people who are deemed able to successfully remain in the community while undergoing treatment. In addition to the essential function of prevention of inpatient hospitalization, partial hospitalization is a vehicle for patient reintegration into the community from both short-term and long-term inpatient care.

In the mental health system, partial hospitalization has been the most difficult of the mandated services to implement. The Mental Health and Mental Retardation Act of 1966, with its emphasis on community treatment, was not implemented until 1969 and much needed to be accomplished, and still needs to be accomplished, in the development of the transitional services. A greater awareness and understanding of partial hospitalization needs to be developed in the county programs. As the more traditional services begin to fill much needed gaps in the mental health delivery system, the needed partial hospitalization services can be developed.

During 1974-75, funds were provided to expand the partial hospitalization program. Although it is too early to determine the impact of this revision, it was recommended in order to facilitate the emigration of 900 State mental hospital patients who could benefit from partial hospitalization services provided they were extended to 60 days. Data to determine the impact of this revision should be available during the 1975-76 fiscal year.

Persons receiving services in a partial hospitalization setting reflect the scope of the program in terms of services to people. Cases closed and persons referred to outpatient services would indicate the success of the program in reducing mental disabilities while the number of persons referred to inpatient services reflects the inability of the program to reduce the need for more intensive inpatient services. Persons restored to independent living in the community and persons placed in employment, reflect the success of the program activities, life management and social rehabilitation and vocational rehabilitation.

The effectiveness of services provided in a partial hospitalization setting cannot be determined until data for these measures is obtained. Some data should be available from the Department of Public Welfare in the near future.

Programs Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Mental Health and Mental Retardation Services	\$1,380	.....	.....	.....	.....	.....	.....
Community Services for Mentally Ill and Mentally Retarded .....	.....	\$1,813	\$2,885	\$2,465	\$2,610	\$2,765	\$2,930
GENERAL FUND TOTAL	\$1,380	\$1,813	\$2,885	\$2,465	\$2,610	\$2,765	\$2,930

Short-Term Inpatient Services (Community)

OBJECTIVE: To reduce the mental disability of individuals and restore their capacity to function in a community setting by providing high quality short-term intensive inpatient treatment.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	<u>\$3,225</u>	<u>\$4,237</u>	<u>\$6,065</u>	<u>\$5,100</u>	<u>\$5,400</u>	<u>\$5,725</u>	<u>\$6,070</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Persons receiving services on a short-term inpatient basis (stated as an average monthly case load)	20,016	21,016	22,066	23,169	21,548	21,548	21,548
Average length of treatment in days	11.4	11.4	10.5	10	9.5	9.0	8.5
Cases closed	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to outpatient services	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to partial hospitalization services	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to a State mental hospital	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Program Analysis:

The most intensive form of treatment funded by the Commonwealth in the community is provided on a short-term inpatient basis. Services on an inpatient basis are needed when outpatient services and partial hospitalization services fail or when an individual does not come into the mental health delivery system until the disability has progressed to a stage which requires inpatient services. The objective is to reduce the mental disability of individuals and restore their capacity to function in a community setting by providing high quality short-term intensive inpatient treatment. Inpatient services in

the community are referred to as short-term because their duration is limited to 60 days, whereas services in a State mental hospital are of a longer duration.

Community inpatient services are appropriate when an individual requires intensive treatment at the onset of a disability or during periods of unusual stress. It is also appropriate when supervision as well as intensive treatment is needed for individuals unable to manage themselves because of deep depression, severely disturbed behavior or extreme confusion. Services are generally provided in a mental health

Short-Term Inpatient Services (Community)

Program Analysis: (continued)

center or in a community general hospital.

The major advantage of providing inpatient services in the community is that it results in a minimal amount of disruption in an individual's life and contact with family and friends can be maintained.

In addition, from a fiscal point of view, short-term inpatient services are less costly. Although the per diem rate for these services is relatively high, the total cost of service is low as compared to the total cost in a State mental hospital. This is because inpatient services provided in the community are of a shorter duration.

The types of services provided on an inpatient basis are generally: (1) treatment, (2) vocational rehabilitation and (3) life management and social rehabilitation. Although these same services are also provided on an outpatient and partial hospitalization basis, the emphasis in an inpatient setting is primarily on treatment, utilizing the medical model. (For a more detailed discussion of these services see the subcategory Outpatient Services – Mental Health).

In order to evaluate the effectiveness of short-term inpatient

services it will be necessary to collect data which reflects the success of the program in meeting its objective. The measures listed above will provide a quantifiable evaluation when data is available.

As the services provided in the front of the mental health system become more effective, the need for short-term inpatient services should diminish. This reduction would be reflected in a reduction in the number of persons receiving services on a short-term patient basis. For those persons in need of short-term inpatient services, contact with the mental health delivery system should be as minimal as possible. The duration of the contact would be reflected in the average length of treatment. Cases closed, persons referred to outpatient services and persons referred to partial hospitalization services would reflect the success of the program in reducing the mental disability of individuals, since these services are less intensive. Conversely, persons referred to a State mental hospital would indicate the inability of the program to keep individuals from more intensive services.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Mental Health and Mental Retardation Services	\$3,225	.....	.....	.....	.....	.....	.....
Community Services for Mentally Ill and Mentally Retarded .....	.....	\$4,237	\$6,065	\$5,100	\$5,400	\$5,725	\$6,070
GENERAL FUND TOTAL	<u>\$3,225</u>	<u>\$4,237</u>	<u>\$6,065</u>	<u>\$5,100</u>	<u>\$5,400</u>	<u>\$5,725</u>	<u>\$6,070</u>

Inpatient Services (State Mental Hospitals)

OBJECTIVE: To reduce the mental disabilities of individuals and to restore their capacity to function in a community setting in as short a time as possible by providing high quality intensive inpatient care.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$167,399	\$176,278	\$244,886	\$209,519	\$217,895	\$226,605	\$235,665
Federal Funds	35,964	43,283	46,432	40,010	41,610	43,275	45,000
Other Funds	25,279	23,098	27,323	23,758	24,710	25,700	26,730
TOTAL	<u>\$228,642</u>	<u>\$242,659</u>	<u>\$318,641</u>	<u>\$273,287</u>	<u>\$284,215</u>	<u>\$295,580</u>	<u>\$307,395</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
State mental hospital institutional population at end of fiscal year	17,934	15,072	14,100	13,395	12,089	12,000	12,000
Rated bed capacity in State mental hospitals	21,063	19,724	19,724	19,724	19,724	19,724	19,724
Average length of treatment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Rate of recidivism	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cases closed	9,422	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to outpatient services	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to partial hospitalization services	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to short-term inpatient services in the community	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Program Analysis:

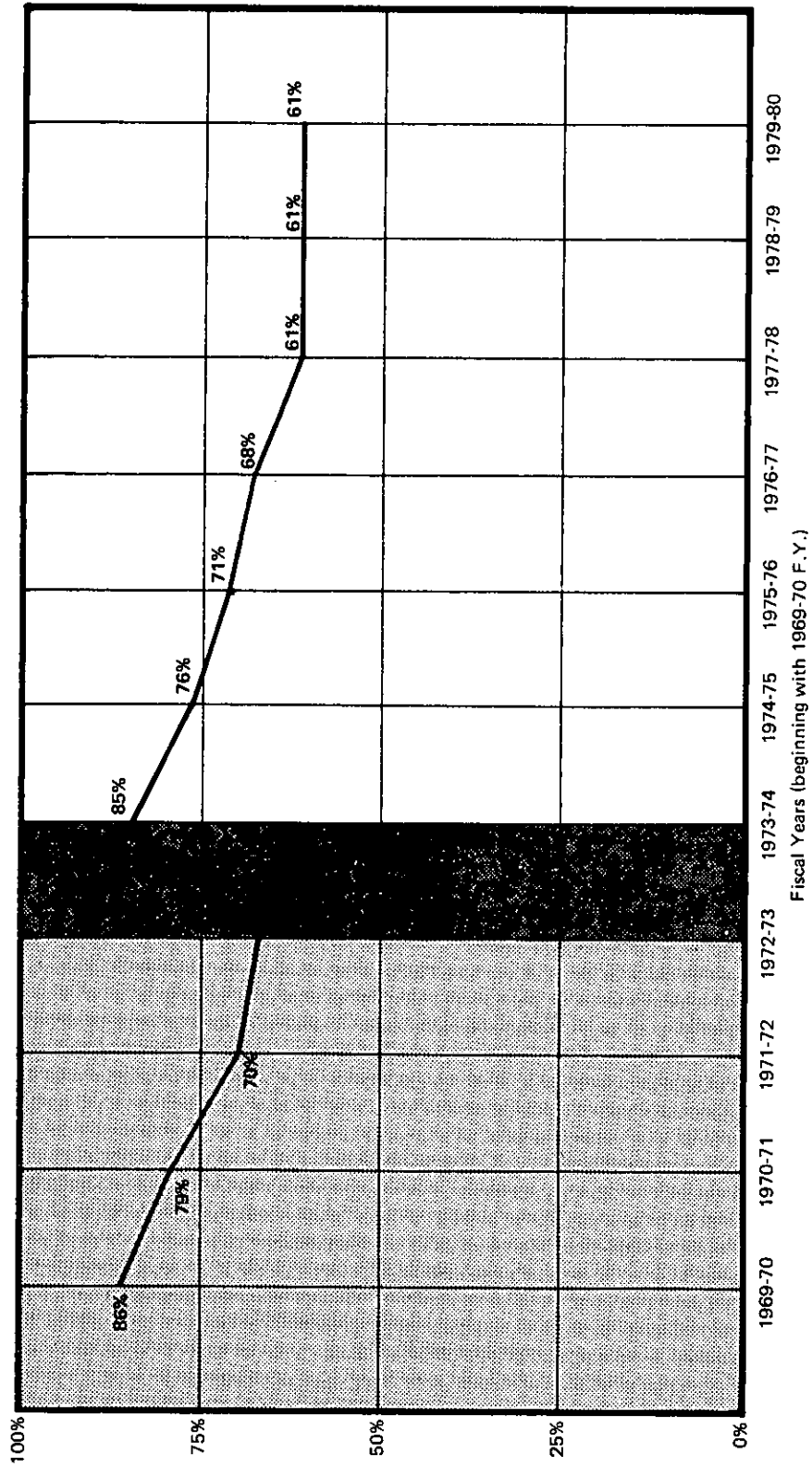
The 20 State mental hospitals provide the most intensive services in the mental health delivery system. If the services at the front of the system were having the optimal impact, there would be no need for the services provided at the State mental hospitals. However, due to the absence of alternative services in the past and the inability of less intensive services currently

available to identify and meet, as early as possible, the needs of the mentally disabled, such services continue to be needed.

Utilization of State mental hospital services is considered the least desirable of all services provided in the system. This is because it requires the removal of the individual from the family and community, it can lead to long-term

Inpatient Services (State Mental Hospitals) (Continued)

Percent of Rated Bed Capacity Occupied in State Mental Hospitals (by fiscal year)



Due to Department of Public Welfare revision is square feet per bed criteria.

Inpatient Services (State Mental Hospitals): (continued)

Program Analysis: (continued)

institutionalization, it is the most costly of all services and it is probably the most ineffective in terms of therapeutic impact on the individual.

Since 1955, there has been a 60 percent decline in the inpatient population at the State mental hospitals. This decline was initially due to the widespread introduction of chemotherapy, which enabled individuals to function outside the institutions. Since 1969, however, the decline in inpatient population has been more rapid. This has been frequently attributed to the development of community based services, although this impact has not been conclusively documented.

A comparison of the State mental hospital population with the beds available reflects the continuing decline in the occupancy rate.

Even though the patient population at the mental hospitals continues to decline, the institutions continue to demand increasing resources. This is due to several reasons. First, the fixed overhead costs of operating an institution do not decrease when occupancy decreases unless discrete units of the hospital are closed. Second, patient care staffing, which comprises a significant amount of total institutional expenditures, has not decreased in proportion to the patient population decreases. One would expect staffing to decrease if the original staffing level were adequate. However, the staffing level is only now beginning to approach an acceptable level on the basis of Joint Commission on Accreditation of Hospital and Medicare standards. Other factors, such as the Federal Court order requiring the Department of Labor to enforce minimum wage and overtime compensation provisions of the Fair Labor Standards Act to patient workers at non-Federal institutions (commonly referred to as institutional peonage)

and capital costs associated with meeting Life Safety Code standards, are further increasing the cost of operating the institutions.

Approximately one-third of the patients in the State mental hospitals are 65 years of age or older. In addition, the majority of patients have been in residence 10 years or longer. It is often argued that many of these patients are no longer in need of inpatient psychiatric care and could be moved to the community if appropriate services were available.

The inpatient population in the State mental hospitals is projected to continue decreasing over the next five years. This will be accomplished through: identification of persons no longer in need of psychiatric hospital care, increased intensified preparatory programming for patients ready for discharge to semi-independent living situations and increased community service capability and incentive through installation of needed supportive services such as crisis intervention and various social services.

The effectiveness of the services provided to persons in the State mental hospitals cannot be measured until appropriate data is collected. The average length of treatment would indicate whether or not the services are successful in returning the inpatient to the community as quickly as possible. The rate of recidivism would reveal how effective the services are in keeping persons out of the intensive end of the mental health service system. The last four measures would reflect the impact of institutional services in moving persons into less intensive mental health services. Until data for these measures is obtained, the effectiveness of the State mental hospitals' services cannot be assessed.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Mental Health and Mental Retardation Services	\$166,695	\$176,032	\$244,796	\$209,419	\$217,795	\$226,505	\$235,565
Capital Improvements	704	246	90	100	100	100	100
GENERAL FUND TOTAL	<u>\$167,399</u>	<u>\$176,278</u>	<u>\$244,886</u>	<u>\$209,519</u>	<u>\$217,895</u>	<u>\$226,605</u>	<u>\$235,665</u>

Youth Development Services

OBJECTIVE: To minimize the incidence of juvenile delinquency and to develop the capacity for constructive community living among court adjudicated youth that come to the State's attention.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$18,212	\$21,401	\$24,221	\$21,700	\$23,002	\$24,382	\$25,845
Federal Funds	597	2,174	755	793	840	890	943
Other Funds	20	149	20	20	21	22	23
TOTAL	\$18,829	\$23,724	\$24,996	\$22,513	\$23,863	\$25,294	\$26,811

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Court adjudicated juveniles in Commonwealth	17,791	19,085	20,379	21,675	22,969	24,169	24,169
Court adjudicated juveniles admitted to youth institutions	2,163	2,300	2,450	2,600	2,700	2,900	3,050
Youths demonstrating significant reduction in antisocial behavior patterns	1,040	1,100	1,200	1,200	1,250	1,250	1,300
Rate of recidivism	45%	45%	50%	50%	50%	50%	50%
Juveniles housed in adult facilities	260	220	.....	.....	.....	.....	.....
Youth on parole status who continue education and/or gain employment	1,550	1,500	1,650	1,650	1,700	1,700	1,700
Percent of youths completing some sort of vocational or prevocational training	70%	70%	70%	70%	70%	70%	70%

Program Analysis:

The purpose of this program is to bring about a positive change in behavior patterns among the population of youths which the juvenile court system has determined will be benefited by institutionalization. State operated juvenile institutions are open institutions in which opportunities for vocational training, academic education, psychological counseling, medical and dental care are provided.

Several of Pennsylvania's juvenile institutions have been

recognized nationally as maintaining high quality remedial academic and vocational training programs. Nevertheless, these institutions are maintained for detention, and are controlled with varying degrees of security. Detention and control very often evoke a compliance response from juveniles rather than a cooperative response. A compliance response on the part of inmates often reinforces attitudes of hatred and contempt for the system, or produces some measure of dependency on it.

Youth Development Services (Continued)

Program Analysis: (Continued)

Practitioners point out that genuine attitudinal changes are extremely difficult to bring out under such conditions.

The Department of Welfare calculates that the recidivism rates within the youth institutions have increased through 1974-75 to nearly 50 percent. This indicates that there is some justification for the hypothesis that the institutional process itself may be a substantial barrier to accomplishing attitudinal change. Despite these high recidivism rates, however, the Commonwealth has quite high per capita costs in its youth institutions. A survey indicates that the national per capita expenditure for youth institutionalization is about \$5,700 for a nine month stay. Pennsylvania spends an average of \$12,000 for a nine month stay.

Even at this high per capita cost, the result in terms of the recidivism rate is not significantly better than that achieved by other states. In lieu of this, the Commonwealth juvenile justice system is exploring ways of moving away from the institutional approach. The recent trend in corrections is to rehabilitate youths in their own communities. This is not always possible but data indicates that a substantial portion of the juveniles in the system are institutionalized because there are no alternative places to send them in their own neighborhoods.

Many times a youth comes to the attention of community authorities after performing acts which are not normally punishable by detention. However, when the youth's home life is such that he or she cannot be returned, and no viable solutions exist in the community, then institutionalization is the only available answer.

Additional funds are being recommended in 1975-76 to increase the number of day treatment centers and group homes. Group homes are less expensive than large institutions,

and are located in the community. Since the primary goal for all adjudicated youths is to eventually return to the community, the group homes will rehabilitate the youths in the community. The logic being that juveniles rehabilitated in institutions are in a controlled environment; thus, upon release he or she returns to the community. However, the same community pressures that brought about the youth's commitment are still present upon her or his return, consequently practitioners are leaning toward rehabilitation in the community.

At present, the Commonwealth is dealing with several serious problems in the youth development area. One serious problem is the mandated removal of all youths from adult facilities. The State is, as of 1974, attempting to locate alternative secure facilities for those juveniles presently residing at adult detention centers, such as the Camp Hill Correctional Institution. The Administration's approach is to commit youthful offenders to existing facilities, with certain renovations to specific buildings adequate security can be obtained.

Another serious problem the Commonwealth has been grappling with for several years is the segregated facility issue. At present, the State is involuntarily operating the Cornwells Heights facility in violation of the Civil Rights Act. Unfortunately, the Commonwealth has no control over commitment patterns: thus, the State has no direct control over the population ratio in the institution. It is hoped that in 1975-76, a substantial number of juveniles will be committed to the Cornwells Heights facility thereby bringing the population ratio into compliance with the law.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Youth Development Centers and Forestry Camps	\$18,212	\$21,367	\$24,221	\$21,700	\$23,002	\$24,382	\$25,845
Capitol Improvements . . . . .	.....	34	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$18,212	\$21,401	\$24,221	\$21,700	\$23,002	\$24,382	\$25,845

Services to the Community

OBJECTIVE: To improve the quality of community living and to raise the level of community interest by providing information, consultation and assistance whenever needed.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$ 2,156	\$ 7,399	\$ 8,709	\$ 9,588	\$10,052	\$10,434	\$10,985
Special Funds	1,800	.....	.....	.....	.....	.....	.....
Federal Funds	3,707	22,163	25,382	28,085	28,692	28,819	30,135
Other Funds	8	.....	.....	.....	.....	.....	.....
TOTAL	\$ 7,671	\$29,562	\$34,091	\$37,673	\$38,744	\$39,253	\$41,120

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Pennsylvanians 5 to 17 years of age	2,781,214	2,693,033	2,643,290	2,590,983	2,536,605	2,480,496	2,424,496
Full-time juvenile officers	505	505	505	505	505	505	505
Persons over 65	1,373,000	1,405,000	1,437,000	1,468,000	1,497,000	1,524,000	1,551,000
Aged persons presently living at home as a result of home services	7,027	8,750	9,500	10,200	10,900	11,850	12,750
Elderly persons receiving meals on wheels	2,190	2,628	3,154	3,781	4,542	5,450	6,077

Program Analysis:

This program is geared to the development and strengthening of community resources for the elderly and certain youths in an effort to either eliminate or reduce lengths of stay in institutional type settings.

Practitioners now accept the premise that individuals tend to develop more favorably in their own natural surroundings. Currently, however, there exists a scarcity of alternatives to institutional care for young and aged alike. This situation has placed an unnecessary and costly burden on the Commonwealth. More important, however, many of these people do not need intensive institutional care, and would function very well in their own neighborhoods if certain minimal services were made available to them.

The 1975-76 fiscal year marks the first full year of funding

of the Youth Service System project, which is designed to divert juveniles from the juvenile court system. Juvenile courts throughout the Commonwealth have reported that many juveniles have been and are being institutionalized due to the void in services between probation and commitment to an institution. The Youth Service System project does not seek to replace the juvenile justice system, but will attempt to reduce some of the backlog in the courts and meet some of the unmet needs of children at the community level.

The new system is being implemented on a trial basis in several communities. Each community's program will be different in its delivery of services, depending on the needs of the respective community. However, each system will share Commonwealth-wide goals and objectives. Funding will be

Services to the Community (Continued)

Program Analysis: (Continued)

made available through the traditional grant-in-aid program. Services to be rendered include: youth service boards, community intake centers, emergency housing and group homes, and support services.

The above services are the basic elements which make up the youth service bureaus. These bureaus are locally controlled, independent programs designed to act as a catalyst, strengthening the communities' existing youth services if necessary:

Currently, responsibility and program accountability are divided among more than 300 agencies which are involved in providing services to young people. It is hoped the new Youth Service System, via the local youth service bureaus, will eliminate the fragmentation of responsibility in the field of youth services. This system will also provide a central location for accountability, since little or no communication presently exists between the various field agencies. This system will strive to induce an integrated but comprehensive service delivery system within the local communities.

In addition to the Youth Service System, comprehensive services to the aged are a high priority. This is being addressed by the creation of viable alternatives to institutional care, via provision of community based care and in-home social services. Pennsylvania currently provides an array of services to the aged. Unfortunately, because of the rapid increase in the population of persons 65 and older, and the increasing complexity of their problems, many elderly persons are not reached by these services. The basic components of the service delivery system for the aged include: county offices, multi-service centers, training programs in gerontology at the college level and grants to communities to provide human services.

Funds have been included for 1975-76 to develop and operate a management information system that will assure proper stewardship of all Federal Older American Act programs within Pennsylvania.

It is estimated that a comprehensive service delivery system for the elderly will not be fully functional until calendar year

1979. However, by the end of 1975-76, the Commonwealth intends to have area agencies on aging functioning in all of the designated planning and services areas, as well as having an information and referral program accessible or conveniently located to all elderly persons in each service area.

During the 1975-76 fiscal year, the Department of Public Welfare will increase the number of congregate and home delivered meals by 3,000 daily. In addition to the hot meal programs, nutrition sites will be provided in the high-need areas in each county of Pennsylvania.

In addition to the Free Transit for the Elderly program operated by the Department of Transportation, a transportation component will be developed in each service area to link elderly persons with vitally needed health and social services.

In addition to the specialized services made available to the young and aged, other services are made available to the entire community. One such service is rural transportation which provides transportation resources to an increasing number of rural Pennsylvania residents. The State's Rural Transportation Task Force is coordinating and structuring the Commonwealth's efforts towards providing an adequate level of transportation for all rural residents throughout the Commonwealth.

Multiple services are provided in northeastern Pennsylvania by the United Service Agency (USA), established as a special demonstration project by the U.S. Department of Health, Education and Welfare and the Pennsylvania Department of Public Welfare. The USA provides social services through an integrated delivery system, via a network of multi-service centers at the local level. By integrating services under one roof, the USA has accomplished the following: eliminated service duplication, minimized service fragmentation, and provided a single point of contact for the consumer for all services. This demonstration project, due to its accomplishments and success within the community, is being studied by the Federal Government for possible use as a model for delivery of service on a national scale.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 162	\$ 682	\$ 1,042	\$ 888	\$ 942	\$ 998	\$ 1,058
Aging Programs	494	4,717	5,167	6,200	6,510	6,836	7,177
Juvenile Delinquency Programs	1,500	2,000	2,500	2,500	2,600	2,600	2,750
GENERAL FUND TOTAL	\$ 2,156	\$ 7,399	\$ 8,709	\$ 9,588	\$10,052	\$10,434	\$10,985
REVENUE SHARING TRUST FUND							
Aging Programs	\$ 1,800						

Family Support Services

OBJECTIVE: To promote and strengthen family life and to prevent the breakup of the family unit over any problems which might arise.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 99,991	\$115,570	\$153,369	\$133,249	\$137,781	\$146,442	\$153,437
Special Funds	6,400	4,900	.....	.....	.....	.....	.....
Federal Funds	126,332	123,958	161,702	145,620	154,758	159,109	165,413
Other Funds	665	913	1,000	1,000	1,000	1,000	1,000
TOTAL	\$233,388	\$245,341	\$316,701	\$279,869	\$292,639	\$306,551	\$319,850

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Services to the family:							
Families needing homemaker services	114,375	125,000	137,000	149,000	161,000	183,000	195,000
Eligible families receiving homemaker services	28,000	31,000	34,000	37,000	40,000	43,000	46,000
Public Assistance recipients needing casework services	882,531	882,531	882,531	970,784	1,067,000	1,068,000	1,068,000
Public Assistance recipients receiving casework services	853,411	855,000	1,001,000	1,074,000	1,120,000	1,168,000	1,208,000
Children receiving day care	16,700	17,500	18,300	19,000	19,700	20,300	20,600
Children receiving child welfare services	97,000	100,000	103,000	106,000	109,000	112,000	115,000
Incidence of reported child abuse	1,080	1,300	1,600	1,900	2,200	2,500	2,800
Services to selected individuals:							
Legal services cases represented	31,940	50,045	55,549	61,660	68,443	75,972	84,330
Children in private detention facilities	2,374	2,600	2,750	2,700	2,700	2,650	2,600
Percentage of child welfare payments going to detention services	10%	39%	63%	65%	65%	65%	65%

Program Analysis:

A major problem frequently caused by poverty is the inability of families and individuals to function independently as a unit. The general approach of this program is to promote the self-sufficiency of the family unit by reinforcing the family functioning and other basic nonfinancial living needs of low income families and other selected individuals. In some cases, however, specific individuals within family units must be given assistance, otherwise all of the members of that family unit will be impacted negatively. If the family unit can be kept intact and functioning as a whole, then the incidence of emotional, social and economic problems for individual family members will be substantially reduced.

Services included in this program include: homemaker services, protective services for children, juvenile court services, day care services, casework services, legal services and several other social services.

Homemaker services provide home care, which allows many individuals to reside and remain in her or his natural setting. These services are designed to: eliminate family breakdown in the time of crises; reestablish broken homes; and reinforce family life.

Again this year, major emphasis has been placed in the area of protective services for children. Protective services are primarily provided through county child welfare agencies. Of

Family Support Services (continued)

Program Analysis: (continued)

particular importance again in 1975-76, is the serious problem of child abuse. Commonwealth officials have investigated over 1,600 cases of child abuse during 1973-74 which represents an increase of 50.5 percent over the total number reported the year before. It is hoped that the development of better public education and more adequate reporting systems will have potential benefits in future years. This is reflected in the above data. Two programs being implemented this year are the child abuse hot line and the central registry program. The major thrust of these programs will be the provision of immediate assistance to anyone desiring to report actual or suspected child abuse or neglect, by calling a well publicized statewide, toll free number. The ultimate goal, however, is early detection and correction, with the idea of stopping abuse before it happens by providing treatment to parents and no punishment.

Other child protective services are reimbursed to the counties at up to 60 percent of their actual cost. The Juvenile Court Act, however, requires the Department of Public Welfare to reimburse the counties 50 percent of the costs for care and treatment for adjudicated children sentenced to private detention facilities. The implementation of this act has created some significant distortions in the juvenile justice system. Payment under this act is a mandate, counties are guaranteed a 50 percent reimbursement for detention services, while protective services may be reimbursed at less than 60 percent. Both services are funded from the Child Welfare appropriation, but since the Juvenile Court Act is a mandate, it receives first consideration. The protective services receive whatever money is left, usually much less than 60 percent to be divided among the 67 counties. This in effect, provides a fiscal incentive for counties to use detention services instead of the more appropriate protective services. This Administration is presently working to amend the reimbursement sections of the Juvenile Court Act to develop reimbursement criteria which will reinforce more appropriate programming.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 393	\$ 437	\$ 667	\$ 569	\$ 603	\$ 694	\$ 678
County Administration	55,835	68,001	88,103	73,485	75,276	81,015	85,064
County Child Welfare	39,547	39,109	53,608	49,500	51,728	54,056	56,489
Day Care Services	4,200	5,700	7,433	6,620	6,951	7,299	7,665
Beacon Lodge Camp	16	25	25	25	25	25	25
Social Services		2,198	3,433	2,950	3,098	3,253	3,416
Arsenal Family and Children Center		100	100	100	100	100	100
GENERAL FUND TOTAL	\$ 99,991	\$115,570	\$153,369	\$133,249	\$137,781	\$146,442	\$153,437
REVENUE SHARING TRUST FUND							
Day Care Services	\$ 6,400	\$ 4,900					
REVENUE SHARING TRUST FUND TOTAL	\$ 6,400	\$ 4,900					

Day care services are an integral part of family support services, and are very much in demand throughout the Commonwealth. This budget requests funds to increase the number of slots presently being filled from 17,500, to an estimated 18,300 by the end of 1975-76. In addition to the increase of slots, funds are requested to redirect the types of services provided to children. This redirection includes several new concepts, such as: family day care; day care as a developmental program for children and not as a remedy to the Public Assistance problem; promotion of the need for new child rearing techniques; and the realization that day care services are to compliment the provisions made by parents, and should not be a substitute for parents.

Casework services are not directly aimed at children, but are provided to eligible persons at the county board of assistance offices. Services rendered usually consist of referrals to appropriate public and/or private agencies counseling and eligibility determination. For several years efforts have been underway to separate casework services from eligibility determination. When this goal is achieved, it will insure that persons who need social services will have access to them, and people who need an assistance grant will not be informally coerced into receiving social services. The most positive benefit, however, is that caseworkers will have time to plan for and provide a complete range of social services tailored to the individual's needs. For the first time, then, the real effects of casework services can be measured.

The Department of Public Welfare is responsible for funding one of the most progressive and innovative legal services programs in the United States. The philosophy behind this program is to provide poor people access to the protection of the law even though they do not have sufficient funds to hire a lawyer. During 1974-75 over 50,000 people have been represented by legal services lawyers in civil cases. This is projected to increase in future years.

Mental Retardation Systems Support

OBJECTIVE: To ensure the availability of services that are of a quality and quantity sufficient to ensure the maximum growth and development of mentally retarded persons.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$3,097	\$4,029	\$5,775	\$4,963	\$5,251	\$5,565	\$5,895
Federal Funds	437	611	828	735	771	803	837
TOTAL	<u>\$3,534</u>	<u>\$4,640</u>	<u>\$6,603</u>	<u>\$5,698</u>	<u>\$6,022</u>	<u>\$6,368</u>	<u>\$6,732</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Persons requiring mental retardation services	214,976	215,879	216,786	217,718	218,633	219,550	220,472
Unduplicated persons receiving specialized mental retardation services:							
Number	93,069	93,656	94,418	95,207	96,394	98,259	100,453
Percent of those needing services	43.3%	43.4%	43.5%	43.7%	44.1%	44.7%	45.6%
Persons requiring specialized services who are institutionalized	10,631	10,487	9,747	8,812	8,433	8,122	7,778

Program Analysis:

The activities included in this subcategory are designed to maintain and develop the entire mental retardation service delivery system. Planning, coordination, administration, manpower development and research serve to support and improve the mental retardation service system. Since no services are provided directly to the mentally retarded in this subcategory, its impact on individuals is measured indirectly by the effectiveness of the substantive subcategories which follow.

In this budget presentation the mental retardation service delivery system is viewed as a continuum of supportive services ranging from the most dependent (See subcategory: State Schools and Hospitals) to the least dependent (See subcategory: Independent and Family Living Arrangements). The primary impetus is to move individuals from the most dependent to the least dependent settings. In order to achieve this, "normalization" has been adopted as the operating principle. Normalization means making available to the mentally retarded patterns and conditions of everyday life,

which are as close as possible to the norms and patterns of the mainstream of society. In other words, the mental retardation system's goal is to provide services to the retarded that will enable them to function and live in a manner as close to "normal" as possible.

Ideally, mental retardation would be eradicated if the activities of the Prevention subcategory were successful. However, when mental retardation occurs, it should be detected early by the activities of the Early Identification, Diagnosis and Case Management subcategory. Only those mentally retarded who need services would be referred to appropriate living arrangements described in the subcategories: Independent and Family Living Arrangements; Community Living Arrangements; Private Licensed Facilities; and State Schools and Hospitals. If the value of the system is being implemented and the operating principle is working more and more mentally retarded persons should remain with their families or live in independent or relatively unstructured community settings.

Mental Retardation Systems Support (continued)

Program Analysis: (continued)

At the present time the lack of a complete continuity of services in some communities has prevented some mentally retarded persons from achieving their maximum level of development. To assist in correcting these deficiencies in the system, the Commonwealth is currently involved in an intensive planning effort. From these efforts will emerge a model for the delivery of mental retardation services in the counties. Such a model will provide for a continuity of care system providing for integrated, comprehensive services for all mentally retarded people in a given community. Such a model, in addition, will provide for adequate flexibility to allow for its utilization in a variety of settings.

A requisite component of an improved system of services for the mentally retarded is a data collection and reporting system that will measure the effect the delivery system has on its clients. Data must be collected and reported for the program measures listed in the subcategories that follow this one in order to measure the achievement of the system's explicitly stated objective.

In addition to data needs for planning, there is a continued need for manpower training if personnel are to keep up with developments in the field of service delivery, administration and development. Manpower training will continue in the area of administrative skills, fiscal management, program planning and evaluation, personnel management and funding resource

development. During the next two years, efforts will be directed toward the development of greater educational opportunities in the area of mental retardation service delivery.

Another area of concentration will be the provision of services to all persons who need them. The first two measures for this subcategory indicate the unduplicated number of persons receiving specialized services as compared to the number needing services. The number of persons receiving specialized mental retardation services includes those in county programs, in interim care (private licensed facilities), in State schools and hospitals, and in special education classes. The change in percentage receiving services from 43.3 percent in fiscal year 1973-74 to a projected 45.6 percent in fiscal year 1979-80 is based on the premise that as the mental retardation service models are implemented, the capacity of the county programs for service delivery will increase. Part of this increased service delivery will be consumed by residents leaving private licensed facilities and State schools and hospitals. The decrease in the State schools population will accelerate at first but decrease as those most readily placeable are placed in the community. The number receiving special education services will vary as the population varies.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 361	\$ 461	\$ 704	\$ 606	\$ 636	\$ 675	\$ 715
Mental Health and Mental Retardation Services	2,736	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
Community Services for Mentally Ill and Mentally Retarded . . . . .	. . . .	3,074	4,501	3,825	4,055	4,300	4,560
Small Unit Residential Treatment . . . . .	. . . .	494	570	532	560	590	620
GENERAL FUND TOTAL	\$3,097	\$4,029	\$5,775	\$4,963	\$5,251	\$5,565	\$5,895

Prevention--Mental Retardation

OBJECTIVE: To decrease the incidence of mental retardation and to increase community awareness that mental retardation can be treated.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	<u>\$1,322</u>	<u>\$1,737</u>	<u>\$2,604</u>	<u>\$2,210</u>	<u>\$2,340</u>	<u>\$2,480</u>	<u>\$2,630</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Infants born with organic mental retardation	1,712	1,720	1,729	1,746	1,764	1,782	1,799
Births with birth defects or prematurity	14,800	14,875	14,948	15,097	15,248	15,401	15,555
Organic mentally retarded infants born to high risk mothers	41	43	45	48	50	52	55
Pregnancies with potential high risk	N/A	30,000	31,500	32,075	33,680	35,363	37,131
Live births to high risk mothers	3,927	4,123	4,329	4,545	4,772	5,010	5,260

Program Analysis:

The two pronged objective of this subcategory is to reduce the occurrence of mental retardation and thus reduce the need for and demand on the mental retardation service delivery system and to make the community aware of the nature of mental retardation and the fact that it is both preventable and treatable. Prevention is important since it frees up economic resources for use in other program areas, and it eliminates the psychological and emotional trauma for people who might have had a retarded child. If prevention were completely successful, the mental retardation service delivery system could concentrate on the current population of mental retardates and not concern itself with an increasing pool of mentally retarded. While complete prevention of mental retardation will never be possible, studies indicate that there is much that can and should be done in this area.

In order to prevent the occurrence of a problem or debilitating condition, it is necessary to know the nature, causes and scope of the problem or condition. The standard

definition of mental retardation is: significantly subaverage general intellectual functioning existing concurrently with deficits in adaptive behavior manifested during the developmental period.

There are approximately 200 known causes of mental retardation which fall into three broad categories: (1) significantly below average genetic endowment of intelligence, (2) physical damage to or maldevelopment of the brain, and (3) environmental deprivation. The factors included in the first category range from genetic disorders such as Downs syndrome (mongolism) to any disease or problem which affects the development of the fetus, such as the mother having rubella. The second category includes accidents occurring after the birth of a child or any disease or condition such as malnutrition or lead poisoning which affects the normal development of the brain. The third category includes those factors which contribute to the lack of or diminishment of sensory and intellectual stimulation such as poverty.

Prevention—Mental Retardation (continued)

Program Analysis: (continued)

A standard figure for the incidence of mental retardation on a nationwide basis is three percent of the population. A study commissioned by the Department of Public Welfare concluded that 1.8 percent of Pennsylvania's population is mentally retarded and will probably need some kind of specialized services. The difference between the three percent figure and the 1.8 percent figure represents mentally retarded persons who probably will not require mental retardation services. Epidemiological studies conducted in other states indicate that the prevalence of mental retardation is not uniform for all demographic groups.

Prevention in regard to mental retardation is the process of arranging forces in the society so as to mitigate or eliminate those factors in life of which mental retardation or other developmental disabilities may be a consequence. There are three broad classifications of methods for preventing mental retardation: (1) those which prevent the birth of a defective child, (2) those which prevent brain damage that occurs after conception, and (3) those which through environmental modification or specialized care prevent a child's IQ from falling below the defined threshold of mental retardation.

Because of the multiple causes of mental retardation and other developmental disabilities, preventive measures must cover a broad program range including: environmental, biomedical, genetic screening and counseling, and accident prevention and safety programs. A specific biomedical measure used at most general hospitals is the Apgar scale. This scale is used to rate five physiological conditions of an infant immediately after birth. The results of the rating provide a probability indicator for the development of mental retardation. Most preventive activities that impact on mental retardation are not specifically designed to reduce the incidence of mental retardation but are designed to insure the general health and well being of individuals, especially pregnant women and children. Due to this fact, the mental retardation service delivery system often is not directly involved in the delivery of primary prevention services. At present, the mental retardation service delivery system serves the role of an advocate for, coordinator of, monitor of and

information source for preventive services and their providers. This role consists of insuring that providers of preventive services are aware of mental retardation and that their prevention programs should take into account the population at risk of mental retardation. One of the major areas of preventive activities is prenatal and postnatal care. The provision of adequate medical and nutritional services to pregnant women and infants can go a long way toward the assurance of the birth of healthy children and their normal development. Family planning and genetic counseling also can play a major role in reducing the incidence of mental retardation. The major direct activity of the mental retardation service system consists of providing information about mental retardation to health and social service agencies, health and social service professionals, and to the community at large. One-to-one consultations are held with health and social service professionals to increase their knowledge of mental retardation. Lectures and community meetings are held for community groups to increase their awareness of mental retardation and its preventability.

The program effectiveness measures for this subcategory such as infants born with organic mental retardation, births with birth defects or prematurity and organic mentally retarded infants born to high risk mothers, those mothers 39 years of age and older and 16 years of age and under, measure the impact of preventive programs over which the mental retardation system has no direct control. There is the presumption that there is at least an indirect causal relationship between the mental retardation system's activities and the level of incidence of mental retardation. With the present levels of preventive programs it is projected that the major indicators of program effectiveness will follow population trends.

Pregnancies with potential high risk and live births to high risk mothers indicates the high risk population which is in need of prevention services. The trends in the data for these measures follows the general population trends. There will be no dramatic change in the level of need for services other than the normal change due to population variations.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Mental Health and Mental Retardation Services	\$1,322	.....	.....	.....	.....	.....	.....
Community Services for Mentally Ill and Mentally Retarded . . . . .	.....	\$1,737	\$2,604	\$2,210	\$2,340	\$2,480	\$2,630
GENERAL FUND TOTAL	<u>\$1,322</u>	<u>\$1,737</u>	<u>\$2,604</u>	<u>\$2,210</u>	<u>\$2,340</u>	<u>\$2,480</u>	<u>\$2,630</u>

Early Identification, Diagnosis and Case Management

OBJECTIVE: To promote the earliest possible identification of mentally retarded persons and to refer them to appropriate services.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$10,137</u>	<u>\$11,171</u>	<u>\$16,159</u>	<u>\$13,680</u>	<u>\$14,430</u>	<u>\$15,225</u>	<u>\$16,070</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
New clients added to the mental retardation system	3,948	4,200	5,040	6,048	7,257	8,709	10,449
Active cases in county mental retardation program	8,630	9,500	10,925	12,563	14,448	16,615	19,107
Clients completing goals of program plans	N/A	1,375	2,500	3,000	3,600	4,320	5,184
Estimated unidentified mentally retarded persons	194,540	193,600	191,450	188,774	185,504	181,870	177,337
Estimated unidentified mentally retarded persons requiring services	32,004	31,130	29,549	27,704	25,542	23,081	18,181
Clients referred to or placed in services:							
Generic services	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Residential services	1,191	1,568	1,200	1,200	1,200	1,200	1,200
Public education services	4,695	N/A	N/A	N/A	N/A	N/A	N/A
Primary prevention services	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Preschool programs	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vocational programs	6,250	6,875	N/A	N/A	N/A	N/A	N/A
Social and recreational programs	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contacts received as crisis	106	127	254	508	500	500	500
Percent of crisis contacts receiving emergency services	100%	95%	95%	90%	90%	90%	90%

Program Analysis:

Many individuals are mentally retarded because preventive services are not completely effective. Therefore, because mental retardation continues to occur, it is necessary to make available a broad range of services. To insure the appropriate

delivery of services, it is necessary to identify mentally retarded individuals, assess their individual needs, develop a program plan for them, and have them placed in the appropriate service settings.

Early Identification, Diagnosis and Case Management (continued)**Program Analysis: (continued)**

It is important to discover as early as possible all individuals who have conditions associated with mental retardation in order to bring to bear all the known interventions that will minimize the effect of the unprevented disabling conditions. The earlier mental retardation is discovered, especially in the cases due to environmental deprivation, the sooner services can be brought to bear that may prevent the worsening of the condition and the sooner it may be possible to place the retarded individual in the mainstream of life.

The activities encompassed by this subcategory in part determine who should enter the service system and also screen out those for whom mental retardation services are not required or for whom other types of services may be indicated. This subcategory also includes active case finding of mentally retarded individuals.

Individual diagnosis and assessment attempts to determine the nature, severity and cause of a person's mental retardation, and to determine what interventions and services are needed to minimize the effects of the handicap. An extension of this evaluation process is individual program planning which consists of the development of a written personalized statement of goals and objectives for the client which specifies service modes of intervention for achieving the client's objectives and identifies agencies capable of delivering the needed services. Clients' objectives are stated within a time frame in behavioral terms that provide measurable units of progress.

Case management is another major function of this subcategory. Case management is the process that establishes the responsibility for the implementation of the client's individual program plan. It includes procuring direct program services whether specialized mental retardation services or services provided by generic agencies, coordination of multiple program placements, and monitoring all placements through the collection of information that measures the progress of the client.

Occasionally, the already stressed family and social situation surrounding a mentally retarded person may become suddenly untenable due to an unexpected change in the severity of the handicap or the sudden loss of a person who had been making a major contribution to the stability of the situation. The mental retardation system responds in such cases with crisis intervention services. This special response is

designed to bring a mentally retarded individual into the mental retardation service delivery system quickly and provide appropriate services.

The new clients added to the mental retardation system, is an indication of the extent of which the objective of early identification is being met. The data is projected to more than double from 1975-76 to 1979-80. This increase in new clients, assuming no increase in the rate of incidence of mental retardation may be due to two factors. The first is an increasing propensity of the mental retardation system to actively find cases of mental retardation in the community. The second factor may be an increasing awareness of retardation among the general population and an increasing willingness on the part of people to utilize the services provided by the mental retardation system.

The number of active cases in the county mental retardation program is estimated to increase from 10,925 in 1975-76 to 19,107 in 1979-80. This increase is a result of an excess of new clients entering the system over clients exiting the system. In a majority of cases a person does not leave the mental retardation service system entirely except by death or departure from the State. This is due to the lifelong nature of mental retardation and the fact that it is not something that can be "cured".

The number of clients completing goals of program plans, which is estimated to more than triple between 1974-75 and 1979-80, suggests that the program planning and case management functions will be applied to more individuals and will be more effective than at present.

A comparison of the data for the estimated number of unidentified mentally retarded persons and the estimated number of unidentified mentally retarded persons requiring service may seem incongruous and therefore requires an explanation. The data indicates that there are and will continue to be a large number of mentally retarded individuals most of whom would be classified as borderline or mildly retarded, who manage to function at a level that is acceptable to themselves and society without the aid of the mental retardation service delivery system.

At present, the information regarding clients referred to or placed in services is unavailable. When this information is collected it will show what types of services are needed by the mentally retarded and what the mix of services should be.

Early Identification, Diagnosis and Case Management (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
Mental Health and Mental Retardation Services	\$ 8,337	.....	.....	.....	.....	.....	.....
Community Services for Mentally Ill and Mentally Retarded	1,800	\$11,171	\$16,159	\$13,680	\$14,430	\$15,225	\$16,070
GENERAL FUND TOTAL	<u>\$10,137</u>	<u>\$11,171</u>	<u>\$16,159</u>	<u>\$13,680</u>	<u>\$14,430</u>	<u>\$15,225</u>	<u>\$16,070</u>

Independent and Family Living Arrangements

OBJECTIVE: To enable mentally retarded individuals to live in an independent setting or in a family setting by providing services and/or financial support to the family and/or mentally retarded individual.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$ 9,985	\$12,961	\$20,334	\$17,478	\$18,480	\$19,540	\$20,655
Federal Funds	222	344	365	365	365	365	365
TOTAL	\$10,207	\$13,305	\$20,699	\$17,843	\$18,845	\$19,905	\$21,020

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Mentally retarded persons who could live in a family or independent setting if provided support services	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percent of mentally retarded persons served who are living with their families, in foster homes, or in independent settings	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percent of mentally retarded persons served who are transferred to community living arrangements, private licensed facilities or State schools and hospitals	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Families and/or individuals provided:							
Respite care services	1,984	2,083	2,292	2,292	2,292	2,292	2,292
Sitter or companionship services	3,968	4,166	4,583	4,583	4,583	4,583	4,583
Specialized training and counseling necessary to provide adequate care for mentally retarded individuals in their household	3,079	3,233	3,556	3,556	3,556	3,556	3,556
Homemaker services	973	1,022	1,124	1,124	1,124	1,124	1,124
Occupational or physical therapy or other rehabilitative services	811	852	938	938	938	938	938
Transportation services	7,470	7,844	8,628	8,628	8,628	8,628	8,628
Preschool mentally retarded clients provided early intervention services	120	130	200	275	350	425	500
Clients provided early intervention services who enter public school as:							
General education students	0	15	34	45	56	68	79
Special education students	45	55	62	77	103	130	158
Preschool mentally retarded clients not provided early intervention	18,861	19,201	19,547	19,898	20,257	20,621	21,446

Independent and Family Living Arrangements (continued)

Program Measures: (continued)

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Mentally retarded persons on waiting list for mental retardation vocational training program	800	1,150	1,500	1,900	2,350	2,850	3,400
Clients in mental retardation system sponsored vocational training programs	6,250	6,875	6,875	6,875	6,875	6,875	6,875
Clients prepared for and/or placed in:							
Regular employment	725	797	797	797	797	797	797
Sheltered employment	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Program Analysis:

The philosophy of mental retardation now guiding the mental retardation service system has as its main feature the principle of "normalization." The "normalization" principle means making available, to the mentally retarded, patterns and conditions of everyday life which are as close as possible to the norms and patterns of the mainstream of society. The closest approach to the norms and patterns of the mainstream of society is family or independent living. Enabling mentally retarded individuals to remain in, or return to, family or independent settings is the most favorable outcome of the mental retardation service delivery system.

The changes in attitudes and philosophies toward mental retardation have caused the mental retardation system to concern itself with the provision of a wide array of programs and services for mentally retarded persons. These programs and services include: (1) family support services which have the effect of maintaining mentally retarded individuals of many ages in their homes; (2) early developmental training for preschool aged mentally retarded children; (3) prevocational and vocational training so that individuals who are mentally retarded may enter appropriate employment; (4) social and recreational opportunities for mentally retarded persons. The ideal situation occurs when the above listed services for individuals who are mentally retarded are integrated with similar services provided to non-retarded persons.

The number of mentally retarded persons who could live with their families or in an independent setting due to the services provided in this subcategory is undeterminable at this time. The program effectiveness measures used in this subcategory will indicate the achievement of the desired outcome of family and independent living when data becomes available.

Among the services provided by the mental retardation service system in this subcategory a major group consists of family resource services. These family support services are designed to offer the family the support structure necessary to

maintain their mentally retarded family member within the community and also to make support services available to retarded adults living independently in their own homes. These services both attempt to prevent institutionalization of mental retardates from ever taking place and to assist mentally retarded persons making the adjustment from an institutional to a community life style.

The individual types of services included under the title family resource services are the following: (1) respite care--the provision of a temporary residence to a retarded person when his family is experiencing stress, personal crisis, illness or need of a vacation; (2) family aid--the provision of sitter or companionship services to a mentally retarded family member for a few hours at a time which will allow the family to participate in normal activities such as shopping; (3) specialized family training and counseling--the provision of training and education to parents and other family members in dealing appropriately with the retarded family member; (4) homemaker services--the provision of homemakers to perform essential household duties when family members are unable to manage effectively; (5) in-home therapy--the provision of occupational, physical or other rehabilitative therapies to the homebound mentally retarded; (6) transportation services--the provision of assistance to families in transporting their child or adult retarded family member to various developmental programs. The measures of output for the above listed services all indicate an increase in 1974-75 and 1975-76. This is primarily due to the expansion of these services during the 1974-75 fiscal year. Due to the phase-in of expanded services during 1974-75, the program was not able to service as many families and/or individuals as it could in a full year of operation. The data presented for 1975-76 represents a full year's operation. In the future, increased emphasis will be placed on the use of the family as a vehicle and setting for the provision of care to the mentally retarded.

Independent and Family Living Arrangements (continued)

Program Analysis: (continued)

Another group of services provided in this subcategory are early intervention services for preschool aged mentally retarded children, which are usually conducted in a day care center. Retarded children from birth through five years of age are evaluated and enrolled in such programs and provided with professional stimulation in the areas of self-help skills, fine and gross motor skills, socialization skills, communication skills and other skills. An integral part of this program is the involvement of parents. Parents learn skills from teachers and teacher aides so that they can replicate training techniques in the home setting, thereby, preventing regression.

Such early intervention services are designed to encourage the development of retarded children and to facilitate their entry into the public school system. The majority of these children, in fact, are able to advance into higher level programs in the public school either in general or special education classes and are, thereby, prevented from entering the State institutional system. The measures of output for early intervention services are projected to increase substantially from 1974-75 to 1979-80. This projected rise is due to the increased emphasis placed on providing services to mentally retarded individuals during the early stages of their development and due to the increased effectiveness of the Early Identification, Diagnosis and Case Management subcategory in identifying mentally retarded persons at an early age. The number of clients served by early intervention services who enter public schools as general or special education students is projected to be 47 percent of the total served. This represents a high degree of success for the early intervention services. The number of preschool mentally retarded not served by generic care programs or in special centers indicates the pool of persons who potentially may require early intervention services.

Another major group of services provided in this subcategory are prevocational and vocational training services for the adult mentally retarded. The retarded adult needs

vocational services to achieve or approach the normal adult life style-- which is to work. The mental retardation service system is committed to the provision of a range of prevocational and vocational services, namely: vocational evaluation, occupational training, personal/work adjustment programs (prevocational services), sheltered employment, and, job counseling and placement. Such programs are typically offered by community workshops and vocational rehabilitation centers. It is obvious that appropriate vocational preparation and placement services follow the normalization principle, and reduce the retarded citizen's depending on the elaborate network of special supportive services.

Clients in mental retardation system sponsored vocational training programs and clients prepared for and placed in regular employment, after a slight increase in 1974-75, are projected at the same levels for the next five years. At the same time, the number of mentally retarded individuals on a waiting list for mental retardation vocational training programs is projected to triple from 1974-75 to 1979-80. It is apparent that the mental retardation service system will be progressively unable to meet the demand.

An effort to provide opportunities to the mentally retarded in the fields of recreation and social development is another prime concern of the mental retardation service system. Various programs now exist, but in a fragmented way. Current efforts are directed toward the development of a coordinated system of social and rehabilitation training. The main thrust of the program will be toward the integration of mentally retarded children and adults into the mainstream of society. That is, mentally retarded persons should have the opportunities and resources necessary to participate in the usual social and recreational activities of their community. Specialized programs will also be needed, of course, to provide leisure time activities for persons who cannot become involved in such programs and to provide developmental training for persons who need time to learn social and recreational skills before they can become involved in integrated programs.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Mental Health and Mental Retardation Services	\$ 9,985						
Community Services for Mentally Ill and Mentally Retarded		\$10,433	\$15,404	\$12,850	\$13,620	\$14,440	\$15,300
Small Unit Residential Treatment		2,528	4,930	4,628	4,860	5,100	5,355
GENERAL FUND TOTAL	<u>\$ 9,985</u>	<u>\$12,961</u>	<u>\$20,334</u>	<u>\$17,478</u>	<u>\$18,480</u>	<u>\$19,540</u>	<u>\$20,655</u>

Community Living Arrangements

OBJECTIVE: To enable mentally retarded individuals to live in noninstitutional community settings and to increase their capacity for community and family living by promoting the acquisition of requisite skills and behavior and to provide community living settings.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	<u>\$ 7,928</u>	<u>\$10,574</u>	<u>\$13,562</u>	<u>\$14,960</u>	<u>\$15,620</u>	<u>\$16,310</u>	<u>\$17,020</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Clients awaiting admission to noninstitutional community setting	715	1,133	1,133	1,133	1,133	1,133	1,133
Clients served in noninstitutional community living settings	1,312	2,371	2,371	2,371	2,371	2,371	2,371
Percent of clients served who are transferred to an independent or family living arrangement	29%	21%	21%	21%	21%	21%	21%
Percent of clients served who are transferred to a private licensed facility	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percent of clients served who are transferred to State school or hospital	4%	3%	3%	3%	3%	3%	3%
Clients who acquire a skill and are capable of or placed in competitive employment or non-competitive employment	918	1,211	1,211	1,211	1,211	1,211	1,211
Clients transferred from specialized programs to programs operated by generic agencies	393	519	519	519	519	519	519

Program Analysis:

Following the identification, evaluation and case management planning for a mentally retarded client, appropriate services must be provided if the client is to reach optimal functioning in society. In some cases, the client may be able to continue residence in the family or in an independent setting. (See subcategory: Independent and

Family Living Arrangements). In other cases, the client may need a more structured program at the community level in preparation for independent or family living.

The objective of this subcategory is to enable mentally retarded individuals to live in noninstitutional community settings and to increase their capacity for community and

Community Living Arrangements (continued)

Program Analysis: (continued)

family living by promoting the acquisition of requisite skills and behavior and to provide community living settings. This objective is being met through the Community Living Arrangements program. This program provides a progressive continuum of nine different types of community based residential programs in apartments or homes for mentally retarded citizens of all ages and all degrees of handicaps. These residential programs, sometimes referred to as group homes, may be considered as alternatives to traditional institutionalization, thereby serving as a vital component in deinstitutionalization.

Children who reside in community living arrangements attend regular classes during the day. Adults work in the community in vocational training settings, sheltered workshops or competitive employment. Residents receive training and instruction in such areas as money management, telling time, reading and writing, utilizing community resources and others. In all cases, an effort is made to minimize all those things about the individual which may make the individual appear to be different and to maximize those things which may make the individual appear to be the same.

The criteria upon which the community living arrangements are evaluated are, fundamentally: (1) that the environment be conducive to personal dignity; (2) that the health, safety and

social well-being of each resident will be protected; (3) that services are provided in surroundings and under circumstances which are as close as possible to those which are typical for the general population; (4) that a comprehensive program of developmental services be provided to enhance the capacity of each resident to achieve this optimum level of self-realization, self-care, social competence and economic self-sufficiency.

Clients awaiting admission to noninstitutional community setting indicates the continuing need for development of community living arrangements.

The success of the program in meeting its objective is reflected in percent of clients served who are transferred to an independent or family living arrangement. Approximately 29 percent of all clients served to date, have been dispersed to independent living, natural parents, foster parents or nursing homes where appropriate. Percent of clients served who are transferred to a State school and hospital indicate the failure of the program to meet part of its objective. It should be noted that this percentage is relatively small. The last two measures, reflect the success of the program in moving clients into employment settings and the success of the program in moving clients into services provided to the community at large as opposed to specialized services just for the retarded.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Mental Health and Mental Retardation Services	\$ 6,528	.....	.....	.....	.....	.....	.....
Small Unit Residential Treatment	1,400	\$10,574	\$13,562	\$14,960	\$15,620	\$16,310	\$17,020
GENERAL FUND TOTAL	<u>\$ 7,928</u>	<u>\$10,574</u>	<u>\$13,562</u>	<u>\$14,960</u>	<u>\$15,620</u>	<u>\$16,310</u>	<u>\$17,020</u>

**Community Living Arrangements
Program Revision: Expansion of Community Living Arrangements for Mentally Retarded**

Recommended Program Revision Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund			<u>\$1,886</u>	<u>\$3,950</u>	<u>\$4,110</u>	<u>\$4,275</u>	<u>\$4,450</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Clients awaiting admission to noninstitutional community setting							
Current	715	1,133	1,133	1,133	1,133	1,133	1,133
Program Revision			259	259	259	259	259
Clients served in noninstitutional community living setting							
Current	1,312	2,371	2,371	2,371	2,371	2,371	2,371
Program Revision			3,245	3,245	3,245	3,245	3,245
Openings in noninstitutional community living arrangements							
Current	879	1,450	1,450	1,450	1,450	1,450	1,450
Program Revision			1,990	1,990	1,990	1,990	1,990

Program Analysis:

This Program Revision is intended to continue the expansion of the Community Living Arrangements Program so it may serve more mentally retarded persons. This is consistent with the Commonwealth's total commitment to de-institutionalization.

The Community Living Arrangements Program, created in 1971, provides a progressive continuum of nine different types of community-based residential services as alternatives to institutionalization for the Commonwealth's mentally retarded citizens. This comprehensive and progressive continuum provides an opportunity for the mentally retarded person to live as close as possible to the patterns and norms of the mainstream of society, thereby making it possible for him to achieve his fullest potential and become as independent and economically self-sufficient as possible.

The Community Living Arrangements Program is based upon the Commonwealth's five year plan for de-institutionalization. Within this five year time frame, 3,325 retarded persons presently in institutions and private licensed facilities would be placed in community living arrangements. This figure would be matched with 3,325 placements of

retarded citizens from the community who are in imminent danger of institutional placement. Thus, the goal of the Community Living Arrangements program is to achieve 6,650 placements by the end of 1977-78.

As of December 31, 1974, 1,778 persons had been served through this program. Of this number 621 had been dispersed to other living arrangements (535 to more independent living situations and 86 to State schools and hospitals) and 1,157 were residing in living arrangements funded through this program. Approximately 50 to 60 per cent of those persons served are from State institutions or private licensed facilities.

By June 30, 1975 it is anticipated that 2,371 persons will have been served.

The recommended funding for 1975-76 will enable the program to serve 3,245 by June 30, 1976, thereby making a significant impact on the waiting list for community living arrangements.

Funds recommended for 1975-76 represent one-half of the estimated 15 month cost. This is due to the fact that the program will be phased in during the course of the 1975-76 fiscal year.

Program Revision Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Small Unit Residential Treatment			<u>\$1,886</u>	<u>\$3,950</u>	<u>\$4,110</u>	<u>\$4,275</u>	<u>\$4,450</u>

Institutional Living Arrangements (Private Licensed Facilities.)

OBJECTIVE: To enable institutionalized mentally retarded individuals to increase their capacity for community and family living by promoting the acquisition of requisite skills and behavior, and to move them into community settings.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$7,026</u>	<u>\$6,930</u>	<u>\$8,680</u>	<u>\$6,930</u>	<u>\$6,930</u>	<u>\$6,930</u>	<u>\$6,930</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Clients provided services in private licensed facilities	1,750	1,726	1,726	1,726	1,726	1,726	1,726
Clients transferred to an independent or family living arrangement	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Clients transferred to a community living arrangement	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Clients transferred to a State school or hospital	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Program Analysis:

The activities of this subcategory provide institutional living arrangements for some mentally retarded persons who have been diagnosed as in need of inpatient care in a State school and hospital, but for whom such care cannot be provided due to overcrowded conditions. The living arrangements provided in these private licensed facilities (PLF), commonly referred to as interim care, are funded entirely by the State through the community mental retardation program. They are licensed by the Department of Public Welfare. Interim care is mandated by the Mental Health and Mental Retardation Act of 1966.

Because of the institutional nature of these living arrangements, they are considered less desirable than independent, family or community living arrangements. They are considered more desirable than care in a State school and hospital because of their relatively small population, an average of 35 persons per facility. This tends to diminish the

development of extreme dependency on the part of the resident which is often associated with care in a State school and hospital.

They are the last step in the progressively intensive mental retardation service delivery system before admission to a State school and hospital.

The disabilities of the individuals being served in the private licensed facilities range from profound to mild levels of mental retardation. It is generally known that most individuals residing in these facilities are receiving developmental, social and recreational program services, even though current regulations governing PLF's are lacking in programmatic requirements. Specific data, however, to evaluate the effectiveness of these services is not available. Such specific information has not been obtainable for individuals residing in

Institutional Living Arrangements (Private Licensed Facilities.)

Program Analysis: (continued)

private licensed facilities primarily due to the fact that these facilities have always been apart from the State residential service structure and subsequently, they have never been tied into the State reporting system.

In order to evaluate the effectiveness of private licensed facilities, data will be needed which will reflect the programs

success in moving clients to less intensive services. The clients transferred to an independent or family living arrangement and clients transferred to a community living arrangement should increase if the program is successful. Clients transferred to a State school and hospital should decrease, since this is a more intensive service.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Mental Health and Mental Retardation Services	\$7,026	.....	.....	.....	.....	.....	.....
Community Services for Mentally Ill and Mentally Retarded .....	.....	\$6,930	\$8,680	\$6,930	\$6,930	\$6,930	\$6,930
GENERAL FUND TOTAL	<u>\$7,026</u>	<u>\$6,930</u>	<u>\$8,680</u>	<u>\$6,930</u>	<u>\$6,930</u>	<u>\$6,930</u>	<u>\$6,930</u>

State Schools and Hospitals

OBJECTIVE: To provide a structured program environment for mentally retarded individuals to increase their capacity in as short a time as possible for community and family living by promoting the acquisition of requisite skills and behavior and to move them into appropriate alternative community settings at their point of readiness.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$ 79,184	\$105,377	\$140,254	\$120,221	\$125,025	\$130,023	\$135,220
Federal Funds	33,746	44,570	58,270	50,125	52,130	54,215	56,390
Other Funds	7,491	7,247	6,695	5,828	6,060	6,300	6,550
TOTAL	<u>\$120,421</u>	<u>\$157,194</u>	<u>\$205,219</u>	<u>\$176,174</u>	<u>\$183,215</u>	<u>\$190,538</u>	<u>\$198,160</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Clients awaiting admission to State schools and hospitals	5,886	5,298	4,769	4,293	3,864	3,478	3,131
Bed capacity in State schools and hospitals	10,244	11,400	11,400	11,400	11,400	11,400	11,400
State school and hospital institutional population at end of fiscal year	10,271	9,245	8,505	7,570	7,191	6,880	6,536
Mentally retarded persons in units at State mental hospitals	320	1,144	1,144	1,144	1,144	1,144	1,144
Percent of State school and hospital institutional population:							
Transferred to independent or family living arrangements	3.8%	4.2%	4.6%	5.7%	5.0%	2.5%	2.0%
Transferred to community living arrangements	2.8%	3.1%	3.6%	4.7%	5.1%	2.5%	2.0%
Transferred to private licensed facilities or other private placements	1.4%	1.3%	1.3%	1.6%	1.8%	1.0%	1.0%
Ready for alternative placement	12.3%	11.1%	6.1%	4.2%	2.3%	1.2%	1.2%
State school and hospital institutional clients who are trainable and unemployed	1,796	1,850	1,665	1,499	1,350	1,215	1,094
State school and hospital institutional clients placed in community sheltered workshops or structured employment	461	554	610	671	738	812	893

State Schools and Hospitals (continued)

Program Analysis:

This program includes the operation of eleven State-owned schools and hospitals which serve the mentally retarded. These institutions have traditionally been the primary provider of service and therefore had assumed a custodial and, in many instances, life maintenance role. The realization that mental retardation does not automatically require life-long institutional care has led to the development of alternative services in the community to assure every mentally retarded citizen the opportunity to achieve maximum potential. The development of a comprehensive service system providing community service alternatives is changing the role of the institutions to one type of service provider among many and has demanded an explicit objective for their continued operation. That objective is to prepare institutionalized clients for community living in as short a time as possible and move them into appropriate alternative settings at their point of readiness.

There are several major barriers which must be overcome before the institutions can meet this objective. First, community services must be provided in the quality and quantity necessary to facilitate the movement of clients. As noted, 6.1 percent of institutionalized clients are ready for alternative placement but cannot move to the community due to the absence of community services. (See subcategories Independent and Family Living Arrangements and Community Living Arrangements for a discussion of this problem).

Secondly, the institutions must develop a structured program environment which will assure the acquisition of requisite skills and behavior by the client so the individual can move to a community setting. This will require an ongoing retraining program for institutional employees and the adoption of the latest training techniques for the clients. One such training program which was begun during 1973-74 requires the establishment of behavioral goals for each client. This type of approach is seen as a major strategy in preparing mentally retarded persons to develop the daily living skills that will promote successful community living. Special attention has been given to promoting the use of the same techniques in community agencies so that plans started

within the institution will follow the mentally retarded person and provide continuity of progress toward the goals. During 1973-74, goal plans were written for 495 clients at White Haven and for 504 clients at Pennhurst. In addition, 165 staff members at White Haven and 168 individuals at Pennhurst received training in goal planning. By June 30, 1975, it is expected that all institutions for the mentally retarded will have implemented goal planning programs.

The success of the institutions in preparing residents for community living is reflected in three measures listed above. These measures reflect the percent of institutionalized clients who have been transferred to independent or family living arrangements, community living arrangements and private licensed facilities or other private placements.

The measure, clients who are trainable and unemployed, indicates a significant need for expanding vocational training services in the institutions. The measure, clients placed in community sheltered workshops or structured employment, reflects the success of existing services in preparing clients for community living.

Thirdly, a mechanism must be developed which will allow for the utilization of manpower in a manner compatible with the requirements of the service system. As the new role of the institutions develops and the demand for institutional services diminishes, the need for manpower at the institutions should lessen. The transfer of this manpower to community programs is necessary not only from a program objective point of view but from a fiscal one as well. The cost of funding an institutional program at its current level reduces fiscal resources available to develop community services. Fiscal resources simply are not available to support a dual system of services.

The measure, clients awaiting admission to State schools and hospitals, indicates a continuing significant demand for institutional services. Only those persons who can benefit from the type of services provided in an institutional setting should be admitted. Others should be diverted to community services as they become available.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Mental Health and Mental Retardation Services	\$ 76,729	\$102,263	\$140,182	\$120,146	\$124,950	\$129,948	\$135,145
Institution for the Mentally Retarded--Southeastern	2,365	.....	.....	.....	.....	.....	.....
Mental Health and Mental Retardation Services--Additional Staff . . . . .	.....	2,500	.....	.....	.....	.....	.....
Mental Health and Mental Retardation--Resident Population Dispersal . . . . .	.....	500	.....	.....	.....	.....	.....
Capital Improvements	90	114	72	75	75	75	75
GENERAL FUND TOTAL	\$ 79,184	\$105,377	\$140,254	\$120,221	\$125,025	\$130,023	\$135,220

Income Maintenance

OBJECTIVE: To insure that all handicapped, dependent or incipiently dependent individuals are enabled to live at the State's minimum standard of health and decency by providing cash grants.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 379,640	\$ 452,742	\$ 810,883	\$ 630,846	\$ 631,159	\$ 646,441	\$ 667,129
Special Funds	11,000						
Federal Funds	264,274	285,834	538,101	466,821	453,594	458,352	467,725
Other Funds	17,337	20,222	29,750	24,200	25,400	26,600	27,800
TOTAL	\$ 672,251	\$ 758,798	\$1,378,734	\$1,121,867	\$1,110,153	\$1,131,393	\$1,162,654

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Persons receiving cash grants	732,819	744,500	902,400	830,000	805,800	813,900	830,200
Aged, blind, and disabled persons receiving supplemental grants	103,117	140,000	176,500	227,500	250,000	250,000	250,000
Persons eligible for public assistance cash grants on basis of income level	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Amount of reimbursement collections (in thousands)	\$14,911	\$17,000	\$20,500	\$21,000	\$22,000	\$23,000	\$24,000
Cash value of food stamps issued each month (in thousands)	\$24,074	\$24,457	\$29,779	\$28,220	\$27,397	\$27,673	\$28,227
Persons eligible who have been referred to Work Incentive (WIN) Program	22,241	26,360	26,900	27,600	28,300	29,700	29,800
Blind persons employed in blind vending stands	185	200	215	230	245	260	275
Persons receiving vocational rehabilitation services	4,200	6,300	6,400	6,600	6,700	6,800	7,000

Program Analysis:

The opportunities to alleviate or eliminate the very real problems of individual poverty are extremely limited. To be poor means that cash, property, social, political and educational resources are almost, if not completely, nonexistent. Dependency upon private and/or governmental support of some form becomes necessary merely to survive. Any additional burden is difficult, if not impossible, to bear.

In last year's Governor's Recommended Budget a grant increase was requested to assure that those in need of cash assistance did not fall below the minimum standard of living.

The maximum level of the Commonwealth standard was redefined in 1974 as \$4,200 annually for a family of four. The revision was made necessary by the inflationary trends of the United States' economy. But there seems to be little argument that the rate of inflation has increased in 1974-75 and the burdens of inflation and recession will continue to increase during 1975-76. Unfortunately, the Commonwealth's assistance level does not automatically adjust to the rise in inflation. Between July, 1973 and April, 1974 the Consumer Price Index (CPI) rose 11.75 percent. The grant increase of

Income Maintenance (continued)

Program Analysis: (continued)

April, 1974 raised the level of assistance over 11 percent. While this grant increase nullified the increase of the Consumer Price Index, it did not take into account the rate of increase of the CPI since the last grant increase of 1970. In addition, in only four months the CPI rose another 2.9 percent between April, 1974 and July, 1974. The additional need for cash assistance was evidenced particularly in the first three months of the 1974-75 fiscal year. Not only did the personload increase significantly in comparison to the previous months, but the amount of the grant per person per month also rose.

Continuing inflation, particularly during the current recession, can only mean continuing hardship for every consumer, but even more so for the financially and socially hard pressed. Financially, persons on cash assistance do not have an opportunity to save any money since the conditions for eligibility and the grant level prohibit the ability to save. Cash assistance recipients generally are not property-owners. In 1973, a total of 86 percent of the Aid For Dependent Children (AFDC) recipients did not live in a home owned by any of the household members. Most recipients do not own cars. Residence patterns of the poor tend to fall in urban areas, in large part because recipients are forced to rely on public transportation.

Educationally, 54 percent of the AFDC mothers in the home, and 73 percent of the fathers in the home had less than a high school education. This compares to 50 percent of the population statewide over 25.

Socially and politically, persons receiving cash assistance have little, if any, resources. Social and political resources are obtained and sustained by monetary and educational influences. Although such outside influences may from time to time affect the circumstances or resources of a public assistance recipient, these influences are sporadic and usually ineffective over a period of time.

Recipients of cash assistance are also hindered in the present economic situation because of the general lack of available external resources which affect the total population of the nation as a whole. Recipients, while normally restricted from the cash flow created by personal debt, are further restricted by the present national tight money situation. At the same time the nation is experiencing governmental efforts to cut spending which has the effect of limiting or reducing the flow of services to the poor. One further trend in this economy is the increase in unemployment. Inflationary cost of living is forcing one-time-only workers into the labor pool when industry is cutting down on hiring. In addition, many major industries are being affected either financially, evidenced by layoffs, or by nationwide strikes. More and more families are being headed by two wage earners instead of one, while industry is finding that demand is decreasing with the

increased price of goods. Hence, many jobs that finally filter down to the poor during better economic periods are no longer available.

For the most part, employment for those in poverty is an opportunity that cannot be exercised. These persons are either too young, too old, too ill (mentally or physically), unskilled, or burdened with the care of the young, old or ill to be considered for employment. For these reasons and because of a high and increasing unemployment rate, there is little reason for those who are available for employment to expect employment that will eliminate the need for further cash support. Nevertheless, those who are found to be employable are required to register with the Work Incentive (WIN) program and with the Bureau of Employment Security in order to remain eligible for cash assistance.

Inflation and recession have had and will continue to have an adverse effect on the poor even after the economy begins to recover. To hedge against continued hardships this budget is recommending a six percent grant increase that will cost \$40 million in fiscal 1975-76 and will begin September 1, 1975 for the Aid For Dependent Children (AFDC) and General Assistance (GA) categories. It is also being recommended that Supplemental Security Income (SSI) recipients receive a six percent increase in the total grant per person effective January 1, 1976. This would have the effect of increasing the State supplemental grant to SSI recipients from \$20 to \$30 per individual and from \$30 to \$40 per couple. Further discussion of both these increases may be found in the appendices to this subcategory.

The total Public Assistance personload, as indicated on the following page, is composed of three categories of assistance: AFDC, GA and State Blind Pension (SBP) in addition to those persons receiving SSI Supplemental grants.

The latter two categories are completely State-funded, the former receives 55 percent Federal funds and 45 percent State funds. Cash assistance is distributed through 67 county boards of administration. AFDC represents about 84.5 percent of the total personload with about 68 percent children, GA represents about 14.7 percent and SBP less than one percent.

Inflationary and recessionary trends have had a significant and unexpected effect on the personload. Since December, 1974, the personload, particularly in the GA category, has been rising sharply. Most of this increase has been attributed to those individuals who recently have been laid off and are not eligible for unemployment compensation. To relieve the county staffs from the overwhelming increase in work loads, the authorized complement was increased in early 1975. During the budget year, if the personload continues to increase as expected, it will be necessary to further increase the authorized complement. If error rates in determining eligibility

Income Maintenance (continued)

Program Analysis: (continued)

are not kept to a minimum, the Federal Government will withhold funds in the amount that is the difference between the minimum error rate and the actual error rate. This additional staff will be able to keep this error rate to a minimum so that no loss of Federal funds occurs.

In addition, the county staffs will continue to seek accountability through the management techniques initiated by this Administration. With the Secretary of Welfare's Eligibility Evaluation Program (SWEET) and Direct Delivery this agency has managed to bring under control ineligibilities, overpayments and fraud.

To date SWEET has grossed savings of \$30.6 million. Through this program 384,832 cases in 67 counties have been reviewed out of which 10,864 cases — or 29,333 persons — were found to be ineligible and were removed from the rolls. In 1970-71 the combined ineligibility rate was 10.1 percent of the caseload, in 1971-72 it was 9.5 percent, in 1972-73 it was 8.7 percent and in 1973-74 it was 6.8 percent.

Although SWEET teams have been to all counties now, the SWEET effort will continue to visit the counties for further evaluation.

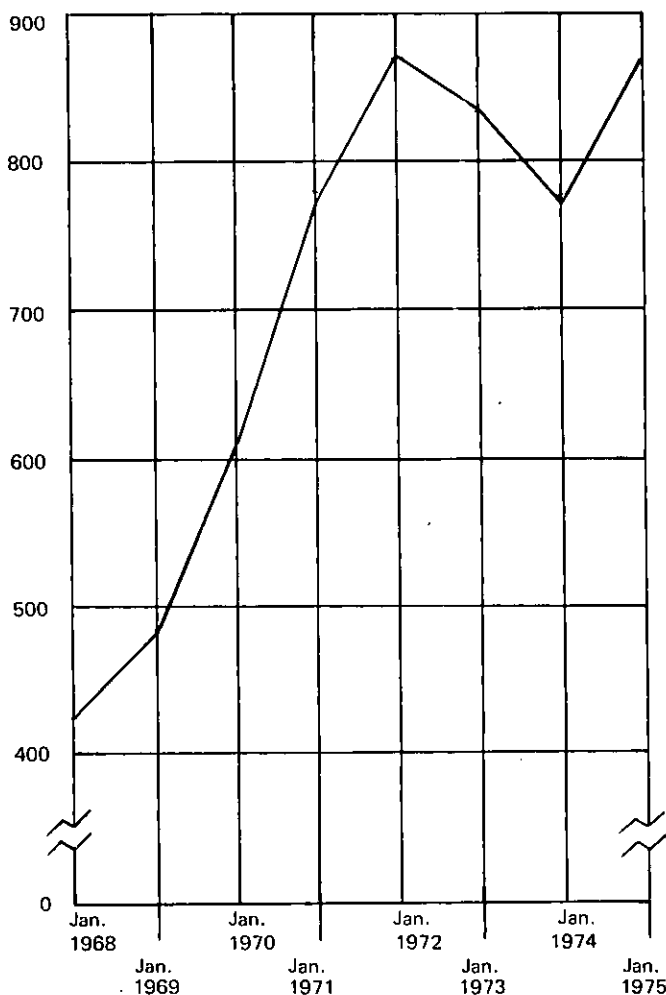
Through Direct Delivery, local banks are cooperating to deliver assistance checks to eliminate the number of replacements and duplicate checks. This management technique has received national recognition. Direct Delivery is presently being operated in the cities of Allentown, Bristol, Chester, Erie, Harrisburg, Lancaster, Philadelphia, Pittsburgh, Reading, Scranton, Warminster and York. Participating in this program are 103,553 GA and AFDC cases or 40 percent of the caseload.

In 1974-75 the Allentown banks began delivering checks to recipients through the use of branch banks and trucks. Previously these recipients could not participate in Direct Delivery because of the lack of public or private transportation.

In September, 1974 an effort to expand the utilization of food stamps began. The U.S. Department of Agriculture reported that of the forty to fifty million persons nationwide eligible to use food stamps only 15 million are participating in the program. One of the reasons for this low participation rate was assumed to be the lack of knowledge about this program. In addition, it was felt that an increased outreach program would help to ease the burdens of strikes and the economy. To date this outreach has had a large impact at the county boards of assistance. Normally, a little over 4,000 food stamp eligibles are certified. However, during the month of September alone this figure tripled. It is expected that this increased outreach effort will continue permanently.

Another management effort affecting primarily AFDC and GA recipients is the Bureau of Claim Settlement. This bureau makes collections from financially and legally responsible relatives of recipients, and it processes support payment actions on behalf of the recipient. In 1974-75 these activities were increased substantially with the creation of 60 new positions. Restitutions and reimbursements resulting from these activities, which were \$17 million in 1974-75, are returned to the Cash Assistance Appropriation.

Public Assistance Average Personload
(in Thousands)
January, 1968 to January, 1975



Income Maintenance (continued)

Program Analysis: (continued)

A related but different program of assistance is the supplemental grants contributed to Supplemental Security Income (SSI), a Federal program for aged, blind and disabled low income persons. The Federal Government is administering this program and supplying the basic grant of \$146 per month to the eligibles. In addition, the Commonwealth is paying a \$20.00 flat grant to all SSI eligibles.

Federal law requires the State to supplement to the original grant level those recipients previously receiving grants under the Old Age Assistance, Aid to the Disabled and Aid to the Blind categorical grant programs. Since the inception of SSI, the Commonwealth chose to supplement individuals beyond this mandate in order to improve the recipient's standard of living.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$ 164	\$ 702	\$ 999	\$ 917	\$ 973	\$ 1,029	\$ 1,093
Cash Assistance	375,387	404,203	723,060	530,767	514,437	519,160	529,252
County Administration	3,483	4,546	6,492	7,104	7,441	7,798	8,180
Claims Settlement .....	.....	2,000	2,563	2,400	2,512	2,618	2,727
Supplemental Grants—Aged, Blind and Disabled .....	.....	40,619	76,866	88,900	105,000	115,000	125,000
Services to the Blind	606	672	903	758	796	836	877
GENERAL FUND TOTAL	<u>\$379,640</u>	<u>\$452,742</u>	<u>\$810,883</u>	<u>\$630,846</u>	<u>\$631,159</u>	<u>\$646,441</u>	<u>\$667,129</u>
REVENUE SHARING TRUST FUND							
Supplemental Grants—Aged, Blind and Disabled	<u>\$ 11,000</u>	.....	.....	.....	.....	.....	.....

Income Maintenance
Program Revision: Increased Cash Assistance Grants

Recommended Program Revision Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
General Fund	\$39,541	\$30,168	\$29,282	\$29,581	\$30,173	
Federal Funds	28,640	23,966	23,261	23,496	23,973	
TOTAL	<u>\$68,181</u>	<u>\$54,134</u>	<u>\$52,543</u>	<u>\$53,077</u>	<u>\$54,146</u>	

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Persons receiving cash grants							
Current	732,819	744,500	902,400	830,000	805,800	813,900	830,200
Program Revision .....	.....	.....	902,400	830,000	805,800	813,900	830,200

Program Analysis:

The Woodbury Standard of 1957 is a market basket standard of living developed by an advisory committee to determine the cost of basic living needs. This standard is used as the basis for granting cash assistance to eligible persons in Pennsylvania. While several grant increases have slightly modified this standard, it is basically the same now as it was in 1957. Consequently, the list of basic needs is somewhat antiquated and does not adequately reflect the current needs of Pennsylvania citizens. In January 1970, the average cash grant was increased to meet 100 percent of the Woodbury Standard.

Since that time, all other grant increases have been based on adjusting the amount of the grant to the escalating dollar value of the market basket. Between January, 1970 and September, 1974 the Consumer Price Index (CPI) has increased 34 percent. The average cash grant has not kept pace with the

rising CPI, even with the 11 percent grant increase given in April, 1974.

The poor have probably suffered more than anyone else because their buying power was extremely limited even before inflation began limiting other consumers. In an attempt to bring the poor closer to the 1970 level of assistance, this budget includes a 6 percent grant increase effective September 1, 1975. While this grant increase will only narrow the gap between the pace of the CPI (and the Woodbury Standard) and the cash grant level, it makes the imbalance somewhat less intolerable.

Projections for the April, 1974 grant increase assumed an increase in personload directly related to the grant increase. Experience has indicated that this relationship did not exist last year, thus, the 1975 grant increase is not projected to have an effect on the personload, especially since this grant increase is somewhat smaller.

Program Revision Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
GENERAL FUND								
Cash Assistance	<u>\$39,541</u>	<u>\$30,168</u>	<u>\$29,282</u>	<u>\$29,581</u>	<u>\$30,173</u>	

Income Maintenance

Program Revision: Increased Supplemental Grants—Aged, Blind and Disabled

Recommended Program Revision Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$15,000</u>	<u>\$34,000</u>	<u>\$45,000</u>	<u>\$55,000</u>	<u>\$65,000</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Persons eligible for SSI and State supplement							
Current	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Program Revision .....	.....	.....	250,000	250,000	250,000	250,000	250,000
Persons receiving SSI and State supplement							
Current	51,559	140,000	176,500	227,500	250,000	250,000	250,000
Program Revision .....	.....	.....	176,500	227,500	250,000	250,000	250,000

Program Analysis:

Under the Supplemental Security Income (SSI) program administered by the Federal Government, the Commonwealth supplements each monthly grant with \$20 for an individual and \$30 for a couple. With the basic grant and the State supplemental, the grant per person is about \$10 higher than the present grant per person in the Aid For Dependent Children program. However, since the elderly, blind and disabled are usually less mobile than recipients in other categories of assistance, they have special problems. The inability to go to where services are delivered means that the SSI recipient either receives specialized services in the home, purchases any necessary services or does without these services. The most direct method of addressing the basic problems of survival is, in this instance, to increase the amount of the State supplemental grant. It is therefore being recommended in this budget that the State supplemental be increased from \$20 to \$30 for an individual and from \$30 to \$40 for a couple beginning January 1, 1976. A SSI individual recipient would then receive \$176 per month and a couple would receive \$259 per month. This additional \$10 flat grant would represent a 6 percent grant increase.

This grant increase is expected to cost \$13 million in 1975-76. The remaining two million dollars being requested for this program revision in 1975-76 is to provide extraordinary grants under an experimental domiciliary care program.

For some time now there has been evidence that the poor, particularly the elderly with limited mobility, have been living in substandard group residences generally referred to as "boarding homes." The advent of the SSI program and the Social Security Amendments of 1972 has indirectly urged the increase in the proprietary boarding home industry. In many cases those nursing homes not meeting skilled nursing or intermediate care standards have become boarding homes.

It is the intent of this extraordinary supplemental grant to provide those elderly SSI recipients who are physically impaired an incentive to live in a boarding home that has been licensed and approved by the Commonwealth as a Personal Care Home. Since this grant will only be given on a selected basis, legislation amending the Public Welfare Code will be required.

Program Revision Costs by Appropriations:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Supplemental Grants—Aged, Blind and Disabled	<u>\$15,000</u>	<u>\$34,000</u>	<u>\$45,000</u>	<u>\$55,000</u>	<u>\$65,000</u>

Department of Revenue

The Department of Revenue collects all tax levies as well as various fees, fines and other monies due the Commonwealth. The Department also supervises the administration and collection of monies for various Special Funds.

The Department prepares the official estimates of the tax yield due the Commonwealth while also analyzing the effect on revenues of proposed changes in either the laws or the tax structure of the Commonwealth.

DEPARTMENT OF REVENUE
Summary by Fund and Appropriation

	1973-74 Actual	(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
General Fund				
General Government				
General Government Operations	\$ 35,636	\$ 40,435	\$ 44,698	\$ 56,012
Compensation of Informers and Escheators .....	.....	20	5	5
Sub-Total	<u>\$ 35,636</u>	<u>\$ 40,455</u>	<u>\$ 44,703</u>	<u>\$ 56,017</u>
Grants and Subsidies				
Distribution of Public Utility Realty Tax	\$ 19,825	\$ 21,200	\$ 22,000	\$ 22,000
Total State Funds—General Fund	<u>\$ 55,461</u>	<u>\$ 61,655</u>	<u>\$ 66,703</u>	<u>\$ 78,017</u>
Other Funds	\$ 1,091	\$ 1,768	\$ 1,531	\$ 1,915
GENERAL FUND TOTAL	<u>\$ 56,552</u>	<u>\$ 63,423</u>	<u>\$ 68,234</u>	<u>\$ 79,932</u>
Motor License Fund				
General Government				
Collection—Liquid Fuels Tax	\$ 1,990	\$ 2,370	\$ 2,700	\$ 3,304
MOTOR LICENSE FUND TOTAL	<u>\$ 1,990</u>	<u>\$ 2,370</u>	<u>\$ 2,700</u>	<u>\$ 3,304</u>
Boating Fund				
General Government				
Collecting Motorboat Registration Fees	\$ 161	\$ 210	\$ 224	\$ 285
BOATING FUND TOTAL	<u>\$ 161</u>	<u>\$ 210</u>	<u>\$ 224</u>	<u>\$ 285</u>
State Harness Racing Fund				
General Government				
Administration of Collections—Harness Racing	\$ 97	\$ 107	\$ 148	\$ 168
STATE HARNESS RACING FUND TOTAL	<u>\$ 97</u>	<u>\$ 107</u>	<u>\$ 148</u>	<u>\$ 168</u>
State Horse Racing Fund				
General Government				
Administration of Collections—Horse Racing	\$ 82	\$ 102	\$ 133	\$ 166
STATE HORSE RACING FUND TOTAL	<u>\$ 82</u>	<u>\$ 102</u>	<u>\$ 133</u>	<u>\$ 166</u>

DEPARTMENT OF REVENUE
Summary by Fund and Appropriation
(continued)

	1973-74 Actual	(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
State Lottery Fund				
General Government				
General Operations	\$ 10,357	\$ 13,077	\$ 14,168	\$ 17,840
Payment of Prize Money	56,894	58,332	46,587	56,340
Payment of Commissions	547	450	200	200
Sub-Total	<u>\$ 67,798</u>	<u>\$ 71,859</u>	<u>\$ 60,955</u>	<u>\$ 74,380</u>
Grants and Subsidies				
Property Tax and Rent Assistance for the Elderly	\$ 35,149	\$ 62,300	\$ 44,243*	\$ 47,879*
Total State Funds—State Lottery Fund	<u>\$102,947</u>	<u>\$134,159</u>	<u>\$105,198</u>	<u>\$122,259</u>
Other Funds	\$ 136	\$ 148	\$ 148	\$ 157
STATE LOTTERY FUND TOTAL	<u>\$103,083</u>	<u>\$137,307</u>	<u>\$105,346</u>	<u>\$122,416</u>
Department Total — All Funds				
General Fund	\$ 55,461	\$ 61,655	\$ 66,703	\$ 78,017
Special Funds	105,277	136,948	108,403	126,182
Other Funds	1,227	1,916	1,679	2,072
TOTAL ALL FUNDS	<u>\$161,965</u>	<u>\$200,519</u>	<u>\$176,785</u>	<u>\$206,271</u>

* Assumes payments will be pro-rated.

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Government Operations			
State Funds	\$35,636	\$40,435	\$56,012
Other Funds	1,091	1,768	1,915
TOTAL	<u>\$36,727</u>	<u>\$42,203</u>	<u>\$57,927</u>

Directs enforcement of all tax statutes of the Commonwealth. Major activities include determining and implementing policies and procedures for tax collection and tax settlements, preparing the official Commonwealth revenue estimates, conducting field audits, preparing and mailing out tax forms and instructions, and the processing of returns.

Major taxes administered and enforced include sales tax, personal income tax, corporation taxes and cigarette and beverage taxes.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
General Government Operations	\$35,636	\$40,435	\$56,012
Other Funds:			
Audit of State Authorities	8	8	11
Charges to Special Funds	992	1,345	1,816
Cigarette Fines and Penalties	45	40	50
Sale of Tax Data	46	40	38
Supplemental Retirement Contribution .....	.....	335	.....
TOTAL	<u>\$36,727</u>	<u>\$42,203</u>	<u>\$57,927</u>

GENERAL FUND

REVENUE

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Compensation of Informers and Escheators			
State Funds	\$ 20	\$ 5

Provides a financial incentive for information regarding escheat and decedant cases where the Commonwealth has a statutory interest.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Compensation of Informers and Escheators	<u>\$ 20</u>	<u>\$ 5</u>

Grants and Subsidies

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Distribution of Public Utility Realty Tax			
State Funds	\$19,825	\$21,200	\$22,000

Provides for the distribution of the money that local taxing authorities could have received had they been able to tax the realty of public utilities.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Distribution of Public Utility Realty Tax	<u>\$19,825</u>	<u>\$21,200</u>	<u>\$22,000</u>

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General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Collection—Liquid Fuels Tax			
State Funds	\$ 1,990	\$ 2,370	\$3,304

Administers and enforces the Liquid Fuels Tax Act, Fuel Use Tax Act and Motor Carriers Act and Bus Compact. Activities include issuing permits and performing annual audits.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Collection—Liquid Fuels Tax	<u>\$ 1,990</u>	<u>\$ 2,370</u>	<u>\$3,304</u>

Boating Fund

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Collecting Motorboat Registration Fees			
State Funds	\$ 161	\$ 210	\$285

Prepares and supplies counties with the forms for the registration of motorboats and collects the fees for the Boating Fund.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorization:			
Collecting Motorboat Registration Fees	<u>\$ 161</u>	<u>\$ 210</u>	<u>\$285</u>

State Harness Racing Fund

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Administration of Collections— Harness Racing			
State Funds	\$ 97	\$ 107	\$168

Provides for the financial administration of pari-mutuel betting at the harness racing tracks. Activities include providing forms and maintaining systems of accounting, examining books and records of the corporations conducting harness racing, and collecting taxes from the corporations.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorization:			
Administration of Collections— Harness Racing	<u>\$ 97</u>	<u>\$ 107</u>	<u>\$168</u>

State Horse Racing Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Administration of Collections— Horse Racing			
State Funds	\$ 82	\$ 102	\$ 166

Provides for the financial administration of pari-mutuel betting at thoroughbred horse racing tracks. Activities include providing forms and maintaining systems of accounting, examining books and records of the corporations conducting horse racing, and collecting taxes from the corporations.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorization:			
Administration of Collections—			
Horse Racing	<u>\$ 82</u>	<u>\$ 102</u>	<u>\$ 166</u>

State Lottery Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Operations			
State Funds	\$10,357	\$13,077	\$17,840
Other Funds	136	148	157
TOTAL	<u>\$10,493</u>	<u>\$13,225</u>	<u>\$17,997</u>

Coordinates and directs the activities of the State Lottery Commission and establishes operational procedures to effect the policies of the Commission. Also provides for the administration of the Commonwealth's program of property tax and rent assistance for the elderly.

OTHER SPECIAL FUNDS

REVENUE

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Executive Authorization:			
General Operations	\$10,357	\$13,077	\$17,840
Other Funds:			
License Fees	115	126	130
Charges to Other Agencies	21	22	27
TOTAL	<u>\$10,493</u>	<u>\$13,225</u>	<u>\$17,997</u>

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Payment of Prize Money			
State Funds	\$56,894	\$58,332	\$56,340

Provides funds to pay the winners of the Commonwealth lottery.

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Executive Authorization:			
Payment of Prize Money	<u>\$56,894</u>	<u>\$58,332</u>	<u>\$56,340</u>

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Payment of Commissions			
State Funds	\$ 547	\$ 450	\$ 200

Provides for commissions on subscription sales of lottery tickets.

OTHER SPECIAL FUNDS

REVENUE

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorization:			
Payment of Commissions	<u>\$ 547</u>	<u>\$ 450</u>	<u>\$ 200</u>

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Property Tax and Rent Assistance for the Elderly			
State Funds	\$35,149	\$62,300	\$47,879 *

Allows for a partial rebate of both the property taxes and rent that is paid by the elderly.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorization:			
Property Tax and Rent Assistance for the Elderly	<u>\$35,149</u>	<u>\$62,300</u>	<u>\$47,879 *</u>

* Assumes payments will be prorated.

DEPARTMENT OF REVENUE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 5,792	\$ 5,883	\$ 8,026	\$ 6,890	\$ 7,438	\$ 8,031	\$ 8,671
Fiscal Management	\$117,203	\$126,688	\$143,148	\$124,948	\$129,873	\$135,259	\$141,134
Revenue Collection and Administration	97,378	105,488	121,148	102,948	107,873	113,259	119,134
Public Utility Realty Payments	19,825	21,200	22,000	22,000	22,000	22,000	22,000
Support and Care of the Aged	\$ 37,743	\$ 66,032	\$ 53,025	\$ 57,594	\$ 58,145	\$ 58,763	\$ 59,454
Property Tax and Rent Assistance	37,743	66,032	53,025	57,594	58,145	58,763	59,454
DEPARTMENT TOTAL	<u>\$160,738</u>	<u>\$198,603</u>	<u>\$204,199</u>	<u>\$189,432</u>	<u>\$195,456</u>	<u>\$202,053</u>	<u>\$209,259</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$5,792	\$5,883	\$8,026	\$6,890	\$7,438	\$8,031	\$ 8,671
Other Funds	1,021	1,414	1,865	1,610	1,739	1,878	2,028
TOTAL	<u>\$6,813</u>	<u>\$7,297</u>	<u>\$9,891</u>	<u>\$8,500</u>	<u>\$9,177</u>	<u>\$9,909</u>	<u>\$10,699</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$5,792</u>	<u>\$5,883</u>	<u>\$8,026</u>	<u>\$6,890</u>	<u>\$7,438</u>	<u>\$8,031</u>	<u>\$8,671</u>

Revenue Collection and Administration

OBJECTIVE: To assure the availability of resources for the Commonwealth's programs through the equitable and efficient administration of Pennsylvania's revenue system.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$ 29,844	\$ 34,572	\$ 47,991	\$ 41,389	\$ 44,692	\$ 48,259	\$ 52,111
Special Funds	67,534	70,916	73,157	61,559	63,181	65,000	67,023
Other Funds	206	502	207	202	206	211	216
TOTAL	\$ 97,584	\$105,990	\$121,355	\$103,150	\$108,079	\$113,470	\$119,350

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Total General Fund revenue collected (in thousands)	\$4,047,525	\$4,092,707	\$5,183,803	\$4,702,400	\$5,047,100	\$5,432,500	\$5,872,000
Personal income tax annual returns processed	4,619,664	4,716,000	4,814,000	4,914,000	5,016,000	5,121,000	5,227,000
Sales and use tax returns processed	3,366,885	3,400,000	3,500,000	3,600,000	3,700,000	3,800,000	3,900,000
Corporation tax accounts	138,100	141,100	145,000	148,000	152,000	154,000	157,000

* 15 month estimate

Program Analysis:

This program provides for the thorough and equitable administration of all the Commonwealth's revenue statutes and for the assessment and collection of various taxes. Among the taxes collected are all corporation taxes, inheritance taxes, the Realty Transfer Tax, Cigarette and Beverage Taxes, the Sales Use and Hotel Occupancy Tax, the Personal Income Tax, taxes imposed under the Liquid Fuels Tax Act, Fuels Use Tax Act, Motor Carriers Road Tax and Bus Compact Fuels Tax, and taxes received from corporations conducting horse and harness racing.

Some of the activities of this program include preparing and distributing tax instruction booklets and tax return forms, handling inquiries from Commonwealth taxpayers regarding questions of tax liability or proper filing procedure, receiving and auditing of returns, and the processing of refunds.

In addition to these activities, this program implements and administers the policy decisions of the Commonwealth's Lottery Commission. This involves the printing and marketing of tickets, validating winning numbers, promoting sales and devising new and innovative approaches to lotteries.

Estimated Cost of Tax Collections

	Cost to Collect	(Dollar Amounts in Thousands)		1974-75 Cost Per Dollar Collected
		Amount Collected	1975-76 Cost Per Dollar Collected	
Corporation Taxes	\$ 6,238	\$1,205,120	\$.0051	\$.0038
Sales and Use Tax	18,235	\$1,829,300	\$.0099	.0101
Personal Income Tax	16,795	\$1,347,100	\$.0124	.0120

Revenue Collection and Administration (continued)

Program Analysis: (continued)

It has always been the philosophy of this program to maximize the tax yield while minimizing the cost of the collections. This is especially paramount at this time since

some of the largest areas of expense for this program are paper and printing and these are among the hardest hit areas in our present inflationary economy.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$ 29,844	\$ 34,552	\$ 47,986	\$ 41,384	\$ 44,687	\$ 48,254	\$ 52,106
Compensation of Informers and Escheators		20	5	5	5	5	5
GENERAL FUND TOTAL	\$ 29,844	\$ 34,572	\$ 47,991	\$ 41,389	\$ 44,692	\$ 48,259	\$ 52,111
MOTOR LICENSE FUND							
Collections — Liquid Fuels Tax	\$ 1,990	\$ 2,370	\$ 3,304	\$ 2,916	\$ 3,141	\$ 3,392	\$ 3,662
BOATING FUND							
Collecting Motorboat Registration Fees	\$ 161	\$ 210	\$ 285	245	261	282	305
STATE HARNESS RACING FUND							
Administration of Collections	\$ 97	\$ 107	\$ 168	\$ 159	\$ 172	\$ 186	\$ 201
STATE HORSE RACING FUND							
Administration of Collections	\$ 82	\$ 102	\$ 166	\$ 144	\$ 155	\$ 168	\$ 181
STATE LOTTERY FUND							
General Operations	\$ 7,763	\$ 9,345	\$ 12,694	\$ 11,308	\$ 12,665	\$ 14,185	\$ 15,887
Payment of Prize Money	56,894	58,332	56,340	46,587	46,587	46,587	46,587
Payment of Commissions	547	450	200	200	200	200	200
STATE LOTTERY FUND TOTAL	\$ 65,204	\$ 68,127	\$ 69,234	\$ 58,095	\$ 59,452	\$ 60,972	\$ 62,674

Public Utility Realty Payments

OBJECTIVE: Equitable distribution to all taxing authorities of the tax on realty of public utilities.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$19,825</u>	<u>\$21,200</u>	<u>\$22,000</u>	<u>\$22,000</u>	<u>\$22,000</u>	<u>\$22,000</u>	<u>\$22,000</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Taxing authorities receiving funds	3,033	3,097	3,137	3,137	3,137	3,137	3,137

Program Analysis:

Pursuant to a Constitutional amendment adopted in 1968, this program provides for the distribution to each reporting local taxing authority its share of the funds that local taxing authorities would have received from public utilities had they been allowed to tax the realty of the utilities in their respective jurisdictions.

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 tax the realty of public utilities.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Distribution of Public Utility							
Realty Tax	<u>\$19,825</u>	<u>\$21,200</u>	<u>\$22,000</u>	<u>\$22,000</u>	<u>\$22,000</u>	<u>\$22,000</u>	<u>\$22,000</u>

Property Tax and Rent Assistance

OBJECTIVE: To provide financial assistance through property tax and rent assistance to eligible individuals.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Special Funds	<u>\$37,743</u>	<u>\$66,032</u>	<u>\$53,025</u>	<u>\$57,594</u>	<u>\$58,145</u>	<u>\$58,763</u>	<u>\$59,454</u>
Program Measures:							
	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Applications for property tax or rent assistance	270,000	480,000	425,000	425,000	425,000	425,000	425,000
People provided property tax or rent assistance	263,000	455,000	417,000	417,000	417,000	417,000	417,000

Program Analysis:

This program provides property tax or rent assistance to senior citizens, widows, widowers and permanently disabled persons, who meet certain income and age requirements.

The reason for providing this type of assistance to the elderly is because, more than any other segment of the population, many of them are attempting to maintain themselves on fixed incomes or on steadily dwindling savings. The effective buying power of this type of income is rather minimal when pitted against the general decline in purchasing power brought on by the increasingly high rate of inflation. Since the Commonwealth is unable to have any effective control over national inflationary trends, the only alternative is to provide some type of assistance to those persons most severely affected by it. State assistance in this way often makes the difference of whether an elderly person can retain possession of his home or not. Maintaining them in their own homes, or in rented homes through rent assistance, adds to their personal dignity and emotional security as well as being of financial benefit.

The amount of assistance provided to a claimant ranges from \$10 to \$200 and is based on the claimant's income. Among the types of income included are salaries, wages, alimony, gross amount of pensions or annuities, all Federal Social Security benefits except Medicare and any capital gains, rentals or interest payments.

The high volume of claimants and payments for the 1974-75 fiscal year is a result of the fact that when the Property Tax Assistance Act was amended to include renters it was done so retroactively. At the present, it is felt that the segment of the population eligible for assistance will remain relatively stable even though Pennsylvania's elderly population is projected to rise.

For the 1975-76 fiscal period there is a projected decline in the Lottery Fund revenues. Therefore, in accord with existing legislation, each claimant will receive approximately 90 percent of their claim. In future years the full amount needed is shown, but depending on revenues claims may have to be reduced in future years, also.

Property Tax and Rent Assistance (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
STATE LOTTERY FUND							
General Operations	\$ 2,594	\$ 3,732	\$ 5,146	\$ 4,594	\$ 5,145	\$ 5,763	\$ 6,454
Property Tax and Rent Assistance for Elderly	35,149	62,300	47,879*	53,000	53,000	53,000	53,000
STATE LOTTERY FUND TOTAL	<u>\$37,743</u>	<u>\$66,032</u>	<u>\$53,025</u>	<u>\$57,594</u>	<u>\$58,145</u>	<u>\$58,763</u>	<u>\$59,454</u>

* Assumes payments will be prorated.

Department of State

The Department of State compiles, publishes and certifies all election returns; issues all commissions to elected and appointed officials; records and punctuates all laws passed by the General Assembly; administers corporate and selected non-corporate business laws; administers the professional and occupational licensing boards; regulates solicitation activities, boxing and wrestling matches and licenses auctioneers.

The Department of State is administered by the Secretary of the Commonwealth and includes the State Athletic Commission and the 21 professional and occupational licensing boards.

DEPARTMENT OF STATE
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)			
	1973-74	1974-75	1975-76	1975-76
	Actual	Available	Estimate (12 months)	Budget (15 months)
General Fund				
General Government				
General Government Operations	\$1,271	\$4,674	\$4,916	\$6,181
Modernization of Corporation Bureau	292	.....	.....	.....
Professional and Occupational Affairs	2,342	.....	.....	.....
Examination of Practical Nurses	9	.....	.....	.....
Publishing Constitutional Amendments	18	85	100	100
Election Code Revision Commission .....	.....	60	.....	.....
Sub-Total	<u>\$3,932</u>	<u>\$4,819</u>	<u>\$5,016</u>	<u>\$6,281</u>
Grants and Subsidies				
Voting of Citizens in Military Service	\$ 3	\$ 18	\$ 8	\$ 8
Total State Funds	<u>\$3,935</u>	<u>\$4,837</u>	<u>\$5,024</u>	<u>\$6,289</u>
Federal Funds	\$ 46	.....	.....	.....
Other Funds	71	\$ 146	\$ 120	\$ 150
GENERAL FUND TOTAL	<u>\$4,052</u>	<u>\$4,983</u>	<u>\$5,144</u>	<u>\$6,439</u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Government Operations			
State Funds	\$3,914	\$4,674	\$6,181
Federal Funds	46	.....	.....
Other Funds	71	146	150
TOTAL	<u>\$4,031</u>	<u>\$4,820</u>	<u>\$6,331</u>

Provides intra-agency administrative support; maintains current information on corporations and charitable organizations; monitors election process and issues commissions to State and local officials. Protects the public from unqualified practitioners in the various professional and skilled service areas licensed by the Department.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
General Government Operations	\$1,271	\$4,674	\$6,181
Modernization of Corporation Bureau	292	.....	.....
Professional and Occupational Affairs	2,342	.....	.....
Examination of Practical Nurses	9	.....	.....
Federal Funds:			
Emergency Employment Act	16	.....	.....
Intergovernmental Personnel Act	25	.....	.....
Flood Reimbursement	5	.....	.....
Other Funds:			
Fees—Registration of Charitable Organizations	49	50	65
Auctioneers Licenses	22	70	85
Supplemental Retirement Contribution .....	.....	26	.....
TOTAL	<u>\$4,031</u>	<u>\$4,820</u>	<u>\$6,331</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Publishing Constitutional Amendments			
State Funds	\$ 18	\$ 85	\$ 100

Meets the cost of publishing all proposed constitutional amendments three months prior to the November election and the primary election in at least two newspapers of general circulation in all counties where newspapers are published.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Publishing Constitutional Amendments	<u>\$ 18</u>	<u>\$ 85</u>	<u>\$ 100</u>

General Government Operations (continued)

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Election Code Revision Commission			
State Funds	\$ 60	.....

Provides for the revision and compilation of the Pennsylvania election code.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Election Code Revision Commission	<u>\$ 60</u>	.....

Grants and Subsidies

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Voting of Citizens in Military Service			
State Funds	\$ 3	\$ 18	\$ 8

Reimburses county boards of election at the rate of \$.40 per ballot for each military absentee ballot cast during an election.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Voting of Citizens in Military Service	<u>\$ 3</u>	<u>\$ 18</u>	<u>\$ 8</u>

DEPARTMENT OF STATE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 483	\$ 640	\$ 852	\$ 725	\$ 805	\$ 882	\$ 962
Consumer Protection	\$3,212	\$3,803	\$5,039	\$4,414	\$4,956	\$5,296	\$5,706
Regulation of Consumer Products and Promotion of Fair Business Practices	861	899	1,203	1,034	1,165	1,282	1,398
Maintenance of Professional and Occupational Standards	2,351	2,904	3,836	3,380	3,791	4,014	4,308
Electoral Process	\$ 240	\$ 394	\$ 398	\$ 368	\$ 423	\$ 463	\$ 526
Maintenance of Electoral Process	240	394	398	368	423	463	526
DEPARTMENT TOTAL	<u>\$3,935</u>	<u>\$4,837</u>	<u>\$6,289</u>	<u>\$5,507</u>	<u>\$6,184</u>	<u>\$6,641</u>	<u>\$7,194</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$483	\$640	\$852	\$725	\$805	\$882	\$962
Federal Funds	25	.....	.....	.....	.....	.....	.....
Other Funds .....	.....	13	.....	.....	.....	.....	.....
TOTAL	<u>\$508</u>	<u>\$653</u>	<u>\$852</u>	<u>\$725</u>	<u>\$805</u>	<u>\$882</u>	<u>\$962</u>

Program Analysis:

Within the Department of State, this subcategory includes the executive offices, the comptroller, legal and administrative services, all of which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The Department of State, through this administrative support program has a planning capability which assists program directors in improving their services to

the public. This capability was evidenced in the recent modernization of the Corporation Bureau which is discussed in the subcategory: Regulation of Consumer Products and Fair Business Practices. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1979-80
			1975-76 (15 months)	1976-77	1977-78	1978-79	
GENERAL FUND							
General Government Operations	<u>\$483</u>	<u>\$640</u>	<u>\$852</u>	<u>\$725</u>	<u>\$805</u>	<u>\$882</u>	<u>\$962</u>

Regulation of Consumer Products and Promotion of Fair Business Practices

OBJECTIVE: To prevent fraudulent solicitation or misrepresentation of sporting events and to maintain accurate records of corporate charters.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$861	\$899	\$1,203	\$1,034	\$1,165	\$1,282	\$1,398
Federal Funds	5	.....	.....	.....	.....	.....	.....
Other Funds	49	50	65	60	60	70	70
TOTAL	<u>\$915</u>	<u>\$949</u>	<u>\$1,268</u>	<u>\$1,094</u>	<u>\$1,225</u>	<u>\$1,352</u>	<u>\$1,468</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Fictitious names, businesses and corporations on file	700,000	735,000	775,780	818,280	862,280	907,780	940,000
Currently soliciting groups requiring licensing	11,000	13,000	15,000	17,000	20,000	25,000	27,000
Currently soliciting groups complying with regulations	5,000	8,000	10,000	13,000	16,000	20,000	23,000
Exhibitions held for purse requiring regulation	398	418	439	450	450	450	450

Program Analysis:

This subcategory encompasses the programmatic efforts of the Corporation Bureau, the Commission on Charitable Organizations and the Athletic Commission. The Corporation Bureau is responsible for registering all businesses in the Commonwealth. There are currently over 735,000 fictitious names, businesses and corporations on file in the Bureau and, as indicated in the measures, this number is growing by approximately 6 percent per year. The Corporation Bureau is also responsible for Uniform Commercial Code filings and service of process filings, which together total about 81,000 and are growing at the rate of 5 percent per year. Corporate search and reservation requests have averaged 25,000 per year. With the installation of an automated system, the Bureau is in a position to provide historical data on businesses within a 24

hour period, and to work in concert with other State agencies to provide better data for planning purposes.

Registration of charitable organizations, professional fund raisers and solicitors, as well as, the regulation of actual solicitation and distribution of collected funds are the duties of the Commission on Charitable Organizations. The measure reflecting the number of currently soliciting groups is only about half of the known charities in Pennsylvania, as charities not soliciting are not required to register.

The State Athletic Commission is charged with the regulation of boxing and wrestling exhibitions. In 1973-74, there were 398 such exhibitions with the figure projected to rise to a level of 450 exhibitions per year.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$570	\$899	\$1,203	\$1,034	\$1,165	\$1,282	\$1,398
Modernization of Corporation Bureau	291	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$861</u>	<u>\$899</u>	<u>\$1,203</u>	<u>\$1,034</u>	<u>\$1,165</u>	<u>\$1,282</u>	<u>\$1,398</u>

Maintenance of Professional and Occupational Standards

OBJECTIVE: To minimize the number of professional and occupational practitioners and establishments failing to meet specified standards of entry and performance.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$2,351	\$2,904	\$3,836	\$3,380	\$3,791	\$4,014	\$4,308
Other Funds	22	83	85	80	80	80	80
TOTAL	\$2,373	\$2,987	\$3,921	\$3,460	\$3,871	\$4,094	\$4,388

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Licenses and renewals issued	301,600	268,500	325,000	281,600	333,000	289,500	345,000
Entrants failing examinations for license	10,200	10,500	11,300	11,700	12,000	12,500	12,700
Schools and shops licensed	32,350	34,547	37,580	39,250	41,550	43,500	44,000
Routine investigations	16,758	19,740	29,620	30,680	31,740	32,800	33,890
Minor violations corrected as a result of inspections	3,369	3,435	5,544	5,742	5,940	6,138	6,350
Establishments prosecuted for violations	189	278	540	558	578	596	610

Program Analysis:

The intent of this program is to protect the citizenry of the Commonwealth from being cheated or harmed, by ensuring that professional licensees are competent, honest and providing adequate services.

One method used in achieving that aim is the placement of restrictions at the entry level. Each year an estimated 45,000 new licensees are added to the system. In 1974-75, as in previous years, about one fifth of the new applications for licensure or certification were rejected either because of examination failure or lack of qualifications. It is interesting to note that the number of rejections tends to correlate directly with the number of foreign language speaking applicants, leading to the unanswered criticism that, perhaps in the testing process professional skill is sacrificed for language proficiency.

The examination approach, although having merit, is not extensive enough in that an individual, once licensed, can continue to practice his profession without ever again being required to demonstrate competence. This means that a

professional, who fails to keep up with technological advances in his field can continue to practice. The renewal process could become a valuable tool in assuring competency in the various professional fields.

Currently, routine inspections are still the principal means of monitoring the vast numbers of licensees. It has been estimated that an investigator averages 525 routine inspections per year. The effectiveness of this effort, due to its superficial nature, has been dubious at best. Sometimes, as a result of problems discovered in a routine investigation, intensive investigations of establishments are conducted.

In 1973-74, there were 6,060 such investigations, with the number going up to 6,242 in 1974-75. It is estimated that one inspector is capable of performing 216 such in-depth investigations. The effectiveness of these investigations can be measured by the number of citations issued and resultant prosecutions. In mid 1974-75, seventeen occupational license inspectors were added to the Bureau of Professional and

Maintenance of Professional and Occupational Standards (continued)

Program Analysis: (continued)

Occupational Affairs. Their impact on this program will not be fully reflected in the measures until 1975-76. It is also hoped that investigations of already established places of business will be randomly selected, rather than based on their proximity to a new shop which must be inspected. This lack of randomness has seriously hampered this program in the past.

One side effect of any licensing system is that competition is restricted resulting in higher consumer prices and higher

profits for those who hold licenses. In an ideal system, only those individuals who would be incompetent in a profession would be excluded from that profession. However, the danger of unreasonable requirements for entry into a profession is always present. In this regard, many allege that special interest groups often seek licensing, or more severe licensing requirements, in the hope of restricting competition and thus obtaining higher profits.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
GENERAL FUND								
General Government Operations . . . . .	. . . . .	\$2,904	\$3,836	\$3,380	\$3,791	\$4,014	\$4,308	
Professional and Occupational Affairs	\$2,342	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Examination of Practical Nurses	9	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
GENERAL FUND TOTAL	<u>\$2,351</u>	<u>\$2,904</u>	<u>\$3,836</u>	<u>\$3,380</u>	<u>\$3,791</u>	<u>\$4,014</u>	<u>\$4,308</u>	

Maintenance of the Electoral Process

OBJECTIVE: To insure that the electoral process conforms to legally defined specifications, that appointed and elected officials meet the legal requirements for their respective positions, and that an official record of the laws and resolutions of the legislative branch and the official acts of the executive branch is maintained.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$240	\$394	\$398	\$368	\$423	\$463	\$526
Federal Funds	16	.....	.....	.....	.....	.....	.....
TOTAL	<u>\$256</u>	<u>\$394</u>	<u>\$398</u>	<u>\$368</u>	<u>\$423</u>	<u>\$463</u>	<u>\$526</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Voters registered in Pennsylvania	5,597,983	5,600,000	5,500,000	5,800,000	5,600,000	5,700,000	5,700,000
Voters voting in general election	2,481,384	3,800,000	2,500,000	4,600,000	2,600,000	4,000,000	2,700,000
Persons filing for office	1,725	325	1,200	1,875	500	1,600	1,900
Persons found in violation of campaign expenditure reporting requirements ...	1	16	32	45	37	50	47
Commissions Issued	14,245	15,316	15,300	15,300	15,300	15,300	15,300

Program Analysis:

Although the number of registered voters in Pennsylvania is projected to remain fairly constant from year to year, the number of persons actually voting in the general elections is extremely variable and depends to a large extent on the number and type of offices to be filled and the political climate.

The recent, much-publicized abuses of the political process not only raised the public's ire, evidenced in the 1974 election, but increased the pressure on state and national legislators to make changes in the election process. The resultant changes in the State Election Code greatly increased the activities on the part of the Department of State's Bureau of Commissions, Elections and Legislation. The newly formulated regulations require the Bureau to maintain campaign expenditure reports

for all candidates and to audit expenditure reports for compliance with the State Election Code. It is estimated that because of the specific auditing requirements, the number of persons found in violation of the campaign expenditure reporting requirements will increase greatly in the near future. All violations are reported to the State Justice Department for disposition.

Other functions within this subcategory which fall under the commissioning area include commissioning State board members, judges, notary publics, preparing extraditions for the Governor, and processing bond issues for the Commonwealth. Although these needs are generally constant, a slight backlog has built up in the notary public area.

Maintenance of the Electoral Process (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	\$218	\$231	\$290	\$250	\$295	\$325	\$378
Publishing Constitutional Amendments	19	85	100	110	120	130	140
Election Code Revision Commission ..	.....	60	.....	.....	.....	.....	.....
Voting of Citizens in Military Service	3	18	8	8	8	8	8
GENERAL FUND TOTAL	<u>\$240</u>	<u>\$394</u>	<u>\$398</u>	<u>\$368</u>	<u>\$423</u>	<u>\$463</u>	<u>\$526</u>

State Employees Retirement

The State Employees Retirement System is responsible for administering the State Employees Retirement Fund; the supplemental retirement allowances and cost-of-living increases for annuitants; the State's share of medical/hospital insurance costs for eligible Commonwealth annuitants.

STATE EMPLOYES RETIREMENT SYSTEM

Summary by Fund and Appropriation

	1973-74 Actual	(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
General Fund				
General Government				
Supplemental Retirement Allowance Fund	\$1,486	\$ 1,885	. . . . .	. . . . .
Annuitants Medical — Hospital Insurance	966	1,710	\$2,100	\$2,520
Employer's Supplemental Contribution . . . . .	. . . . .	9,100	. . . . .	. . . . .
GENERAL FUND TOTAL	\$2,452	\$12,695	\$2,100	\$2,520

General Government

		(Dollar Amounts in Thousands)	
	1973-74	1974-75	1975-76
	Actual	Available	Budget
			(15 months)
Annuitants Medical – Hospital Insurance			
State Funds	\$ 966	\$1,710	\$2,520

Provides the State's share of medical – hospital insurance costs for Commonwealth annuitants who have elected such coverage.

		(Dollar Amounts in Thousands)	
	1973-74	1974-75	1975-76
	Actual	Available	Budget
			(15 months)
Source of Funds			
Appropriation:			
Annuitants Medical – Hospital Insurance	<u>\$ 966</u>	<u>\$1,710</u>	<u>\$2,520</u>

		(Dollar Amounts in Thousands)	
	1973-74	1974-75	1975-76
	Actual	Available	Budget
			(15 months)
Supplemental Retirement Allowance			
State Funds	\$1,486	\$1,885	.....

Provides for supplemental retirement allowances and any cost-of-living increases for annuitants. Beginning in 1975-76, these costs will be included in the retirement provisions of individual agency budgets.

		(Dollar Amounts in Thousands)	
	1973-74	1974-75	1975-76
	Actual	Available	Budget
			(15 months)
Source of Funds			
Appropriation:			
Supplemental Retirement Allowance Fund	<u>\$1,486</u>	<u>\$1,885</u>	.....

GENERAL FUND

STATE EMPLOYEES RETIREMENT SYSTEM

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Employer's Supplemental Contribution			
State Funds	\$9,100	.....

Provided for the funding of unanticipated additional costs to the State Employees Retirement System resulting from the passage of Act No. 31 of 1974, which significantly amended the State Employees Retirement Code. Beginning in 1975-76, these costs will be included in individual agency budgets.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Employer's Supplemental Contribution	<u>\$9,100</u>	.....

STATE EMPLOYEES' RETIREMENT SYSTEM
Summary of Agency Program by Category and Subcategory
General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
			(15 months)				
General Administration and Support	<u>\$2,452</u>	<u>\$12,695</u>	<u>\$2,520</u>	<u>\$2,200</u>	<u>\$2,332</u>	<u>\$2,465</u>	<u>\$2,600</u>

STATE EMPLOYEE'S RETIREMENT SYSTEM

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$2,452</u>	<u>\$12,695</u>	<u>\$2,520</u>	<u>\$2,200</u>	<u>\$2,332</u>	<u>\$2,465</u>	<u>\$2,600</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Member accounts	125,740	130,450	135,160	139,870	144,580	149,290	154,000
Annuityants	26,724	28,176	30,134	32,141	34,148	36,156	38,163

Program Analysis:

The State Employees' Retirement System (SERS) was established to administer the pension plan created by statute in 1924 for employes of the Commonwealth. Close inspection reveals that the business of retirement begins, not when an employe is ready to receive a pension, but rather when he is employed, and it continues throughout his lifetime.

The State Employees' Retirement System processes applications for membership and refunds of contributions on account of terminations. These two functions alone currently amount to over 2,700 transactions a month. Once an employe becomes a member of the System, he begins making contributions from each paycheck. The System, in conjunction with the Commonwealth Management Information Center, maintains on computer over 130,000 account records and credits interest to these accounts each year. Another function of the SERS is the processing of applications for reinstatement of prior State service, for purchase of credit for military service, and for conversion of the type of coverage an employe has. This function entails researching an employe's service and salary records, computing the cost of the request, reporting same to the employe, and processing the payments for the purchase. The revised Retirement Code, Act no. 31 of 1974 liberalized the requirements for these purchases, causing a sharp increase in

applications. From March 1 to November 30, 1974, the SERS received 11,242 applications compared to 4,555 for the same period last year.

There are several functions required by the retirement process itself. The revised Code requires all agencies to have a retirement counselor to act as a liaison between the employe and the Retirement System. Presently there are 113 counselors in the agencies. The job of training counselors and keeping them informed of policy and procedure is another important service of the SERS. The System also researches and processes approximately 300 retirement applications each month. Each new retiree is put on the monthly payroll, which now numbers over 28,000 checks totaling over 7 million dollars. The SERS also receives about 100 applications each month for death benefits.

The Retirement System oversees a portfolio of investments valued at more than a billion dollars. The recodified Retirement Law brought about many major changes and a myriad of problems of interpretation and administration. The Retirement Board and its staff, working with the legal and actuarial advisors to the System, are dedicated to maintaining a System that is financially sound, efficient and responsive to the requirements of its membership.

STATE EMPLOYEE'S RETIREMENT SYSTEM

General Administration and Support (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
Supplemental Retirement Allowance Fund	\$1,486	\$ 1,885	. . . .	. . . .	. . . .	. . . .	. . . .
Annuitants Medical—Hospital Insurance	966	1,710	\$2,520	\$2,200	\$2,332	\$2,465	\$2,600
Employer's Supplemental Contribution . . . . .	. . . .	9,100	. . . .	. . . .	. . . .	. . . .	. . . .
GENERAL FUND TOTAL	<u>\$2,452</u>	<u>\$12,695</u>	<u>\$2,520</u>	<u>\$2,200</u>	<u>\$2,332</u>	<u>\$2,465</u>	<u>\$2,600</u>

State Police

The State Police enforce the law and preserve the peace through the detection of crime and the apprehension of criminals, the patrol of highways, the enforcement of the Vehicle Code and the abatement of the fire hazards.

The State Police receive a General Fund appropriation for criminal law enforcement and a Motor License Fund transfer for traffic patrol activities. In 1975-76 the ratio will be 26.5 percent General Fund and 73.5 percent Motor License Fund. In addition, the State Police receive augmentations from the Turnpike Commission for turnpike patrol and from the sale of patrol cars replaced by new vehicles.

STATE POLICE
Summary by Fund and Appropriation

	1973-74 Actual	(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)	
General Fund				
General Government				
General Government Operations	\$21,620	\$ 25,240	\$ 27,608	\$ 34,271
Municipal Police Training .....	.....	500	1,600	2,000
Total State Funds	<u>\$21,620</u>	<u>\$ 25,740</u>	<u>\$ 29,208</u>	<u>\$ 36,271</u>
Federal Funds	\$ 1,501	\$ 1,220	\$ 579	\$ 700
Other Funds	3,934	5,292	6,100	7,893
GENERAL FUND TOTAL	<u>\$27,055</u>	<u>\$ 32,252</u>	<u>\$ 35,887</u>	<u>\$ 44,864</u>
Motor License Fund				
General Government				
Transfer to General Fund—General				
Government Operations	\$60,810	\$ 70,703	\$ 76,482	\$ 94,896
Transfer to General Fund—Municipal				
Police Training .....	.....	.....	1,600	2,000
MOTOR LICENSE FUND TOTAL	<u>\$60,810</u>	<u>\$ 70,703</u>	<u>\$ 78,082</u>	<u>\$ 96,896</u>
Department Total — All Funds				
General Fund	\$21,620	\$ 25,740	\$ 29,208	\$ 36,271
Special Funds	60,810	70,703	78,082	96,896
Federal Funds	1,501	1,220	579	700
Other Funds	3,934	5,292	6,100	7,893
TOTAL ALL FUNDS	<u>\$87,865</u>	<u>\$102,955</u>	<u>\$113,969</u>	<u>\$141,760</u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Government Operations			
State Funds	\$21,620	\$ 25,740	\$ 36,271
Federal Funds	1,501	1,220	700
Other Funds*	64,744	75,995	104,789
TOTAL	\$87,865	\$102,955	\$141,760

Provides administrative support for all line and staff activities of the Department. Seeks to reduce traffic accidents through highway patrol, operator qualifications examinations and periodic investigation of vehicle inspection stations. Maintains a juvenile crime prevention program, as well as a criminal law enforcement program, which includes training of municipal police, in an effort to reduce crime and instances of civil disorder. Provides assistance during natural disasters and any other emergencies. Inspects all proposed flammable tank installations.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
General Government Operations	\$21,620	\$ 25,240	\$ 34,271
Municipal Police Training .....	.....	500	2,000
Federal Funds:			
Omnibus Crime Control and Safe Streets Act	928	175	275
Highway Safety Act	573	1,045	425
Other Funds:			
From Turnpike Commission for Traffic Control	3,211	4,340	6,871
Transfer from Motor License Fund—General Government Operations	60,810	70,703	94,896
Transfer from Motor License Fund—Municipal Police Training .....	.....	.....	2,000
Sale of Automobiles	701	900	1,000
Reimbursement for Comptroller Services	14	25	22
Training Fees	8	.....	.....
Supplemental Retirement Contribution .....	.....	27	.....
TOTAL	\$87,865	\$102,955	\$141,760

* Other funds include the transfers from the Motor License Fund which are not carried forward to the Summary by Fund and Appropriation to avoid double counting.

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Government Operations			
State Funds*	\$60,810	\$70,703	\$96,896

Provides reimbursement to the General Fund for State Police activities relating to highway safety, traffic patrol and municipal police training.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Transfer to General Fund—General Government			
Operations	\$60,810	\$70,703	\$94,896
Transfer to General Fund—Municipal Police			
Training .....	.....	.....	2,000
TOTAL	<u>\$60,810</u>	<u>\$70,703</u>	<u>\$96,896</u>

*The Motor License Fund transfers are also shown as "other funds" under the General Fund detail.

Restricted Receipts Not Included in Department Total

	1973-74	(Dollar Amounts in Thousands)	1975-76
	Actual	1974-75 Available	Budget
Combat Organized Crime	<u>\$56</u>	.....	.....

STATE POLICE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Administration and Support	\$ 8,882	\$ 9,972	\$ 13,254	\$ 12,596	\$ 13,226	\$ 13,991	\$ 14,785
Traffic Safety and Supervision	\$54,262	\$63,446	\$ 87,232	\$ 83,852	\$ 89,291	\$ 94,350	\$ 99,544
Operator Qualifications	1,937	2,210	2,453	2,398	2,525	2,659	2,800
Vehicle Qualifications	779	904	936	750	795	862	919
Traffic Supervision	51,546	60,332	83,843	80,704	85,971	90,829	95,825
Control and Reduction of Crime	\$18,441	\$22,119	\$ 31,741	\$ 30,589	\$ 31,605	\$ 33,066	\$ 34,466
Crime Prevention	363	385	430	406	427	451	476
Criminal Law Enforcement	18,078	21,734	31,311	30,183	31,178	32,615	33,990
Maintenance of Public Order	\$ 530	\$ 564	\$ 589	\$ 560	\$ 595	\$ 627	\$ 665
Civil Disorder	521	550	575	547	581	611	647
Disaster Assistance	9	14	14	13	14	16	18
Community Safety	\$ 315	\$ 342	\$ 351	\$ 334	\$ 349	\$ 366	\$ 382
Fire Prevention	\$ 315	\$ 342	\$ 351	\$ 334	\$ 349	\$ 366	\$ 382
DEPARTMENT TOTAL	<u>\$82,430</u>	<u>\$96,443</u>	<u>\$133,167</u>	<u>\$127,931</u>	<u>\$135,066</u>	<u>\$142,400</u>	<u>\$149,842</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$2,334	\$ 2,715	\$ 3,590	\$ 3,409	\$ 3,591	\$ 3,807	\$ 4,030
Special Funds	6,548	7,257	9,664	9,187	9,635	10,184	10,755
Federal Funds	85	.....	.....	.....	.....	.....	.....
Other Funds	10	47	22	20	20	20	20
TOTAL	<u>\$8,977</u>	<u>\$10,019</u>	<u>\$13,276</u>	<u>\$12,616</u>	<u>\$13,246</u>	<u>\$14,011</u>	<u>\$14,805</u>

Program Analysis:

General Administration and Support provides direction and coordination for all line and staff activities of the State Police, including the administrative and overhead systems for the operation of the various substantive law enforcement programs. Included in this subcategory are the provision of protection to the Governor and visiting dignitaries, security of

the executive mansion, and background investigations on State job applicants.

The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$2,334</u>	<u>\$2,715</u>	<u>\$3,590</u>	<u>\$3,409</u>	<u>\$3,591</u>	<u>\$ 3,807</u>	<u>\$ 4,030</u>
MOTOR LICENSE FUND							
Transfer to General Fund	<u>\$6,548</u>	<u>\$7,257</u>	<u>\$9,664</u>	<u>\$9,187</u>	<u>\$9,635</u>	<u>\$10,184</u>	<u>\$10,755</u>

Operator Qualifications Control

OBJECTIVE: To minimize the number of traffic accidents attributable to physically and mentally unqualified operators.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Special Funds	<u>\$1,937</u>	<u>\$2,210</u>	<u>\$2,453</u>	<u>\$2,398</u>	<u>\$2,525</u>	<u>\$2,659</u>	<u>\$2,800</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Traffic Accidents:							
Fatalities	1,971	1,900	1,920	1,930	1,930	1,940	1,950
Injuries	94,576	92,000	93,000	94,000	96,000	97,000	98,000
Total accidents	292,715	286,200	290,400	294,600	298,800	303,000	307,200
Accidents attributable to unqualified drivers:							
Fatalities	942	900	914	921	922	927	932
Injuries	45,497	44,500	44,900	45,400	48,100	47,100	47,500
Total accidents	131,260	129,200	131,000	133,500	135,700	137,600	139,400
Licensed Operators	7,965,000	8,204,000	8,450,000	8,704,000	8,965,000	9,234,000	9,511,000
Operators reexamined	208,519	200,000	200,000	200,000	200,000	200,000	200,000
Vehicle miles driven (in billions)	66.5	65.2	66.6	67.9	69.3	70.7	72.1

Program Analysis:

This subcategory is comprised of a series of preventive programs. These include: examination of new operators, reexamination of selected operators, reexamination of school bus operators every four years and public presentations. Under the Commonwealth's present system of accident causal factor classification, less than one percent of all traffic accidents are caused primarily by physically or mentally unqualified operators. However, studies of the true effect of medical handicaps on the occurrence of traffic accidents indicate that certain medical conditions may be a contributing factor in the occurrence of up to 50 percent of traffic accidents. The relevant medical defects fall into three general categories: organic medical conditions such as epilepsy, cardiovascular disease and visual impairment; psychosocial conditions such

as mental illness, alcoholism and drug abuse; and coordination disorders. It can be safely inferred that drivers with such defects have a higher accident likelihood than drivers with no medical impairment.

The total number of accidents in 1973-74, attributable to unqualified drivers, showed a decrease from the 1972-73 number. However, the number of fatal accidents ascribed to this cause increased by ten percent. As yet, it is too early to tell if this is a trend and no explanation is known for this occurrence.

The number of accidents with one or more injuries increases correspondingly with the increase in miles traveled. Due to the energy crisis, it has been difficult to project vehicle miles traveled. With the urgency of the crisis diminishing, it

Operator Qualifications Control (Continued)

Program Analysis (Continued)

appears that the number of miles driven will not decrease nearly as much as earlier anticipated.

Numerous studies have shown that youthful drivers have a higher accident rate than more mature drivers. To combat the high number of youth accidents, each State Police troop has a man assigned to youth safety education.

The emphasis in this subcategory has traditionally been placed on initial operator licensing examinations which have served as a screening device for identifying those applicants whose test performance indicated a low driving skill level or inadequate prior training. Reexaminations were minimal until 1973-74, when the number of reexaminations increased to 208,000 from the previous year's 130,000 level. It is intended

to maintain this effort at a level of 200,000 examinations per year.

This reexamination entails a vision test and a physical examination by a physician to certify that there is no medical condition which would impair the operator's driving ability. Such a program effort should extend the impact of this subcategory. However, this type of program cannot be expected to exert influence over more than 15 to 20 percent of total accidents, since such defects as alcoholism, drug dependency, and mental illness are practically impossible to detect in a cursory examination.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)					
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80	
MOTOR LICENSE FUND								
Transfer to General Fund	<u>\$1,937</u>	<u>\$2,210</u>	<u>\$2,453</u>	<u>\$2,398</u>	<u>\$2,525</u>	<u>\$2,659</u>	<u>\$2,800</u>	

Vehicle Standards Control

OBJECTIVE: To minimize the number of traffic accidents attributable to vehicle mechanical defects.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Special Funds	<u>\$779</u>	<u>\$904</u>	<u>\$936</u>	<u>\$750</u>	<u>\$795</u>	<u>\$862</u>	<u>\$919</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Statewide vehicle registration	7,212,000	7,499,000	7,796,000	8,099,000	8,422,000	8,758,000	9,100,000
Traffic accidents:							
Fatalities	1,971	1,900	1,920	1,930	1,930	1,940	1,950
Injuries	94,576	92,000	93,000	94,000	96,000	97,000	98,000
Total accidents	292,715	286,200	290,400	294,600	298,800	303,000	307,200
Accidents resulting from mechanical failure (primary cause):							
Fatalities	22	24	23	22	21	21	21
Injury	1,863	1,600	1,600	1,600	1,500	1,500	1,500
Total accidents	5,440	4,600	4,500	4,400	4,200	4,100	4,100
Inspection stations	15,963	17,000	17,000	17,000	17,000	17,000	17,000
Inspection station visitations	30,951	30,000	30,000	30,000	30,000	30,000	30,000

Program Analysis:

Vehicle failure, as a primary causal factor, contributes to about one percent of fatal accidents and two percent of all accidents in the Commonwealth. The motor vehicle inspection program conducted by the State Police seeks to maintain these low rates or, if possible, to reduce them.

The major activities of this program involve the regulation of inspection stations. Every inspection station is visited twice a year. During such visits the station's inspection records are audited and a check of the station's facilities is made. In addition, all mechanics who perform inspections must be certified. Successful performance on a written examination is required for certification. Passage of this examination assures

only that a mechanic is familiar with the inspection regulations. Since it involves no test of mechanical skills, it does not assure that the mechanic is competent to perform an inspection or any repairs necessary to correct mechanical defects.

Several studies conducted on the impact of motor vehicle inspection systems, involving analysis of accident rates in several states, have reached the general conclusion that inspection systems have a minimal effect on accidents or fatalities. Where apparent differences in death or accident rates exist between states with vehicle inspection and states with no system, these differences are not statistically significant.

Vehicle Standards Control (Continued)

Program Analysis: (Continued)

Given the low number of accidents caused by vehicle failure, and the evidence that inspection systems have little effect on accident rates, it would appear that major emphasis in reducing traffic accidents should be placed on other approaches to highway safety. Further, since Pennsylvanians

spend over \$70 million annually in inspection fees, plus an uncalculable amount for unneeded repairs at dishonest inspection stations, it would seem that modification or abolition of the present program should be considered.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
MOTOR LICENSE FUND							
Transferred to General Fund	<u>\$779</u>	<u>\$904</u>	<u>\$936</u>	<u>\$750</u>	<u>\$795</u>	<u>\$862</u>	<u>\$919</u>

Traffic Supervision

OBJECTIVE: To minimize the number of traffic accidents.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Special Funds	\$ 51,546	\$ 60,332	\$ 83,843	\$ 80,704	\$ 85,971	\$ 90,829	\$ 95,825
Federal Funds	573	1,045	425	400	400	400	400
Other Funds	3,710	4,973	7,292	5,579	5,824	6,081	6,351
TOTAL	\$ 55,829	\$ 66,350	\$ 91,560	\$ 86,683	\$ 92,195	\$ 97,310	\$102,576

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Traffic accidents:							
Fatalities	1,971	1,900	1,920	1,930	1,930	1,940	1,950
Injuries	94,576	92,000	93,000	94,000	95,000	97,000	98,000
Total accidents	292,715	286,200	290,400	294,600	298,800	303,000	307,200
Accidents attributable to actions of the motor vehicle operator:							
Fatalities	670	706	651	654	654	658	662
Injuries	30,814	30,000	30,400	30,700	32,300	31,600	32,000
Total accidents	105,376	102,800	104,400	106,100	107,400	108,900	110,400
State police arrests for hazardous moving violations	246,000	400,000	400,000	430,000	440,000	450,000	450,000
Local police trained by Pennsylvania State Police in basic course	459	700	950	950	950	950	950
Responses by Pennsylvania State Police for assistance in traffic cases	38,951	40,000	41,000	42,000	43,000	45,000	46,000
State Police arrests for intoxication	3,000	2,900	3,000	3,100	3,200	3,300	3,300

Program Analysis:

The purpose of this program is to reduce the incidence of those actions which increase the probability of an accident. Primary emphasis is placed on patrolling the highways. This program also encompasses training in traffic supervision and enforcement for local police. As a result of the Municipal Police Training Act of 1974, the number of local police receiving such training is expected to double from 1973-74 to 1975-76.

The fundamental concept of patrol is to eliminate both the opportunity and the belief in the opportunity on the part of the motorist to violate traffic regulations without

apprehension. For several years, analysts have sought to determine if patrol activities have a major impact on accident rates and if increasing or decreasing the level of patrol would produce corresponding fluctuations in accident rates. Recent evidence indicates that patrols do not have a major impact on accident rates.

Since the energy crisis became critical in the 1973-74 winter, Pennsylvania, like all other states, has had a considerable reduction in traffic accidents. During this period of time, the level of patrol was reduced because the State Police were forbidden by court order to hire officers to replace

Traffic Supervision (continued)

Program Analysis: (continued)

those who left the force. Nonetheless, Pennsylvania's accident rates experienced a decline which corresponded to the national decline. Thus, it would seem that other factors, such as traffic volume, automobile safety features, and speed limits were the primary determining factors in accident rates.

Perhaps one reason why patrol activities appear to have little impact on the number of accidents is the nature of the arrests which are made. It is widely accepted that a large portion of traffic accidents, perhaps as large as 50 percent, are caused by intoxicated drivers. However, less than one percent of the State Police's traffic arrests involve intoxication.

Prior to the energy crisis, studies in California and Wisconsin

indicated that, under controlled circumstances, saturation patrols could have some impact on accident rates. The level of impact, however, was small when compared to such factors as highway construction and traffic volume.

State police patrols perform a number of functions in addition to looking for violators. Such functions include investigating accidents, assisting injured accident victims, and traffic control activities for special events. However, given the reduced work load which has resulted from fewer accidents and lowered traffic volume, it seems appropriate not to increase the level of resource allocation to this program.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
MOTOR LICENSE FUND							
Transfer to General Fund—General							
Government Operations	\$ 51,546	\$ 60,332	\$ 81,843	\$ 78,704	\$ 83,971	\$ 88,829	\$ 93,825
Transfer to General Fund—Municipal							
Police Training . . . . .	.....	.....	2,000	2,000	2,000	2,000	2,000
MOTOR LICENSE FUND TOTAL	\$ 51,546	\$ 60,332	\$ 83,843	\$ 80,704	\$ 85,971	\$ 90,829	\$ 95,825

Crime Prevention

OBJECTIVE: To minimize the incidence of crime through a reduction in the opportunity for potential violators to commit unlawful acts, and by motivating juvenile violators to avoid any future unlawful activity.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$363	\$385	\$430	\$406	\$427	\$451	\$476

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Student population (11 - 17 year olds) . . .	1,602,000	1,584,000	1,568,000	1,558,000	1,536,000	1,500,000	1,490,000
Juveniles arrested by State Police	7,768	8,000	8,000	8,000	8,000	8,000	8,000
Recidivism rate for youths (12 - 16)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Juveniles receiving State Police preventive contacts	1,378	1,800	1,800	1,900	1,900	2,000	2,000
Juvenile offenders handled informally	7,684	8,000	9,000	9,000	10,000	10,000	11,000
Liaison visits to courts, schools, police departments etc.	4,506	5,500	5,500	5,600	5,600	5,700	5,700
Attendance at youth aid programs	41,126	48,000	51,000	54,000	57,000	59,000	59,000

Program Analysis:

The aim of this subcategory is the reduction of the incidence of crime through preventive programs. In an effort to reduce the opportunity for potential violators to commit crimes, the State Police conduct public education programs aimed at increasing the awareness of potential victims and thereby reducing their probability of being a target. It is estimated, by the State Police, that about 14,000 people are reached through group or individual prevention contacts. Some of the more notable State Police presentations have dealt with safeguarding against bunco artists, rape and robbery. Desire for excitement and opportunity appear to be the main basis of most juvenile crimes, and it is felt that information and personal contact between law enforcement officers and those most susceptible will contribute to lowering the incidence of crime.

The youth aid activity seeks to prevent juvenile crime by giving special attention to young people in their first encounters with the State Police by means of a youth aid

officer at each of the fifteen State Police troops. The State Police use a dual approach. First are the preventive contacts, where the officer faces the juvenile and/or the parents before a crime is actually committed. The second type of referral is after a youth has been caught but not yet arrested. It is hoped that leniency in the first contact with the law might prevent further incidents. In an effort to verify that assumption, the State Police have begun to collect juvenile recidivism rates, though the results will not be known for several more years. This activity has, however, resulted in approximately 55 to 60 percent of such informally treated juvenile cases being settled outside juvenile court. The number of juveniles receiving State Police preventive contacts and the attendance at youth aid programs, both reflect a large drop in 1973-74. This drop is partially resultant from the decision to transfer the responsibility for youthful drug users to the Department of Health.

Crime Prevention (Continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
General Government Operations	<u>\$363</u>	<u>\$385</u>	<u>\$430</u>	<u>\$406</u>	<u>\$427</u>	<u>\$451</u>	<u>\$476</u>

Criminal Law Enforcement

OBJECTIVE: To maximize the percentage of sound crime case clearance and the percentage of convictions.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$18,078	\$21,734	\$31,311	\$30,183	\$31,178	\$32,615	\$33,990
Federal Funds	843	175	275	.....	.....	.....	.....
Other Funds	214	272	579	225	225	250	250
TOTAL	\$19,135	\$22,181	\$32,165	\$30,408	\$31,403	\$32,865	\$34,240

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Statewide crimes against persons	32,397	33,000	34,000	35,000	36,000	37,000	38,000
Statewide crimes against property	265,361	270,000	277,000	284,000	290,000	297,000	300,000
Crimes against persons investigated by State Police:							
Clearances	57%	57%	57%	57%	57%	57%	57%
Convictions	17%	17%	17%	17%	17%	17%	17%
Crimes against property investigated by State Police:							
Clearances	17%	17%	17%	17%	17%	17%	17%
Convictions	6%	6%	6%	6%	6%	6%	6%

Program Analysis:

The effect of this program is intended to be a controlling factor on the incidence of crime. Although many factors associated with high crime rates have been identified, uncertainties still surround the cause and effect relationships in criminal conduct. It is clear that crime should not be viewed in isolation from other social and behavioral dilemmas. As a result, the question of whether the volume of police services is related to the level of crime is a subject of much conjecture.

Within the last five years, 1968-69 to 1972-73, despite sizeable increases in resources allocated to police, the crime rate increased nationally by approximately 100 percent, according to statistics furnished by the State Police.

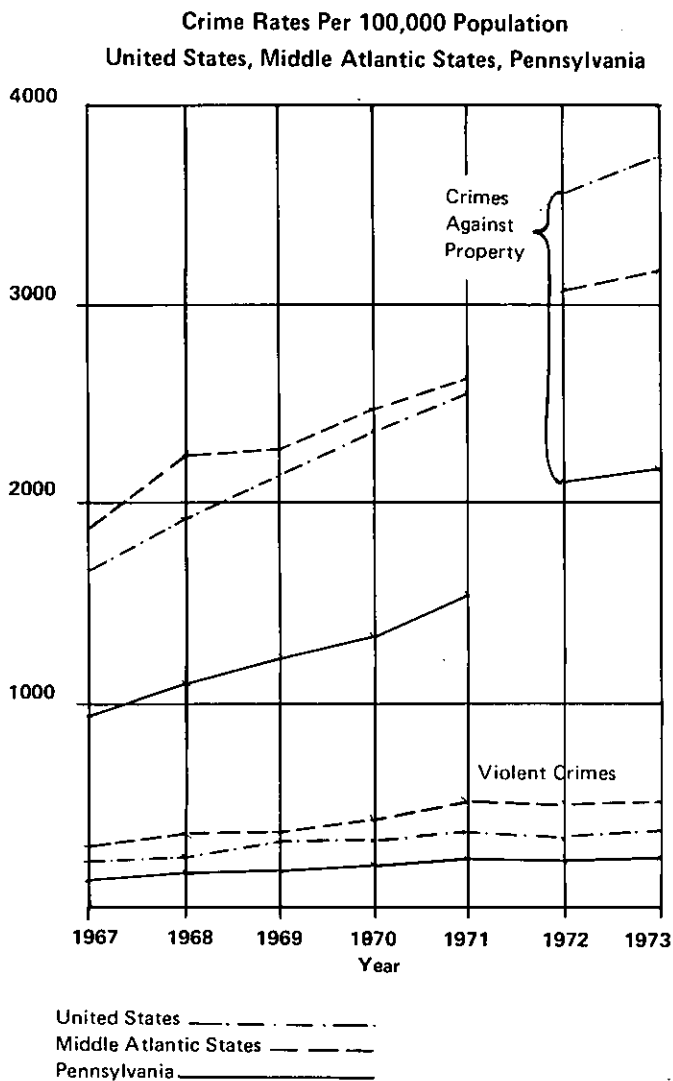
Pennsylvania has always shown a level of crime less than might be expected. The graph shows a comparison, by type of crime, for Pennsylvania, the Middle Atlantic States, and the United States. The gap in crimes against property between

1971 and 1972 was caused by a change in reporting procedure instituted by the Federal Bureau of Investigation (F.B.I.). Prior to 1972 only larcenies over \$50 were included in this index. In 1972, the lesser larcenies were counted, thus causing a discontinuity in the graph.

The clearance and conviction rates are a measure of the intensity of the investigative effort. The clearance rate is the percentage of reported crimes for which an arrest is made. The clearance rate for crimes of violence is higher than other crimes for three reasons: there is a victim; there is usually a witness (often the victim); and more investigative effort is concentrated on this type of crime. The crimes of violence are murder, rape, robbery and assault. Crimes against property have a lower clearance rate because there is usually no witness to the crime. These include burglary, larceny and auto theft.

Criminal Law Enforcement (Continued)

Program Analysis: (Continued)



There seems to be general agreement that local police familiarity with local social conditions can contribute effectively to crime prevention, detection, and apprehension; thereby further heightening the deterrent value of police efforts. With the passage of the Municipal Police Training Act, the State Police anticipate doubling the number of local police and personnel taking training courses. The State Police also provide assistance to local police through their expanded laboratory facilities and through the Commonwealth Law Enforcement Assistance Network. The State Police handle about 14,000 requests per year for assistance. They maintain criminal identification records, fingerprint records, and gun registration. Normal criminal activities include: background investigations for police applicants, as well as nonproductive time such as court attendance, report writing and supervision.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	\$18,078	\$21,734	\$31,311	\$30,183	\$31,178	\$32,615	\$33,990

Prevention and Control of Civil Disorders

OBJECTIVE: To minimize loss of life, bodily injury, property loss and other economic losses through the prevention of civil disorder and the control of riotous situations.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	<u>\$521</u>	<u>\$550</u>	<u>\$575</u>	<u>\$547</u>	<u>\$581</u>	<u>\$611</u>	<u>\$647</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Civil disorders requiring State Police response	84	85	40	40	40	40	40
Arrests by State Police stemming from disorders	159	10	10	10	10	10	10
Intelligence man-hours spent on disorders	6,226	6,500	6,500	6,500	6,500	6,500	6,500
Total man-hours spent on disorders	95,408	30,000	25,000	25,000	25,000	25,000	25,000

Program Analysis:

This program provides a preventive and control capability which reflects the readiness of the State Police to anticipate and handle civil disorders. The fluctuations shown in the measures for 1973-74, 1974-75 and 1975-76, illustrate some of the problems in predicting the number of disorders and their degree of seriousness. The other part of the problem is that the State Police do not have a set definition of what constitutes a civil disorder. Disorders are categorized into four groups: labor, youth, minority or subversive, and the actual determination of whether a civil disturbance exists, is made by the policeman on the scene. Many minor incidents involving very few individuals are arbitrarily classified as civil disorders. This makes the program measures somewhat misleading.

As the measures show, the year 1973-74 had a high number of incidents classified as civil disorders requiring State Police

response. This was largely due to the truckers' strike. Although the year 1974-75 is estimated at a similarly high level, due principally to the coal strike, it must be emphasized that the measures dealing with total man-hours and arrests show the latter year to be less violent in the nature of the civil disorders than 1973-74. Barring the unforeseen development of any major civil disturbances, the State Police estimate a drop in the measures for future years.

Each of the fifteen State Police troops has at least one community relations officer whose responsibility is to monitor civil disorders. Through community relations activities, this program seeks to establish better communications with community officials and organizations to search out potential problem areas and effect the necessary preventive measures. In addition, surveillance is maintained on known promoters of civil disorders.

Prevention and Control of Civil Disorders(continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$521</u>	<u>\$550</u>	<u>\$575</u>	<u>\$547</u>	<u>\$581</u>	<u>\$611</u>	<u>\$647</u>

Disaster Assistance

OBJECTIVE: To ensure a reasonable level of State Police capability for providing emergency protection to persons and property during the course of natural disaster situation.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$9</u>	<u>\$14</u>	<u>\$14</u>	<u>\$13</u>	<u>\$14</u>	<u>\$16</u>	<u>\$18</u>

Program Analysis:

This program cannot be evaluated until an actual natural disaster occurs. Since natural disasters are such rare occurrences, their frequency cannot be predicted and, in turn, the probable number of lives and the amount of property endangered cannot be predicted.

Money spent on this program is for maintenance of a small

inventory of emergency equipment. In the event of a severe disaster, the State Police are prepared, as was demonstrated by the Agnes disaster in 1972, to transfer the necessary manpower and technical assistance from other programs to meet the need.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$9</u>	<u>\$14</u>	<u>\$14</u>	<u>\$13</u>	<u>\$14</u>	<u>\$16</u>	<u>\$18</u>

Fire Prevention

OBJECTIVE: To minimize fire hazards endangering persons or property.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	<u>\$315</u>	<u>\$342</u>	<u>\$351</u>	<u>\$334</u>	<u>\$349</u>	<u>\$366</u>	<u>\$382</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Inspections of flammable liquid tank installations	3,592	4,000	4,000	4,000	4,000	4,000	4,000
Approvals of flammable liquid tank installations	2,824	2,800	2,900	3,000	3,100	3,100	3,100
Corrections formally ordered and made	26	50	50	50	50	50	50

Program Analysis:

The principle activity within this subcategory is the inspection of all proposed flammable tank installations, including modifications of existing ones. The energy crisis caused a delay in the construction of new storage facilities. Thus, even though applications were increasing in 1973, many approvals were not exercised and the number of inspections decreased from the previous year. The number of corrections ordered fell off dramatically from the previously estimated 1973-74 amount. This was due to the increasing number of

municipalities that have adopted Federally suggested fire codes and to the decreased number of installations made. Only one fire was directly attributable to flammable liquid tanks during 1973-74.

Other activities involved in this program include investigation by the State Police of potential fire menaces, and lectures to community groups on the subject of fire prevention.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$315</u>	<u>\$342</u>	<u>\$351</u>	<u>\$334</u>	<u>\$349</u>	<u>\$366</u>	<u>\$382</u>

Tax Equalization Board

The State Tax Equalization Board determines annually the aggregate market value of assessed taxable real property throughout the Commonwealth for use in determining the amount and allocation of Commonwealth subsidies to school districts, for use in determining State support of public libraries, and in determining certain tax limitations.

TAX EQUALIZATION BOARD
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)			
	1973-74	1974-75	1975-76	1975-76
	Actual	Available	Estimate (12 months)	Budget (15 months)
General Fund				
General Government				
General Government Operations	\$640	\$710	\$756	\$940
Total State Funds	<u>\$640</u>	<u>\$710</u>	<u>\$756</u>	<u>\$940</u>
Other Funds .....	.....	\$ 6	.....	.....
GENERAL FUND TOTAL	<u>\$640</u>	<u>\$716</u>	<u>\$756</u>	<u>\$940</u>

General Government

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
General Government Operations			
State Funds	\$640	\$710	\$940
Other Funds .....	.....	6	.....
TOTAL	<u>\$640</u>	<u>\$716</u>	<u>\$940</u>

Determines the aggregate market value of assessed taxable real property in each political sub-division and school district in the Commonwealth for use in determining Commonwealth subsidies to school districts, public libraries and for determining certain tax limitations.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
General Government Operations	\$640	\$710	\$940
Other Funds:			
Supplemental Retirement Contributions .....	.....	6	.....
TOTAL	<u>\$640</u>	<u>\$716</u>	<u>\$940</u>

TAX EQUALIZATION BOARD

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76	1976-77	1977-78		
			(15 months)				
General Administration and Support . . .	<u>\$640</u>	<u>\$710</u>	<u>\$940</u>	<u>\$816</u>	<u>\$865</u>	<u>\$910</u>	<u>\$954</u>

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$640	\$710	\$940	\$816	\$865	\$910	\$954
Other Funds . . . . .	.....	6	.....	.....	.....	.....	.....
TOTAL	<u>\$640</u>	<u>\$716</u>	<u>\$940</u>	<u>\$816</u>	<u>\$865</u>	<u>\$910</u>	<u>\$954</u>

The State Tax Equalization Board is an independent administrative board created to ensure equitable distribution of tax funds among the State's school districts. The Board determines annually the aggregate market value of taxable real property in each of the more than 2500 municipalities and 505 school districts in the Commonwealth. The results are used in determining distribution of State subsidies to school

districts and local libraries, in lieu of tax payments under Project 70 Land Acquisitions, limitations on real estate taxes in school districts lying in more than one county, tax limitations in financing community colleges, and overall tax limitations for political subdivisions and school districts. The program includes holding of hearings and analysis of real estate values and transactions.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
General Government Operations	<u>\$640</u>	<u>\$710</u>	<u>\$940</u>	<u>\$816</u>	<u>\$865</u>	<u>\$910</u>	<u>\$954</u>

Department of Transportation

The responsibility of the Department of Transportation is to provide for the fast, efficient and safe movement of people and goods within the Commonwealth through a balanced transportation system. PennDOT was formed July 1, 1970 by an act of the Legislature combining the former Department of Highways with other transportation—related activities in various departments.

DEPARTMENT OF TRANSPORTATION

Summary by Fund and Appropriation

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Estimate (12 months)	1975-76 Budget (15 months)
General Fund				
General Government				
Mass Transportation Operations	\$ 589	\$ 877	\$ 1,211	\$ 1,386
Navigation Commission for the Delaware River	18	.....	.....	.....
Bicentennial Mass Transportation Projects .....	.....	4,500	.....	.....
Sub-Total	<u>\$ 607</u>	<u>\$ 5,377</u>	<u>\$ 1,211</u>	<u>\$ 1,386</u>
Grants and Subsidies				
Mass Transportation Assistance .....	.....	\$ 74,200	\$ 74,200	\$ 74,200
Port of Philadelphia	\$ 1,000	1,000	1,000	1,000
Port of Erie	250	250	250	250
Civil Air Patrol	25	25	25	25
Sub-Total	<u>\$ 1,275</u>	<u>\$ 75,475</u>	<u>\$ 75,475</u>	<u>\$ 75,475</u>
Total State Funds	<u>\$ 1,882</u>	<u>\$ 80,852</u>	<u>\$ 76,686</u>	<u>\$ 76,861</u>
Federal Funds	\$ 176	\$ 470	\$ 727	\$ 837
Other Funds	18	32	29	37
GENERAL FUND TOTAL	<u>\$ 2,076</u>	<u>\$ 81,354</u>	<u>\$ 77,442</u>	<u>\$ 77,735</u>
Motor License Fund				
General Government				
General Operations	\$ 345,916	\$ 371,334	\$ 330,781	\$ 416,303
Secondary Roads—Maintenance and Resurfacing .....	.....	46,808	56,819	71,697
Appalachia Local Access Roads	1,173	.....	.....	.....
Aviation Operations	3,708	4,082	3,852	4,716
Sub-Total	<u>\$ 350,797</u>	<u>\$ 422,224</u>	<u>\$ 391,452</u>	<u>\$ 492,716</u>
Debt Service Requirements				
State Highway and Bridge Authority Rentals	\$ 37,983	\$ 37,600	\$ 35,000	\$ 35,000
Grants and Subsidies				
Local Road Maintenance and Construction Payments	\$ 85,000	\$ 86,800	\$ 94,400	\$ 94,400
Airport Development	1,998	1,400	1,550	2,100
Sub-Total	<u>\$ 86,998</u>	<u>\$ 88,200</u>	<u>\$ 95,950</u>	<u>\$ 96,500</u>
Total State Funds	<u>\$ 475,778</u>	<u>\$ 548,024</u>	<u>\$ 522,402</u>	<u>\$ 624,216</u>
Federal Funds	\$ 242,774	\$ 276,808	\$ 341,727	\$ 429,433
Other Funds	8,732	8,930	10,344	12,829
MOTOR LICENSE FUND TOTAL	<u>\$ 727,284</u>	<u>\$ 833,762</u>	<u>\$ 874,473</u>	<u>\$1,066,478</u>

DEPARTMENT OF TRANSPORTATION

Summary by Fund and Appropriation

(continued)

	(Dollar Amounts in Thousands)			
1973-74	1974-75	1975-76		1975-76
Actual	Available	Estimate	Budget	
		(12 months)	(15 months)	
Boating Fund				
General Government				
Navigation Office for the Delaware				
River	\$ 79	\$ 104	.....	.....
State Lottery Fund				
Grants and Subsidies				
Free Transit for the Elderly	\$ 10,755	\$ 12,000	\$ 12,480	\$ 15,600
Revenue Sharing Trust Fund				
Grants and Subsidies				
Mass Transportation Assistance	\$ 70,000	.....	.....	.....
Department Total – All Funds				
General Fund	\$ 1,882	\$ 80,852	\$ 76,686	\$ 76,861
Special Funds	556,612	560,128	534,882	639,816
Federal Funds	242,950	277,278	342,454	430,270
Other Funds	8,750	8,962	10,373	12,866
TOTAL ALL FUNDS	\$ 810,194	\$ 927,220	\$ 964,395	\$1,159,813

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Mass Transportation Operations			
State Funds	\$ 607	\$ 877	\$ 1,386
Federal Funds	176	274	510
Other Funds	18	32	37
TOTAL	\$ 801	\$ 1,183	\$ 1,933

Provides administrative coordination and support for all urban, rural and intercity mass transportation. Efficient and effective urban mass transportation is promoted through analysis of local transit operations and procedures, coordination and funding of urban area planning and study projects, and review of local operating subsidy and capital project requests. Activities designed to continue and improve rail service between Pennsylvania's major metropolitan areas include: preparing and coordinating intercity rail studies; and analyzing existing, and proposed changes to, intercity rail service. Administrative direction of the Free Elderly Transit program is also funded as part of this General Fund appropriation, while the actual subsidies to transit operators are paid from the Lottery Fund.

Provides staff assistance for the development activities of the ports of Philadelphia and Erie. Efforts are keyed to enhancing the Commonwealth's ability to compete for an increased share of both foreign and domestic markets.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Mass Transportation Operations	\$ 589	\$ 877	\$1,386
Navigation Commission for the Delaware River	18**
Federal Funds:			
Urban Mass Transportation Assistance	176	274	510
Other Funds:			
Local Contributions—Transit Studies	18	29	37
Supplemental Retirement Contribution .....	.....	3	.....
TOTAL	\$ 801	\$ 1,183	\$1,933

* Included in Mass Transportation Operations Appropriation.

GENERAL FUND

TRANSPORTATION

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Bicentennial Mass Transportation Projects			
State Funds	\$ 4,500	.....

Provides for the promotion and improvement of mass transportation facilities and services in order to restrain congestion and enhance mobility for tourists visiting historical sites associated with the American Bicentennial.

Includes the preparation, promotion and distribution of transportation brochures and family pass subsidies; increasing passenger train, trolley and bus service; construction of parking areas; acquisition and/or rehabilitation of rolling stock and bus services; acquisition and erection of an aerial cable car or other device to bridge the Schuylkill River at Valley Forge, and renovation of the train station at Valley Forge State Park.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Bicentennial Mass Transportation Projects—			
Additional	\$ 4,500	.....

Grants and Subsidies

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Mass Transportation Assistance			
State Funds	\$74,200	\$74,200
Federal Funds	196	327
TOTAL	\$74,396	\$74,527

Assists in developing improved, coordinated, and efficient mass transportation systems in the Commonwealth's urban areas through subsidization of public carriers' operating losses. This program was funded from the Revenue Sharing Trust Fund in 1973-74.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Mass Transportation Assistance	\$74,200	\$74,200
Federal Funds:			
Urban Mass Transportation Assistance	196	327
TOTAL	\$74,396	\$74,527

GENERAL FUND

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Port Facilities			
State Funds	\$ 1,250	\$ 1,250	\$ 1,250

Assists in the expansion and improvement of the port facilities of Philadelphia and Erie, thereby stimulating foreign trade profits of Pennsylvania industry while providing jobs at the ports.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
Port of Philadelphia	\$ 1,000	\$ 1,000	\$ 1,000
Port of Erie	250	250	250
TOTAL	<u>\$ 1,250</u>	<u>\$ 1,250</u>	<u>\$ 1,250</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Civil Air Patrol			
State Funds	\$ 25	\$ 25	\$ 25

Pays for instructional aids and other equipment used in local civil air patrol programs.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Civil Air Patrol	<u>\$ 25</u>	<u>\$ 25</u>	<u>\$ 25</u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
General Operations			
State Funds	\$347,089	\$418,142	\$488,000
Federal Funds	242,052	276,111	428,490
Other Funds	8,440	8,036	11,674
TOTAL	\$597,581	\$702,289	\$928,164

Directs and coordinates activities and supervises the day to day administration of the highway program. The three largest areas of responsibility are the construction, safety and maintenance programs.

The highway building process begins with research: long range planning of construction needs and testing of materials and methods to improve the quality of highways constructed. To achieve a safe and efficient highway system, plans are formulated for the design, redesign and location of roadways, bridges and structures. Handles all legal and fiscal matters involved in the acquisition of necessary rights-of-way. Finally, the construction, reconstruction, and improvement of roads and bridges on the State highway system are supervised by PennDOT personnel who inspect these activities for adherence to established standards.

Responsibilities of the highway construction program cover all 67 counties within the Commonwealth and include Federal Interstate, Primary, Secondary, Urban and Appalachia Roads as well as roads on the 100 percent State system.

The safety program provides for processing applications and collecting fees for all vehicle registrations and operator licenses. Additional functions are: to enforce the driver point system, to keep records of State vehicle safety inspections, to maintain a public education and information section, and to supply certified copies of records of traffic accidents to other agencies both within and outside the State. Other responsibilities include: providing assistance for Commonwealth agencies, municipalities and non-profit organizations; project implementation and development under provisions of the Federal Highway Safety Act; and regulating the transportation of hazardous substances on the highway.

The maintenance program provides for the repair, resurfacing and servicing of roads and bridges on the State highway system to keep them in a safe and usable condition. Activities include winter traffic services, pavement markings, cleaning and mowing, surface treatment, minor flood and storm damage repairs, painting traffic lines, erection and maintenance of traffic signs, and the maintenance of bridges, tunnels and roadside rests.

Provides special services for other departments, boards, commissions, adjacent states and the Federal Government. Repairs to flood-damaged highways are financed through this program; most of these costs are reimbursed by the Federal Government.

In addition, the Appalachia Local Access Roads program finances the Federal share of these 70% Federal – 30% local projects until reimbursement is received from the Federal Government. The revolving fund established for this purpose will terminate on June 30, 1975, at which time the \$1,172,500 allocated in State funds will lapse back into the Motor License Fund.

In addition to the costs shown, bond funds are used to finance capital project costs within this program. Bond expenditures are summarized in the Capital Budget section of this budget.

MOTOR LICENSE FUND

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriations:			
General Operations	\$345,916	\$371,334	\$416,303
Appalachia Local Access Roads	1,173	.....	.....
Executive Authorization:			
Secondary Roads—Maintenance and Resurfacing .....	.....	46,808	71,697
Federal Funds:			
Highway Funds	220,781	255,389	404,040
Highway Safety Reimbursements	1,559	1,000	2,048
Reimbursement for Flood Related Costs—Highways	19,158	19,000	21,500
Appalachia Local Access Roads Reimbursements	554	722	902
Other Funds:			
Other Highway Construction Contributions	8,005	7,237	10,666
Sale of Automobiles and Equipment— Highways	111	165	125
Payment for Services Rendered Other Funds and Appropriations	324	634	883
TOTAL	<u>\$597,581</u>	<u>\$702,289</u>	<u>\$928,164</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Aviation Operations			
State Funds	\$ 3,708	\$ 4,082	\$ 4,716
Federal Funds	722	697	943
Other Funds	292	894	1,155
TOTAL	<u>\$ 4,722</u>	<u>\$ 5,673</u>	<u>\$ 6,814</u>

Maintains and operates the Bureau of Aviation within the Department of Transportation, and all State-owned airports—primarily Harrisburg International and Capital City. In addition to the costs shown, bond funds are used to finance capital project costs within this program. Bond expenditures are summarized in the Capital Budget section of this budget.

	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Aviation Operations	\$ 3,708	\$ 4,082	\$ 4,716
Federal Funds:			
Aviation Funds	436	539	943
Reimbursement for Flood Related Costs—Aviation	286	158	.....
Other Funds:			
Utility Reimbursements	292	894	1,155
TOTAL	<u>\$ 4,722</u>	<u>\$ 5,673</u>	<u>\$ 6,814</u>

Debt Service Requirements

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
State Highway and Bridge Authority Rentals			
State Funds	\$ 37,983	\$ 37,600	\$ 35,000

Makes rental payments to the State Highway and Bridge Authority for highways and bridges constructed with funds borrowed by the Authority as a means of expanding the construction program beyond the level permitted by current revenues in previous years.

Bond borrowings are now made as General Obligations of the Commonwealth, for which debt service requirements are appropriated to the Treasury Department. State Highway and Bridge Authority rentals will continue for those projects currently under rental.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
State Highway and Bridge Authority Rentals	<u>\$ 37,983</u>	<u>\$ 37,600</u>	<u>\$ 35,000</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Local Road Maintenance and Construction Payments			
State Funds	\$ 85,000	\$ 86,800	\$ 94,400

Provides financial aid to local municipalities to assist them in the maintenance and construction of their portion of the total highway system. The subsidy is equal to 1.6 cents per gallon of gasoline sold within the Commonwealth.

Payment of the funds to municipalities is closely regulated and controlled to determine that monies are expended for maintenance and construction of roads according to law. The distribution is made on a 50 percent mileage and 50 percent population formula.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Local Road Maintenance and Construction Payments	<u>\$ 85,000</u>	<u>\$ 86,800</u>	<u>\$ 94,400</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Airport Development			
State Funds	\$ 1,998	\$ 1,400	\$ 2,100

Provides payments on a matching basis to local governments and authorities for development of aeronautical facilities.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Airport Development	<u>\$ 1,998</u>	<u>\$ 1,400</u>	<u>\$ 2,100</u>

Boating Fund

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Navigation Office for the Delaware River			
State Funds	\$ 79	\$ 104	.....

Promotes watercraft safety and enforces boating laws and regulations on the tidal waters of Pennsylvania. It is recommended that this function be assumed by the Fish Commission beginning in 1975-76.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorization:			
Navigation Office for the Delaware River	<u>\$ 79</u>	<u>\$ 104</u>	.....

State Lottery Fund

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Free Transit for the Elderly			
State Funds	\$ 10,755	\$ 12,000	\$ 15,600

Allows elderly citizens to ride the Commonwealth's transit systems without charge during non-peak hours through the week and all day on weekends and holidays by providing the systems with cash subsidies.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Executive Authorization:			
Free Transit for the Elderly	<u>\$ 10,755</u>	<u>\$ 12,000</u>	<u>\$ 15,600</u>

Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Mass Transportation Assistance			
State Funds	\$ 70,000	.....	.....

Provides assistance in developing improved, coordinated and efficient mass transportation systems in the Commonwealth's urban areas through subsidization of public carriers' operating losses. This program has been funded from the General Fund in all years except 1973-74.

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Appropriation:			
Mass Transportation Assistance	\$ 70,000	.....	.....

RESTRICTED RECEIPTS

TRANSPORTATION

Restricted Receipts Not Included in Department Total

	1973-74 Actual	(Dollar Amounts in Thousands)	
		1974-75 Available	1975-76 Budget (15 months)
General Fund			
Federal Reimbursement for Local Flood—Related Transit Service		\$ 59	
Federal Reimbursement for Car Pool Service Costs		1,500	
Federal Reimbursement for Local Flood— Rehabilitation Costs		5	\$ 800
Federal Reimbursements for Local Roads Improvement		800	
GENERAL FUND TOTAL		<u>\$ 2,364</u>	<u>\$ 800</u>
Motor License Fund			
Federal Reimbursements to Political Subdivisions—Highway Safety	\$ 4,056	\$ 4,000	\$ 4,950
Program for Land Use Under Elevated Highways	389		
Federal Reimbursement to Improve Capacity and Safety	8	120	269
Cash Security Deposits—Motor Vehicle Safety Responsibility	649	492	653
Federal Grants—Airport Development Program	12,131	16,000	20,000
Federal Advances—Delaware Housing Authority		500	1,125
Appalachia Local Access Roads*	212		
MOTOR LICENSE FUND TOTAL	<u>\$17,445</u>	<u>\$21,112</u>	<u>\$26,997</u>
DEPARTMENT OF TRANSPORTATION TOTAL	<u>\$17,445</u>	<u>\$23,476</u>	<u>\$27,797</u>

* Changed to augmentation instead of restricted receipt during fiscal year 1973-74.

DEPARTMENT OF TRANSPORTATION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Administration and Support	\$ 18,947	\$ 14,855	\$ 22,990	\$ 19,360	\$ 20,367	\$ 21,374	\$22,481
Transportation Systems	\$213,615	\$193,362	\$219,039	\$224,241	\$219,958	\$228,004	\$240,564
Urban Highway Construction	62,360	46,787	61,499	60,509	58,390	58,756	60,398
Rural and Intercity Highway Construction	73,690	60,249	74,047	77,436	70,579	71,434	73,355
Urban Mass Transportation	70,350	79,105	74,672	78,905	83,540	90,280	99,125
Rural and Intercity Rail Transportation	126	320	672	360	360	360	360
Air Transportation	5,731	5,507	6,841	5,733	5,789	5,872	6,022
Water Transportation	1,358	1,394	1,308	1,298	1,300	1,302	1,304
Transportation Services	\$272,224	\$372,874	\$392,197	\$343,893	\$347,101	\$361,545	\$376,668
Urban Highway Maintenance	118,531	159,308	168,120	147,625	148,517	154,500	160,822
Rural and Intercity Highway Maintenance	153,452	213,447	223,816	196,037	198,342	206,797	215,587
Highway Beautification	241	119	261	231	242	248	259
Transportation Safety	\$ 42,953	\$ 47,889	\$ 66,851	\$ 56,365	\$ 59,181	\$ 62,131	\$ 65,234
Urban Highway Safety Programs	5,757	4,691	10,365	8,783	9,191	9,666	10,168
Rural and Intercity Highway Safety Programs	10,630	11,760	19,271	16,282	17,090	17,865	18,766
Licensing and Highway Safety Control	26,566	31,438	37,215	31,300	32,900	34,600	36,300
Free Elderly Transit	\$ 10,755	\$ 12,000	\$ 15,600	\$ 12,979	\$ 13,498	\$ 14,038	\$ 14,600
Free Elderly Transit	10,755	12,000	15,600	12,979	13,498	14,038	14,600
DEPARTMENT TOTAL	\$558,494	\$640,980	\$716,677	\$656,838	\$660,105	\$687,092	\$719,547

General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	\$ 102	\$ 112	\$ 184	\$ 160	\$ 167	\$ 174	\$ 181
Special Funds	18,845	14,743	22,806	19,200	20,200	21,200	22,300
Federal Funds	433	450	847	720	727	734	741
Other Funds	224	213	310	231	234	234	237
SUB-TOTAL	<u>\$19,604</u>	<u>\$15,518</u>	<u>\$24,147</u>	<u>\$20,311</u>	<u>\$21,328</u>	<u>\$22,342</u>	<u>\$23,459</u>
<i>Bond Funds†</i>	3,770	10,825	6,948	6,538	7,503	8,713	8,992
TOTAL	<u>\$23,374</u>	<u>\$26,343</u>	<u>\$31,095</u>	<u>\$26,849</u>	<u>\$28,831</u>	<u>\$31,055</u>	<u>\$32,451</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
Mass Transportation Operations	<u>\$ 102</u>	<u>\$ 112</u>	<u>\$ 184</u>	<u>\$ 160</u>	<u>\$ 167</u>	<u>\$ 174</u>	<u>\$ 181</u>
MOTOR LICENSE FUND							
General Operations	<u>\$18,845</u>	<u>\$14,743</u>	<u>\$22,806</u>	<u>\$19,200</u>	<u>\$20,200</u>	<u>\$21,200</u>	<u>\$22,300</u>

† Excluded from all summary presentations.

Urban Highway Construction

OBJECTIVE: To connect residential and employment centers with an urban highway network capable of handling peak hour traffic demand, and to provide reasonably accessible means for moving cargo necessary to support commercial and industrial activities in urban areas.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Special Funds	\$ 62,360	\$ 46,787	\$ 61,499	\$ 60,509	\$ 58,390	\$ 58,756	\$ 60,398
Federal Funds	115,842	131,300	199,813	146,547	148,737	151,132	151,548
Other Funds	4,011	4,919	6,382	4,293	3,962	3,962	4,006
SUB-TOTAL	\$182,213	\$183,006	\$267,694	\$211,349	\$211,089	\$213,850	\$215,952
<i>Bond Funds†</i>	121,345	136,768	131,300	99,400	96,200	93,500	90,700
TOTAL	\$303,558	\$319,774	\$398,994	\$310,749	\$307,289	\$307,350	\$306,652

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Losses attributable to substandard urban highways (millions of dollars):							
Time							
Passenger	\$352	\$354	\$370	\$387	\$405	\$424	\$446
Cargo	\$199	\$200	\$209	\$217	\$228	\$240	\$251
Operating costs:							
Passenger	\$30	\$30	\$31	\$32	\$33	\$34	\$35
Cargo	\$62	\$61	\$63	\$65	\$68	\$71	\$74
Accident costs:							
All vehicles	\$25	\$27	\$28	\$28	\$29	\$29	\$30
Travel on urban highways (billions of vehicle miles):*							
Passenger	16.6	16.3	16.6	17.0	17.3	17.7	18.0
Cargo	3.6	3.6	3.7	3.7	3.8	3.9	4.0
Travel on substandard urban highways (billions of vehicle miles):*							
Passenger	13.5	13.6	13.7	13.9	14.1	14.4	14.7
Cargo	3.0	3.0	3.0	3.0	3.1	3.1	3.2
Miles of urban highways:*							
Total	8,986	9,003	9,004	9,005	9,006	9,006	9,007
Substandard	7,084	7,321	7,289	7,272	7,273	7,290	7,312
Brought up to standard	168	148	139	121	104	98	93
Highway share of urban passenger trips							
Percent of urban trips**	95.3%	95.1%	95.0%	94.9%	94.8%	94.7%	94.6%
Percent of urban work trips**	89.6%	89.1%	88.9%	88.7%	88.5%	88.3%	88.1%

*State highways only, local roads excluded.

**Auto and transit trips only.

† Excluded from all summary presentations.

Urban Highway Construction (Continued)

Program Analysis:

That the energy situation has developed, for now at least, as a "problem" and not a "crisis" has not obviated the necessity of reevaluating those precepts that have led to highway dominance of urban transportation. Various Federal and private studies indicate a growing catalogue of serious vehicular caused problems. For instance, urban vehicular air pollution may cause as many as four thousand deaths and four million illness-related days across the U.S. each year, while cleaning up such pollution could cost between five and eight billion dollars per year. Also, while the nation subsidizes its auto and truck drivers with between three and four billion dollars annually in direct (beyond highway-user taxes) maintenance and construction subsidies, vehicle-caused ecological damage—not just air pollution but economic and other losses from such byproducts as fast-water runoff from paved roads—totals perhaps ten billion dollars per year. Meanwhile, recent estimates make it plain that access to an automobile is becoming increasingly difficult for our poorer citizens; it now costs about 29 cents per mile to own and operate a standard-sized car, 24 cents for a mid-size, and 19 cents for compact models.

Even the positive effects claimed for urban highways are debatable. The massive "demand" for urban highways reflected in the program measures in terms of vehicle miles of travel and percent of urban trips by automobile are arguably more a function of lack of alternative than of need. Economic arguments—the new industries, jobs, payrolls and sales supposedly attracted by new and improved highways—are questionable to the extent that the phenomenon involved is often simply industries, jobs, payrolls and sales transferring from one location to another, particularly from a dying center city out to its suburbs.

Time savings for automobile users claimed for improved highways is a nebulous theory and such savings are probably never actually achieved in the magnitude claimed, since savings are typically calculated only before, but not after, the new road is built. In reality the new and improved highways tend to create their own new demand, fill up as fast as they are opened, and the new congestion results in little provable savings for users. Similarly, this lack of meaningful after-the-fact benefit analysis weakens the argument for claimed operating cost and accident savings. While the cargo losses indicated in the measures are theoretically more valid, since for truckers time is indeed money, they too suffer from a lack of after-the-fact analysis. Moreover, urban trucking problems seem more a function of poor location and inefficient use of existing highways, rather than any shortage of urban highways.

Urban transportation programs have long seemed dominated

by the premise that every citizen has the unquestioned right to make every trip he desires, exactly when he desires, in as comfortable, fast and convenient a conveyance as he desires. The private automobile being, at least in its optimum usage, undeniably the fastest, most convenient and comfortable means of urban transportation, some results of this premise have been quite predictable. Governments collectively spent more on highways in a month than on all others modes of transportation in a year. Not suprisingly, then, transit systems steadily deteriorated, beset by decreasing patronage and steeply rising costs, to the point where over 90 percent of all urban trips are—or must be—made by automobile. The resultant highway congestion, particularly during but not limited to rush hour periods, is chaotic. Yet, the new highways built to alleviate this congestion tend to fill up as fast as they are built and often exacerbate the situation.

With the nation's energy problems far from overcome, yet another severe byproduct of overreliance on the automobile has emerged. The automobile consumes nearly 30 percent of the nation's petroleum, 55 percent of total transportation energy, while the manufacture and operation of the automobile accounts for one-quarter of all energy used. Yet, in terms of energy waste, the automobile is the least efficient means of passenger transportation. A car effectively used only five percent of the potential energy it burns, and consumes five times as much fuel per passenger-mile as a train and six times as much as a bus.

As a result, many of the traffic-reducing methodologies being developed to combat urban air pollution—mandating car pools, prohibitive taxes on and/or rationing of gasoline, emphasizing travel by mass transit—are also now being seriously studied as energy conservation measures. Air pollution and energy problems may well combine to dictate those same rational urban transportation policies heretofore often ignored by the unquestioning adherence to purported "individual freedom-of-choice" that has been the cornerstone of urban transportation planning. Urban modes of transportation other than highways are available which would not only reduce fuel consumption, but also result in less environmental degradation, can be operated more safely, and require less land for comparable volumes of travel.

Similar economic, social, and environmental parameters must be applied to urban highways and alternate mass transit systems. Comparisons of the two modes should include: original construction and projected operating and maintenance costs; air, water and land quality implications; land damage and tax base reduction impacts and costs; effect on future development patterns; energy consumption projections; and travel time and safety considerations.

Urban Highway Construction (Continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
MOTOR LICENSE FUND							
General Operations	\$27,752	\$12,080	\$26,884	\$22,600	\$23,700	\$24,900	\$26,100
State Highway and Bridge Authority							
Rentals	20,208	20,003	18,622	18,889	19,261	18,038	18,091
Local Road Maintenance and							
Construction Payments	14,400	14,704	15,993	19,020	15,429	15,818	16,207
 MOTOR LICENSE FUND							
TOTAL	<u>\$62,360</u>	<u>\$46,787</u>	<u>\$61,499</u>	<u>\$60,509</u>	<u>\$58,390</u>	<u>\$58,756</u>	<u>\$60,398</u>

Rural and Intercity Highway Construction

OBJECTIVE: To provide mobility to rural Pennsylvanians; to connect major urban activity centers with each other and with recreational areas; and to provide a highway system capable of handling the agricultural and industrial cargo necessary to sustain the Commonwealth's economy.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
Special Funds	\$ 73,690	\$ 60,249	\$ 74,047	\$ 77,436	\$ 70,579	\$ 71,434	\$ 73,355	
Federal Funds	100,196	113,068	172,276	123,797	125,663	127,710	128,103	
Other Funds	3,846	3,290	4,780	3,561	3,602	3,602	3,643	
SUB-TOTAL	\$177,732	\$176,607	\$251,103	\$204,794	\$199,844	\$202,746	\$205,101	
<i>Bond Funds</i> ^t	101,439	113,877	108,100	82,100	79,300	77,000	74,800	
TOTAL	\$279,171	\$290,484	\$359,203	\$286,894	\$279,144	\$279,746	\$279,901	

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Losses attributable to substandard rural and intercity highways* (millions of dollars):							
Time:							
Passenger	\$167	\$168	\$176	\$183	\$192	\$201	\$210
Cargo	\$167	\$168	\$175	\$183	\$191	\$201	\$210
Operating costs:							
Passenger	\$20	\$19	\$20	\$20	\$20	\$20	\$20
Cargo	\$72	\$69	\$70	\$70	\$71	\$71	\$72
Accident costs:							
All vehicles	\$12	\$13	\$12	\$13	\$13	\$13	\$13
Travel on rural and intercity highways* (billions of vehicle miles):							
Passenger	17.6	17.3	17.7	18.0	18.4	18.8	19.1
Cargo	6.9	6.7	6.9	7.0	7.2	7.3	7.4
Travel on substandard rural and intercity highways* (billions of vehicle miles):							
Passenger	8.1	7.8	7.7	7.7	7.6	7.6	7.6
Cargo	3.1	3.0	3.0	3.0	3.0	2.9	2.9
Miles of rural and intercity highways*:							
Total	35,590	35,657	35,659	35,551	35,664	35,667	35,669
Substandard	18,099	18,225	18,304	18,375	18,468	18,584	18,709
Brought up to standard	140	205	194	169	146	138	130
Highway share of rural and intercity passenger trips (percent)	98.7%	98.7%	98.6%	98.5%	98.4%	98.4%	98.3%

*State highways only, local roads excluded.
 †Excluded from all summary presentations.

Rural and Intercity Highway Construction: (continued)

Program Analysis:

The automobile presently accounts for 99 percent of person-trips between urban centers, between urban and rural areas, and in rural areas of Pennsylvania. Some 85 percent of all intercity person-miles of travel is by automobile, and 86 percent of all trips of over 100 miles are taken via our highways. Ninety percent of all Americans who took vacations last year went by automobile.

This popularity of the automobile for intercity trips is a result of a number of factors: greater affluence, increased vehicle ownership, greater dispersion in the location of activities, improved highway facilities, and the virtual absence of any alternative to the automobile. Unlike urban travel, however, even if adequate public transportation between urban centers were provided, the automobile would most likely remain the dominant mode because of its privacy and comfort, its perceived if not real economy and its flexibility in responding to the specific needs of the traveller.

While land use, nonuser benefits, and resource availability do have a role in present highway locational and priority decisions, travel demand has historically been given the most weight and the program measures used above attempt to show this demand in terms of both actual travel as well as dollar costs to users of a less-than-optimum highway network. Unfortunately, these measures are more theoretical than factual, assuming as they do a certain dollar value per hour for each automobile occupant's time spent on the highway. For income-producing trips, this approach is unquestionably valid; for shopping, vacation and leisure time trips, far less valid. Greater emphasis must be placed on incorporating economic and social by-products of highway construction into the decision-making process.

A primary beneficiary of our interurban highway network, particularly the Interstate portion, is the trucking industry.

High-speed, fully controlled-access intercity highways, while undeniably facilitating passenger traffic, have been and continue to be a benefit to the long-distance trucker. Savings on cross-country trips are today measured not in hours but in days, while intercity trips within Pennsylvania are often reduced in time by up to 50 percent. Allied operating cost savings, attributable to both reduced travel time per payload and to the decreased stop-and-go driving and grade changes afforded by these new and improved highways, are also significant. The trucker losses attributable to substandard highways shown above are very real; savings accruing to truckers as a result of highway improvements are potentially valid, but need to be proven through after-the-fact studies to be more than theoretical.

The program measures shown for cargo infer that benefits to truckers are the primary result of, and major factor in decisions concerning, an intercity cargo highway network. Yet the nature of the cargo-highway system has a marked effect on the economic base and structure of the State. Construction of truck corridors can bring not only truck terminals but truck-using industries; terminals and new industry bring jobs and both payroll and investment money. If new jobs and new money are involved, the economic base of the State benefits; if simply relocated jobs and relocated money from one Pennsylvania location to another are involved, the impact on our economic structure might even be detrimental. It is admittedly difficult to calculate quantitatively this relationship between highway construction and statewide or regional economic barometers such as sales volume, real estate values, and payroll changes—or the decline of the railroads. Such indices are a valid measure of a highway program and should be developed to the point there they can be applied.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
MOTOR LICENSE FUND							
General Operations	\$23,276	\$10,492	\$22,556	\$18,900	\$19,800	\$20,800	\$21,800
Appalachia Local Access Roads	1,173	.....	.....	.....	.....	.....	.....
State Highway and Bridge Authority Rentals	16,891	16,721	15,564	15,785	16,096	15,073	15,116
Local Road Maintenance and Construction Payments	32,350	33,036	35,927	42,751	34,683	35,561	36,439
MOTOR LICENSE FUND TOTAL	<u>\$73,690</u>	<u>\$60,249</u>	<u>\$74,047</u>	<u>\$77,436</u>	<u>\$70,579</u>	<u>\$71,434</u>	<u>\$73,355</u>

Urban Mass Transportation

OBJECTIVE: To provide frequent, fast, inexpensive transit services between residential neighborhoods and employment centers at a level sufficient to alleviate prevailing pressures on urban road systems caused by congestion and lack of parking facilities.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
General Fund	\$ 350	\$79,105	\$ 74,672	\$ 78,905	\$ 83,540	\$ 90,280	\$ 99,125	
Special Funds	70,000	.....	.....	.....	.....	.....	.....
Federal Funds	176	470	837	875	1,002	1,101	1,234	
Other Funds	18	1,596	837	28	18	18	18	
SUB-TOTAL	\$70,544	\$81,171	\$ 76,346	\$ 79,808	\$ 84,560	\$ 91,399	\$100,377	
<i>Bond Funds†</i>	<i>5,394</i>	<i>16,500</i>	<i>35,500</i>	<i>36,000</i>	<i>39,000</i>	<i>39,000</i>	<i>31,000</i>	
TOTAL	\$75,938	\$97,671	\$111,846	\$115,808	\$123,560	\$130,399	\$131,377	

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Urban mass transit person—trips:							
Millions annually	424.9	440.6	458.3	476.7	495.8	515.6	536.2
Percent of urban trips*	4.7%	4.9%	5.0%	5.1%	5.2%	5.3%	5.4%
Percent of urban work trips*	10.4%	10.9%	11.1%	11.3%	11.5%	11.7%	11.9%
Percent of Philadelphia and Pittsburgh work trips*	13.3%	13.9%	14.2%	14.4%	14.7%	14.9%	15.1%
Urban passengers carried by State-assisted carriers:							
Millions annually	397.5	413.4	429.9	447.1	465.0	483.6	503.0
Percent of all transit trips	93.6%	93.8%	93.8%	93.8%	93.8%	93.8%	93.8%
Cost of average urban mass transit trip:							
To user (fare)	30.4¢	31.1¢	32.8¢	33.0¢	33.4¢	34.0¢	34.4¢
To Commonwealth (subsidy—including Lottery Fund)	19.0¢	19.6¢	18.9¢	19.2¢	19.5¢	20.1¢	21.1¢
To Federal Government (subsidy) . . . . .	.....	4.1¢	6.2¢	7.7¢	8.8¢	9.3¢	9.5¢
To local governments (subsidy)	8.2¢	8.4¢	8.3¢	8.2¢	8.4¢	8.7¢	9.2¢
Total Cost	57.6¢	63.2¢	66.2¢	68.1¢	70.1¢	72.1¢	74.2¢

* Auto and transit trips only.

† Excluded from all summary presentations.

Urban Mass Transportation (continued)

Program Analysis:

Transit patronage, which had been in continual decline in Pennsylvania from the mid 1940's to the early 1970's, has made a significant and encouraging turnaround in the past two years. While the still-threatening energy crisis combined with the new free elderly transit program to accelerate this trend reversal, these are not the sole causes for the recent greater usage of public travel facilities. The rate of decrease had softened considerably in the late 1960's and early 1970's, and by the middle of fiscal year 1972-73 ridership had leveled out and began a gradual increase. So a return to transit was in evidence prior to the advent of either the energy crisis or the elderly transit program, reflective of a concerted effort on many fronts to alleviate transit's many problems.

Almost all transit agencies in the State were able to achieve increased ridership during the past fiscal year. The statewide increase in fiscal year 1973-74 was over seven percent, on top of a nearly two percent increase in 1972-73. Additional four percent increases are anticipated both in the 1974-75 and 1975-76. Admittedly, a seventeen percent increase over a four-year period doesn't represent exactly a stampede towards Pennsylvania's buses, subways and trains. And this is significantly less than the increases projected in last year's budget. But those projections were based on the dire energy forecasts emanating at that time from Washington, predictions of near-catastrophe that fortunately did not come true. Nevertheless, since transit usage had shown a steady decline between 1960 and 1972 totaling over seventy percent in the Allentown-Bethlehem-Easton area, almost sixty percent in Lancaster, over fifty-five percent in Harrisburg, over fifty percent in Altoona, and nearly thirty percent in Philadelphia, reversal of such sharp losses has to be viewed as extremely noteworthy and encouraging.

The causes of transits' decline since World War II are many and complex, and the recent turnaround relates quite closely to persistent attacks on these causes. Beset by cost increases, fare increases that generated less passengers rather than more revenue, massive governmental investments in highways, and the unquestioned convenience of the automobile, transit operators for years reacted to their deteriorating position by striving for survival rather than progress. Starved financially from acquiring capital equipment, they tried to minimize the immediate costs of their systems, thus developing gradually into highly-under-capitalized, high cost-per-passenger operations.

This neglect of facilities modernization was generally accompanied by failure to provide even such amenities as information, passenger shelters, and regular service. Decrepit and filthy equipment that broke down at the most inopportune times and erratic and infrequent schedules led to

an apathetic public discouraged about even the mention of public transportation.

Only a gradual chipping away at all these maladies, a slow process that is far from complete, coupled with an increasingly congested, air-polluting and energy-wasting urban highway system, made even these modest gains possible. And an alarming array of problems continue to beset urban mass transportation. Virulent, double-digit inflation escalating labor, supply, fuel and maintenance costs of this highly labor-intensive industry; governmental policies gradually shifting towards a balanced transportation concept but still favoring highways; and rider resistance to fare increases—all lead inexorably towards increased transit operating losses.

The only factor that prevents a sharp increase in State subsidy requirements in the 1975-76 budget over the current year's record \$74.2 million subsidy is the recent passage of a long-overdue Federal transit subsidy program. This belated, much-needed Federal program is expected to pump about \$18 million into day-to-day transit operations the remainder of the current year, \$30 million next year, and an average of \$47 million annually over the succeeding four years. This constitutes slightly less than half the anticipated State subsidy over the six-year period.

A second encouraging reversal of pro-highway policy at the Federal level has allowed Philadelphia and Delaware County to substitute nearly \$200 million worth of needed transit capital projects for the controversial Cobbs Creek Expressway. However, general revenue funds, rather than the Highway Trust Funds which were declined by the Philadelphia area governments, will be used to build the transit improvements—transit funds which the Philadelphia area probably would have ultimately received anyhow. The Federal highway funds involved will be returned to the Highway Trust Fund, to be used on other highway projects throughout the nation. Attempts to allow direct usage of either Federal or Commonwealth highway funds for transit have thus far failed, and the Federal Highway Trust Fund remains inviolate as a source of highways-only funding in the same manner as the State's Motor License Fund. It is incumbent upon PennDOT to encourage local governments to carefully consider other such highways-to-transit switches.

Other positive developments continue to unfold. While proposals to allow a local transit tax for transit in Pennsylvania seem stalled for now, a \$380 million transit capital program was recently signed into law, including over \$60 million in State funding. Nationally, historic voter reluctance to tax boosts or bond issues for public transportation is weakening, as such proposals have won voter approval in the last two years in Denver, Miami, Seattle, Atlanta, Charlestown,

Urban Mass Transportation (continued)

Program Analysis: (continued)

Winston-Salem, Cincinnati, Columbus, Canton and Fort Worth. New York City, and other urban areas in that State, recently began receiving state operating subsidies for the first time.

Transit innovations are also gaining momentum. The Lindenwold High-Speed Line from center-city Philadelphia into low-density, auto-oriented suburbs of southern New Jersey has attracted nearly 45,000 daily passengers; one survey found that forty percent of these riders formerly drove to work over congested Delaware River bridges. Free bus service instituted in Wilkes-Barre after the June 1972 flood resulted in more than a doubling of ridership; although the emergency situation prevailing at the time undoubtedly played a significant role in this increase, high ridership levels continued after reinstatement of fares, indicating that the response was not only forced but also induced by increased and improved services. Allentown's intensively-promoted ride-and-shop service resulted in significant increases in several of its lines. Philadelphia is encouraging staggering of work hours as a transit inducement. An aggressive and comprehensive marketing program, combined with several innovative fare incentives and service improvements, has enabled Pittsburgh to reverse its downward trend in ridership. And of course, the free elderly transit program, discussed in a later subcategory, has been a pronounced success.

Nationally, fare-slashing and service improvements have helped Cincinnati and San Diego score impressive gains in ridership in recent months; in Seattle, transit patrons now ride in the downtown area free; and special Sunday fares have boosted ridership in New York, Chicago and Los Angeles. Particularly significant is that most of these fare cuts have been aimed only at filling empty seats during off-hours, when transit is most underutilized.

Yet this collection of concrete, measureable accomplishments may represent a less vital gain for transit than the more conceptual change taking place in decision-makers perceptions of the role of transit in our cities.

Viewed through the 1950's and 1960's as simply a secondary, weak-sister mode of transportation; then gradually as an integral component of a total transportation system, but still simply a people-mover and no more; transit is today increasingly held to be a public service much along the lines of police or fire protection, welfare, health or education. Leaders of both government and the private sector are beginning to insist that a viable transit system must be provided to the great number of our citizens who absolutely require it. There is also a growing public awareness that transit can help solve economic, housing, pollution, energy and other woes of our cities and nation; and that all those potential indirect benefits of improved transit must be accepted as valid components in the decision process.

So while the energy crisis did not, for reasons having more to do with overestimates of its severity than underestimates of transit's potential, create nearly the shift towards transit envisioned in last year's budget, the situation is nonetheless brightening despite the ravages of inflation. The future liveability of our cities will depend in no small part on maintaining the developing impetus away from highway towards transit. PennDOT will have to provide all possible assistance and encouragement towards achieving a balanced transportation system.

The only Federal transit subsidies that will be channeled through state governments are those to urban areas of under 200,000 population. Thus the Federal Funds shown in the recommended program costs exclude the sizeable Federal contributions to Philadelphia, Pittsburgh and many medium-sized cities, since program funds not handled by the State are by definition considered outside the financial scope of this budget. The data for cost of an average urban mass transit trip, on the other hand, does include both the anticipated Federal subsidy to these cities as well as all local community subsidies.

Program Costs By Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Mass Transportation Operations	\$ 350	\$ 405	\$ 472	\$ 505	\$ 540	\$ 580	\$ 625
Mass Transportation Assistance		74,200	74,200	78,400	83,000	89,700	98,500
Bicentennial Mass Transportation Projects		4,500					
GENERAL FUND TOTAL	\$ 350	\$79,105	\$74,672	\$78,905	\$83,540	\$90,280	\$99,125
REVENUE SHARING TRUST FUND							
Mass Transportation Assistance	\$70,000						

Rural and Intercity Rail Transportation

OBJECTIVE: To facilitate the development of improved rail passenger and cargo service between major urban areas of the Commonwealth, thereby providing relief for the frequent utilization beyond capacity of intercity highway and air systems.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
General Fund	<u>\$126</u>	<u>\$320</u>	<u>\$672</u>	<u>\$360</u>	<u>\$360</u>	<u>\$360</u>	<u>\$360</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Rural and intercity rail passenger trips in Pennsylvania (millions):	9.0	10.1	11.3	12.6	14.2	15.9	17.8
Carloads of freight originating or terminating in Pennsylvania (millions)	3.6	3.8	4.0	4.1	4.2	4.3	4.4

Program Analysis:

The financial problems that resulted in the nationalization, through Amtrak, of the nation's intercity passenger rail service are not a sudden, recent occurrence. The role of the railroads as carriers of intercity passengers has been declining precipitously for 30 years, with revenue passenger miles having declined by over 70 percent since the mid 1940's through shifts to auto, bus and air travel. Massive infusions of Federal and State tax monies for improved and expanded highway facilities have contributed significantly to the tremendous growth and popularity of the private automobile, and have made possible increased intercity bus service. Federal subsidies to airlines have contributed to the superior speed, comfort and attractiveness of air travel. Meanwhile, the railroads have not benefited from programs that would enable them to maintain adequate investment policies for the maintenance and modernization of their lines.

Matters have today reached the point where: a). intercity rail service in Pennsylvania exists only on Amtrak-operated runs through Philadelphia as part of the New York-Washington corridor and from Philadelphia through Harrisburg and Pittsburgh as part of the New York-Kansas City corridor; and b). the Penn Central and Reading Railroads are bankrupt.

The coming of Amtrak had offered hope for continued and possibly expanded service in Pennsylvania, but those routes now operating amount to a cutback in what was insufficient

service to begin with. Although Amtrak initially experienced financial problems, patronage increased by ten percent nationally in 1974, indicating a distinct potential for intercity rail service. Nevertheless, the Federal Government has been reluctant to increase its budgetary commitment to Amtrak. Thus track maintenance, equipment repairs and capital investment continue to be deferred at the expense of time, safety and comfort. Derailments, or decreased speeds to avoid derailments, have become commonplace. Penn Central, for instance, suffered 4,657 derailments in the first eleven months of 1974, a 45 percent increase over the same period of 1973. Yet at the same time, nearly half of Penn Central's entire system was operating under an eight-mile-per hour speed limit ordered by the Federal Government. This only adds to the unpredictable departure and arrival times that discourage travelers, particularly businessmen, who must conform to a strict time schedule. To compound these problems, a recent across-the-board fare increase has been announced by Amtrak.

Recognizing that certain corridors can be worthwhile locations for high-speed subsidized rail lines, the Pennsylvania Department of Transportation (PennDOT) will continue to study the feasibility of a high speed line between Pittsburgh and Harrisburg. Amtrak records reveal that primarily because of the poor condition of track between Pittsburgh and

Rural and Intercity Rail Transportation

Program Analysis: (continued)

Harrisburg, Pennsylvania's only two cross-state trains have the worst on-time records in the country.

This budget also recommends continuing a study that deals with statewide rail passenger service. These studies are a first step toward restoring the place of rail passenger service in the Commonwealth's transportation system. Increased Amtrak patronage has indicated a potential for growth that could serve to relieve congestion on intercity highways and at major airports.

Not included in this budget, but of definite importance in the near future, is a State program for retaining rail freight lines facing abandonment. Under provisions of the Federal "Rail Reorganization Act of 1973", rail freight lines not incorporated in the Amtrak network and not accepted by the U.S. Railway Association for inclusion in the final Federal rail system can be easily abandoned unless subsidized, and probably ultimately purchased and modernized, by the Commonwealth. Over 2,000 miles of branch lines in Pennsylvania are apparently being considered for

abandonment, and the economic impact of such an action could be devastating.

There are, however, some mitigating factors. Significant opposition already surrounds the concept of massive abandonments. When the specifics of the proposed Federal system, with accompanying abandonments, are announced later this year, strong opposition at various State and local levels and in Congress is expected to develop. This could delay indefinitely implementation of both the reorganization itself and proposed abandonments. Therefore, while State funding in this area will most likely be necessary within the next couple of years, the vast uncertainties surrounding the entire situation of rail abandonments preclude a definite commitment of specific Commonwealth dollars in this budget for subsidies or purchases and modernization. Funds are being provided, however, for the continuation of a PennDOT statewide rail study that will determine which potentially-abandoned rail freight lines merit consideration for ultimate purchase and/or subsidization by the Commonwealth.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76	1976-77	1977-78	1978-79	1979-80
			(15 months)				
GENERAL FUND							
Mass Transportation Operations	<u>\$126</u>	<u>\$320</u>	<u>\$672</u>	<u>\$360</u>	<u>\$360</u>	<u>\$360</u>	<u>\$360</u>

Air Transportation

OBJECTIVE: To promote the development of a system of airport facilities adequate to meet the passenger and cargo needs of the Commonwealth's citizens.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25
Special Funds	5,706	5,482	6,816	5,708	5,764	5,847	5,997
Federal Funds	722	697	943	50	50	50	50
Other Funds	12,423	16,894	21,155	17,000	17,000	17,000	17,000
SUB-TOTAL	\$18,876	\$23,098	\$28,939	\$22,783	\$22,839	\$22,922	\$23,072
<i>Bond Funds</i> †	190	631	1,104	3,038	4,336	5,665	5,758
TOTAL	\$19,066	\$23,729	\$30,043	\$25,821	\$27,175	\$28,587	\$28,830

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Airports in Pennsylvania:							
Total	508	518	529	540	552	564	577
Substandard	97	94	93	92	90	88	86
Brought up to standard	4	2	2	3	3	3	3
Person-trips on scheduled airlines (millions)	15.5	16.4	17.2	18.0	18.8	19.7	20.6
General aviation person trips (millions)*	4.8	5.1	5.8	7.0	8.4	10.1	12.1
Total flights handled—public airports (millions)*	3.0	3.2	3.4	3.6	3.8	4.0	4.2
Tons of cargo handled	152,289	158,000	165,000	174,000	183,000	193,000	203,000
State-owned airports:							
Passengers handled	652,000	711,000	775,000	845,000	929,000	1,022,000	1,124,000
Flights handled	287,000	293,000	302,000	320,000	339,000	360,000	381,000
Tons of cargo handled	9,340	9,620	10,100	11,100	12,200	13,400	14,800

* Imprecise estimates; data shown only to reflect anticipated trends.

Program Analysis:

Although only a small percentage of Pennsylvania's passengers and cargo travel by air, aviation represents an important segment of the Commonwealth's transportation system. With 518 airports, Pennsylvania ranks eighth nationally in the number of airports and fourth in airports per square mile. In addition to facilitating the movement of people and goods, these aeronautical facilities bring substantial benefits to the State directly through air transportation-related jobs and indirectly through additional incentives to industry to conduct its business in Pennsylvania. To insure our citizens the

benefits of air transportation, the Commonwealth currently operates seven airports and participates each year in the funding of numerous improvement projects at non-State owned public airports.

Air passenger service in Pennsylvania is provided by eight of the nation's eleven domestic trunkline carriers, one local service airline, the largest U.S. international airline, and seven foreign airlines. The State has two of the most active airports in the country—Philadelphia ranks 13th and Pittsburgh 15th nationally in terms of originating passengers. These two

† Excluded from all summary presentations

Air Transportation: (continued)**Program Analysis: (continued)**

airports account for almost 90 percent of all airline enplanements in Pennsylvania. Fourteen additional public airports are served by scheduled carriers, the other 145 public airports in the State are general aviation fields, and the approximately 350 remaining airports in Pennsylvania are privately-owned and operated for corporate, agricultural, recreational or experimental use.

General aviation—business and recreational flying and charter service—today accounts for half of all flights and over 20 percent of intercity person trips by air, and may provide 40 percent of such intercity trips by 1980. Energy considerations could limit general aviation's anticipated growth somewhat, although recent marketings of extremely efficient small planes (up to 18 miles per gallon) have thus far negated the sharp decline predicted in last year's budget for this important industry.

Generally, the pattern of air passenger service today is one of a heavy concentration of scheduled service for major cities, particularly Philadelphia and Pittsburgh, with relatively little service between cities of modest size. As a result, the present system is apparently adequate to meet current needs of those citizens who utilize the major trunk line routes, but is less than satisfactory to meet the needs of medium-sized and small communities. In turn, future needs of Pennsylvania's citizens should strain the existing system, particularly adding to the congestion already affecting major air terminals.

Congested terminals are joined by a number of other major aviation problems facing the State today: air and noise pollution from aircraft activities; conflict between aircraft operation and adjacent land uses; lack of adequate private funds to finance capital improvements; loss of urban and suburban airports resulting from mounting competition from other types of development; and congested ground access facilities. Yet the most serious problem of all is the potential for disaster caused by our congested airways. The heaviest concentration of air traffic in the country passes over Philadelphia, a problem further complicated by the proximity of New York and Washington. Any disruption in the established pattern of air traffic over this region, which can be caused by weather, strikes or emergencies, could create a serious chain reaction of disturbances and delays, or possibly a disastrous accident.

A primary method of combating these congestion problems is to divert both commercial and general air traffic away from major commercial airports. In an effort to entice such diversions, as well as to provide its residents with improved air service in general, the Commonwealth is currently upgrading significantly the facilities at Harrisburg International Airport—which handles both foreign and domestic traffic.

Even though air cargo has received less public attention than passenger service, the dramatic growth of airline freight has

been one of the more important developments on the transportation scene. Air cargo is increasing rapidly both in tonnage and proportion of all freight movements, and has become the fastest growing mode of freight transport. Although costs have remained high, air transport offers great time advantages and if properly and fully utilized, can make traditional warehousing and distribution practices obsolete. Introduction of larger aircraft in the next decade and resulting cost economies should continue to increase air cargo demand rapidly—particularly with increased capability in handling cargo containers.

In Pennsylvania, the movement of goods by air has doubled since 1970. Despite the energy problem and a sluggish economy, air freight tonnage is expected to rise by five percent in 1975-76 with ten percent annual increases projected for future years.

Even with this increase, Harrisburg International Airport (HIA) will be utilizing less than 45 percent of its cargo space by 1980, a marked increase from the 27 percent presently utilized, but nonetheless still far from optimum—especially for a facility having a runway exceeded in load-bearing capacity by only two other airports in the country. Similar underutilization of cargo capacity is evidenced at the other two major cargo-handling airports in the State at Philadelphia and Pittsburgh, while the remaining public airports in the State handle almost no cargo.

So despite the impressive tonnage gains in recent years, and the still-promising future for air cargo, Pennsylvania has fallen, and apparently will continue to fall, short of the share of this industry that its locational and population characteristics would indicate. Pennsylvania ranks poorly in comparison with other states in percentage of air freight service handled, while a major portion of freight generated in the State is still shipped through adjacent states' airport facilities. Philadelphia is presently constructing a \$100 million "Air Cargo City" in an attempt to provide adequate facilities and satisfy the containerization demands of shippers.

Fortunately, Federal "energy crisis" predictions of last winter have proven overly pessimistic and the impact on Pennsylvania's aviation program will not be as devastating as originally feared. Nevertheless, economic and energy problems have had a deleterious effect on the restricted revenue account that provides funds for the State's aviation efforts. This budget calls for only a slight increase in the rate of Commonwealth expenditures for capital projects at non-State owned public airports, not fully restoring the cut necessitated in 1973-74 by the energy crisis. But even though the Airport Development program must still be curtailed due to a shortage of aviation revenue, this program will still allow for substantial air facility improvements throughout Pennsylvania.

Air Transportation: (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
GENERAL FUND							
Civil Air Patrol	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25
MOTOR LICENSE FUND							
Aviation Operations	\$3,708	\$4,082	\$4,716	\$4,008	\$4,064	\$4,147	\$4,297
Airport Development	1,998	1,400	2,100	1,700	1,700	1,700	1,700
MOTOR LICENSE FUND							
TOTAL	<u>\$5,706</u>	<u>\$5,482</u>	<u>\$6,816</u>	<u>\$5,708</u>	<u>\$5,764</u>	<u>\$5,847</u>	<u>\$5,997</u>

Water Transportation

OBJECTIVE: To promote the development of the Port of Philadelphia and the Port of Erie while encouraging the utilization of these ports by domestic and international shippers and to promote the safe navigation of commercial vessels on the Delaware River.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78			
General Fund	\$1,279	\$1,290	\$1,308	\$1,298	\$1,300	\$1,302	\$1,304	
Special Funds	79	104	.....	.....	.....	.....	.....
TOTAL	\$1,358	\$1,394	\$1,308	\$1,298	\$1,300	\$1,302	\$1,304	

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Value of cargo handled (millions):							
Port of Philadelphia	\$5,912	\$6,621	\$7,019	\$7,440	\$7,886	\$8,359	\$8,861
Port of Erie	\$43	\$46	\$49	\$52	\$55	\$58	\$60
Foreign exports (thousands of short tons):							
Port of Philadelphia	5,826	6,933	7,592	8,313	9,102	9,967	10,914
Port of Erie	124	134	142	151	160	170	180
Foreign imports (thousands of short tons):							
Port of Philadelphia	73,521	82,711	87,881	93,373	99,209	105,409	111,998
Port of Erie	88	95	101	107	114	120	128
Domestic trade (thousands of short tons):							
Port of Philadelphia	43,400	44,268	44,710	45,158	45,609	46,065	46,526
Port of Erie	1,335	1,446	1,533	1,625	1,722	1,825	1,935

Program Analysis:

Since 1966-67, the Commonwealth has supported the development of new and improved facilities at the Port of Philadelphia and the Port of Erie. These facilities provide low cost water transportation, generate employment, attract industry and furnish direct economic benefits through payroll and taxes from port activities and port-attracted industries. Port activity has been increasing in both volume and economic impact in the past eight years, and this trend is expected to continue in the future.

The dramatic success of the Philadelphia Port Corporation's development program was evidenced by their announcement in October, 1974 that Philadelphia had become the nation's leading cargo port in handling international tonnage. Import and export cargo for the first six months of 1974 totaled

39.22 million tons. The previous leader among port cities, New York, handled 37.28 million tons over the same period. Philadelphia's record imports of 35.77 million tons for the first half of 1974 were 3.6 percent greater than last year, while exports of 3.47 million tons constituted an increase of 4.6 percent. An increase in the importation of iron ore was largely responsible for the Port of Philadelphia overtaking the Port of New York, which does not handle this item.

Bulk cargo, consisting primarily of grain, sugar, molasses, soybeans, iron ore, coal, coke and petroleum, accounts for about 90 percent of the foreign tonnage and almost all of the domestic trade. Domestic tonnage at the Port of Philadelphia, in fact, consists almost entirely of petroleum arriving from the Gulf Coast states.

Water Transportation (continued)

Program Analysis: (continued)

In dollar and job terms, however, it is general cargo—anything that is bagged, boxed, crated, or unitized—that creates the greatest economic benefits for the State. General cargo accounts for about 60 percent of foreign trade dollar value, 60 percent of all port-related jobs, and generates an estimated 25 new dollars and \$1 in State tax revenues per ton. Approximately half of this new income is maritime labor, the other half going to rail and motor carriers, terminal operators, tugboat companies, banks, insurance companies, ship supply companies, etc. The economic effect of this income extends far inland, as each of these new dollars has an estimated 2-1/2 times multiplier effect. Thus the 6.44 million tons of general cargo which moved through the Port of Philadelphia in 1973 created approximately 160 million new dollars with a subsequent multiplier effect of over \$400 million, as the original dollars are spent and re-spent.

Philadelphia has made great strides towards attracting general cargo traffic. The main emphasis at the port has been on a rapid move toward containerization—the increasingly dominant method of shipping general cargo—and this move has

reaped tremendous benefits. Less than four years ago, only one shipping line offered regular container services to the Port. Today, a dozen container lines provide service to every major containerized port in the world. During 1973, the total containerized cargo handled by the Port's two container terminals rose to 1.05 million tons, nearly double that of the previous year. The tremendous growth in container traffic indicates that a third container facility will be needed by 1978, and the Port Corporation is actively pursuing land acquisition and design studies for such a terminal. Studies indicate that container traffic in 1978 will approximate 2-1/2 million tons or 175,000 containers.

The Port of Erie, operating on a much smaller scale and handling primarily domestic and Canadian bulk cargo, is anticipating an eight to nine percent increase in both tonnage and its dollar value this year, with about six percent annual increases in the future.

This subcategory also includes the commercial licensing activities of the Navigation Office of the Delaware River.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Mass Transportation Operations	\$ 11	\$ 40	\$ 58	\$ 48	\$ 50	\$ 52	\$ 54
Navigation Commission for the Delaware River	18	18	18	18	18	18	18
Port of Philadelphia	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Port of Erie	250	250	250	250	250	250	250
GENERAL FUND TOTAL	\$1,279	\$1,290	\$1,308	\$1,298	\$1,300	\$1,302	\$1,304
BOATING FUND							
Navigation Commission for the Delaware River	\$ 79	\$ 104					

Urban Highway Maintenance

OBJECTIVE: To provide general routine maintenance necessary to preserve the quality of existing urban roads and to provide prompt snow removal service to enable the safe passage of vehicles.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Special Funds	<u>\$118,531</u>	<u>\$159,308</u>	<u>\$168,120</u>	<u>\$147,625</u>	<u>\$148,517</u>	<u>\$154,500</u>	<u>\$160,822</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Miles of urban highways:*							
Total maintained	20,728	20,767	20,768	20,769	20,771	20,772	20,773
Requiring short-term improvement . .	5,721	6,382	6,676	7,479	8,299	9,118	9,951
Improved, but not up to standard . . .	3,236	3,775	3,236	3,236	3,236	3,236	3,236
Requiring resurfacing	2,223	2,879	3,167	3,834	4,511	5,190	5,871
Resurfaced	680	1,055	680	680	680	680	680
Requiring surface treatment	3,390	3,400	3,410	3,535	3,670	3,805	3,955
Surface treated	2,500	2,600	2,500	2,500	2,500	2,500	2,500
Requiring stabilization or restabilization	108	103	99	110	118	123	125
Stabilized or restabilized	56	60	56	56	56	56	56

*State highways only; local roads excluded--see program analysis.

Program Analysis:

Pennsylvania's nine thousand miles of State-administered urban highways, combined with over thirty-five thousand miles of rural and intercity highways, form the fourth largest state-administered highway system in the nation. This vast network of roadway requires an enormous and ever increasing maintenance effort. Stated as succinctly as possible, the major maintenance responsibility of the Pennsylvania Department of Transportation (PennDOT) is to keep all roadway surfaces in a safe and usable condition. This involves basic patching, restabilization, surface treatment and minor betterment projects carried out by PennDOT forces, plus repair of bridges, tunnels and minor storm damage. Snow and ice removal services are performed on all State-administered urban

highways as well as an additional one thousand miles of selected city streets which were assigned to PennDOT by Act 60 of the 1970 legislative session. Other important maintenance activities, not involved directly with the roadway surface itself, include washing, repairing and replacing highway signs, repainting pavement markings, and repairing or replacing such safety features as traffic signals, guardrails, median barriers and right-of-way fences.

The program measures reflect both the serious deficiencies facing PennDOT in protecting the massive investments our highways represent, and the effect that the recent gas tax increase along with one-time funding provided by certain accounting changes, are having in reducing this backlog during

Urban Highway Maintenance: (continued)**Program Analysis: (continued)**

the 1974-75 fiscal year. Overall maintenance deficiencies and trends are discussed in the subcategory Rural and Intercity Maintenance.

The very basic problem facing highway maintenance programs is funding. Maintenance activities can be financed only from highway-user tax revenues; legal and fiscal restrictions preclude the use of either Federal or bond funds for maintenance. Legal requirements also dictate that debt service on highway construction bonds, as well as State Police traffic patrol costs, have first priority on tax revenues. Next in line comes PennDOT licensing and safety activities, driver education, general administration costs, planning and research, certain highway construction costs not eligible for bond or Federal funding, and then, finally, maintenance. Especially with the rapidly accelerating debt service costs dictated by past capital construction decisions, maintenance seems to receive less each year than it deserves or requires.

Although the urban maintenance budget for the 1974-75 fiscal year received the largest dollar increase ever, over \$40 million, the outlook for the future is not bright. The accounting change that pumped some \$15 million into urban maintenance programs in 1974-75 is a one-shot mechanism, not available again. The remainder of the increase, attributable mostly to the recent one-cent gas tax increase, will for this and future budgets be increasingly absorbed by inflation and growing debt service. At the same time, gasoline tax and vehicle license revenues in an energy-conscious economy are in trouble. Just two years ago, for instance, Motor License Fund tax revenues were projected to increase by six percent per year for the remainder of the decade. However, with the high price of gasoline and a worsening economy, the latest estimates predict growth of only three percent from now until the end of the decade. This represents a loss during this period of well over \$300 million in funds previously anticipated to be available for maintenance. Future prospects will be even worse if the Federal Government takes aggressive measures to curtail gasoline consumption, or if oil producing nations continue to raise prices or decide to impose another embargo.

One of the major contributors to the mounting deficiencies in the maintenance program is the Federal Government's refusal to assist in maintaining the highways which it helped construct. Maintenance of Interstate highways in Pennsylvania will bear a price tag of \$13.2 million in the current fiscal year. This figure is actually quite modest compared to an estimated

cost of \$69.3 million required for maintenance of State roadways on the remainder of the Federal Aid System. According to the strict provisions of the Federal Highway Trust Fund, \$225 million is to be provided for construction during 1974-75, while no funds are available for maintaining this vast investment. Literally, millions for construction but not a dime for maintenance.

The full benefits of either new or existing highways cannot be realized if the road surface is not properly maintained. Therefore, this Administration has requested that Federal Highway Trust Fund money be made available for maintenance purposes. At this time, there is no indication that existing Federal legislation will be amended to provide relief for State highway systems.

Faced with these adverse fiscal conditions, the time has come to reassess the desirability of an ever-expanding highway building program. A comprehensive investment policy should be adopted that would no longer permit new construction to outpace the capabilities of the maintenance program.

One farsighted approach would be to encourage local communities to request Federal funds for mass transit projects rather than for proposed new highway routes. Federal legislation now allows general revenue funds to be substituted for Highway Trust Fund dollars if a metropolitan area indicates a preference for deleting specific highway projects in favor of capital investments in mass transit. Utilization of this alternative would serve to enhance our urban transportation systems without further burdening the highway maintenance program. This approach might also reduce Commonwealth General Fund costs by reducing transit subsidies generated by outmoded, inefficient equipment.

It is particularly important to note that the urban-rural split of highway mileage is markedly different between maintenance and construction subcategories. The accounting system records maintenance expenditures on a county-by-county basis, rather than on a highway-by-highway basis, as is done for construction expenditures. This is because Federal funds and accounting requirements, are involved in highway construction but not in highway maintenance. As a result, "urban" maintenance expenditures are those in 25 urbanized counties involving over 20,000 miles of State highways; "urban" construction expenditures are those on only about 9,000 miles of State highways in Federally-defined "urbanized areas."

Urban Highway Maintenance: (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
MOTOR LICENSE FUND							
General Operations	\$100,966	\$116,257	\$110,132	\$ 93,000	\$ 97,500	\$102,200	\$107,200
Secondary Roads—Maintenance and Resurfacing		25,122	38,480	31,432	32,204	33,013	33,861
Local Road Maintenance and Construction Payments	17,565	17,929	19,508	23,193	18,813	19,287	19,761
MOTOR LICENSE FUND							
TOTAL	<u>\$118,531</u>	<u>\$159,308</u>	<u>\$168,120</u>	<u>\$147,625</u>	<u>\$148,517</u>	<u>\$154,500</u>	<u>\$160,822</u>

Rural and Intercity Highway Maintenance

OBJECTIVE: To provide general routine maintenance necessary to preserve the quality of existing rural and intercity roads and to provide prompt snow removal service to enable the safe passage of vehicles.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Special Funds	<u>\$153,452</u>	<u>\$213,447</u>	<u>\$223,816</u>	<u>\$196,037</u>	<u>\$198,342</u>	<u>\$206,797</u>	<u>\$215,587</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Miles of rural and intercity highways*:							
Total maintained	23,848	23,893	23,895	23,897	23,899	23,901	23,903
Requiring short-term improvement ...	7,280	8,066	8,405	9,479	10,571	11,674	12,788
Improved, but not up to standard ...	4,097	4,964	4,097	4,097	4,097	4,097	4,097
Requiring resurfacing	2,642	3,426	3,753	4,551	5,359	6,170	6,984
Resurfaced	810	1,275	810	810	810	810	810
Requiring surface treatment	4,175	4,180	4,195	4,355	4,525	4,705	4,895
Surface treated	3,080	3,265	3,080	3,080	3,080	3,080	3,080
Requiring stabilization or restabilization	463	460	457	573	687	799	909
Stabilized or restabilized	207	424	207	207	207	207	207

*State highways only, local roads excluded; also, see last paragraph of program analysis.

Program Analysis:

Constantly rising expenditures for construction have undercut the State's ability to adequately maintain existing roadways. The inability to keep pace with maintenance needs in the past few years is illustrated by the pattern of resurfacing deficiencies. Unmet resurfacing needs increased from three percent of the State-administered road system in fiscal year 1969-70 to fourteen percent by the beginning of 1974-75. And despite a combined increase of almost \$100 million in the 1974-75 urban and rural maintenance budgets, this resurfacing deficiency will still increase by the end of 1974-75.

Further compounding the situation is the fact that a one-time accounting change was used to generate nearly forty percent of this \$100 million fiscal year 1974-75 maintenance increase. That amount will not be available for this or future

budgets. Additionally, much of the remainder of the fiscal year 1974-75 increase was generated by the one-cent fuels tax hike that became effective in September 1974. Much of these funds will be eaten up in the 1975-76 budget by inflation and increased debt service. As a result, the resurfacing deficiency will approach twenty percent by mid-1976; moreover, sustaining the projected 1975-76 level of improvement until 1980—which in itself would require significant increases in revenue—would still yield resurfacing deficiencies of nearly thirty percent by the end of the decade.

While highway construction is financed through general obligation bonds, the repayment of such bonded debt is made from current Motor License Fund revenues. The maintenance program, ineligible for bond financing due to the relatively

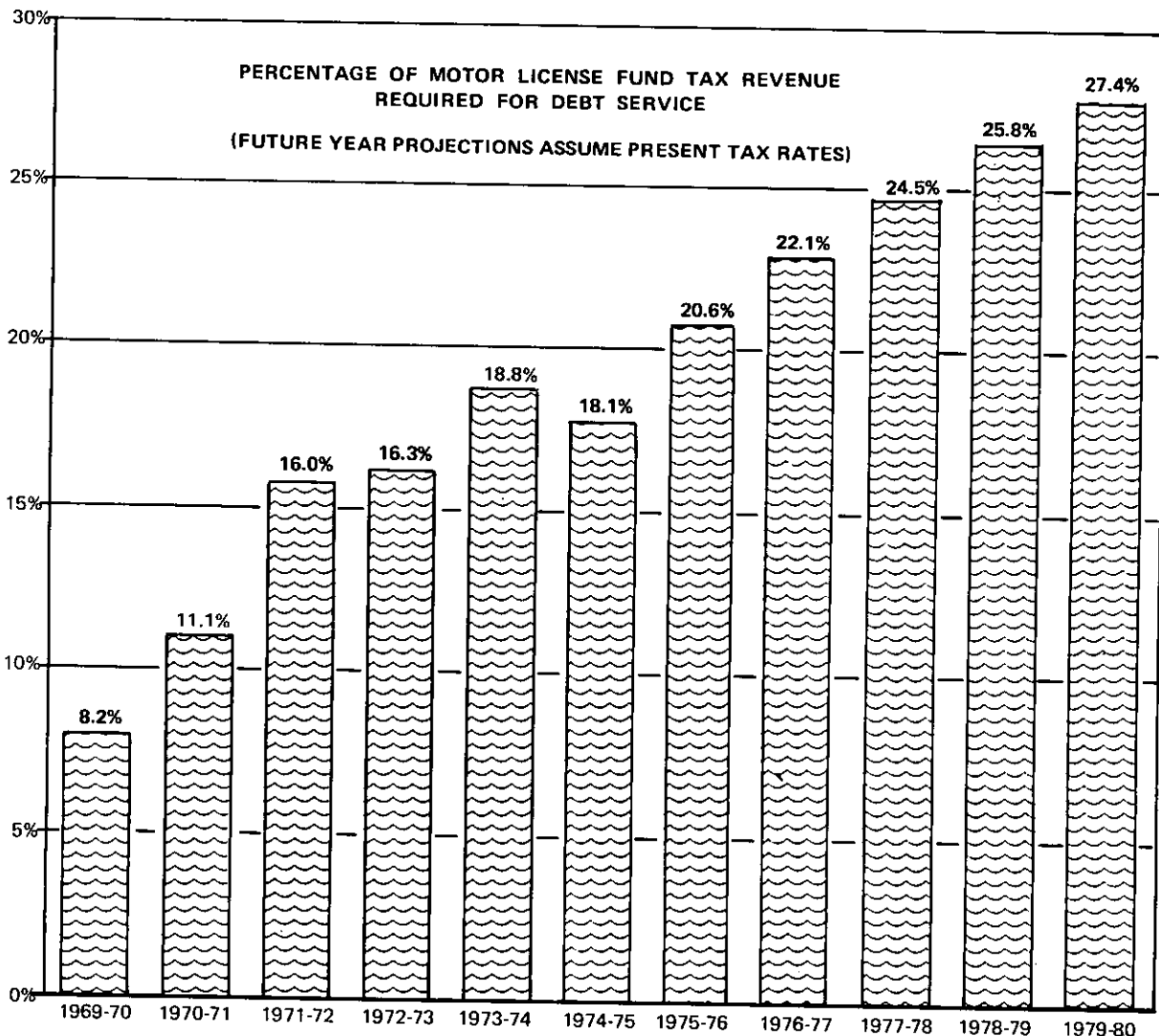
Rural and Intercity Highway Maintenance: (continued)

Program Analysis: (continued)

short-term nature of its improvements, must compete for the funds available after construction debts have been paid. As a result of the unrestrained incurring of debt in previous years, the percentage of Motor License Fund tax revenues which must be committed to debt service has been rising steadily. The following chart shows the percentage of Motor License Fund current revenues necessary to meet bond obligations for construction projects.

Maintenance, being the largest program financed from current revenues, is most seriously threatened by the perilous condition of the Motor License Fund. Historically, highway maintenance has been assigned a low priority when funds are short and program reductions must be made. Thus, while the total maintenance budget currently accounts for 46 percent of current revenues, this figure could sink to as low as 30 percent by the 1976-77 fiscal year.

A description of specific activities performed in the maintenance program is contained in the Urban Highway Maintenance subcategory. It is particularly important to note that the urban-rural split of highway mileage is markedly different between maintenance and construction subcategories. The accounting system records maintenance expenditures on a county-by-county basis, rather than on a highway-by-highway basis, as is done for construction expenditures. This is because Federal funds and accounting requirements are involved in highway construction but not in highway maintenance. As a result, "rural and intercity" maintenance expenditures are those in 42 rural counties involving less than 24,000 miles of State highways; "rural and intercity" construction expenditures are those on over 35,00 miles of State highways in Federally defined "nonurbanized areas."



*The 1974-75 figure would have been 19.3% had it not been for the benefits of a change in accounting procedure which cannot be utilized again in the future.

Rural and Intercity Highway Maintenance (continued)

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
MOTOR LICENSE FUND							
General Operations	\$132,767	\$170,630	\$167,627	\$141,600	\$148,400	\$155,600	\$163,100
Secondary Roads—Maintenance and Resurfacing .....	.....	21,686	33,217	27,101	27,767	28,463	29,194
Local Road Maintenance and Construction Payments	20,685	21,131	22,972	27,336	22,175	22,734	23,293
 MOTOR LICENSE FUND							
TOTAL	<u>\$153,452</u>	<u>\$213,447</u>	<u>\$223,816</u>	<u>\$196,037</u>	<u>\$198,342</u>	<u>\$206,797</u>	<u>\$215,587</u>

Highway Beautification

OBJECTIVE: To protect, restore and enhance the beauty of Pennsylvania as seen from its highways.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Special Funds	\$ 241	\$ 119	\$ 261	\$ 231	\$ 242	\$ 248	\$ 259
Federal Funds	812	941	1,325	1,008	1,022	1,041	1,042
Other Funds	2,131	4,179	3,100	2,100	1,800	1,200	1,200
SUB-TOTAL	\$3,184	\$5,239	\$4,686	\$3,339	\$3,064	\$2,489	\$2,501
<i>Bond Funds</i> †	949	1,011	1,100	1,000	1,100	1,200	1,300
TOTAL	\$4,133	\$6,250	\$5,786	\$4,339	\$4,164	\$3,689	\$3,801

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Information centers, roadside rests and overlooks:							
In use, beginning of year	18	24	33	39	45	51	57
Opened during year	6	9	6	6	6	6	6
Advertising devices:							
Requiring removal under existing law	18,845	13,826	9,826	5,826	1,826	.....	.....
Removed	5,019	4,000	4,000	4,000	1,826	.....	.....
Junkyards:							
Requiring screening or removal under existing law	320	316	310	300	290	280	270
Screened or removed	4	6	10	10	10	10	10
Miles of highway:							
Needing planting	809	539	269	268	268	268	268
Planted	270	269	268	268	268	268	268

Program Analysis:

Recognizing the need to preserve the natural beauty along the nation's highways, the 89th Congress passed the Highway Beautification Act of 1965. Federal funds were provided for a three-pronged attack on scenic blight. Subsequently, the General Assembly approved corresponding legislation which directed Commonwealth efforts toward control of outdoor advertising, control of junkyards, and landscaping and scenic enrichment.

Funding is provided on a 75 percent Federal - 25 percent State basis for the control of outdoor advertising and control

of junkyards programs, with the State share being funded from the Highway Beautification Fund. The Federal Government pays for 100 percent of eligible landscaping and scenic enrichment projects including rest areas; however some additional rest areas are constructed with 90 percent Interstate highway funds with the State share coming from the Motor License, rather than Highway Beautification Fund.

Under the Advertising Control program, all signs located within 660 feet of Interstate and primary highways are designated for removal except: (1) on-premises signs, (2) signs

† Excluded from all summary presentations.

Highway Beautification (continued)

Program Analysis: (continued)

in zoned or unzoned commercial and industrial areas, and (3) directional or official signs and notices. The Junkyard Control program requires the licensing of all junkyards within 1,000 feet of Interstate and primary highways. Licensed junkyards that are visible from the highway must be either screened or removed unless they are located in zoned or unzoned industrial areas. Just compensation is paid for both the signs and junkyards removed. The Bureau of Maintenance currently manages the outdoor advertising and junkyard programs.

The Bureau of Design is responsible for directing State efforts in landscaping and scenic enrichment. This activity consists mainly of tree planting and the development of rest areas, tourist information centers and scenic overlooks. Along with the aesthetic benefits of planting new trees to screen the view of undesirable objects, consideration is also given to controlling erosion, minimizing headlight glare and limiting traffic noise.

Current plans call for fourteen information centers to be located at the State line where traffic enters Pennsylvania, and sixty-three roadside rests to be located approximately thirty miles apart or one-half hour driving time. The objective of

these facilities is to provide the motorist with safe, off-roadway parking, emergency stopping, and rest from the fatigue of high-speed, long distance driving.

Since the Highway Beautification Fund is a minor special fund for purposes of this budget, all funding including Federal aid from it is shown as "other funds" in the summary above. The only State and Federal funds shown are for those rest areas financed with 90 percent Interstate and 10 percent Motor License Funds.

The program measures indicate that all advertising devices requiring removal under present law will be demolished within the next three years. Highway planting requirements are already being met on a current basis, although this data reflects only Interstate and Primary System highways. Less success is evidenced in removing or screening junkyards, with only about 20 percent of current legal requirements indicated as being met by 1980. And all planned roadside rests and information centers will not be completed until the early 1980's.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
MOTOR LICENSE FUND							
General Operations	\$176	\$ 54	\$201	\$170	\$180	\$190	\$200
State Highway Bridge Authority							
Rentals	65	65	60	61	62	58	59
MOTOR LICENSE FUND							
TOTAL	<u>\$241</u>	<u>\$119</u>	<u>\$261</u>	<u>\$231</u>	<u>\$242</u>	<u>\$248</u>	<u>\$259</u>

Urban Highway Safety Programs

OBJECTIVE: To decrease the incidence and severity of traffic accidents, injuries and fatalities on urban highways by improving highway design and traffic flow.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Special Funds	\$ 5,757	\$ 4,691	\$10,365	\$ 8,783	\$ 9,191	\$ 9,666	\$10,168
Federal Funds	14,684	18,267	30,117	22,933	23,272	23,666	23,689
Other Funds	3,281	3,329	4,355	3,319	3,125	3,125	3,132
SUB-TOTAL	\$23,722	\$26,287	\$44,837	\$35,035	\$35,588	\$36,457	\$36,989
<i>Bond Funds</i> †	15,079	17,505	29,500	22,800	23,300	23,300	23,300
TOTAL	\$38,801	\$43,792	\$74,337	\$57,835	\$58,888	\$59,757	\$60,289

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Urban traffic fatalities:							
Total	1,112	1,075	1,081	1,086	1,092	1,097	1,103
Rate per 100 million vehicle miles	3.19	3.15	3.10	3.06	3.01	2.97	2.93
Attributable to roadway factors	81	79	79	79	80	80	81
Urban traffic injuries:							
Total	87,981	85,650	86,750	87,850	88,950	90,050	91,150
Rate per 100 million vehicle miles	252	251	249	247	245	243	241
Attributable to roadway factors	6,423	6,255	6,335	6,415	6,495	6,575	6,655
All urban traffic accidents:							
Total	180,751	176,700	179,300	181,900	184,500	187,100	189,700
Rate per 100 million vehicle miles	519	517	515	512	509	506	503
Attributable to roadway factors	13,195	12,910	13,090	13,270	13,450	13,630	13,810
Urban highway safety improvements:							
High accident and congested section improved	250	270	300	300	300	300	300
Traffic signs installed	54,000	58,000	64,000	64,000	64,000	64,000	64,000
Traffic signals installed	440	470	520	520	520	520	520

Program Analysis:

Physical characteristics of a highway can contribute significantly to the probability of accidents. Poor alignment, improper grade separation, traffic flow and other hazardous characteristics of the roadway itself are second only to driver error as a causal factor of vehicular accidents, injuries and

fatalities.

Since driver error and vehicular failure accidents should logically occur in random locational patterns, it is assumed that for those segments of roadway on which disproportionately high numbers of accidents occur, the

† Excluded from all summary presentations.

Urban Highway Safety Programs (continued)

Program Analysis: (continued)

roadway itself is the prime causal factor. Physically unsafe is defined as any section of roadway on which the accident rate is higher than the statewide average for that type of road, or which carries markedly more traffic than it should handle. From the nearly 4,500 such hazardous and congested sections of roadway in urbanized areas, priority listings of spot safety projects and traffic flow improvements are developed to be implemented as funds become available.

Such safety improvement projects have yielded a 40 percent reduction in accidents at the locations involved, and as such represent one of the highest potentials for success and return on investment of all highway safety efforts. This success rate is much higher than that achieved from efforts to reduce accidents due to driver error, which represent the great preponderance of all accidents. Based on this high success factor, increased priority is being placed on improving the physical characteristics of our existing highways although, due to limited funds, it will be impossible to improve a substantial number of the extremely hazardous sections.

Highway safety improvement in urban areas fall into three categories: traffic control and flow improvements (TOPICS), spot safety improvement projects (SIP) and installation of traffic signs and signals and pavement markings outside of TOPICS and SIP projects.

The TOPICS program (Traffic Operations Program to Increase Capacity and Safety) was specifically developed by Congress to reduce accidents on congested highways and facilitate the free flow of traffic in urbanized areas. The

Federal Aid Highway Act of 1973 deleted the specific TOPICS funding process begun in 1968, but permitted use of Federal Urban Highway funds for TOPICS improvements. The resulting increase in funding has enabled Pennsylvania to include municipalities in urban areas which have a population greater than 25,000. The Department will have the capability of studying and implementing remedial work on 160 road sections in 1975-76. The approximately twenty new road sections that develop a need for TOPICS projects are improved each year.

While TOPICS concentrates on the most congested highways, the Safety Improvement Program (SIP) handles other urban high accident locations as well as areas with a large number of accidents in which vehicles run off the road or hit fixed objects. Of the 150 locations to be studied next year, the Department will select and complete about 120 safety improvement projects. Corrective measures for dangerous highways include curve realignments, channelization, safer guardrails, bridge end protections, removal of fixed objects along the road, improvement of slippery roadway, etc.

The initial installation of traffic signals and signs and the application of highway pavement markings are generally handled as an independent activity within the safety program area. Many other traffic control devices are installed as part of TOPICS or the Safety Improvement Program. The maintenance of these traffic control devices falls within the Highway Maintenance subcategories.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
MOTOR LICENSE FUND							
General Operations	\$5,347	\$4,285	\$ 9,988	\$ 8,400	\$ 8,800	\$ 9,300	\$ 9,800
State Highway and Bridge Authority Rentals	410	406	377	383	391	366	368
MOTOR LICENSE FUND TOTAL	<u>\$5,757</u>	<u>\$4,691</u>	<u>\$10,365</u>	<u>\$ 8,783</u>	<u>\$ 9,191</u>	<u>\$ 9,666</u>	<u>\$10,168</u>

Rural and Intercity Highway Safety Programs

OBJECTIVE: To decrease the incidence and severity of traffic accidents, injuries, and fatalities on rural and intercity highways by improving highway design.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Special Funds	\$10,630	\$11,760	\$19,271	\$16,282	\$17,090	\$17,865	\$18,766
Federal Funds	6,646	8,801	19,674	14,905	15,143	15,433	15,447
Other Funds	1,554	1,525	1,930	1,476	1,380	1,380	1,383
SUB-TOTAL	\$18,830	\$22,086	\$40,875	\$32,663	\$33,613	\$34,678	\$35,596
<i>Bond Funds†</i>	6,951	8,089	18,500	14,700	15,200	15,200	15,200
TOTAL	\$25,781	\$30,175	\$59,375	\$47,363	\$48,813	\$49,878	\$50,796

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Rural and intercity traffic fatalities:							
Total	1,107	1,070	1,075	1,081	1,086	1,092	1,097
Rate per 100 million vehicle miles	3.49	3.44	3.39	3.34	3.30	3.25	3.20
Attributable to roadway factors	81	78	78	79	79	80	80
Rural and intercity traffic injuries:							
Total	54,498	53,050	53,750	54,450	55,150	55,850	56,550
Rate per 100 million vehicle miles	172	171	170	168	167	166	165
Attributable to roadway factors	3,978	3,875	3,925	3,975	4,025	4,075	4,125
All rural and intercity traffic accidents:							
Total	111,904	109,500	111,100	112,700	114,300	115,900	117,500
Rate per 100 million vehicle miles	353	352	351	349	347	345	343
Attributable to roadway factors	8,173	7,990	8,110	8,230	8,350	8,470	8,590
Rural and intercity highway safety improvements:							
High accident sections improved	60	65	75	75	75	75	75
Traffic signs installed	216,000	224,000	236,000	236,000	236,000	236,000	236,000
Traffic signals installed	220	235	260	260	260	260	260

Program Analysis:

Activities under this program conform quite closely to those described in the Urban Highway Safety subcategory with the exception of traffic flow and control (TOPICS) projects, which are not performed in less densely-populated areas.

Although 85 percent of all locations requiring the installation of traffic signals are in urban regions, roughly 80

percent of roadway sign and 75 percent of pavement marking needs can be found on rural and intercity highways. These statistics are not surprising since traffic flow problems are most severe on metropolitan roads, while the greater mileage of the rural and intercity network logically requires more traffic signs and pavement markings. PennDOT expects that

†Excluded from all summary presentations.

Rural and Intercity Highway Safety Programs (continued)

Program Analysis: (continued)

available funds will permit a gradual reduction in the backlog of necessary signals and signs in the next few years, but pavement marking demands will increase slightly.

In addition, sixty percent of the State's 9,750 high accident locations identified for the Safety Improvement program (SIP) fall within this subcategory. 1975-76 funding levels will permit PennDOT to study 100 of these rural and intercity locations, and to program 75 for elimination of hazardous locations. Remedial work is directed at common accident patterns such as vehicles running off the road and right angle collisions at intersections. Approximately 20 percent of the locations studied do not require improvements, and some remaining dangerous sections are corrected through maintenance efforts.

The program measures only partially indicate the impact of energy problems and reduced speed limits on traffic safety, since much of this impact was felt during 1973-74. Fatalities on Pennsylvania highways, for instance, declined by over seven percent between the 1972-73 and 1973-74 fiscal years. This is almost twice the rate of decline predicted between last year and the current year.

Projections for the current year and all future years are based on the assumption that accident, injury and fatality rates will decline slowly but steadily each year. These rate assumptions were then applied to assumed travel data to develop absolute numbers for accidents, injuries, and fatalities each year. Since for the current year both travel and accident rates are expected to decline, the actual number of accidents, injuries and fatalities also shows a decline; for next year and

future years travel is expected to increase at a greater rate than the decline in accident rates, so the total number of such occurrences increases slightly each year.

Fatality and injury rates are projected to decline faster than accident rates, based on assumed vehicle-safety improvements. The decline in accident rates in 1973-74 and 1974-75 are attributable to a significant extent to the national 55 mile per hour speed limit; continuing declines in future years are predicated on increased traffic safety efforts on the part of governments, and increased traffic safety awareness on the part of the motoring public.

Particularly significant is a comparison of data shown here with the data shown in the Urban Highway Safety subcategory. First, a cautionary note—the specific rates per 100 million vehicle miles shown are only estimates, since PennDOT does not develop statewide travel data on a fiscal year basis. The rates shown utilize calendar 1973 data versus fiscal 1973-74 accident data, and thus are probably understated by a few percent. General levels and trends, however, are unaffected.

Of particular note is that while accident and injury rates are much higher in urban than in rural areas, fatality rates are higher on our rural and intercity highways than on urban ones. This is a direct result of increased speeds prevalent in rural areas; nothing more graphically illustrates the extreme role speed plays as a killer on our highways.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
MOTOR LICENSE FUND							
General Operations	\$10,221	\$11,355	\$18,894	\$15,900	\$16,700	\$17,500	\$18,400
State Highway and Bridge Authority Rentals	409	405	377	382	390	365	366
 MOTOR LICENSE FUND							
TOTAL	<u>\$10,630</u>	<u>\$11,760</u>	<u>\$19,271</u>	<u>\$16,282</u>	<u>\$17,090</u>	<u>\$17,865</u>	<u>\$18,766</u>

Licensing and Highway Safety Control

OBJECTIVE: To minimize traffic accidents attributable to driver error and mechanically defective vehicles and to promote highway safety programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1973-74	1974-75	1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
Special Funds	\$26,566	\$31,438	\$37,215	\$31,300	\$32,900	\$34,600	\$36,300
Federal Funds	3,439	3,284	4,438	811	858	905	952
Other Funds	838	672	914	737	767	795	827
TOTAL	\$30,843	\$35,394	\$42,567	\$32,848	\$34,525	\$36,300	\$38,079

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
State vehicle registration	7,212,000	7,499,000	7,796,000	8,099,000	8,422,000	8,758,000	9,100,000
Vehicles repaired through inspection system	993,000	1,043,000	1,095,000	1,150,000	1,208,000	1,268,000	1,331,000
Operators licenses in effect	7,965,000	8,204,000	8,450,000	8,704,000	8,965,000	9,234,000	9,511,000
Operators licenses revoked, suspended, re-examined or restricted	441,000	463,000	486,000	510,000	536,000	563,000	591,000
Driver seminar attendance	82,000	86,000	90,000	95,000	100,000	105,000	110,000

Program Analysis:

Three distinct activities are carried out within this program area. Driver testing and licensing, as well as the driver point system and the attendant license suspension and revocation duties constitute the primary program responsibilities. The vehicular licensing and inspection programs represent a second attack on highway accidents, as well as a significant source of highway revenue. Finally, the accident analysis program develops, through computer analysis, priority listings of high accident locations. The actual improvements to these high accident locations are funded through the Highway Safety subcategories.

Driver error continues to be the number one cause of traffic accidents on Pennsylvania highways. The operator licensing program is designed to screen out applicants with insufficient driving knowledge or skills, as well as those with mental or physical handicaps. The Pennsylvania Department of Transportation (PennDOT) is assigned the responsibility for implementing the operator licensing program and provides for administrative direction and maintenance of records. The State Police perform the task of examining applicants.

The objective of the driver point system is to discourage

licensed operators from violating traffic laws. Illegal actions by motorists, particularly drunken driving, constitute a significant percentage of the accidents in which driver error is the principle causal factor. PennDOT's Bureau of Traffic Safety is empowered to suspend or revoke the licenses of motor vehicle operators who have reached the eleven-point limit or have committed certain severe traffic violations. Operators are currently required to attend driver improvement school whenever they have an accumulation of six or more points.

PennDOT's registration and inspection programs permit the monitoring of the Commonwealth's 7.5 million motor vehicles. While vehicle registration is primarily a revenue-producing operation, the inspection program is intended to minimize traffic accidents due to mechanical failure. The Bureau of Traffic Safety licenses inspection stations, and trains and licenses vehicle inspectors while maintaining all necessary records. The State Police periodically check inspection stations and the work of mechanics to assure compliance with approved safety standards. It is estimated that over a million vehicles will be repaired during the current fiscal year as a result of vehicle inspections.

Licensing and Highway Safety Control (continued)

Program Analysis: (continued)

In addition to its other record keeping responsibilities, the Department operates a data collection system for accident analysis. Pennsylvania has taken a leadership role in this endeavor with the creation of an accident record system in 1966 and the establishment of the Bureau of Accident Analysis in 1970. All accidents reported are entered on computer tapes and contain information on location, time and cause of the accident. Records are maintained on the active files for a period of three years.

The greatest success in this program has been the identification of high frequency accident locations. Computer

programs have been written to arrange in priority order those highway locations which have experienced statistically more accidents than similar highways with similar traffic volumes. Another priority list arranges locations that have had an inordinate number of accidents in which vehicles ran off the road or hit fixed objects. Given current financial and manpower limitations, such ranking of about 10,000 high accident locations provides the Department with a scientific means of selecting the highest priority locations for those actual improvements carried out within the Highway Safety subcategories.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
MOTOR LICENSE FUND							
General Operations	<u>\$26,566</u>	<u>\$31,438</u>	<u>\$37,215</u>	<u>\$31,300</u>	<u>\$32,900</u>	<u>\$34,600</u>	<u>\$36,300</u>

Free Elderly Transit

OBJECTIVE: To increase the mobility of the aged, enabling persons sixty-five and older to participate more fully in community life.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Special Funds	<u>\$10,755</u>	<u>\$12,000</u>	<u>\$15,600</u>	<u>\$12,979</u>	<u>\$13,498</u>	<u>\$14,038</u>	<u>\$14,600</u>

Program Measures:

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Persons over 65	1,373,000	1,405,000	1,437,000	1,468,000	1,497,000	1,524,000	1,551,000
Free transit trips by elderly during non-rush hours	52,600,000	57,900,000	60,800,000	63,800,000	67,000,000	70,400,000	73,900,000

Program Analysis:

This program, authorized by Acts 338 and 339 of the 1972 session of the Legislature, provides greater mobility, more flexibility in life style, and financial relief to the Commonwealth's elderly citizens through the provision to them of limited free local transit service. Available to all persons who have reached the age of 65, no-fare transit applies to non-rush hours during the week, and at all times on weekends and holidays.

The program began officially on July 1, 1973 and is funded by grants to local transit operators from the State Lottery Fund. Currently more than seventy transit agencies are participating, with an average of 4.8 million free trips being

made by the elderly each month. During the first year of the program over 52.6 million such free trips were taken, as transit usage by the elderly increased by over fifty percent from the previous year. A further increase of ten percent is anticipated in the current year, with a conservative five percent increase in elderly patronage being projected for next year.

The marked success of this program, although dealing as it does with a much more captive clientele than the population as a whole, nonetheless lends support to serious exploration of no-fare or minimum-fare transit for all Pennsylvania's citizens as a means of alleviating the malaise of congestion so often prevalent on our urban highways.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
STATE LOTTERY FUND							
Free Transit for the Elderly	<u>\$10,755</u>	<u>\$12,000</u>	<u>\$15,600</u>	<u>\$12,979</u>	<u>\$13,498</u>	<u>\$14,038</u>	<u>\$14,600</u>

Legislature

The General Assembly of Pennsylvania formulates and enacts the public policy of the Commonwealth. Through legislation and resolution, it defines the functions of the State Government, provides for revenue for the Commonwealth and appropriates money for the operation of State agencies and other purposes.

The General Assembly is composed of two bodies—the Senate and the House of Representatives. Its sessions begin on the first Tuesday of each year unless otherwise convened by the proclamation of the Governor.

LEGISLATURE

Summary by Fund and Appropriation

		(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76	1975-76
	Actual	Available	Estimate (12 months)	Budget (15 months)
General Fund				
General Government				
Senate	\$ 9,166	\$10,259	\$11,416	\$14,277
House of Representatives	15,363	15,587	18,730	23,563
Legislative Reference Bureau	1,275	1,450	1,485	1,903
Legislative Budget and Finance Committee	207	160	270	338
Legislative Data Processing Center	745	750	750	938
Legislative Miscellaneous and Commissions	1,166	1,245	1,281	1,602
Total State Funds	<u>\$27,922</u>	<u>\$29,451</u>	<u>\$33,932</u>	<u>\$42,621</u>
Other Funds	\$ 30	\$ 13	\$ 10	\$ 10
GENERAL FUND TOTAL	<u>\$27,952</u>	<u>\$29,464</u>	<u>\$33,942</u>	<u>\$42,631</u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Senate			
State Funds	\$ 9,166	\$10,259	\$14,277

Performs the duties and functions required of the Senate by Articles II and III of the Constitution of Pennsylvania.

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Appropriation:			
Salaries			
Fifty Senators	\$ 980	\$ 1,276	\$ 1,875
Officers and Employees	600	660	906
Employees of Senate President	77	77	100
Senate Salaried Employees	3,000	3,300	4,500
Mileage			
Senators, Officers and Employees	120	120	150
Postage			
Chief Clerk and Legislative Journal	33	40	55
Lieutenant Governor	6	7	10
Librarian	6	7	10
Contingent Expenses			
Secretary	70	75	104
Librarian	12	14	19
President	25	25	34
President Pro Tempore	15	18	25
Chief Clerk	30	33	44
Majority Floor Leader	6	6	8
Minority Floor Leader	6	6	8
Majority Whip	3	3	4
Minority Whip	3	3	4
Chairman—Majority Caucus	3	3	4
Chairman—Minority Caucus	3	3	4
Secretary—Majority Caucus	3	3	4
Secretary—Minority Caucus	3	3	4
Chairman—Majority Appropriations Committee	6	6	8
Chairman—Minority Appropriations Committee	6	6	8
Chairman—Minority Policy Committee	2	2	3
Administrator—Minority Staff	15	15	19

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds (continued)			
Appropriation: (continued)			
Miscellaneous Expenses			
Incidental Expense	\$ 170	\$ 178	\$ 244
Majority Appropriations Committee	238	265	373
Minority Appropriations Committee	238	265	373
Expenses—Senators	530	390	481
Legislative Printing and Expenses	862	945	1,300
National Legislative Conference—Expenses	10	10	14
Attending Meetings of the Council of State Governments—Expenses	5	5	6
Special Majority Committee—Expenses	350	400	625
Special Minority Committee—Expenses	350	400	625
Majority—Legislative Management Commission	690	775	1,163
Minority—Legislative Management Commission	690	775	1,163
Reonovation of Senate Chamber . . . . .	. . . . .	140	. . . . .
TOTAL	<u>\$ 9,166</u>	<u>\$10,259</u>	<u>\$14,277</u>

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
House of Representatives			
State Funds	\$15,363	\$15,587	\$23,563

Performs the duties and functions required of the House of Representatives
by Articles II and III of the Constitution of Pennsylvania.

	(Dollar Amounts in Thousands)		
	1973-74	1974-75	1975-76
	Actual	Available	Budget (15 months)
Source of Funds			
Appropriation:			
Salaries			
Members' Salaries, Speaker's Extra Compensation	\$ 4,645	\$ 4,250	\$ 6,015
Officers and Employees	1,840	2,040	3,188
House Salaried Employees	2,956	3,256	5,088

	(Dollar Amounts in Thousands)		
Source of Funds (continued)	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Appropriation: (continued)			
Mileage			
Representatives, Officers and Employees	\$ 275	\$ 300	\$ 469
Postage			
Chief Clerk and Legislative Journal	100	125	188
Contingent Expenses			
Speaker	15	15	19
Chief Clerk	100	125	195
Secretary	25	30	63
Majority Floor Leader	6	6	8
Minority Floor Leader	6	6	8
Majority Whip	3	3	4
Minority Whip	3	3	4
Chairman—Majority Caucus	3	3	4
Chairman—Minority Caucus	3	3	4
Secretary—Majority Caucus	3	3	4
Secretary—Minority Caucus	3	3	4
Chairman—Majority Appropriations Committee	6	6	8
Chairman—Minority Appropriations Committee	6	6	8
Chairman—Minority Policy Committee	2	2	3
Administrator for Minority Staff	17	17	21
Miscellaneous Expenses			
Incidental Expenses	350	425	664
Majority Appropriations Committee	238	265	396
Minority Appropriations Committee	238	265	396
Expenses—Representatives	1,015	1,015	1,575
Legislative Printing and Expenses	1,400	900	1,375
National Legislative Conference—Expenses	20	20	. . . .
Meetings of the Council of State			
Governments—Expenses	5	5	67
Special Majority Committee—Expenses	350	400	625
Special Minority Committee—Expenses	350	400	625
Majority—Legislative Management Commission	690	775	1,230
Minority—Legislative Management Commission	690	775	1,230
Renovation House Chamber Balcony . . . . .	. . . .	140	. . . .
National Conference of State Legislators . . . . .	. . . .	. . . .	75
TOTAL	<u>\$15,363</u>	<u>\$15,587</u>	<u>\$23,563</u>

GENERAL FUND

LEGISLATURE

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Legislative Reference Bureau			
State Funds	\$ 1,275	\$ 1,450	\$ 1,903

Serves as a staff arm of the Legislature. Drafts bills and resolutions, provides advice and counsel to members of the Legislature, performs legislative research and provides copies of bills and legislation to the general public upon request.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Salaries and Expenses	\$ 770	\$ 825	\$ 1,125
Contingent Expenses	10	10	13
Printing of Pamphlet Laws	70	90	100
Printing of Pennsylvania Bulletin and Pennsylvania Code	400	525	665
Publish—Consolidated Statutes	25	.....	.....
TOTAL	<u>\$ 1,275</u>	<u>\$ 1,450</u>	<u>\$ 1,903</u>

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Legislative Budget and Finance Committee			
State Funds	\$ 207	\$ 160	\$ 338

Performs duties and functions relating to the study of the revenues, expenditures and fiscal operations of the agencies, boards and commissions of the Commonwealth.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget
Source of Funds			
Appropriation:			
Legislative Budget and Finance Committee	<u>\$ 207</u>	<u>\$ 160</u>	<u>\$ 338</u>

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Legislative Data Processing Center			
State Funds	\$ 745	\$ 750	\$ 938
Other Funds	30	13	10
TOTAL	\$ 775	\$ 763	\$ 948

Provides the General Assembly with the data processing services necessary to expedite the collection, completion and dissemination of information required in the exercise of its functions, and renders services to other agencies when possible.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Legislative Data Processing Committee	\$ 745	\$ 750	\$ 938
Other Funds:			
Reimbursement for Data Processing Services	30	13	10
TOTAL	\$ 775	\$ 763	\$ 948

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available ²	1975-76 Budget (15 months)
Legislative Miscellaneous and Commissions			
State Funds	\$ 1,166	\$1,245	\$1,602

Provides for those permanent commissions and committees which are necessary to provide the Legislature with current information, and to maintain liaison with various national, state and local organizations. It further provides for the various study commissions and committees periodically established to investigate and recommend solutions to various problems that arise from time to time.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Joint State Government Commission	\$ 805	\$ 827	\$1,148
Local Government Commission	182	182	228
National Society of State Legislators	1	1	1
Joint Legislative Air and Water Pollution Control Committee	103	105	131
Flags for Servicemen Overseas	20	20	25
Legislative Audit Advisory Commission	55	55	69
Commission on Cultural Resources .....	.....	25	.....
Inagural Committee .....	.....	30	.....
TOTAL	<u>\$1,166</u>	<u>\$1,245</u>	<u>\$1,602</u>

LEGISLATURE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Legislative Process	<u>\$27,922</u>	<u>\$29,451</u>	<u>\$42,621</u>	<u>\$36,806</u>	<u>\$39,421</u>	<u>\$41,850</u>	<u>\$44,393</u>
Legislature	<u>\$27,922</u>	<u>\$29,451</u>	<u>\$42,621</u>	<u>\$36,806</u>	<u>\$39,421</u>	<u>\$41,850</u>	<u>\$44,393</u>

Legislature

OBJECTIVE: 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.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$27,922	\$29,451	\$42,621	\$36,806	\$39,421	\$41,850	\$44,393
Other Funds	30	13	10	10	10	10	10
TOTAL	<u>\$27,952</u>	<u>\$29,464</u>	<u>\$42,631</u>	<u>\$36,816</u>	<u>\$39,431</u>	<u>\$41,860</u>	<u>\$44,403</u>

Program Analysis:

The General Assembly, which consists of a 50 member Senate and a 203 member House of Representatives, is funded by many General Fund appropriations. These appropriations are detailed in the preceding portion of this presentation.

Recently there has been an effort on the part of the House and Senate to acquire more adequate professional staff to provide more useful analytical studies for use in debating Commonwealth issues.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND TOTAL	<u>\$27,922</u>	<u>\$29,451</u>	<u>\$42,621</u>	<u>\$36,806</u>	<u>\$39,421</u>	<u>\$41,850</u>	<u>\$44,393</u>

Judiciary

The objective of the judicial system of the Commonwealth is to provide citizens with prompt and equitable justice under the law.

The court system includes the Supreme Court, Superior Court, Commonwealth Court, Courts of Common Pleas, Community Courts--District Justices of the Peace, Philadelphia Municipal Court and the Philadelphia Traffic Court.

JUDICIARY

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)			
	1973-74	1974-75	1975-76	1975-76
	Actual	Available	Estimate (12 months)	Budget (15 months)
General Fund				
General Government				
Supreme Court	\$ 1,876	\$ 2,118	\$ 2,202	\$ 2,753
Court Administrator	625	733	868	1,085
Superior Court	1,066	1,310	1,360	1,700
Commonwealth Court	1,267	1,479	1,500	1,875
Courts of Common Pleas	12,821	13,563	13,565	16,957
Jury Expenses . . . . .	. . . . .	1,470	. . . . .	. . . . .
Community Courts—District Justices of the Peace . . . . .	. . . . .	8,978	9,028	11,285
Philadelphia Traffic Court	132	137	132	165
Philadelphia Municipal Court	633	877	888	1,110
Total State Funds	<u>\$18,420</u>	<u>\$30,665</u>	<u>\$29,543</u>	<u>\$36,930</u>
Federal Funds	\$ 164	\$ 231	\$ 160	\$ 200
Other Funds	154	100	100	125
GENERAL FUND TOTAL	<u>\$18,738</u>	<u>\$30,996</u>	<u>\$29,803</u>	<u>\$37,255</u>
Revenue Sharing Trust Fund				
General Government				
Community Courts—District Justices of the Peace	\$ 8,151	. . . . .	. . . . .	. . . . .
Reimbursement of County Court Expenses	17,000	\$24,000	\$10,000	\$10,000
REVENUE SHARING TRUST FUND TOTAL	<u>\$25,151</u>	<u>\$24,000</u>	<u>\$10,000</u>	<u>\$10,000</u>
Department Total -- All Funds				
General Fund	\$18,420	\$30,665	\$29,543	\$36,930
Special Funds	25,151	24,000	10,000	10,000
Federal Funds	164	231	160	200
Other Funds	154	100	100	125
TOTAL ALL FUNDS	<u>\$43,889</u>	<u>\$54,996</u>	<u>\$39,803</u>	<u>\$47,255</u>

General Government

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Supreme Court			
State Funds	\$ 2,501	\$ 2,851	\$3,838
Federal Funds	164	231	200
Other Funds	154	100	125
TOTAL	<u>\$2,819</u>	<u>\$3,182</u>	<u>\$4,163</u>

Holds the supreme judicial powers of the Commonwealth. It consists of seven justices, one of whom is the Chief Justice, elected by qualified electors of the Commonwealth for a term of 10 years.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Supreme Court	\$ 1,876	\$ 2,118	\$2,753
Court Administrator	625	733	1,085
Federal Funds:			
Omnibus Crime Control and Safe Streets Act	164	231	200
Other Funds:			
Law Student Fees to State Board of Law Examiners	154	100	125
TOTAL	<u>\$2,819</u>	<u>\$3,182</u>	<u>\$4,163</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Superior Court			
State Funds	\$ 1,066	\$ 1,310	\$1,700

Represents the court of intermediate appeal and its jurisdiction is provided by law. It is composed of seven judges, of whom one is the President Judge, elected by the qualified electors of the State for 10 year terms.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Superior Court	<u>\$ 1,066</u>	<u>\$ 1,310</u>	<u>\$1,700</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Commonwealth Court			
State Funds	\$ 1,267	\$ 1,479	\$1,875

The Commonwealth Court is a court of record of statewide original and appellate jurisdiction. The court has original jurisdiction on all civil actions and proceedings by the Commonwealth or any officer acting in his official capacity and all civil actions and proceedings against the Commonwealth or any officer acting in his official capacity. It is composed of seven judges, of whom one is the President Judge, elected by the qualified electors of the state for 10 year terms.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds:			
Appropriation:			
Commonwealth Court	<u>\$ 1,267</u>	<u>\$ 1,479</u>	<u>\$1,875</u>

GENERAL FUND

JUDICIARY

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Courts of Common Pleas			
State Funds	\$12,821	\$15,033	\$16,957

There is one Common Pleas Court for each judicial district having the divisions and number of judges as provided by law. These courts have unlimited original jurisdiction in all cases except as may be otherwise provided by law.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Courts of Common Pleas	\$12,821	\$13,563	\$16,957
Jury Expenses .....	.....	1,470	.....
TOTAL	<u>\$12,821</u>	<u>\$15,033</u>	<u>\$16,957</u>

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Community Courts—District Justices of the Peace			
State Funds	\$ 8,978	\$11,285

Community courts may be established or discontinued by a vote of the majority of the electors in a judicial district. After establishment, they replace the justices of the peace, or the Municipal Court and Traffic Court in Philadelphia, in that judicial district. The term of the judges of community courts is 10 years.

Where a community court has not been established or where one has been discontinued, there is a district justice of the peace. Presently there are no community courts but district justices of the peace in each of 588 magisterial districts. The jurisdiction of district justices of the peace is as provided by law and they have a term of 6 years.

This program was funded from the Revenue Sharing Trust Fund during 1973-74.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Community Courts—District Justices of the Peace	<u>\$ 8,978</u>	<u>\$11,285</u>

GENERAL FUND

JUDICIARY

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Philadelphia Traffic Court and Philadelphia Municipal Court			
State Funds	\$ 765	\$ 1,014	\$1,275

These courts exist so long as a community court is not established. The number of judges is provided by law, for a term of 6 years.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Philadelphia Traffic Court	\$ 132	\$ 137	\$ 165
Philadelphia Municipal Court	633	877	1,110
TOTAL	<u><u>\$ 765</u></u>	<u><u>\$ 1,014</u></u>	<u><u>\$1,275</u></u>

Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Community Courts—District Justices of the Peace			
State Funds	\$ 8,151		

Community courts may be established or discontinued by a vote of the majority of the electors in a judicial district. After establishment, they replace the justices of the peace, or the Municipal Court and Traffic Court in Philadelphia, in that judicial district. The term of the judges of community courts is 10 years.

Where a community court has not been established or where one has been discontinued, there is a district justice of the peace. Presently there are no community courts but district justices of the peace in each of 588 magisterial districts. The jurisdiction of district justices of the peace is as provided by law and they have a term of 6 years. This program is now funded from the General Fund.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Community Courts—District Justices of the Peace	<u>\$ 8,151</u>		

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Reimbursement of County Court Costs			
State Funds	\$17,000	\$24,000	\$10,000

Provides reimbursement of costs incurred by counties in the administration and operation of all courts established pursuant to Article V, Section 1 of the Pennsylvania Constitution.

	(Dollar Amounts in Thousands)		
	1973-74 Actual	1974-75 Available	1975-76 Budget (15 months)
Source of Funds			
Appropriation:			
Reimbursement of County Court Costs	<u>\$17,000</u>	<u>\$24,000</u>	<u>\$10,000</u>

JUDICIARY

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1973-74	1974-75	(Dollar Amounts in Thousands)			1978-79	1979-80
			1975-76 (15 months)	1976-77	1977-78		
Adjudication of Defendents	\$43,571	\$54,665	\$46,930	\$41,815	\$43,510	\$45,570	\$47,480
State Judicial System	<u>\$43,571</u>	<u>\$54,665</u>	<u>\$46,930</u>	<u>\$41,815</u>	<u>\$43,510</u>	<u>\$45,570</u>	<u>\$47,480</u>

State Judicial System

OBJECTIVE: To provide Pennsylvania citizens with prompt and equitable justice under the law.

Recommended Program Costs:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
General Fund	\$18,420	\$30,665	\$36,930	\$31,815	\$33,510	\$35,470	\$37,480
Special Funds	25,151	24,000	10,000	10,000	10,000	10,000	10,000
Federal Funds	164	231	200	200	200	200	200
Other Funds	154	100	125	100	100	100	100
TOTAL	<u>\$43,889</u>	<u>\$54,996</u>	<u>\$47,255</u>	<u>\$42,115</u>	<u>\$43,810</u>	<u>\$45,770</u>	<u>\$47,780</u>

Program Analysis:

The judicial system of the Commonwealth is a unified system with all courts financed by numerous General Fund appropriations which are detailed in the summary.

The supreme judicial powers in the Commonwealth rest in the Supreme Court which consists of seven justices. Through the Court Administrator's Office, the Supreme Court provides administrative direction to the entire judicial system.

The Superior Court, which consists of seven judges, is a court of intermediate appeal.

The Commonwealth Court is a court of original and appellate jurisdiction. It has original jurisdiction on all civil actions and proceedings by the Commonwealth or any officer acting in his official capacity and all civil proceedings against

the Commonwealth or any officer acting in his official capacity.

Original jurisdiction for most major cases rests in the Courts of Common Pleas. There is one Common Pleas Court, often with several divisions and judges for each judicial district. These courts have unlimited original jurisdiction except as otherwise provided by law.

Community Courts have original jurisdiction in minor cases, such as minor traffic violations.

In addition to providing direction of certain courts and court activities, the Commonwealth provides direct grants to reimburse counties a portion of their court expenses. In 1975-76 this reimbursement will approximate one tenth of the total annual costs.

Program Costs by Appropriation:

	1973-74	1974-75	(Dollar Amounts in Thousands)				
			1975-76 (15 months)	1976-77	1977-78	1978-79	1979-80
GENERAL FUND							
Judiciary (All Judiciary Appropriations)	\$18,420	\$30,665	\$36,930	\$31,815	\$33,510	\$35,470	\$37,480
REVENUE SHARING TRUST FUND							
Community Courts—District Justices of the Peace	8,151	.....	.....	.....	.....	.....	.....
Reimbursement of County Court Expenses	17,000	24,000	10,000	10,000	10,000	10,000	10,000
REVENUE SHARING TRUST FUND TOTAL	<u>\$43,571</u>	<u>\$54,665</u>	<u>\$46,930</u>	<u>\$41,815</u>	<u>\$43,510</u>	<u>\$45,470</u>	<u>\$47,480</u>

GENERAL SALARY INCREASE

	1973-74 Actual		(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)		
General Salary Increase					
General Funds	\$27,500		\$34,400
Special Funds	8,624		10,866
TOTAL STATE FUNDS	\$36,124		\$45,266

The amounts shown represent funds to help offset any general salary and employee benefit increases which may be provided to State employes in 1975-76. Distribution will be made to the various agencies based upon the actual cost of any salary and benefit increases which are ultimately granted.

	1973-74 Actual		(Dollar Amounts in Thousands)		1975-76 Budget (15 months)
		1974-75 Available	1975-76 Estimate (12 months)		
Source of Funds:					
General Fund					
General Salary Increase	<u>\$27,500</u>		<u>\$34,400</u>
Motor License Fund					
General Salary Increase	<u>\$ 7,620</u>		<u>\$ 9,600</u>
Game Fund					
General Salary Increase	<u>\$ 362</u>		<u>\$ 456</u>
Fish Fund					
General Salary Increase	<u>\$ 169</u>		<u>\$ 219</u>
Boating Fund					
General Salary Increase	<u>\$ 32</u>		<u>\$ 40</u>
Banking Department Fund					
General Salary Increase	<u>\$ 128</u>		<u>\$ 160</u>
Milk Marketing Fund					
General Salary Increase	<u>\$ 32</u>		<u>\$ 40</u>
State Farm Products Show Fund					
General Salary Increase	<u>\$ 30</u>		<u>\$ 37</u>
State Harness Racing Fund					
General Salary Increase	<u>\$ 29</u>		<u>\$ 39</u>
State Horse Racing Fund					
General Salary Increase	<u>\$ 24</u>		<u>\$ 31</u>
State Lottery Fund					
General Salary Increase	<u>\$ 198</u>		<u>\$ 244</u>

