

COMMONWEALTH OF PENNSYLVANIA
EXECUTIVE BUDGET
1978-79

MILTON J. SHAPP,
GOVERNOR

FOREWORD

The Commonwealth's Budget, for the fiscal year July 1, 1978 to June 30, 1979, again is presented in two volumes and is similar in most ways to last year's presentation. The significant features of this budget include:

- 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.
- The amounts shown as "Federal Funds" include appropriations to date as well as proposed amendments because of increases or decreases in the amount of funds to be received. Because of the manner in which Federal funds are appropriated, they are deposited as General Fund revenues rather than augmentations. They are not, however, included in the revenue sections of the budget, but continue to be shown with the State funds which they supplement.
- In recent years, appropriations to several departments have been made at lower program levels than was previously the custom. The budget reflects appropriations at the level of program detail which is being recommended by the Administration. This level is generally, but not always, consistent with actual appropriations. Where differences in level occur, all columns in the budget presentation are shown consistent with the Administration recommendation in the budget year for ease of comparison. Actual amounts and levels of appropriations are reflected as footnotes in the source of funds sections.

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 1978-79 are identified as Program Revisions which provide detailed justification.

Beyond 1978-79, the projections of financial data, as well as impacts, show the future implications of the 1978-79 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 1978-79 level of commitment.

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Commonwealth of Pennsylvania



Governor's Office
HARRISBURG

February 7, 1978

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

The budget I am submitting today includes a General Fund budget totaling \$5,777,044,000. Although this is approximately 7 percent higher than the budget of the current fiscal year, it is extremely austere and inadequate. It is not what I would like to submit for the last year of my Administration, but unfortunately I am compelled to submit a budget of this type in order to maintain the fiscal stability of the Commonwealth.

The Motor License Fund budget which totals \$908,690,000 is even more austere than that of the General Fund. The General Assembly's failure to provide the additional funds recommended in last year's budget has already necessitated massive cutbacks in highway maintenance and virtual cessation of the highway construction program.

One year ago I proposed a General Fund tax increase of approximately \$300,000,000. If this had been enacted by the General Assembly it would have provided the solid fiscal base upon which the needs of the Commonwealth could have been funded. Instead of enacting the 1 percent increase in the Sales Tax, the Legislature, 10 months later, enacted a temporary increase in personal income and corporate income taxes of \$202,000,000. The General Assembly also passed new appropriations totaling over \$200,000,000. Among these were \$100,000,000 for school subsidy revisions, \$30,000,000 for Philadelphia school subsidies, \$24,000,000 for county court reimbursements and \$12,000,000 for Johnstown Flood aid. The effect of the legislative action of 1977 was to seriously underfund ongoing Commonwealth programs.

The most immediate and obvious reflections of underfunding are deficiencies in cash assistance, medical assistance, and county administration. These three items total \$90,000,000 of needs for the current fiscal year which are not appropriated. To cover these needs I am recommending that \$24,000,000 of Revenue Sharing funds previously earmarked for county court costs be used to pay public assistance benefits, that additional General Fund lapses be used to cover salaries and expenses of our county public assistance offices, and that reimbursement claims for medical assistance benefits be paid from next year's appropriation. Otherwise it will be necessary to discontinue benefits to the poor, elderly and handicapped by June 1.

The budget I submitted today is barely adequate to cover the ongoing needs of the Commonwealth. It uses all existing revenues and attempts to distribute these among the most pressing needs in as rational a way as is possible. In doing this, it was necessary for me to eliminate many high priority, but non-mandated, items. Among these are:

\$50,000,000 of increased school subsidy aid. The Legislature enacted a statement of legislative intent to provide this aid during 1978-79. Unfortunately the funds are not available. I have provided sufficient funds to meet the mandated obligations of the statutory subsidy requirements; plus supplemental aid of \$100 million, the same amount as currently available.

No funds have been provided for salary increases. If increases are granted through the labor negotiation process, the cost must be made up by program and personnel cuts. There are no other funds available.

Housing and redevelopment assistance, deferred during the current fiscal year, must again be deferred during 1978-79.

No General Fund or Revenue Sharing Trust Fund monies have been set aside for county court cost reimbursements. I am recommending that this program be funded from Federal countercyclical monies.

No increases have been recommended in higher education programs. State Colleges, State-aided and State-related universities and scholarship aid have all been held at the level appropriated during the current fiscal year.

Medical assistance benefits will be reduced so that carry-over obligations from this year can be funded in 1978-79. Benefits provided to general assistance recipients will be reduced consistent with those in the medically needy category. Recipient co-payment of drug and clinic services will be implemented, and reimbursement for certain drugs, discontinued.

Funds for the General Assembly have been reduced to a level consistent with the amount expended on a twelve month basis in the past several years. This will eliminate the build-up of carry-over funds which are available for use in subsequent years.

These reductions were necessary to fund the major mandated increases next year, including:

A \$107,000,000 increase for medical assistance benefits, despite program reductions of \$15,000,000. The increase includes \$46,000,000 of obligations carried over from this fiscal year.

A cash assistance increase of \$31,000,000. This is necessary because of a continuation of high case loads and also a shift in the recipient mix from Federally participating categories to 100 percent State funded categories.

The cost of school employes retirement increases by nearly \$69,000,000 next year. This is necessary to maintain the school employes retirement fund on an actuarially sound basis.

Private nursing home requirements increase by \$20,000,000 in the General Fund and Revenue Sharing Trust Fund. This program is growing rapidly due to increasing numbers of elderly citizens; the increasing demand by families for such care; increased cost of care, and the Commonwealth's commitment to pay a greater portion of the cost for medical assistance eligibles. Also included are funds to cover a 1977-78 deficiency.

Public nursing home funds increase by \$16,000,000 to finance the mandated increase in State support to county nursing homes. For services provided after July 1, 1978 counties will be reimbursed at 75 percent of the non-Federal share, an increase from 50 percent during 1977-78. This budget projects a declining number of days of care provided by the public nursing homes as beds are transferred to the private nursing home sector.

A total of \$3,500,000 to meet Federal requirements that public facilities be accessible to the handicapped. An additional \$15,996,000 of bond funded capital projects also are included for this purpose.

An increase of \$26,000,000 for debt service on outstanding Commonwealth bonds.

An increase of \$29,000,000 for Commonwealth costs of pupil transportation.

Other mandated increases in aid to local school districts which include \$23,000,000 for school authority rentals, \$11,000,000 for school employes Social Security costs and \$11,000,000 for special education programs. Of the total \$388,000,000 increase in the General Fund Budget, \$368,000,000 dollars is in mandated programs.

Funds are recommended for the continued expansion of the community living arrangements program for the mentally retarded. Approximately 800 mentally retarded persons will be provided the opportunity to move to a community setting. The continued emphasis on the development of community living arrangements is consistent with the policy of deinstitutionalization.

Because the Motor License Fund is underfunded, highway maintenance deficiencies are increasing and the situation is worsening with the winter storms. Urgently needed bridge improvements and safety projects will continue to be deferred until funding is forthcoming from the General Assembly. The 2,000 construction furloughs in this budget will result in dismantling PennDOT's 12-year program for meeting most essential construction needs. I am not in favor of this course of action but have been forced into it.

I therefore call again for the immediate approval of additional funds for the Motor License Fund, and I support fully the Pennsylvania Economy League's recent recommendation as the basis for adequately and responsibly funding the highway program. This recommendation calls for an immediate increase in Liquid Fuels taxes and an index to keep pace with inflation. Approval of this recommendation by the General Assembly will allow PennDOT to increase greatly highway maintenance efforts and to resume construction under the 12-year plan without resorting to extensive new debt financing.

When the General Assembly acts on revenues for our highways, I will submit a supplemental budget for both 1977-78 and 1978-79.

The 1978-79 Capital Budget recommendation for public improvement projects (buildings and utilities) is generally not a new recommendation but rather a listing of projects recommended in prior capital budgets (1972-73 through 1977-78), which are pending legislative approval, and which are still needed. The substantial backlog of prior budget recommendations has necessitated a review for "need" and "priority" consistent with current program objectives. The 1978-79 budget reflects this re-evaluation. Some new projects have been added and some prior projects eliminated. The new projects include \$36 million for flood control arising from the 1977 flood and for handicap standards improvements mandated by the Federal Government.

Current Motor License Fund tax revenues are insufficient to fund a highway capital program, so the 1978-79 Capital Budget does not include any new highway program. Resumption of a highway construction program is dependent upon an increase in Motor License Fund revenues.

Again I must insist that this is an austere budget. It contains numerous severe reductions in services, some below acceptable levels.

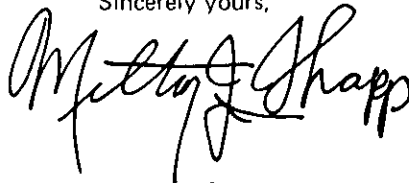
As a Governor presenting his final budget after seven years, this is a disappointment. But I am under a most compelling obligation to again put this Commonwealth on a secure and sound fiscal basis. The last budget battle has caused us serious harm in financial circles.

If the General Assembly will face its obligation and hold down increasing programs, the Governor who succeeds me will have a firm fiscal basis upon which to plan. This budget will give him the option of carrying forward programs with modest increases or otherwise adjusting his priorities to meet the new challenges of the 1980's.

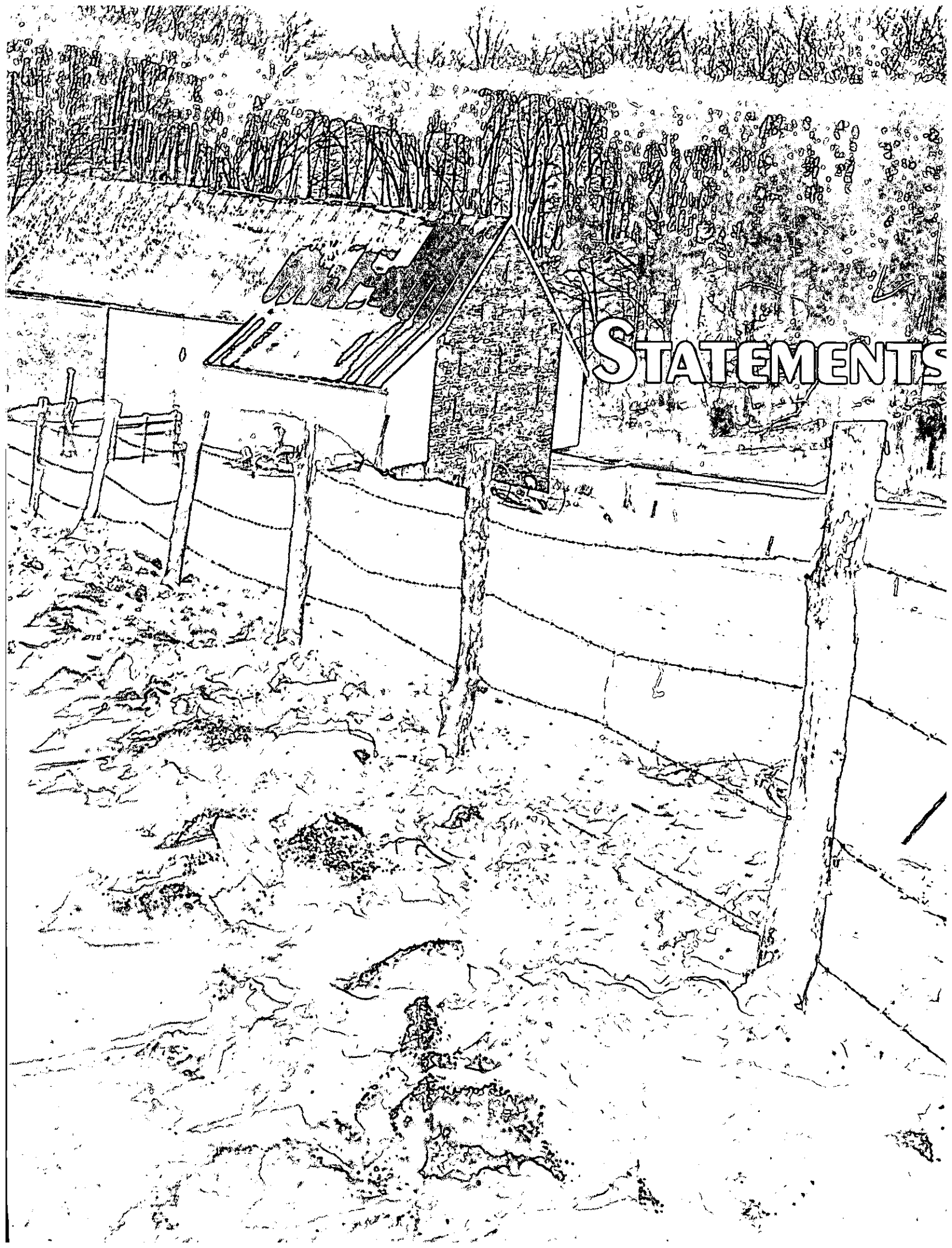
But, he must remember that he is starting from a severely contracted fiscal basis.

To give the next Governor those options is in your hands.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Milton J. Shapp". The signature is written in a cursive, flowing style with some overlapping letters.

Milton J. Shapp
GOVERNOR



STATEMENTS

GENERAL FUND

Five Year Financial Statement

The projections beyond the 1978-79 fiscal year show future implications of the present budgetary recommendations only. Revenue estimates are based upon current revenue statutes which provide that Corporate and Personal Income Tax rates revert to lower levels on January 1, 1980. 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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Beginning Balance	\$ 109,207	\$- 99,647	\$- 63,773	. . . . .	. . . . .	. . . . .	. . . . .
Receipts	4,814,324	5,399,468	5,841,228	\$6,186,500	\$6,541,300	\$7,075,100	\$7,630,900
Funds Available	<u>\$4,923,531</u>	<u>\$5,299,821</u>	<u>\$5,777,455</u>	<u>\$6,186,500</u>	<u>\$6,541,300</u>	<u>\$7,075,100</u>	<u>\$7,630,900</u>
Expenditures	-5,023,178	-5,363,594	-5,777,044	-6,143,603	-6,404,121	-6,691,320	-6,983,201
Ending Balance	<u>\$- 99,647</u>	<u>\$- 63,773</u>	<u>\$ 411 *</u>	<u>\$ 42,897</u>	<u>\$ 137,179</u>	<u>\$ 383,780</u>	<u>\$ 647,699</u>

* Ending balance not carried forward after 1978-79.

FIVE YEAR FINANCIAL STATEMENTS

Motor License Fund*

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Beginning Balance	\$ 79,370	\$ 8,907	\$ 29,545	\$ 775	. . . . .	. . . . .	. . . . .
Receipts	<u>818,173</u>	<u>860,013</u>	<u>879,920</u>	<u>908,740</u>	<u>\$903,060</u>	<u>\$929,290</u>	<u>\$949,660</u>
Funds Available	\$897,543	\$868,920	\$909,465	\$909,515	\$903,060	\$929,290	\$949,660
Less Expenditures	<u>-888,636</u>	<u>-839,375</u>	<u>-908,690</u>	<u>-940,024</u>	<u>-972,415</u>	<u>-1,002,374</u>	<u>-1,037,699</u>
Ending Balance	<u>\$ 8,907</u>	<u>\$ 29,545</u>	<u>\$ 775</u>	<u>\$-30,509**</u>	<u>\$-69,355</u>	<u>\$-73,084</u>	<u>\$-88,039</u>

Game Fund

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Beginning Balance	\$ 16,426	\$ 17,466	\$ 17,166	\$ 15,061	\$ 11,837	\$ 6,669	. . . . .
Receipts	<u>21,756</u>	<u>21,847</u>	<u>21,315</u>	<u>21,330</u>	<u>21,360</u>	<u>21,400</u>	<u>\$ 21,440</u>
Funds Available	\$ 38,182	\$ 39,313	\$ 38,481	\$ 36,391	\$ 33,197	\$ 28,069	\$ 21,440
Less Expenditures	<u>-20,716</u>	<u>-22,147</u>	<u>-23,420</u>	<u>-24,554</u>	<u>-26,528</u>	<u>-28,711</u>	<u>-31,041</u>
Ending Balance	<u>\$ 17,466</u>	<u>\$ 17,166</u>	<u>\$ 15,061</u>	<u>\$ 11,837</u>	<u>\$ 6,669</u>	<u>\$ -642**</u>	<u>\$ -9,601</u>

Fish Fund

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Beginning Balance	\$ 5,330	\$ 5,719	\$ 5,673	\$ 5,804	\$ 5,778	\$ 5,725	\$ 5,457
Receipts	<u>11,374</u>	<u>13,668</u>	<u>13,127</u>	<u>13,297</u>	<u>13,641</u>	<u>13,756</u>	<u>13,388</u>
Funds Available	\$ 16,704	\$ 19,387	\$ 18,800	\$ 19,101	\$ 19,419	\$ 19,481	\$ 18,845
Less Expenditures	<u>-10,985</u>	<u>-13,714</u>	<u>-12,996</u>	<u>-13,323</u>	<u>-13,694</u>	<u>-14,024</u>	<u>-14,401</u>
Ending Balance	<u>\$ 5,719</u>	<u>\$ 5,673</u>	<u>\$ 5,804</u>	<u>\$ 5,778</u>	<u>\$ 5,725</u>	<u>\$ 5,457</u>	<u>\$ 4,444</u>

* Includes restricted revenue

** Ending deficits are not carried forward.

**FIVE YEAR FINANCIAL STATEMENTS
(Continued)**

Boating Fund*

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82		1982-83
Beginning Balance	\$ 3,502	\$ 3,828	\$ 3,523	\$ 3,148	\$ 2,598	\$ 2,024	\$ 1,427
Receipts	<u>2,339</u>	<u>2,279</u>	<u>2,366</u>	<u>2,274</u>	<u>2,337</u>	<u>2,404</u>	<u>2,460</u>
Funds Available	\$5,841	\$6,107	\$5,889	\$5,422	\$4,935	\$4,428	\$3,887
Less Expenditures	<u>-2,013</u>	<u>-2,584</u>	<u>-2,741</u>	<u>-2,824</u>	<u>-2,911</u>	<u>-3,001</u>	<u>-3,094</u>
Ending Balance	<u>\$ 3,828</u>	<u>\$ 3,523</u>	<u>\$ 3,148</u>	<u>\$ 2,598</u>	<u>\$ 2,024</u>	<u>\$ 1,427</u>	<u>\$ 793</u>

Banking Department Fund

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82		1982-83
Beginning Balance	\$ -329	\$ -499	\$ 68	\$ 91	\$ 92	\$ 93	\$ 94
Receipts	<u>4,083</u>	<u>5,184</u>	<u>4,800</u>	<u>5,016</u>	<u>5,267</u>	<u>5,530</u>	<u>5,807</u>
Funds Available	\$ 3,754	\$ 4,685	\$ 4,868	\$ 5,107	\$ 5,359	\$ 5,623	\$ 5,901
Less Expenditures	<u>- 4,253</u>	<u>- 4,617</u>	<u>- 4,777</u>	<u>- 5,015</u>	<u>- 5,266</u>	<u>- 5,529</u>	<u>- 5,806</u>
Ending Balance	<u>\$ -499</u>	<u>\$ 68</u>	<u>\$ 91</u>	<u>\$ 92</u>	<u>\$ 93</u>	<u>\$ 94</u>	<u>\$ 95</u>

Milk Marketing Fund

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82		1982-83
Beginning Balance	\$ 107	\$ - 54	\$ 1	\$ 22	\$ 50	\$ 50	\$ 50
Receipts	<u>1,211</u>	<u>1,205</u>	<u>1,111</u>	<u>1,182</u>	<u>1,224</u>	<u>1,304</u>	<u>1,379</u>
Funds Available	\$ 1,318	\$ 1,151	\$ 1,112	\$ 1,204	\$ 1,274	\$ 1,354	\$ 1,429
Less Expenditures	<u>- 1,372</u>	<u>- 1,150</u>	<u>- 1,090</u>	<u>- 1,154</u>	<u>- 1,224</u>	<u>- 1,304</u>	<u>- 1,379</u>
Ending Balance	<u>\$ -54</u>	<u>\$ 1</u>	<u>\$ 22</u>	<u>\$ 50</u>	<u>\$ 50</u>	<u>\$ 50</u>	<u>\$ 50</u>

*Includes restricted revenue.

**FIVE YEAR FINANCIAL STATEMENTS
(Continued)**

State Farm Products Show Fund

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Beginning Balance	\$ 40	\$ 38	\$ 38	\$ 52	\$ 50	\$ 50	\$ 50
Receipts	<u>1,590</u>	<u>1,697</u>	<u>1,772</u>	<u>1,834</u>	<u>1,921</u>	<u>2,006</u>	<u>2,096</u>
Funds Available	\$ 1,630	\$ 1,735	\$ 1,810	\$ 1,886	\$ 1,971	\$ 2,056	\$ 2,146
Less Expenditures	<u>- 1,592</u>	<u>- 1,697</u>	<u>- 1,758</u>	<u>- 1,836</u>	<u>- 1,921</u>	<u>- 2,006</u>	<u>- 2,096</u>
Ending Balance	<u>\$ 38</u>	<u>\$ 38</u>	<u>\$ 52</u>	<u>\$ 50</u>	<u>\$ 50</u>	<u>\$ 50</u>	<u>\$ 50</u>

State Harness Racing Fund

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Beginning Balance	\$ 3,330	\$ 2,637	\$ 3,106	\$ 2,724	\$ 2,705	\$ 2,687	\$ 2,666
Receipts	<u>5,569</u>	<u>6,460</u>	<u>6,632</u>	<u>6,698</u>	<u>6,765</u>	<u>6,833</u>	<u>6,901</u>
Funds Available	\$ 8,899	\$ 9,097	\$ 9,738	\$ 9,422	\$ 9,470	\$ 9,520	\$ 9,567
Less Expenditures	<u>- 6,262</u>	<u>- 5,991</u>	<u>- 7,014</u>	<u>- 6,717</u>	<u>- 6,783</u>	<u>- 6,854</u>	<u>- 6,926</u>
Ending Balance	<u>\$ 2,637</u>	<u>\$ 3,106</u>	<u>\$ 2,724</u>	<u>\$ 2,705</u>	<u>\$ 2,687</u>	<u>\$ 2,666</u>	<u>\$ 2,641</u>

State Horse Racing Fund

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Beginning Balance	\$ 6,849	\$ 7,308	\$10,425	\$ 9,296	\$ 9,612	\$ 9,941	\$10,279
Receipts	<u>17,952</u>	<u>20,336</u>	<u>18,228</u>	<u>18,864</u>	<u>19,528</u>	<u>20,208</u>	<u>20,917</u>
Funds Available	\$24,801	\$27,644	\$28,653	\$28,160	\$29,140	\$30,149	\$31,196
Less Expenditures	<u>-17,493</u>	<u>-17,219</u>	<u>-19,357</u>	<u>-18,548</u>	<u>-19,199</u>	<u>-19,870</u>	<u>-20,566</u>
Ending Balance	<u>\$ 7,308</u>	<u>\$10,425</u>	<u>\$ 9,296</u>	<u>\$ 9,612</u>	<u>\$ 9,941</u>	<u>\$10,279</u>	<u>\$10,630</u>

**FIVE YEAR FINANCIAL STATEMENTS
(Continued)**

Pennsylvania Fair Fund

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Beginning Balance	\$ 314	\$ 301	\$ 234	\$ 353	\$ 233	\$ 134	\$ 60
Receipts	<u>2,807</u>	<u>2,634</u>	<u>3,020</u>	<u>2,856</u>	<u>2,927</u>	<u>3,002</u>	<u>3,078</u>
Funds Available	\$ 3,121	\$ 2,935	\$ 3,254	\$ 3,209	\$ 3,160	\$ 3,136	\$ 3,138
Less Expenditures	<u>- 2,820</u>	<u>- 2,701</u>	<u>- 2,901</u>	<u>- 2,976</u>	<u>- 3,026</u>	<u>- 3,076</u>	<u>- 3,101</u>
Ending Balance	<u>\$ 301</u>	<u>\$ 234</u>	<u>\$ 353</u>	<u>\$ 233</u>	<u>\$ 134</u>	<u>\$ 60</u>	<u>\$ 37</u>

Sire Stakes Fund

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Beginning Balance	\$ 1,312	\$ 1,372	\$ 1,256	\$ 1,126	\$ 959	\$ 752	\$ 505
Receipts	<u>1,105</u>	<u>1,139</u>	<u>1,151</u>	<u>1,142</u>	<u>1,132</u>	<u>1,122</u>	<u>1,111</u>
Funds Available	\$ 2,417	\$ 2,511	\$ 2,407	\$ 2,268	\$ 2,091	\$ 1,874	\$ 1,616
Less Expenditures	<u>- 1,045</u>	<u>- 1,255</u>	<u>- 1,281</u>	<u>- 1,309</u>	<u>- 1,339</u>	<u>- 1,369</u>	<u>- 1,400</u>
Ending Balance	<u>\$ 1,372</u>	<u>\$ 1,256</u>	<u>\$ 1,126</u>	<u>\$ 959</u>	<u>\$ 752</u>	<u>\$ 505</u>	<u>\$ 216</u>

State Lottery Fund

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Beginning Balance	\$ 11,862	\$ - 7,293	\$ 562	\$ 10,129	\$ 17,254	\$ 21,843	\$ 23,678
Receipts	<u>101,301</u>	<u>133,443</u>	<u>135,752</u>	<u>135,752</u>	<u>135,752</u>	<u>135,752</u>	<u>135,752</u>
Funds Available	\$113,163	\$126,150	\$136,314	\$145,881	\$153,006	\$157,595	\$159,430
Less Expenditures	<u>-120,456</u>	<u>-125,588</u>	<u>-126,185</u>	<u>-128,627</u>	<u>-131,163</u>	<u>-133,917</u>	<u>-136,913</u>
Ending Balance	<u>\$ - 7,293</u>	<u>\$ 562</u>	<u>\$ 10,129</u>	<u>\$ 17,254</u>	<u>\$ 21,843</u>	<u>\$ 23,678</u>	<u>\$ 22,517</u>

**FIVE YEAR FINANCIAL STATEMENTS
(Continued)**

Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Beginning Balance	\$ 27	\$ -55	\$ 308	\$ 59	\$ 144	\$ 507	\$ 112
Receipts	<u>116,650</u>	<u>118,113</u>	<u>117,500</u>	<u>119,000</u>	<u>120,000</u>	<u>120,000</u>	<u>120,000</u>
Funds Available	\$116,677	\$118,058	\$117,808	\$119,059	\$120,144	\$120,507	\$120,112
Less Expenditures	<u>-116,732</u>	<u>-117,750</u>	<u>-117,749</u>	<u>-118,915</u>	<u>-119,637</u>	<u>-120,395</u>	<u>-120,091</u>
Ending Balance	<u>\$ -55</u>	<u>\$ 308</u>	<u>\$ 59</u>	<u>\$ 144</u>	<u>\$ 507</u>	<u>\$ 112</u>	<u>\$ 21</u>

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
Governor's Office							
General Fund	\$ 1,983	\$ 1,925	\$ 2,075	\$ 2,177	\$ 2,285	\$ 2,398	\$ 2,517
Revenue Sharing Trust Fund . . . . .	. . . . .	120	120	126	132	139	146
TOTAL	\$ 1,983	\$ 2,045	\$ 2,195	\$ 2,303	\$ 2,417	\$ 2,537	\$ 2,663
Executive Offices							
General Fund	\$ 12,512	\$ 12,396	\$ 13,723	\$ 14,230	\$ 14,937	\$ 15,681	\$ 16,463
Lieutenant Governor's Office							
General Fund	\$ 246	\$ 250	\$ 270	\$ 285	\$ 300	\$ 315	\$ 330
Auditor General							
General Fund	\$ 11,527	\$ 11,527	\$ 12,387	\$ 13,001	\$ 13,650	\$ 14,332	\$ 15,049
Treasury							
General Fund	\$ 155,658	\$ 177,624	\$ 205,686	\$ 227,451	\$ 241,618	\$ 251,819	\$ 263,682
Motor License Fund	154,496	176,246	182,398	185,330	185,385	184,758	184,480
Game Fund	2	2	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	3	4	4	4	4	4	4
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	1	1
Pennsylvania Fair Fund	1	1	1	1	1	1	1
State Lottery Fund	11	20	13	13	13	13	13
TOTAL	\$ 310,177	\$ 353,903	\$ 388,110	\$ 412,807	\$ 427,029	\$ 436,603	\$ 448,188
Agriculture							
General Fund	\$ 14,551	\$ 15,352	\$ 15,906	\$ 16,544	\$ 17,311	\$ 18,076	\$ 18,884
State Farm Products Show Fund	891	896	882	928	959	992	1,027
State Harness Racing Fund	6,096	5,816	6,815	6,508	6,564	6,624	6,684
Pennsylvania Fair Fund	2,819	2,700	2,900	2,975	3,025	3,075	3,100
Sire Stakes Fund	1,045	1,255	1,281	1,309	1,339	1,369	1,400
TOTAL	\$ 25,402	\$ 26,019	\$ 27,784	\$ 28,264	\$ 29,198	\$ 30,136	\$ 31,095
Banking							
Banking Department Fund	\$ 4,252	\$ 4,616	\$ 4,776	\$ 5,014	\$ 5,265	\$ 5,528	\$ 5,805
Civil Defense							
General Fund	\$ 637	\$ 1,382	\$ 695	\$ 728	\$ 762	\$ 798	\$ 836
Civil Service							
General Fund	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(Continued)

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
Commerce							
General Fund	\$ 23,994	\$ 14,427	\$ 16,795	\$ 22,019	\$ 22,260	\$ 22,496	\$ 22,753
Community Affairs							
General Fund	\$ 25,318	\$ 9,911	\$ 9,048	\$ 40,597	\$ 25,470	\$ 25,829	\$ 26,190
Council on Drug and Alcohol Abuse							
General Fund	\$ 21,673	\$ 20,225	\$ 20,341	\$ 21,359	\$ 22,426	\$ 23,547	\$ 24,726
Education							
General Fund	\$2,478,324	\$2,677,377	\$2,782,233	\$2,831,731	\$2,884,578	\$2,943,137	\$2,999,783
Motor License Fund	4,351	4,408	4,202	4,193	4,169	4,133	4,100
Revenue Sharing Trust Fund	77,500	80,700	79,700	77,100	77,100	77,100	76,000
TOTAL	\$2,560,175	\$2,762,485	\$2,866,135	\$2,913,024	\$2,965,847	\$3,024,370	\$3,079,883
Environmental Resources							
General Fund	\$ 74,023	\$ 74,469	\$ 80,336	\$ 83,504	\$ 87,439	\$ 91,574	\$ 95,911
Revenue Sharing Trust Fund	11,632	12,250	13,360	14,311	15,027	15,778	16,567
TOTAL	\$ 85,655	\$ 86,719	\$ 93,966	\$ 97,815	\$ 102,466	\$ 107,352	\$ 112,478
Fish Commission							
General Fund	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
Fish Fund	8,654	8,791	8,587	8,899	9,065	9,383	10,234
Boating Fund	1,535	2,224	2,570	2,811	2,898	2,988	3,081
TOTAL	\$ 10,192	\$ 11,018	\$ 11,160	\$ 11,713	\$ 11,966	\$ 12,374	\$ 13,318
Game Commission							
Game Fund	\$ 20,160	\$ 21,509	\$ 20,068	\$ 21,062	\$ 22,906	\$ 24,949	\$ 27,139
General Services							
General Fund	\$ 82,218	\$ 82,072	\$ 94,214	\$ 101,588	\$ 103,084	\$ 104,338	\$ 106,224
Motor License Fund	1,366	1,450	1,450	1,450	1,450	1,450	1,450
Fish Fund	62	76	75	75	75	75	75
Boating Fund	2	2	2	2	2	2	2
State Lottery Fund . . . . .	.....	.....	472	604	630	656	685
TOTAL	\$ 83,648	\$ 83,600	\$ 96,213	\$ 103,719	\$ 105,241	\$ 106,521	\$ 108,436
Health							
General Fund	\$ 70,027	\$ 66,564	\$ 66,470	\$ 71,598	\$ 73,618	\$ 76,921	\$ 77,314
Revenue Sharing Trust Fund	3,600	.....	6,799	3,378	3,378	3,378	3,378
TOTAL	\$ 73,627	\$ 66,564	\$ 73,269	\$ 74,976	\$ 76,996	\$ 80,299	\$ 80,692

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(Continued)

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
Historical and Museum Commission							
General Fund	\$ 8,025	\$ 7,298	\$ 8,071	\$ 8,780	\$ 9,225	\$ 9,686	\$ 10,077
Horse Racing Commission							
State Horse Racing Fund	\$ 17,378	\$ 17,045	\$ 19,159	\$ 18,340	\$ 18,981	\$ 19,641	\$ 20,326
Insurance							
General Fund	\$ 4,912	\$ 5,255	\$ 5,553	\$ 5,833	\$ 6,122	\$ 6,428	\$ 6,846
Justice							
General Fund	\$ 82,049	\$ 88,991	\$ 97,625	\$ 102,040	\$ 107,469	\$ 113,435	\$ 116,587
Revenue Sharing Trust Fund . . . . .	.....	80	.....	.....	.....	.....	.....
TOTAL	\$ 82,049	\$ 89,071	\$ 97,625	\$ 102,040	\$ 107,469	\$ 113,435	\$ 116,587
Labor and Industry							
General Fund	\$ 43,688	\$ 43,905	\$ 43,100	\$ 43,680	\$ 44,315	\$ 44,990	\$ 45,801
Military Affairs							
General Fund	\$ 9,264	\$ 11,677	\$ 12,110	\$ 12,754	\$ 13,244	\$ 13,753	\$ 14,541
Milk Marketing Board							
General Fund	\$ 717	\$ 717	\$ 750	\$ 762	\$ 804	\$ 884	\$ 959
Milk Marketing Fund	651	429	336	388	416	416	416
TOTAL	\$ 1,368	\$ 1,146	\$ 1,086	\$ 1,150	\$ 1,220	\$ 1,300	\$ 1,375
Probation and Parole							
General Fund	\$ 10,694	\$ 11,552	\$ 12,580	\$ 13,209	\$ 13,870	\$ 14,563	\$ 15,290
Public Welfare							
General Fund	\$1,617,177	\$1,715,973	\$1,947,977	\$2,131,359	\$2,286,919	\$2,454,783	\$2,635,996
Revenue Sharing Trust Fund . . . . .	.....	24,400	17,500	.....	.....	.....	.....
TOTAL	\$1,617,177	\$1,740,373	\$1,965,477	\$2,131,359	\$2,286,919	\$2,454,783	\$2,635,996
Revenue							
General Fund	\$ 78,069	\$ 87,629	\$ 92,547	\$ 97,174	\$ 102,033	\$ 107,134	\$ 112,491
Motor License Fund	2,883	3,276	3,436	3,856	4,049	4,250	4,463
Boating Fund	255	162	.....	.....	.....	.....	.....
State Harness Racing Fund	164	174	198	208	218	229	241
State Horse Racing Fund	111	173	197	207	217	228	239
State Lottery Fund	107,392	110,275	109,932	112,452	115,040	117,757	120,608
TOTAL	\$ 188,874	\$ 201,689	\$ 206,310	\$ 213,897	\$ 221,557	\$ 229,598	\$238,042

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(Continued)

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
Securities Commission							
General Fund	\$ 855	\$ 890	\$ 950	\$ 997	\$ 1,044	\$ 1,090	\$ 1,138
State							
General Fund	\$ 6,670	\$ 6,091	\$ 6,589	\$ 7,007	\$ 7,345	\$ 7,859	\$ 8,234
Revenue Sharing Trust Fund . . . . .	. . . . .	200	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL	\$ 6,670	\$ 6,291	\$ 6,589	\$ 7,007	\$ 7,345	\$ 7,859	\$ 8,234
State Employees' Retirement System							
General Fund	\$ 4,300	\$ 11,140	\$ 15,347	\$ 17,648	\$ 20,296	\$ 23,340	\$ 26,841
State Police							
General Fund	\$ 28,296	\$ 30,366	\$ 38,989	\$ 41,608	\$ 44,250	\$ 47,032	\$ 49,986
Motor License Fund	84,884	94,994	89,242	93,729	98,769	103,525	108,595
TOTAL	\$ 113,180	\$ 125,360	\$ 128,231	\$ 135,337	\$ 143,019	\$ 150,557	\$ 158,581
Tax Equalization Board							
General Fund	\$ 789	\$ 789	\$ 847	\$ 889	\$ 933	\$ 980	\$ 1,029
Transportation							
General Fund	\$ 76,512	\$ 82,950	\$ 93,691	\$ 104,933	\$ 124,222	\$ 137,337	\$ 145,444
Motor License Fund	640,656	559,651	627,962	651,466	678,593	704,258	734,611
Boating Fund	18	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
State Lottery Fund	12,859	14,939	15,387	15,836	16,298	16,774	17,264
TOTAL	\$ 730,045	\$ 657,540	\$ 737,040	\$ 772,235	\$ 819,113	\$ 858,369	\$ 897,319
Legislature							
General Fund	\$ 41,121	\$ 46,194	\$ 39,628	\$ 41,611	\$ 43,691	\$ 45,874	\$ 48,168
Judiciary							
General Fund	\$ 37,345	\$ 62,428	\$ 40,507	\$ 66,503	\$ 68,597	\$ 70,887	\$ 73,107
Revenue Sharing Trust Fund	24,000	. . . . .	. . . . .	24,000	24,000	24,000	24,000
TOTAL	\$ 61,345	\$ 62,428	\$ 40,507	\$ 90,503	\$ 92,597	\$ 94,887	\$ 97,107
Flood Relief and Recovery							
General Fund . . . . .	. . . . .	\$ 9,244	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .

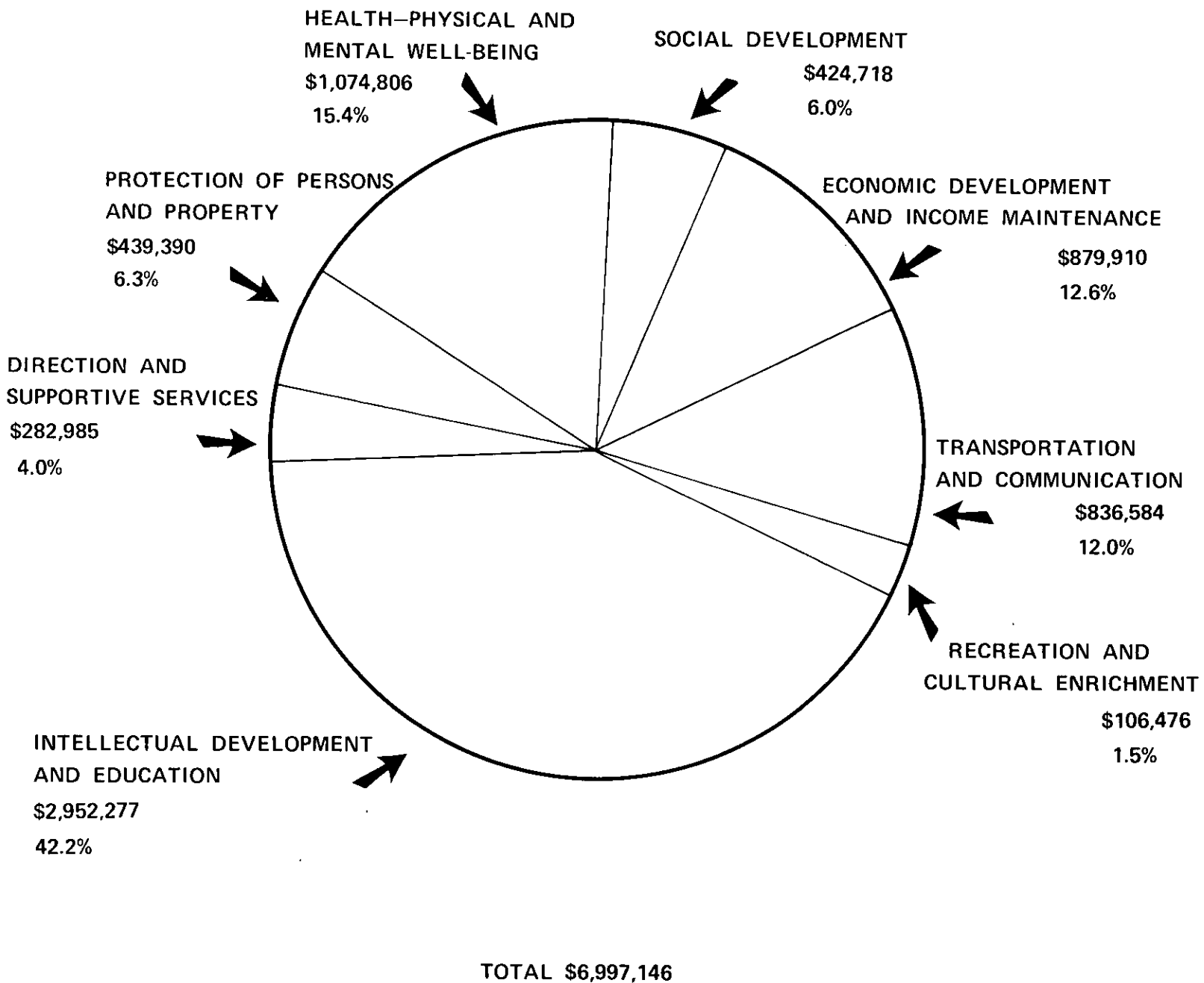
FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(Continued)

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated		1982-83 Estimated
Commonwealth Total							
General Fund	\$5,023,178	\$5,388,594	\$5,777,044	\$6,143,603	\$6,404,121	\$6,691,320	\$6,983,201
Motor License Fund	888,636	840,025	908,690	940,024	972,415	1,002,374	1,037,699
Game Fund	20,162	21,511	20,070	21,064	22,908	24,951	27,141
Fish Fund	8,717	8,868	8,663	8,975	9,141	9,459	10,310
Boating Fund	1,811	2,389	2,573	2,814	2,901	2,991	3,084
Banking Department Fund	4,253	4,617	4,777	5,015	5,266	5,529	5,806
Milk Marketing Fund	654	433	340	392	420	420	420
State Farm Products Show Fund	892	897	883	929	960	993	1,028
State Harness Racing Fund	6,261	5,991	7,014	6,717	6,783	6,854	6,926
State Horse Racing Fund	17,490	17,219	19,357	18,548	19,199	19,870	20,566
Pennsylvania Fair Fund	2,820	2,701	2,901	2,976	3,026	3,076	3,101
Sire Stakes Fund	1,045	1,255	1,281	1,309	1,339	1,369	1,400
State Lottery Fund	120,262	125,234	125,804	128,905	131,981	135,200	138,570
Revenue Sharing Trust Fund	116,732	117,750	117,749	118,915	119,637	120,395	120,091
GRAND TOTAL	<u>\$6,212,913</u>	<u>\$6,537,484</u>	<u>\$6,997,146</u>	<u>\$7,400,186</u>	<u>\$7,700,097</u>	<u>\$8,024,801</u>	<u>\$8,359,343</u>

Distribution of the Commonwealth Dollar (GENERAL FUND AND SPECIAL FUNDS)

1978-79 Fiscal Year

(Dollar Amounts in Thousands)

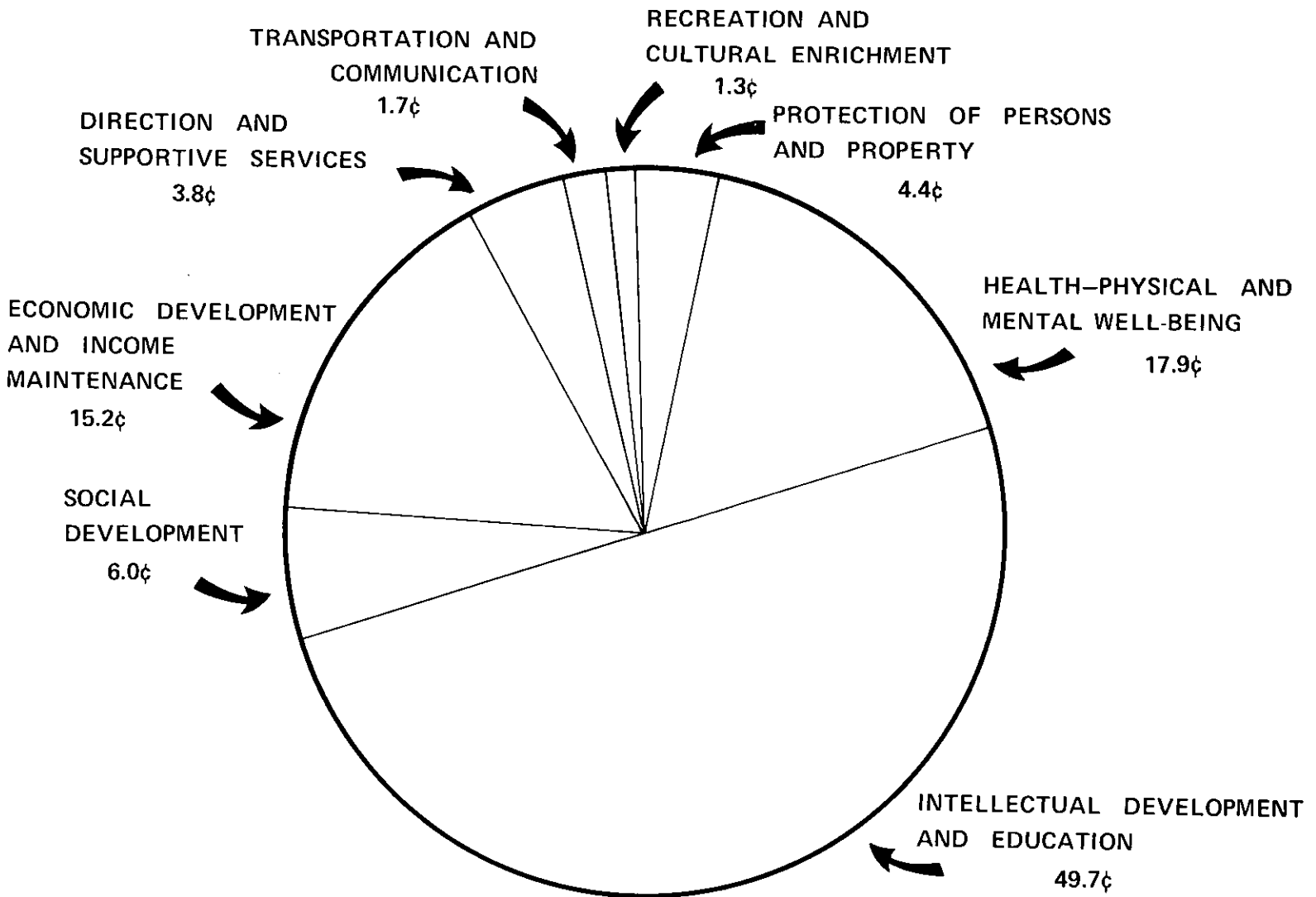


GENERAL FUND AND SPECIAL FUNDS

Five-Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	
Direction and Supportive Services	\$ 234,833	\$ 270,207	\$ 282,985	\$ 303,824	\$ 318,790	\$ 334,331	\$ 351,499
Protection of Persons and Property	418,546	443,686	439,390	506,586	529,630	552,783	574,188
Health—Physical and Mental Well-Being	824,482	920,316	1,074,806	1,142,995	1,228,104	1,319,650	1,416,497
Intellectual Development and Education	2,627,293	2,842,835	2,952,277	3,008,874	3,068,091	3,132,734	3,195,229
Social Development	382,683	407,375	424,718	456,676	475,514	495,301	516,085
Economic Development and Income Maintenance	818,978	796,879	879,910	996,710	1,045,482	1,114,475	1,188,624
Transportation and Communication	807,963	754,501	836,584	872,208	916,062	952,108	987,821
Recreation and Cultural Enrichment	98,135	101,685	106,476	112,313	118,424	123,419	129,400
GENERAL FUND AND SPECIAL FUNDS TOTAL	<u>\$6,212,913</u>	<u>\$6,537,484</u>	<u>\$6,997,146</u>	<u>\$7,400,186</u>	<u>\$7,700,097</u>	<u>\$8,024,801</u>	<u>\$8,359,343</u>

Distribution of the Commonwealth Dollar GENERAL FUND 1978-79 Fiscal Year



\$1.00

GENERAL FUND

Five-Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Commonwealth Program							
Direction and Supportive Services	\$ 174,803	\$ 208,157	\$ 219,785	\$ 237,763	\$ 250,140	\$ 262,966	\$ 277,280
Protection of Persons and Property	218,997	258,028	254,192	291,198	305,303	320,340	332,861
Health—Physical and Mental Well-Being	809,250	908,066	1,036,877	1,125,306	1,209,699	1,300,494	1,396,552
Intellectual Development and Education	2,549,793	2,762,135	2,872,577	2,931,774	2,990,991	3,055,634	3,119,229
Social Development	307,548	327,468	344,534	375,798	393,922	412,967	432,984
Economic Development and Income Maintenance	815,055	768,633	875,878	992,546	1,041,225	1,110,123	1,184,199
Transportation and Communication	80,010	87,023	98,027	109,754	129,363	142,774	151,227
Recreation and Cultural Enrichment	67,722	69,084	75,174	79,464	83,478	86,022	88,869
GENERAL FUND TOTAL	<u><u>\$5,023,178</u></u>	<u><u>\$5,388,594</u></u>	<u><u>\$5,777,044</u></u>	<u><u>\$6,143,603</u></u>	<u><u>\$6,404,121</u></u>	<u><u>\$6,691,320</u></u>	<u><u>\$6,983,201</u></u>

OPERATING AND CAPITAL

Five Year Summary of Commonwealth Programs

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
DIRECTION AND SUPPORTIVE SERVICES							
General Fund	\$ 174,803	\$ 208,157	\$ 219,785	\$ 237,763	\$ 250,140	\$ 262,966	\$ 277,280
Special Funds	60,030	62,050	63,200	66,061	68,650	71,365	74,219
Federal Funds	7,342	17,751	13,545	14,098	14,733	15,403	16,098
Other Funds	41,904	46,522	44,166	35,878	37,777	39,822	41,981
Total—Operating	<u>\$ 284,079</u>	<u>\$ 334,480</u>	<u>\$ 340,696</u>	<u>\$ 353,800</u>	<u>\$ 371,300</u>	<u>\$ 389,556</u>	<u>\$ 409,578</u>
Capital Bond Authorizations . . . . .	. . . . .	. . . . .	\$ 4,665	\$ 1,000	\$ 600	\$ 600	. . . . .
PROGRAM TOTAL	<u>\$ 284,079</u>	<u>\$ 334,480</u>	<u>\$ 345,361</u>	<u>\$ 354,800</u>	<u>\$ 371,900</u>	<u>\$ 390,156</u>	<u>\$ 409,578</u>
PROTECTION OF PERSONS AND PROPERTY							
General Fund	\$ 218,997	\$ 258,028	\$ 254,192	\$ 291,198	\$ 305,303	\$ 320,340	\$ 332,861
Special Funds	199,549	185,658	185,198	215,388	224,327	232,443	241,327
Federal Funds	35,310	40,722	84,569	62,160	63,186	65,326	68,118
Other Funds	160,002	165,072	166,289	175,289	184,933	190,238	200,503
Total—Operating	<u>\$ 613,858</u>	<u>\$ 649,480</u>	<u>\$ 690,248</u>	<u>\$ 744,035</u>	<u>\$ 777,749</u>	<u>\$ 808,347</u>	<u>\$ 842,809</u>
Capital Bond Authorizations	\$ 2,869	. . . . .	\$ 61,151	\$ 10,111	\$ 7,874	\$ 8,763	\$ 9,318
PROGRAM TOTAL	<u>\$ 616,727</u>	<u>\$ 649,480</u>	<u>\$ 751,399</u>	<u>\$ 754,146</u>	<u>\$ 785,623</u>	<u>\$ 817,110</u>	<u>\$ 852,127</u>
HEALTH—PHYSICAL AND MENTAL WELL-BEING							
General Fund	\$ 809,250	\$ 908,066	\$1,036,877	\$ 1,125,306	\$ 1,209,699	\$ 1,300,494	\$ 1,396,552
Special Funds	15,232	12,250	37,929	17,689	18,405	19,156	19,945
Federal Funds	518,280	639,061	705,054	711,217	771,488	837,134	908,733
Other Funds	43,964	50,690	74,371	55,612	58,432	61,382	64,360
Total—Operating	<u>\$1,386,726</u>	<u>\$1,610,067</u>	<u>\$1,854,231</u>	<u>\$ 1,909,824</u>	<u>\$ 2,058,024</u>	<u>\$ 2,218,166</u>	<u>\$ 2,389,590</u>
Capital Bond Authorizations	\$ 1,272	\$ 974	\$ 18,793	\$ 11,350	\$ 12,300	\$ 11,000	\$ 10,900
PROGRAM TOTAL	<u>\$1,387,998</u>	<u>\$1,611,041</u>	<u>\$1,873,024</u>	<u>\$ 1,921,174</u>	<u>\$ 2,070,324</u>	<u>\$ 2,229,166</u>	<u>\$ 2,400,490</u>
INTELLECTUAL DEVELOPMENT AND EDUCATION							
General Fund	\$2,549,793	\$2,762,135	\$2,872,577	\$ 2,931,774	\$ 2,990,991	\$ 3,055,634	\$ 3,119,229
Special Funds	77,500	80,700	79,700	77,100	77,100	77,100	76,000
Federal Funds	32,217	25,597	21,768	21,690	22,426	22,918	23,882
Other Funds	339,252	378,300	417,085	458,524	488,155	526,315	539,050
Total—Operating	<u>\$2,998,762</u>	<u>\$3,246,732</u>	<u>\$3,391,130</u>	<u>\$ 3,489,088</u>	<u>\$ 3,578,672</u>	<u>\$ 3,681,967</u>	<u>\$ 3,758,161</u>
Capital Bond Authorizations	\$ 7,206	. . . . .	\$ 77,845	\$ 11,800	\$ 12,800	\$ 14,700	\$ 14,600
PROGRAM TOTAL	<u>\$3,005,968</u>	<u>\$3,246,732</u>	<u>\$3,468,975</u>	<u>\$ 3,500,888</u>	<u>\$ 3,591,472</u>	<u>\$ 3,696,667</u>	<u>\$ 3,772,761</u>

OPERATING AND CAPITAL

Five Year Summary of Commonwealth Programs (Continued)

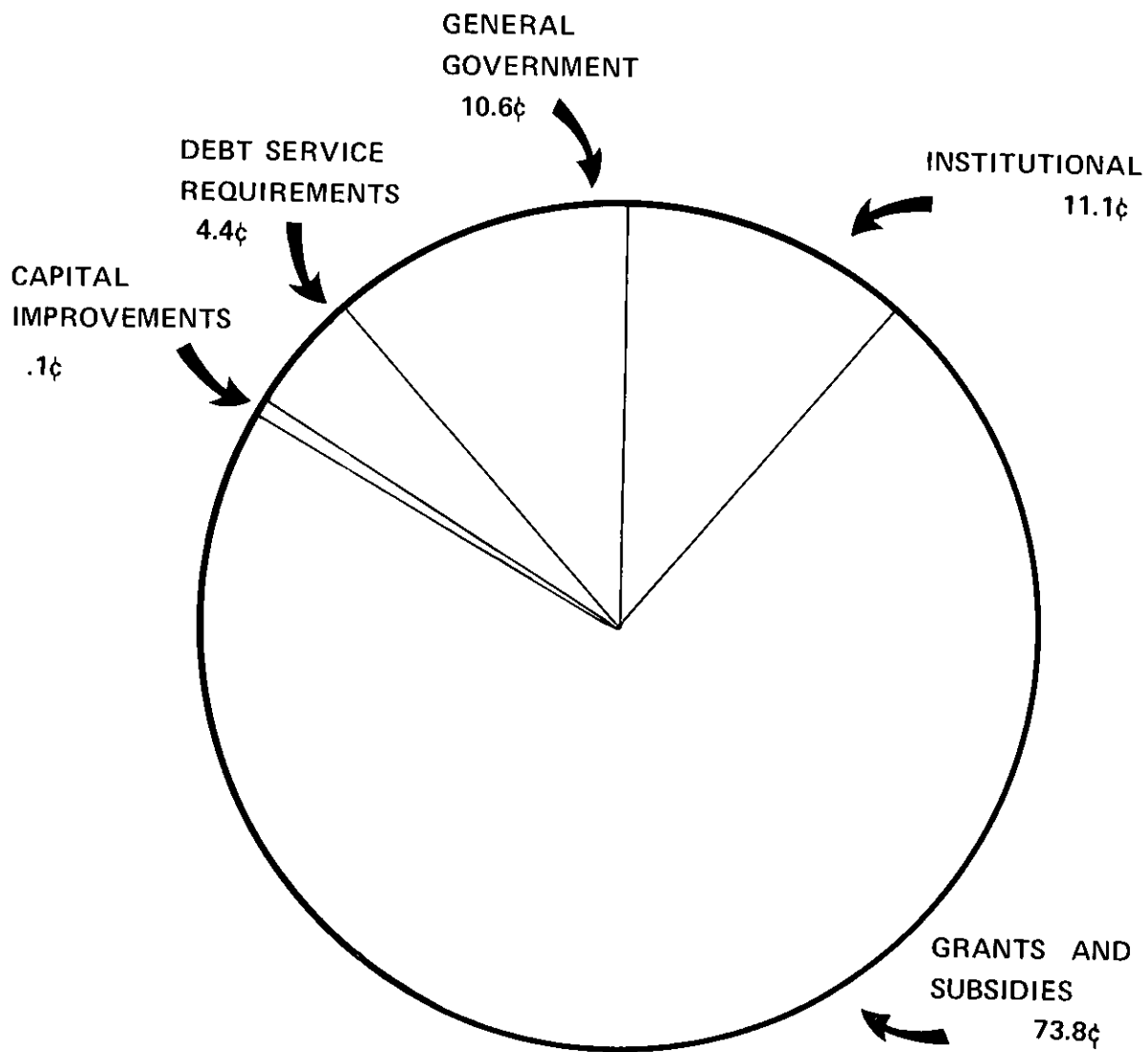
	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
SOCIAL DEVELOPMENT							
General Fund	\$ 307,548	\$ 327,468	\$ 344,534	\$ 375,798	\$ 393,922	\$ 412,967	\$ 432,984
Special Funds	75,135	79,907	80,184	80,878	81,592	82,334	83,101
Federal Funds	212,578	289,681	294,212	300,500	315,519	331,287	347,843
Other Funds	6,167	6,004	15,986	11,960	12,558	13,185	13,842
Total—Operating	<u>\$ 601,428</u>	<u>\$ 703,060</u>	<u>\$ 734,916</u>	<u>\$ 769,136</u>	<u>\$ 803,591</u>	<u>\$ 839,773</u>	<u>\$ 877,770</u>
Capital Bond Authorizations . . . . .	. . . . .	. . . . .	\$ 18,434	\$ 11,350	\$ 12,300	\$ 11,000	\$ 10,900
PROGRAM TOTAL	<u>\$ 601,428</u>	<u>\$ 703,060</u>	<u>\$ 753,350</u>	<u>\$ 780,486</u>	<u>\$ 815,891</u>	<u>\$ 850,773</u>	<u>\$ 888,670</u>
ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE							
General Fund	\$ 815,055	\$ 768,633	\$ 875,878	\$ 992,546	\$ 1,041,225	\$ 1,110,123	\$ 1,184,199
Special Funds	3,923	28,246	4,032	4,164	4,257	4,352	4,425
Federal Funds	495,641	649,399	574,767	587,681	626,111	667,734	712,834
Other Funds	56,866	41,311	30,352	32,033	33,410	34,797	36,194
Total—Operating	<u>\$1,371,485</u>	<u>\$1,487,589</u>	<u>\$1,485,029</u>	<u>\$ 1,616,424</u>	<u>\$ 1,705,003</u>	<u>\$ 1,817,006</u>	<u>\$ 1,937,652</u>
Capital Bond Authorizations . . . . .	. . . . .	. . . . .	\$ 4,092	\$ 1,602	\$ 1,402	\$ 1,644	\$ 2,020
PROGRAM TOTAL	<u>\$1,371,485</u>	<u>\$1,487,589</u>	<u>\$1,489,121</u>	<u>\$ 1,618,026</u>	<u>\$ 1,706,405</u>	<u>\$ 1,818,650</u>	<u>\$ 1,939,672</u>
TRANSPORTATION AND COMMUNICATION							
General Fund	\$ 80,010	\$ 87,023	\$ 98,027	\$ 109,754	\$ 129,363	\$ 142,774	\$ 151,227
Special Funds	727,953	667,478	738,557	762,454	786,699	809,334	836,594
Federal Funds	276,308	317,383	122,768	84,883	57,644	51,784	52,990
Other Funds	88,718	93,994	63,961	54,027	48,416	50,305	49,722
Total—Operating	<u>\$1,172,989</u>	<u>\$1,165,878</u>	<u>\$1,023,313</u>	<u>\$ 1,011,118</u>	<u>\$ 1,022,122</u>	<u>\$ 1,054,197</u>	<u>\$ 1,090,533</u>
Capital Bond Authorizations	\$ 72,345	. . . . .	\$ 30,470	\$ 10,500	\$ 12,400	\$ 14,300	\$ 15,600
PROGRAM TOTAL	<u>\$1,245,334</u>	<u>\$1,165,878</u>	<u>\$1,053,783</u>	<u>\$ 1,021,618</u>	<u>\$ 1,034,522</u>	<u>\$ 1,068,497</u>	<u>\$ 1,106,133</u>
RECREATION AND CULTURAL ENRICHMENT							
General Fund	\$ 67,722	\$ 69,084	\$ 75,174	\$ 79,464	\$ 83,478	\$ 86,022	\$ 88,869
Special Funds	30,413	32,601	31,302	32,849	34,946	37,397	40,531
Federal Funds	3,926	13,105	9,554	9,511	9,739	9,822	10,050
Other Funds	4,041	4,473	4,880	5,009	4,319	4,436	3,940
Total—Operating	<u>\$ 106,102</u>	<u>\$ 119,263</u>	<u>\$ 120,910</u>	<u>\$ 126,833</u>	<u>\$ 132,482</u>	<u>\$ 137,677</u>	<u>\$ 143,390</u>
Capital Bond Authorizations	\$ 214	. . . . .	\$ 19,016	\$ 2,287	\$ 2,324	\$ 1,993	\$ 1,662
PROGRAM TOTAL	<u>\$ 106,316</u>	<u>\$ 119,263</u>	<u>\$ 139,926</u>	<u>\$ 129,120</u>	<u>\$ 134,806</u>	<u>\$ 139,670</u>	<u>\$ 145,052</u>

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

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
COMMONWEALTH TOTAL							
General Fund	\$5,023,178	\$5,388,594	\$5,777,044	\$ 6,143,603	\$ 6,404,121	\$ 6,691,320	\$ 6,983,201
Special Funds	1,189,735	1,148,890	1,220,102	1,256,583	1,295,976	1,333,481	1,376,142
Federal Funds	1,581,602	1,992,699	1,826,237	1,791,740	1,880,846	2,001,408	2,140,548
Other Funds	740,914	786,366	817,090	828,332	868,000	920,480	949,592
Total—Operating	<u>\$8,535,429</u>	<u>\$9,316,549</u>	<u>\$9,640,473</u>	<u>\$10,020,258</u>	<u>\$10,448,943</u>	<u>\$10,946,689</u>	<u>\$11,449,483</u>
Capital Bond Authorizations	\$ 83,906	\$ 974	\$ 234,466	\$ 60,000	\$ 62,000	\$ 64,000	\$ 65,000
GRAND TOTAL	<u><u>\$8,619,335</u></u>	<u><u>\$9,317,523</u></u>	<u><u>\$9,874,939</u></u>	<u><u>\$10,080,258</u></u>	<u><u>\$10,510,943</u></u>	<u><u>\$11,010,689</u></u>	<u><u>\$11,514,483</u></u>

USE OF THE GENERAL FUND DOLLAR

1978·79 FISCAL YEAR

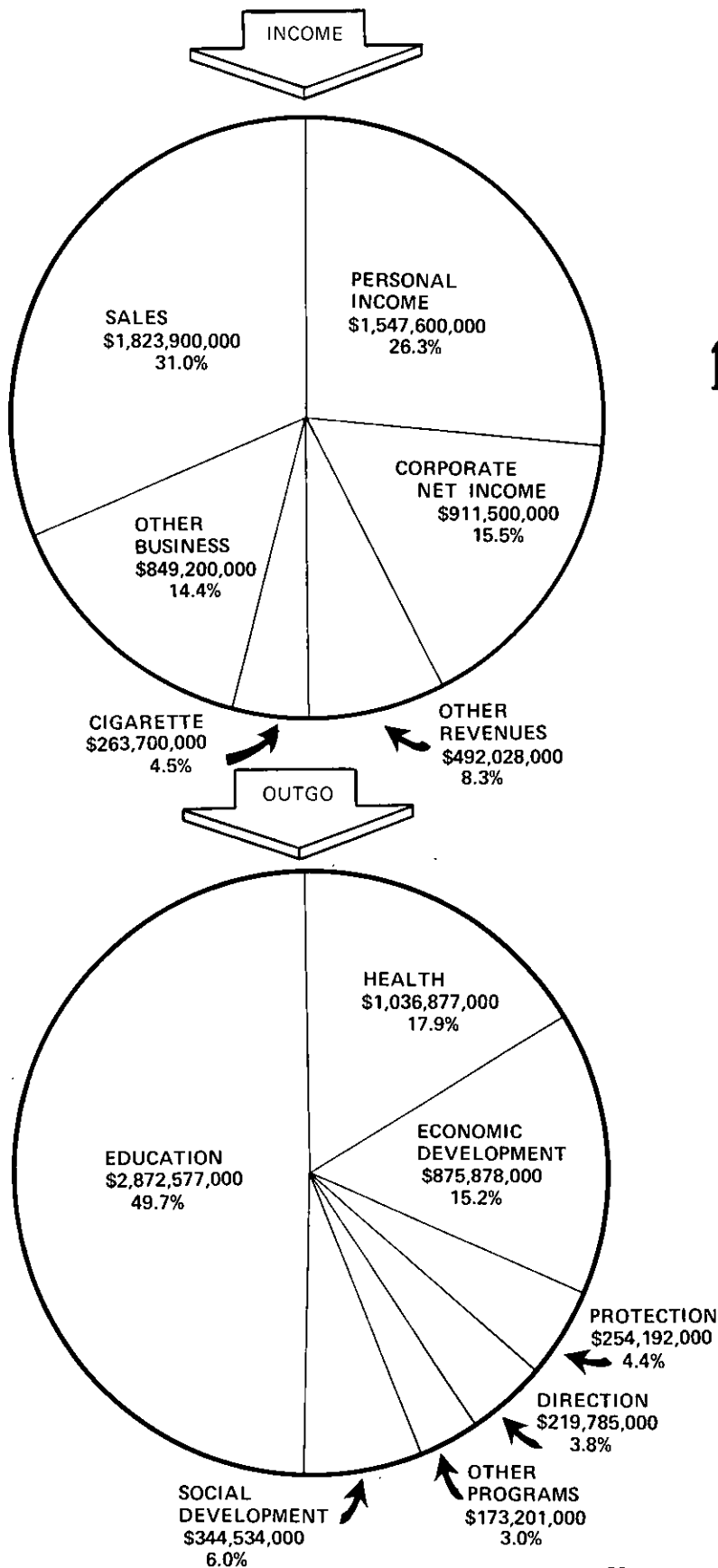


\$1.00

Commonwealth of Pennsylvania

1978-79 Fiscal Year

GENERAL FUND



TOTAL INCOME	\$5,887,928,000
LESS REFUNDS	- 46,700,000
BEGINNING BALANCE	-63,773,000

TOTAL \$5,777,455,000

TOTAL OUTGO	\$5,777,044,000
PLUS ENDING SURPLUS	411,000

TOTAL \$5,777,455,000

GENERAL FUND

Program Summary

(Dollar Amounts in Thousands)

	1977-78		1978-1979	
Direction and Supportive Services	\$ 208,157	3.9%	\$ 219,785	3.8%
Protection of Persons and Property	258,028	4.8%	254,192	4.4%
Health—Physical and Mental Well-Being	908,066	16.8%	1,036,877	17.9%
Intellectual Development and Education	2,762,135	51.3%	2,872,577	49.7%
Social Development	327,468	6.1%	344,534	6.0%
Economic Development and Income Maintenance	768,633	14.2%	875,878	15.2%
Transportation and Communications	87,023	1.6%	98,027	1.7%
Recreation and Cultural Enrichment	69,084	1.3%	75,174	1.3%
GENERAL FUND TOTAL	\$5,388,594	100.0%	\$5,777,044	100.0%

SUMMARY OF PROGRAM REVISIONS

The 1978-79 Commonwealth Budget is basically a present program budget because of the critical fiscal situation. For this reason, only four program revisions are being requested including one major program reduction and one non-General Fund increase.

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

General Fund

Department/Appropriation	Program Revision Title	Page in Volume II	(Dollar Amounts in Thousands) 1977-78 State Funds
Justice			
General Government Operations	Expansion of the Crime Commission	489	\$ 500
	DEPARTMENT TOTAL		<u>\$ 500</u>
 Public Welfare			
Medical Assistance	Reduction of Various Medical Benefits	619	\$-15,399
Community Living Arrangement	Expansion of Community Living Arrangements for the Mentally Retarded	660	2,000
	DEPARTMENT TOTAL		<u>\$-13,399</u>
	GENERAL FUND TOTAL		<u><u>\$-12,899</u></u>
 State Employees' Retirement Systems			
Administration of State Employees' Retirement System	Multiple Money Managers	720	*

* Recommended \$700,000 is from the State Employees' Retirement Fund which is not shown as a State fund in this budget.

ANTIRECESSION ASSISTANCE

Congress has enacted the Intergovernmental Antirecession Assistance Act of 1977, under which all state and local governments receive funds to maintain ongoing levels of programs. Under Title VI of this act, the Commonwealth expects to receive \$34.8 million during the current fiscal year and \$8.0 million during 1978-79. In addition, it is assumed that this form of aid will be extended and that an additional \$24.0 million will be received 1978-79.

The allocation of these funds is as follows:

Department	Appropriation	(Dollar Amounts in Thousands) 1977-78
Department of Public Welfare	County Administration	\$34,805

\$50 million had been anticipated and was appropriated by the General Assembly, from this source. It now appears that only \$34,805,000 will be received, resulting in a deficiency of \$15,376,000 which must be assumed by the General Fund .

1977-78 Total	<u><u>\$34,805</u></u>
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Department	Appropriation	(Dollar Amounts in Thousands) 1978-79
Department of Public Welfare	County Administration	\$ 8,000
Judiciary	Reimbursement of County Court Costs	\$24,000

These funds are recommended based on the assumption that Congress will extend this form of aid to local and state governments as recommended in the President's budget .

1978-79 Total	<u><u>\$32,000</u></u>
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PROGRAM EVALUATION REPORTS

In order to provide the budget making process with assessment of program performance, the Office of the Budget produces program evaluation reports. The reports can and do respond to a variety of research questions but in the main, they are confined to one of two perspectives: (a) evaluating program impact which concerns the ultimate results of programs and, (b) evaluating the level of program efficiency or productivity in terms of the relationship between resources and activity levels.

Summaries of reports completed or nearing completion are provided below.

State Highway Maintenance Operations

Acknowledging that absolute standards do not exist for defining the efficiency of highway maintenance activities, this study compares productivity levels among the Commonwealth's 67 counties. The comparisons were made for five district activities which make up a large part of the State's total highway maintenance budget. Specifically, the activities are 1) surface treatment, 2) mechanical patching, 3) manual patching, 4) shoulder grading and cutting, and 5) snow plowing operations. While certain built-in variations in productivity among the counties are attributable to differences in weather, road usage and other factors, it is possible to account for their effect on productivity. The variations in costs and production over and above that created by the above factors, can be attributed to efficiencies in the maintenance operations themselves

Revenue Generating Capacity of Pennsylvania's Liquor Control System

Revenue yields from State Store operations have been diminishing. The cost of sales has become an increasingly large proportion of sales. In addition to efficiency questions, the study also examines broader issues such as sales volume and tax rates as well as possible alternatives. Marketing restrictions have lowered sales in Pennsylvania compared to surrounding states. Actual consumption, however, is somewhat higher due to displacement of resident demand to adjoining, lower cost states. The study has attempted to estimate the size of this displaced demand and has further estimated the effects of several pricing policies designed to increase revenues from the State Store system. This evaluation will aid in future assessments of the impact of pricing and tax policy.

The Pennsylvania Industrial Development Authority— An Assessment.

This study has three interrelated objectives. The first relates to the cash situation in the Pennsylvania Industrial Development Authority's (PIDA) general account. The objective is to assess the effect of several different program levels, and mixes of general account funds and bond funds on PIDA's fiscal position. The second objective is to assess the implications for the PIDA program of the Internal Revenue

The Pennsylvania Industrial Development Authority— An Assessment. (continued)

Code restrictions on loans made with PIDA bond proceeds. The third task in the study deals with programmatic considerations. The program evaluation section examines the PIDA program in terms of the type of firms aided by the PIDA program since 1970, and the location of PIDA aided firms in relation to the economic health of specific regions of Pennsylvania.

Projection of Pennsylvania Liquid Fuel Tax Revenues

The purpose of this study is to assess the probable impact of a Federal energy plan which stresses petroleum conservation, on Pennsylvania's liquid fuel tax revenues. The study bases an estimation of Pennsylvania's highway travel and fuel consumption on projections of driver age population, driving patterns and vehicle fuel consumption. Even without a new national energy policy the combined long-term impact of current driving patterns, projected driving age population and fuel efficiency requirements, which are already in effect, is to slow the growth in liquid fuels consumption.

**Long-Term Debt and Unfunded Pension Liabilities of the
Commonwealth of Pennsylvania**

This study assembles into a single statement the total outstanding obligations of the Commonwealth and its related agencies for the purpose of assessing trends and the future implications of these obligations. This is the second year for this study.

Two major evaluations in process are.

The Motor Vehicle Inspection System

Consumer spending for auto inspection fees is currently at least \$100 million per year. This figure is exclusive of repair costs. Nor does it include waiting time, travel time and cost and consumer inconvenience. In the near future new auto inspection regulations will likely go into effect which will further increase consumer costs. In view of these costs, not enough is known about the benefits to the motorist resulting from auto inspection.

The proposed study will examine the accident levels which can be attributed to mechanically unsound automobiles as well as the effects on accident levels associated with various inspection frequencies.

Urban Mass Transportation

The products of this evaluation will suggest factors to be considered in managing the State's subsidy to mass transit. The application of these factors to the subsidy system should influence mass transit facilities to perform in a manner that is more efficient, provides higher quality service and more effectively meets social needs.

As part of the evaluation, Pennsylvania systems will be compared to systems in other states on measures relating to unit cost, relative distribution of costs, direct service operating revenues and cost to the user.

FLOOD RELIEF AND RECOVERY EFFORTS

Beginning shortly after the flood disaster struck in Johnstown and the eight surrounding counties, the Commonwealth acted to provide funding for flood disaster relief and recovery efforts. Initially relief work was funded under the Governor's emergency authority and using balances remaining from a previous disaster relief appropriation. These funds were supplemented by two additional appropriations making a total of \$13,157,000 available.

In addition, legislation has been recommended to provide \$20,820,000 in capital projects for flood control work by the Department of Environmental Resources and \$30,000,000 of disaster bond funds for redevelopment assistance.

The first table below summarizes the funds currently available and recommended additional funding for the Johnstown 1977 flood. The second table shows the distribution of funds currently available to each agency and the relief and recovery programs for which it is being used.

Funds Available and Proposed

Source of Funds	Dollar Amounts in Thousands
Act 92	\$ 1,000
Act 18-A of 1972	157
Act 11-A of 1977	8,000*
Act 15-A of 1977	4,000**
Subtotal	<u>\$13,157</u>
Pending	
Capitol Projects for Flood Control	\$20,820
Disaster Redevelopment Bonds	30,000
Subtotal	<u>\$50,820</u>
Total Approved and Pending	<u><u>\$63,977</u></u>

* \$10,000,000 originally appropriated, \$2,000,000 lapsed for reuse in Act 15-A to match Federal Disaster Assistance funds.

** Provided necessary two-thirds vote to implement the Constitutional Amendment of November, 1977 to provide funding to match Federal Disaster Assistance grants.

Allocation of Flood Funds

Department	Purpose	Dollar Amounts (in thousands)
Agriculture	Removal and Disposal of Contaminated Food Products, Assessment of Agriculture Damage and General Relief	\$ 125
	Department Total	<u>\$ 125</u>
Civil Defense	General Clean-up and Relief	\$ 1,065
	Department Total	<u>\$ 1,065</u>
Community Affairs	Temporary Housing Management	\$ 1,000
	Department Total	<u>\$ 1,000</u>
Environmental Resources	Survey, Emergency Response and Services	\$ 165
	Restoration and Stabilization of Streams	700
	Department Total	<u>\$ 865</u>
Military Affairs	National Guard Expenses	\$ 1,529
	Department Total	<u>\$ 1,529</u>
Public Welfare	Costs at Torrance and Somerset for Housing Flood Victims, Special Services to the Aging and General Clean-up and Relief	\$ 1,164
	State Matching for Federal Grants to Individuals	2,000*
	Department Total	<u>\$ 3,164</u>
Other Agencies	General Clean-up and Relief	\$ 449
	Department Total	<u>\$ 449</u>
	Total Allocated	<u>\$ 8,197</u>
	Unallocated	<u>\$ 4,960</u>
	TOTAL AVAILABLE	<u><u>\$13,157</u></u>

* Amount shown for State matching Federal disaster assistance grants is estimated transfer to Department of Public Welfare. Actual transfer has not been made as of the printing of this budget.

PROGRAM BUDGET SUMMARY



Commonwealth Program Budget

This section summarizes the 1978-79 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 (subdivisions 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)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
DIRECTION AND SUPPORTIVE SERVICES							
General Fund	\$ 174,803	\$ 208,157	\$ 219,785	\$ 237,763	\$ 250,140	\$ 262,966	\$ 277,280
Special Funds	60,030	62,050	63,200	66,061	68,650	71,365	74,219
Federal Funds	7,342	17,751	13,545	14,098	14,733	15,403	16,098
Other Funds	41,904	46,522	44,166	35,878	37,777	39,822	41,981
Total—Operating	\$ 284,079	\$ 334,480	\$ 340,696	\$ 353,800	\$ 371,300	\$ 389,556	\$ 409,578
PROTECTION OF PERSONS AND PROPERTY							
General Fund	\$ 218,997	\$ 258,028	\$ 254,192	\$ 291,198	\$ 305,303	\$ 320,340	\$ 332,861
Special Funds	199,549	185,658	185,198	215,388	224,327	232,443	241,327
Federal Funds	35,310	40,722	84,569	62,160	63,186	65,326	68,118
Other Funds	160,002	165,072	166,289	175,289	184,933	190,238	200,503
Total—Operating	\$ 613,858	\$ 649,480	\$ 690,248	\$ 744,035	\$ 777,749	\$ 808,347	\$ 842,809
HEALTH—PHYSICAL AND MENTAL WELL-BEING							
General Fund	\$ 809,250	\$ 908,066	\$1,036,877	\$ 1,125,306	\$ 1,209,699	\$ 1,300,494	\$ 1,396,552
Special Funds	15,232	12,250	37,929	17,689	18,405	19,156	19,945
Federal Funds	518,280	639,061	705,054	711,217	771,488	837,134	908,733
Other Funds	43,964	50,690	74,371	55,612	58,432	61,382	64,360
Total—Operating	\$1,386,726	\$1,610,067	\$1,854,231	\$ 1,909,824	\$ 2,058,024	\$ 2,218,166	\$ 2,389,590
INTELLECTUAL DEVELOPMENT AND EDUCATION							
General Fund	\$2,549,793	\$2,762,135	\$2,872,577	\$ 2,931,774	\$ 2,990,991	\$ 3,055,634	\$ 3,119,229
Special Funds	77,500	80,700	79,700	77,100	77,100	77,100	76,000
Federal Funds	32,217	25,597	21,768	21,690	22,426	22,918	23,882
Other Funds	339,252	378,300	417,085	458,524	488,155	526,315	539,050
Total—Operating	\$2,998,762	\$3,246,732	\$3,391,130	\$ 3,489,088	\$ 3,578,672	\$ 3,681,967	\$ 3,758,161
SOCIAL DEVELOPMENT							
General Fund	\$ 307,548	\$ 327,468	\$ 344,534	\$ 375,798	\$ 393,922	\$ 412,967	\$ 432,984
Special Funds	75,135	79,907	80,184	80,878	81,592	82,334	83,101
Federal Funds	212,578	289,681	294,212	300,500	315,519	331,287	347,843
Other Funds	6,167	6,004	15,986	11,960	12,558	13,185	13,842
Total—Operating	\$ 601,428	\$ 703,060	\$ 734,916	\$ 769,136	\$ 803,591	\$ 839,773	\$ 877,770
ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE							
General Fund	\$ 815,055	\$ 768,633	\$ 875,878	\$ 992,546	\$ 1,041,225	\$ 1,110,123	\$ 1,184,199
Special Funds	3,923	28,246	4,032	4,164	4,257	4,352	4,425
Federal Funds	495,641	649,399	574,767	587,681	626,111	667,734	712,834
Other Funds	56,866	41,311	30,352	32,033	33,410	34,797	36,194
Total—Operating	\$1,371,485	\$1,487,589	\$1,485,029	\$ 1,616,424	\$ 1,705,003	\$ 1,817,006	\$ 1,937,652

**FIVE YEAR SUMMARY OF COMMONWEALTH PROGRAMS
(Continued)**

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
TRANSPORTATION AND COMMUNICATION							
General Fund	\$ 80,010	\$ 87,023	\$ 98,027	\$ 109,754	\$ 129,363	\$ 142,774	\$ 151,227
Special Funds	727,953	667,478	738,557	762,454	786,699	809,334	836,594
Federal Funds	276,308	317,383	122,768	84,883	57,644	51,784	52,990
Other Funds	88,718	93,994	63,961	54,027	48,416	50,305	49,722
Total—Operating	<u>\$1,172,989</u>	<u>\$1,165,878</u>	<u>\$1,023,313</u>	<u>\$ 1,011,118</u>	<u>\$ 1,022,122</u>	<u>\$ 1,054,197</u>	<u>\$ 1,090,533</u>
RECREATION AND CULTURAL ENRICHMENT							
General Fund	\$ 67,722	\$ 69,084	\$ 75,174	\$ 79,464	\$ 83,478	\$ 86,022	\$ 88,869
Special Funds	30,413	32,601	31,302	32,849	34,946	37,397	40,531
Federal Funds	3,926	13,105	9,554	9,511	9,739	9,822	10,050
Other Funds	4,041	4,473	4,880	5,009	4,319	4,436	3,940
Total—Operating	<u>\$ 106,102</u>	<u>\$ 119,263</u>	<u>\$ 120,910</u>	<u>\$ 126,833</u>	<u>\$ 132,482</u>	<u>\$ 137,677</u>	<u>\$ 143,390</u>
COMMONWEALTH TOTAL							
General Fund	\$5,023,178	\$5,388,594	\$5,777,044	\$ 6,143,603	\$ 6,404,121	\$ 6,691,320	\$ 6,983,201
Special Funds	1,189,735	1,148,890	1,220,102	1,256,583	1,295,976	1,333,481	1,376,142
Federal Funds	1,581,602	1,992,699	1,826,237	1,791,740	1,880,846	2,001,408	2,140,548
Other Funds	740,914	786,366	817,090	828,332	868,000	920,480	949,592
Total—Operating	<u>\$8,535,429</u>	<u>\$9,316,549</u>	<u>\$9,640,473</u>	<u>\$10,020,258</u>	<u>\$10,448,943</u>	<u>\$10,946,689</u>	<u>\$11,449,483</u>

DIRECTION AND SUPPORTIVE SERVICES

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
General Fund	\$174,803	\$208,157	\$219,785	\$237,763	\$250,140	\$262,966	\$277,280
Special Funds	60,030	62,050	63,200	66,061	68,650	71,365	74,219
Federal Funds	7,342	17,751	13,545	14,098	14,733	15,403	16,098
Other Funds	41,904	46,522	44,166	35,878	37,777	39,822	41,981
TOTAL	<u>\$284,079</u>	<u>\$334,480</u>	<u>\$340,696</u>	<u>\$353,800</u>	<u>\$371,300</u>	<u>\$389,556</u>	<u>\$409,578</u>

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, construction activities and required maintenance services for Commonwealth owned land and buildings also is provided for within this program.

Contributions by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support . . .	\$ 35,737	\$ 52,937	\$ 51,848	\$ 56,216	\$ 61,027	\$ 65,897	\$ 71,786
Fiscal Management	\$135,843	\$149,189	\$156,726	\$162,768	\$168,807	\$175,150	\$181,814
Revenue Collection and							
Administration	93,722	99,445	100,276	105,558	110,802	116,305	122,088
Disbursement	32,988	40,611	46,673	46,946	47,229	47,531	47,846
Auditing	9,133	9,133	9,777	10,264	10,776	11,314	11,880
Commodity Management	\$ 4,985	\$ 3,966	\$ 4,888	\$ 5,101	\$ 5,355	\$ 5,622	\$ 5,904
Procurement, Storage and Distribution							
of Commodities	4,985	3,966	4,888	5,101	5,355	5,622	5,904
Physical Facilities Management	\$ 17,147	\$ 17,921	\$ 29,895	\$ 38,128	\$ 39,910	\$ 41,788	\$ 43,827
Provision and Operation of							
Facilities	17,147	17,921	29,895	38,128	39,910	41,788	43,827
Legislative Processes	\$ 41,121	\$ 46,194	\$ 39,628	\$ 41,611	\$ 43,691	\$ 45,874	\$ 48,168
Legislature	41,121	46,194	39,628	41,611	43,691	45,874	48,168
Program Total	<u>\$234,833</u>	<u>\$270,207</u>	<u>\$282,985</u>	<u>\$303,824</u>	<u>\$318,790</u>	<u>\$334,331</u>	<u>\$351,499</u>

PROTECTION OF PERSONS AND PROPERTY

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
General Fund	\$218,997	\$258,028	\$254,192	\$291,198	\$305,303	\$320,340	\$332,861
Special Funds	199,549	185,658	185,198	215,388	224,327	232,443	241,327
Federal Funds	35,310	40,722	84,569	62,160	63,186	65,326	68,118
Other Funds	160,002	165,072	166,289	175,289	184,933	190,238	200,503
TOTAL	<u>\$613,858</u>	<u>\$649,480</u>	<u>\$690,248</u>	<u>\$744,035</u>	<u>\$777,749</u>	<u>\$808,347</u>	<u>\$842,809</u>

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

Continuing increases in the crime rate have placed considerable strains on law enforcement and rehabilitative resources. The inmate population has increased dramatically in the past four years. However, future projections show a relatively stable population. Consequently, this budget provides funds to maintain the current commitment level of staffing and program. The only exception to this is the opening of the State Regional Correctional Facility at Mercer. This facility was originally scheduled to be opened in March of this year, but budget reductions have delayed the scheduled opening of the prison until July of 1978. This institution will have a program that is similar to the regional correctional facility located in Greensburg.

State probation and parole services have also been forced to absorb a drastic case load increase. Although the rate of case load increase is expected to level off in future years, an increase in funding is required merely to maintain present levels of supervision.

The budget for 1978-79 includes increased funding for the Crime Commission. This increase will enable the Commission to intensify its focus upon organized criminal activity, including the identification of organized crime figures, their organizational structure and the various methods that are used to illegally influence legitimate activities.

The Pennsylvania State Police will continue to work closely with local and Federal police agencies in criminal law enforcement and apprehension of violators. Efforts will be keyed to maintaining the Commonwealth's favorable crime

rate relative to the national rate. Patrol and other activities aimed at enforcing the Commonwealth's highway laws will continue to consume the majority of State Police time and funding.

Considerable public attention has been focused on the rising cost of utilities and the Public Utility Commission's role in approving rate increases. Increased funding will enable the Commission to more thoroughly analyze rate requests. It will also enable the Commission to carefully examine the utilities' calculations of the controversial fuel adjustment factor. Act 216, enacted December 7, 1976, created two new bureaus within the Commission: the Bureau of Conservation, Economics and Energy Planning (CEEP) and the Bureau of Consumer Services. It also established the Office of Administrative Law Judge, which replaced the attorney examiners. These three new activities will be fully operational for an entire fiscal year for the first time in 1978-79.

The 1978-79 budget is the first budget that provides for the total funding of the Consumer Advocate through a restricted revenue account. This places the funding of this office in direct relationship with the funding of the Public Utility Commission.

The State Council of Civil Defense has been expanded to provide a natural disaster planning section. This unit will continue to deal with the aftermath of the Johnstown Flood. When these activities have been completed, the unit will concentrate solely on improving the natural disaster reactive capability of the Commonwealth. This unit's planning, coupled with our past experiences in dealing with natural disasters, should provide an enhanced capability to meet future natural disasters.

Contributions by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 46,995	\$ 51,167	\$ 55,859	\$ 58,842	\$ 62,331	\$ 65,985	\$ 69,965

PROTECTION OF PERSONS AND PROPERTY

Contributions by Category and Subcategory

**General Fund and Special Funds
(continued)**

(Dollar Amounts in Thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Traffic Safety and Supervision	\$134,967	\$142,830	\$143,206	\$149,755	\$157,196	\$163,778	\$171,067
Operator Qualifications Control	19,775	19,890	18,534	19,506	20,716	21,750	22,936
Vehicle Standards Control	19,728	19,720	18,254	19,155	20,101	21,093	22,134
Traffic Supervision	69,763	77,350	75,582	79,446	84,219	88,252	92,752
Highway Safety Projects	19,498	19,613	24,928	25,664	26,110	26,575	27,072
Highway Safety Education	6,203	6,257	5,908	5,984	6,050	6,108	6,173
 Control and Reducation of Crime	 \$ 97,976	 \$106,179	 \$115,393	 \$121,244	 \$127,640	 \$134,372	 \$138,239
Juvenile Crime Prevention	526	588	603	624	645	666	688
Criminal Law Enforcement	31,530	34,790	40,446	42,861	45,543	48,371	51,363
Reintegration of Juvenile Delinquents	1,768	1,686	1,756	1,770	1,785	1,822	1,842
Reintegration of Offenders	64,152	69,115	72,588	75,989	79,667	83,513	84,346
 Adjudication of Defendents	 \$ 61,345	 \$ 62,428	 \$ 40,507	 \$ 90,503	 \$ 92,597	 \$ 94,887	 \$ 97,107
State Judicial System	61,345	62,428	40,507	90,503	92,597	94,887	97,107
 Maintenance of Public Order	 \$ 8,249	 \$ 10,915	 \$ 8,928	 \$ 9,481	 \$ 9,991	 \$ 10,522	 \$ 11,093
Prevention and Control of Civil Disorders	1,320	3,007	1,535	1,631	1,705	1,779	1,860
Emergency Disaster Assistance	6,929	7,908	7,393	7,850	8,286	8,743	9,233
 Consumer Protection	 \$ 47,187	 \$ 47,458	 \$ 51,502	 \$ 51,734	 \$ 53,704	 \$ 55,939	 \$ 58,196
Regulation of Consumer Products and Promotion of Fair Business Practices	8,425	8,475	8,799	9,182	9,632	10,097	10,591
Maintenance of Professional and Occupational Standards	3,069	3,210	3,333	3,662	3,810	4,147	4,329
Regulation of Financial Institutions	4,252	4,616	4,776	5,014	5,265	5,528	5,805
Regulation of Securities Industry	855	890	950	997	1,044	1,090	1,138
Regulation of Insurance Industry	4,912	5,255	5,553	5,833	6,122	6,428	6,846
Regulation of Horse Racing	24,306	23,866	27,005	25,896	26,611	27,349	28,112
Regulation of Milk Industry	1,368	1,146	1,086	1,150	1,220	1,300	1,375
 Protection from Natural Hazards and Disasters	 \$ 10,527	 \$ 11,554	 \$ 12,333	 \$ 12,846	 \$ 13,403	 \$ 13,954	 \$ 14,540
Flood Control	2,010	2,195	2,254	2,386	2,468	2,543	2,633
Prevention, Control and Extinction of Forest Fires	2,933	2,978	3,193	3,345	3,504	3,672	3,848
Plant Health	819	1,160	1,372	1,415	1,461	1,509	1,559
Animal Health	4,765	5,221	5,514	5,700	5,970	6,230	6,500

PROTECTION OF PERSONS AND PROPERTY

Contributions by Category and Subcategory

General Fund and Special Funds

(continued)

(Dollar Amounts in Thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Community Housing Hygiene and Safety	\$ 5,978	\$ 6,451	\$ 6,437	\$ 6,725	\$ 7,021	\$ 7,318	\$ 7,650
Accident Prevention	5,237	5,518	5,308	5,575	5,850	6,145	6,450
Fire Prevention	741	933	1,129	1,150	1,171	1,173	1,200
Electoral Process	\$ 1,537	\$ 893	\$ 939	\$ 957	\$ 1,021	\$ 1,064	\$ 1,118
Maintenance of Electoral Process	1,537	893	939	957	1,021	1,064	1,118
Prevention and Elimination of Discriminatory Practices	\$ 3,785	\$ 3,811	\$ 4,286	\$ 4,499	\$ 4,726	\$ 4,964	\$ 5,213
Reduction of Discriminatory Practices	3,785	3,811	4,286	4,499	4,726	4,964	5,213
Program Total	<u>\$418,546</u>	<u>\$443,686</u>	<u>\$439,390</u>	<u>\$506,586</u>	<u>\$529,630</u>	<u>\$552,783</u>	<u>\$574,188</u>

HEALTH—PHYSICAL AND MENTAL WELL-BEING

(Dollar Amounts in Thousands)

	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
General Fund	\$ 809,250	\$ 908,066	\$1,036,877	\$1,125,306	\$1,209,699	\$1,300,494	\$1,396,552
Special Funds	15,232	12,250	37,929	17,689	18,405	19,156	19,945
Federal Funds	518,280	639,061	705,054	711,217	771,488	837,134	908,733
Other Funds	43,964	50,690	74,371	55,612	58,432	61,382	64,360
TOTAL	\$1,386,726	\$1,610,067	\$1,854,231	\$1,909,824	\$2,058,024	\$2,218,166	\$2,389,590

The Commonwealth is responsible for providing overall planning and supervision of the physical and mental health care system. It also provides services through purchase of service arrangements and, to a limited extent, the direct delivery of services.

The Commonwealth reviews and coordinates the plans of all health system agencies in the State. This enables the Commonwealth 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 and certification is a prerequisite for Federal Medicare and Medicaid eligibility.

In the area of health care delivery programs this budget recommends \$2.3 million for the continued expansion of emergency health care, and \$530,000 for maternal infant care centers.

The Commonwealth through its Medical Assistance program is one of the largest purchases of health care services in the State. It is expected that Medical Assistance programs will require an additional \$126.4 million in State funds during budget year. Of this amount, \$52 million is required to cover 1977-78 program requirements with the remainder needed primarily to meet the escalating cost of health care. In addition, three program changes have been recommended which will reduce services: 1) requirement of a copay for all

drug services and for clinic services provided to the medically needy; 2) elimination of several nonmandated services for those persons on general assistance effective January 1, 1979; and 3) the elimination of reimbursement for various valium related drugs.

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 provide resources to begin planning for a comprehensive statewide forensic program and to upgrade the treatment staff at Farview State Mental Hospital.

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.

In the 1978-79 fiscal year, \$6.8 million dollars is recommended for environmental health services. This amount will cover program costs for both 1977-78 and 1978-79 since no funds are being recommended for 1977-78 because of the need to use those funds in the Cash Assistance program. These funds are to be granted to local health departments at seventy-five cents per resident to be used to control air and noise pollution, to inspect restaurant and wholesale food establishments, to control rodents and vectors and to provide other similar services.

HEALTH—PHYSICAL AND MENTAL WELL-BEING

Contributions by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 19,194	\$ 17,137	\$ 20,636	\$ 21,667	\$ 22,751	\$ 23,911	\$ 25,107
Physical Health Treatment	\$ 482,917	\$ 543,969	\$ 687,674	\$ 723,963	\$ 787,642	\$ 858,551	\$ 933,528
Medical Research and Health							
Information	4,960	4,735	4,328	4,608	4,817	5,260	5,491
Medical Facilities Review	3,606	3,940	4,106	4,360	4,596	4,840	5,101
Health Services Development	22,868	28,265	24,433	25,771	27,186	28,679	27,424
Disease Prevention	31,755	25,040	31,929	30,653	31,401	32,171	32,999
Detection and Diagnosis	15,737	17,006	18,179	20,344	20,876	22,437	24,121
Outpatient Treatment	107,959	110,462	127,413	139,569	152,918	167,568	183,654
Inpatient Treatment	195,767	237,146	313,185	310,845	341,445	375,076	412,077
Life Maintenance	78,592	97,150	143,760	166,454	181,977	198,973	217,935
Control and Treatment of Drug and Alcohol Abuse	21,673	20,225	20,341	21,359	22,426	23,547	24,726
Mental Health	\$ 276,818	\$ 310,215	\$ 310,968	\$ 338,423	\$ 355,386	\$ 372,961	\$ 391,632
Mental Health Systems Support	12,040	13,337	13,844	14,465	14,964	15,486	16,035
Primary Prevention—Mental Health	2,559	2,801	2,999	3,150	3,310	3,475	3,650
Early Intervention and Evaluation	11,266	12,329	13,285	13,950	14,645	15,375	16,145
Outpatient Services—Mental Health	26,914	29,452	31,605	33,185	34,845	36,585	38,415
Partial Hospitalization	3,689	4,038	4,353	4,570	4,800	5,040	5,290
Short-Term Inpatient Services (Community)	4,647	5,085	5,398	5,665	5,950	6,245	6,555
Inpatient Services (State Mental Hospitals)	215,703	243,173	239,484	263,438	276,872	290,755	305,542
Protection from Health Hazards	\$ 45,553	\$ 48,995	\$ 55,528	\$ 58,942	\$ 62,325	\$ 64,227	\$ 66,230
Air Pollution Control	3,872	3,953	5,109	5,463	5,776	5,982	6,200
Water Quality Management	29,294	32,671	37,256	39,759	42,241	43,318	44,455
Community Environmental Management	9,227	8,816	9,322	9,689	10,076	10,483	10,909
Occupational Health and Safety	2,583	2,933	3,102	3,256	3,418	3,589	3,768
Radiological Health	577	622	739	775	814	855	898
Program Total	<u>\$ 824,482</u>	<u>\$ 920,316</u>	<u>\$1,074,806</u>	<u>\$1,142,995</u>	<u>\$1,228,104</u>	<u>\$1,319,650</u>	<u>\$1,416,497</u>

INTELLECTUAL DEVELOPMENT AND EDUCATION

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
General Fund	\$2,549,793	\$2,762,135	\$2,872,577	\$2,931,774	\$2,990,991	\$3,055,634	\$3,119,229
Special Funds	77,500	80,700	79,700	77,100	77,100	77,100	76,000
Federal Funds	32,217	25,597	21,768	21,690	22,426	22,918	23,882
Other Funds	339,252	378,300	417,085	458,524	488,155	526,315	539,050
TOTAL	\$2,998,762	\$3,246,732	\$3,391,130	\$3,489,088	\$3,578,672	\$3,681,967	\$3,758,161

Basic education in Pennsylvania faces a continuing decline in the number of school-age children. The total school population is expected to be about eighteen percent smaller in the 1982-83 school year than at present. The number of children born is expected to begin a modest annual increase through the remainder of the 1970's and into the early 1980's. The number of births in 1981 is projected to be three percent greater than in 1977. This is in marked contrast to the first half of the 1970s, which saw sharp yearly increases and decreases that were as much as eleven percent. The yearly variation in births from this period will be felt in the schools through most of the 1980s.

Despite the decrease in the number of pupils to be served, basic education still is confronted by annual cost increases that can be expected to cause increasing concern among taxpayers. Motivated at least in part by this concern, efforts are underway to improve the effectiveness of schooling. For example, assistance to parents in fostering the mental development of preschool children is beginning, and a five-year project is underway which will attempt to insure that elementary and secondary pupils learn fundamental skills.

The problem of educational funding has been approached through a subsidy revision enacted in 1977-78 that provided \$100 million in additional State funds to school districts. Act 59 (of 1977) proposed a maximum of \$150 million be made available for 1978-79 funding of the subsidy revision. Unfortunately, the fiscal situation facing the Commonwealth precludes the possibility of fully funding the subsidy revision. Therefore, the school subsidy revision will be funded at the current level.

Fiscal difficulties facing the school districts remain as severe as in the past. Declining enrollments and increasing instructional costs will place additional burdens on local tax resources.

In special education, results are now available from the Department of Education's study of handicapped pupils' performance. The information appears to permit some optimism about the effectiveness of special education; the study is discussed in the Special Education Category analysis and the appropriate special education subcategory analyses.

Compensatory programs continue to show encouraging results of special instruction for disadvantaged pupils. In addition, the scattered evidence that is available for

correctional institution education (both for juveniles and adults) indicates that inmates in many instances show substantial progress while in the programs.

Vocational education is moving toward its stated goal of enrolling the 50 percent of high school students who are not planning to attend college. At present, about three-quarters of such students are enrolled, and by 1982-83 the entire group of non-college-bound high school students is expected to be in occupational programs.

In the area of higher education there are problems of enrollment stabilization as well as overproduction 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 1976. The interaction of these two factors is expected to cause a reduction in high school graduates seeking admission to our colleges and universities.

Overproduction of teachers and 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 for higher education has been held at current year levels. Insufficient revenues have precluded increasing State funding.

Although this will place additional hardships upon institutional budgets it should not lead to major increases in student fees and tuition. Colleges and universities are in danger of pricing themselves out of the educational market if declining enrollments and lower levels of State funding result in students being expected to fund any institutions budget short-fall.

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. 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.

INTELLECTUAL DEVELOPMENT AND EDUCATION

Contributions by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 7,957	\$ 9,617	\$ 9,013	\$ 9,414	\$ 9,813	\$ 10,240	\$ 10,679
General Instruction	\$1,058,177	\$1,158,447	\$1,180,426	\$1,133,557	\$1,096,045	\$1,051,867	\$1,015,906
General Preschool Education	63,720	65,207	70,942	70,507	72,275	75,494	79,639
General Elementary and Secondary Education	994,457	1,093,240	1,109,484	1,063,050	1,024,070	976,373	936,267
Special Education	\$ 332,094	\$ 391,523	\$ 434,377	\$ 479,174	\$ 499,359	\$ 531,595	\$ 562,611
Mentally Handicapped Education	125,678	145,398	161,092	171,051	178,945	185,335	193,149
Physically Handicapped Education	173,219	203,182	221,890	239,828	254,086	270,861	285,131
Gifted and Talented Education	33,197	42,943	51,395	59,295	66,328	75,129	84,331
Compensatory Programs	\$ 201,263	\$ 247,939	\$ 288,334	\$ 299,004	\$ 311,490	\$ 326,472	\$ 337,053
Compensatory Preschool Education	13,987	15,813	16,763	18,690	18,830	20,910	21,044
Compensatory Elementary and Secondary Education	187,276	232,126	271,571	280,314	292,660	305,562	316,009
Vocational Education	\$ 380,178	\$ 370,117	\$ 371,682	\$ 393,896	\$ 415,298	\$ 441,787	\$ 460,601
Vocational Secondary Education	356,849	346,052	347,468	368,616	388,714	413,939	431,430
Postsecondary Vocational Education	21,166	21,766	21,825	22,891	23,966	25,107	26,301
Community Education	2,163	2,299	2,389	2,389	2,618	2,741	2,870
Higher Education	\$ 647,624	\$ 665,192	\$ 668,445	\$ 702,829	\$ 736,086	\$ 770,773	\$ 808,379
Agriculture and Natural Resources	4,005	4,212	4,179	4,251	4,320	4,389	4,463
Arts, Humanities and Letters	30,177	30,938	30,788	31,450	32,077	32,713	33,374
Business Management, Commerce and Data Processing	26,575	28,680	29,025	31,078	33,259	35,587	38,079
Education	45,983	46,367	46,306	46,013	45,670	45,322	44,996
Engineering and Architecture	17,779	18,877	19,144	20,439	21,658	22,920	24,279
Health Sciences, Health Professions, and Biological Sciences	66,349	67,685	68,054	72,917	77,179	81,537	86,318
Human Services and Public Affairs	14,324	14,919	14,956	15,693	16,458	17,263	18,109
Physical Sciences, Earth Sciences, Mathematics and Military Science	16,392	17,109	17,319	17,922	18,447	18,974	19,536
Social Sciences and Area Studies	26,867	26,645	26,687	27,495	28,322	29,173	30,052
Interdisciplinary Studies	15,088	17,380	18,489	20,548	21,973	23,325	24,858
Research	9,643	9,215	9,340	9,900	10,474	11,071	11,713
Public and Community Service	13,518	13,039	13,069	13,818	14,590	15,404	16,274
Institutional Support Services	268,237	277,714	281,916	301,282	321,278	342,342	365,182
Professional Support Services	2,604	2,725	2,786	2,940	3,092	3,248	3,414
Financial Assistance to Students	90,083	89,687	86,387	87,083	87,289	87,505	87,732
Program Total	<u>\$2,627,293</u>	<u>\$2,842,835</u>	<u>\$2,952,277</u>	<u>\$3,008,874</u>	<u>\$3,068,091</u>	<u>\$3,132,734</u>	<u>\$3,195,229</u>

SOCIAL DEVELOPMENT

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	
General Fund	\$307,548	\$327,468	\$344,534	\$375,798	\$393,922	\$412,967	\$432,984
Special Funds	75,135	79,907	80,184	80,878	81,592	82,334	83,101
Federal Funds	212,578	289,681	294,212	300,500	315,519	331,287	347,843
Other Funds	6,167	6,004	15,986	11,960	12,558	13,185	13,842
TOTAL	<u>\$601,428</u>	<u>\$703,060</u>	<u>\$734,916</u>	<u>\$769,136</u>	<u>\$803,591</u>	<u>\$839,773</u>	<u>\$877,770</u>

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 year 1978-79 continued emphasis will be on community alternatives to institutional care.

A recommended increase of approximately \$500,000 in State funds will continue development and expansion of the statewide community-based services program for the elderly. Services will be rendered through 48 county offices for aging.

The concentrated effort to develop noninstitutional programs for juvenile offenders, initiated during 1975-76 will continue to be expanded during 1978-79. The emphasis will be on utilizing community based programs which offer more effective and less expensive types of rehabilitation and treatment services. In 1976, the Commonwealth enacted legislation, effective January 1, 1978 which will offer fiscal incentives to counties to provide and use community alternatives to institutions. In addition, legislation effective in August 1977 changed the definition of delinquent acts so that

certain types of less serious juvenile offenders can no longer be institutionalized.

Protective services for children are of major importance again this year. The objective of these programs is early detection and prevention, by providing treatment to the child's parent or guardian, with emphasis on rehabilitating the adults involved.

An increase of \$5.5 million in total funds is recommended for day care services. The provision of day care services includes services not only to welfare eligible families, but also to families identified as the "working poor". This is accomplished by establishing a fee schedule, based on gross monthly income and adjusted for family size.

The Social Development program also includes services provided to the mentally retarded. These services cover a range of intensity, from preventative and early case finding efforts to long-term State institutional care. The recommended budget includes \$2.0 million for the expansion of community living arrangements for the mentally retarded. This will increase the capability of the program to provide services to an additional 780 persons.

SOCIAL DEVELOPMENT

Contributions by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 1,897	\$ 1,717	\$ 1,835	\$ 1,926	\$ 2,023	\$ 2,124	\$ 2,230
Social Development of Individuals	\$ 88,774	\$115,383	\$119,393	\$133,552	\$140,138	\$147,056	\$154,322
Youth Development Services	23,363	25,010	24,708	25,937	27,241	28,607	30,043
Services to the Community	3,112	3,371	1,747	1,736	1,724	1,718	1,711
Family Support Services	62,299	87,002	92,938	105,879	111,173	116,731	122,568
Support of the Aged	\$ 83,476	\$ 88,470	\$ 89,360	\$ 90,511	\$ 91,703	\$ 92,950	\$ 94,247
Support and Care of the Aged	83,476	88,470	89,360	90,511	91,703	92,950	94,247
Mental Retardation	\$208,536	\$201,805	\$214,130	\$230,687	\$241,650	\$253,171	\$265,286
Mental Retardation Systems							
Support	4,250	5,013	5,461	5,732	6,018	6,316	6,631
Prevention—Mental Retardation	2,559	2,800	3,019	3,170	3,330	3,495	3,670
Early Identification, Diagnosis and							
Case Management	2,884	3,156	3,402	3,570	3,750	3,935	4,130
Independent and Family Living							
Arrangements	16,417	17,643	18,548	19,475	20,445	21,465	22,540
Community Living Arrangements	15,225	22,613	30,744	34,380	36,095	37,900	39,795
Institutional Living Arrangements							
(Private Licensed Facilities)	12,850	13,235	13,765	14,450	15,170	15,930	16,725
State Centers	154,351	137,345	139,191	149,910	156,842	164,130	171,795
Program Total	<u>\$382,683</u>	<u>\$407,375</u>	<u>\$424,718</u>	<u>\$456,676</u>	<u>\$475,514</u>	<u>\$495,301</u>	<u>\$516,085</u>

ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	
General Fund	\$ 815,055	\$ 768,633	\$ 875,878	\$ 992,546	\$1,041,225	\$1,110,123	\$1,184,199
Special Funds	3,923	28,246	4,032	4,164	4,257	4,352	4,425
Federal Funds	495,641	649,399	574,767	587,681	626,111	667,734	712,834
Other Funds	56,866	41,311	30,352	32,033	33,410	34,797	36,194
TOTAL	<u>\$1,371,485</u>	<u>\$1,487,589</u>	<u>\$1,485,029</u>	<u>\$1,616,424</u>	<u>\$1,705,003</u>	<u>\$1,817,006</u>	<u>\$1,937,652</u>

Economic Development and Income Maintenance are two approaches to the same general Commonwealth objective: the economic well being of the State's citizens. Generally economic development deals with improving the future job prospects of our citizens while income maintenance attempts to sustain an acceptable standard of living for those who, for a variety of reasons, cannot maintain it without assistance.

The dilemma the State faces is that when the economy is slow the pressures on the income maintenance system are heaviest. Thus future improvements may have to be sacrificed because of the necessity of meeting our immediate income maintenance needs. The problem is compounded by the economic sensitivity of the State's revenue sources.

During the past year the economy in this State has been slowly and selectively improving. Nonmanufacturing employment increased and manufacturing employment declined slightly. The improvement is reflected in the unemployment rate which averaged 7.9 percent in 1976, while the estimated average for 1977 was 7.7 percent.

This slight improvement appears to have affected our cash assistance program in one respect. It is estimated that the average monthly person load will decrease by 2,400 from the 1977-78 monthly average of 799,200 to a monthly average of 797,600 in 1978-79. Even with this decrease in person load an expenditure of \$594.1 million in State funds will be required. This level is at least partially a result of the program's serving the poorest of the poor.

While the unemployment rate is improving somewhat, the State's Unemployment Compensation Fund continues to feel the strain of the last national and State economic downturn. The fund has incurred a deficit as a result of the recession and has borrowed \$926.3 million from the Federal Government as of December, 1977. A request for an additional \$85 million has been made for January of 1978. Pennsylvania has received a deferral on the repayment until January 31, 1979. Recent amendments to the State law enact changes required as a result of changes to the Federal Unemployment Compensation Law and provide methods for the repayment. These amendments also add coverage for local governments, public schools, most nonprofit organizations, and nonprofit educational institutions and agricultural and domestic workers.

Most of the economic development programs instituted to deal with the recession of the 1950's are still available to develop new job opportunities. The primary component, the Pennsylvania Industrial Development Authority (PIDA) continues to promote the expansion of employment by offering low interest loans to companies expanding or locating in Pennsylvania. For several years PIDA was able to significantly expand its activity by supplementing General Fund appropriations and loan repayments with \$72.5 million of bond funds. A change in Internal Revenue Service (IRS) rulings, however, has brought a halt to the bond funded program. The Commonwealth is working with the IRS for a reconsideration of their ruling. In the interim the program continues to operate from loan repayments and appropriations. This budget includes a \$5 million appropriation to enable PIDA to sustain a \$20 million loan commitment level. In addition, \$1.5 million is recommended for the Minority Business Development Authority to assist in the development of minority enterprises.

While the significance of the Commonwealth's programs to encourage industrial expansion and new employment opportunities must not be overlooked, an older industrial state like Pennsylvania must also concern itself with retaining and expanding the industry which provides the current economic base.

The continued availability of energy is a major concern which affects both the economic well-being of the State and individuals as more and more of their income is required to meet fuel costs.

Conservation is a major tool to combat both short and long range effects of fuel shortages. The significant conservation effort undertaken by the Department of Community Affairs in its weatherization program will continue to bring together State and Federal resources to provide insulation, storm windows and doors and rehabilitation to reduce heat loss in residences. An estimated 18,000 homes have received these benefits at an average cost of \$250 per home. Fuel bills of homeowners have been reduced by as much as twenty-five percent. It is estimated that an additional twenty million dollars in Federal funds will be available for weatherization in 1978-79.

ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE
(continued)

Energy research and data gathering have also been pursued by the Department of Commerce. Funds are included in this budget to restore the Pennsylvania Science and Engineering Foundation's appropriation, thus, contributing to the long range research and development needs of the State. That agency has assisted in solving energy problems by contributing to the development of pilot large scale open pit mining ventures, capturing and recycling of trapped methane, mine gas and coal gasification projects.

The continued pressures on this budget to meet income maintenance and mandated costs have resulted in the necessity of further postponing State contributions to improving the physical environment of our communities through Redevelopment Assistance. It is projected that sufficient fiscal improvements will occur by 1979-80 to allow for the restoration of funds which would, under other circumstances, have been included in the 1978-79 budget.

Contributions by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 12,742	\$ 12,346	\$ 12,972	\$ 13,617	\$ 14,209	\$ 14,918	\$ 15,662
Commonwealth Economic Development	\$ 28,561	\$ 19,018	\$ 21,633	\$ 27,000	\$ 27,366	\$ 27,723	\$ 28,080
Tourism and Travel Development	4,056	2,970	3,059	3,107	3,160	3,210	3,265
Industrial Development	17,264	9,971	11,173	16,272	16,379	16,486	16,598
Scientific and Technological Development	1,251	231	1,262	1,270	1,277	1,285	1,294
International Trade	508	299	317	331	350	362	380
Agribusiness Development	5,482	5,547	5,822	6,020	6,200	6,380	6,543
Economic Development of the Disadvantaged and Handicapped	\$ 708,715	\$ 716,273	\$ 787,937	\$ 863,812	\$ 924,633	\$ 990,316	\$ 1,061,072
Income Maintenance	693,660	699,730	771,585	846,814	907,094	972,224	1,042,383
Achieving Economic Independence— Socially and Economically Disadvantaged	4,844	4,977	5,005	5,187	5,244	5,301	5,364
Achieving Economic Independence— Physically and Mentally Handicapped	8,508	9,820	9,575	10,013	10,472	10,941	11,450
Community Action Assistance	1,703	1,746	1,772	1,798	1,823	1,850	1,875
Community Physical Development	\$ 23,847	\$ 7,005	\$ 8,150	\$ 40,741	\$ 25,495	\$ 25,502	\$ 25,512
Housing and Redevelopment	23,847	7,005	8,150	40,741	25,495	25,502	25,512
Improvement of Local Government Operations and Institutions	\$ 14,535	\$ 15,632	\$ 17,035	\$ 17,876	\$ 18,753	\$ 19,686	\$ 20,655
Area-Wide Services	75	75	75	75	75	75	75
Municipal Administrative Support Capability	13,633	14,823	16,117	16,921	17,763	18,651	19,580
Community Development Planning	827	809	843	880	915	960	1,000

ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE

(continued)

Natural Resource Development and Management	\$ 23,212	\$ 23,482	\$ 24,403	\$ 25,676	\$ 26,924	\$ 28,056	\$ 29,239
Management of Land Resources	8,161	8,028	8,592	8,985	9,400	9,835	10,292
Regulation of Mineral Resources	3,549	3,611	4,066	4,270	4,483	4,709	4,944
Technical Support and Planning Services	11,502	11,843	11,745	12,421	13,041	13,512	14,003
Labor-Management Relations	\$ 1,981	\$ 1,980	\$ 1,991	\$ 2,090	\$ 2,198	\$ 2,310	\$ 2,425
Industrial Relations Stability	1,981	1,980	1,991	2,090	2,198	2,310	2,425
Veterans' Compensation	\$ 5,385	\$ 1,143	\$ 5,789	\$ 5,898	\$ 5,904	\$ 5,964	\$ 5,979
Vietnam Veterans' Compensation	5,385	1,143	5,789	5,898	5,904	5,964	5,979
Program Total	<u>\$ 818,978</u>	<u>\$ 796,879</u>	<u>\$ 879,910</u>	<u>\$ 996,710</u>	<u>\$1,045,482</u>	<u>\$1,114,475</u>	<u>\$1,188,624</u>

TRANSPORTATION AND COMMUNICATION

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
General Fund	\$ 80,010	\$ 87,023	\$ 98,027	\$ 109,754	\$ 129,363	\$ 142,774	\$ 151,227
Special Funds	727,953	667,478	738,557	762,454	786,699	809,334	836,594
Federal Funds	276,308	317,383	122,768	84,883	57,644	51,784	52,990
Other Funds	88,718	93,994	63,961	54,027	48,416	50,305	49,722
TOTAL	<u>\$1,172,989</u>	<u>\$1,165,878</u>	<u>\$1,023,313</u>	<u>\$1,011,118</u>	<u>\$1,022,122</u>	<u>\$1,054,197</u>	<u>\$1,090,533</u>

This budget reflects the serious shortage of funds in the highway program. The recommended spending plan for 1978-79 does not represent anything approaching an adequate program level; instead it outlines the best that can be done with the monies available to the Motor License Fund.

The failure of the General Assembly to provide the additional funds recommended in last year's budget has already necessitated massive cutbacks in maintenance and the virtual cessation of the construction program; this new budget also provides insufficient maintenance funds and essentially eliminates the construction program.

Particularly alarming are maintenance deficiencies, a situation that can only be made worse by the recent winter storms. Pre-storm estimates indicated that one-third of the State-administered highway system would require short-term maintenance improvements by July. Yet the acute fund shortage necessitates a budget that, rather than gradually overcoming these deficiencies each year as recommended by the recent Transportation Commission Fiscal Review Task Force report, will cause these deficiencies to increase even further next year.

This maintenance shortfall — \$90 million this year and another \$35 million next year — would be much worse except that PennDOT's large-scale construction capabilities are being dismantled between now and November 1978. This budget reluctantly includes the furlough of over 2,000 of PennDOT's construction-related employees, and does not include a highway capital budget. The construction program will for all practical purposes end, but the \$35 million in personnel savings can be channeled into critical maintenance and safety projects. During 1978-79, \$340 million in previously-scheduled work, involving 250 miles of substandard roads and over 100 bridges, will not be accomplished. Despite the desirability of proceeding with these projects, fiscal responsibility dictates that resumption of the construction program must await an increase in highway taxes. The Administration supports the proposals recently put forward by the Pennsylvania Economy League; this budget, however, cannot assume their implementation but rather can only outline what will happen if these proposals or other similar ones are not enacted by the Legislature.

This budget accelerates the emphasis placed in recent years on urban mass transportation. State subsidies to urban mass

transit operators are proposed to rise to \$87 million in General Fund monies, a nearly ten fold increase over the Commonwealth's contributions as recently as the late 1960's and early 1970's and a ten percent increase over the current year level. In addition, a \$187 million mass transit capital budget which includes \$29 million in State funds is proposed to continue the upgrading of our long-neglected transit systems.

Increased priority also is given in this budget to rural and intercity rail and bus programs. The diminished intercity rail service afforded the Commonwealth by Amtrak passenger operations and the Consolidated Rail Corporation (ConRail) freight operations has necessitated a greatly expanded State-assisted intercity and rural mass transportation and rail freight program in both operating and capital areas. This budget provides over \$3 million in State operating funds, supplemented by an estimated \$9 million in direct Federal grants as well as approximately \$5 million in additional Federal monies appropriated directly to Amtrak by Congress. The program proposed for 1978-79 will include: continuation of passenger and freight service on certain rail lines not included in the Amtrak or ConRail systems; expanded intercity bus service; and rural and small urban area bus service designed to make local employment, health care, shopping and other services more accessible to the Commonwealth's rural residents.

In addition to these funding increases for operating programs, this year's Capital Budget recommends the acquisition and rehabilitation of rail branch lines that have been abandoned by ConRail. The affected 298 miles of track will require expenditures of \$10.5 million, including over \$1 million in State funds. Thus, various governmental units will contribute an estimated \$28 million to transportation modes in the Commonwealth that as recently as two or three years ago had virtually no government support.

This budget also provides continuing grants of \$1 million to the Port of Philadelphia and \$250,000 to the Port of Erie to stimulate port development; over \$7.5 million in State funds for the operation, maintenance and development of publicly owned airports in the Commonwealth; and nearly \$90 million to municipalities for maintenance and construction of locally-administered roads.

TRANSPORTATION AND COMMUNICATION

Contributions by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 33,040	\$ 31,550	\$ 31,730	\$ 31,945	\$ 33,048	\$ 34,204	\$ 35,425
Transportation Systems and Services	\$774,923	\$722,951	\$804,854	\$840,263	\$883,014	\$917,904	\$952,396
State Highway Construction	197,801	221,332	214,007	213,799	214,794	213,138	214,986
State Highway Maintenance	409,591	323,117	399,782	422,615	442,423	463,163	484,903
Local Highway Assistance	85,565	88,934	90,177	92,014	94,455	96,918	99,474
Urban Mass Transportation	74,839	79,746	87,784	99,012	117,789	130,169	137,649
Intercity Rail and Rural Bus Transportation	277	1,808	3,498	4,507	5,014	5,742	6,362
Air Transportation	5,573	6,759	8,349	7,059	7,282	7,517	7,764
Water Transportation	1,277	1,255	1,257	1,257	1,257	1,257	1,258
Program Total	<u>\$807,963</u>	<u>\$754,501</u>	<u>\$836,584</u>	<u>\$872,208</u>	<u>\$916,062</u>	<u>\$952,108</u>	<u>\$987,821</u>

RECREATION AND CULTURAL ENRICHMENT

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
General Fund	\$ 67,722	\$ 69,084	\$ 75,174	\$ 79,464	\$ 83,478	\$ 86,022	\$ 88,869
Special Funds	30,413	32,601	31,302	32,849	34,946	37,397	40,531
Federal Funds	3,926	13,105	9,554	9,511	9,739	9,822	10,050
Other Funds	4,041	4,473	4,880	5,009	4,319	4,436	\$3,940
TOTAL	\$106,102	\$119,263	\$120,910	\$126,833	\$132,482	\$137,677	\$143,390

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.

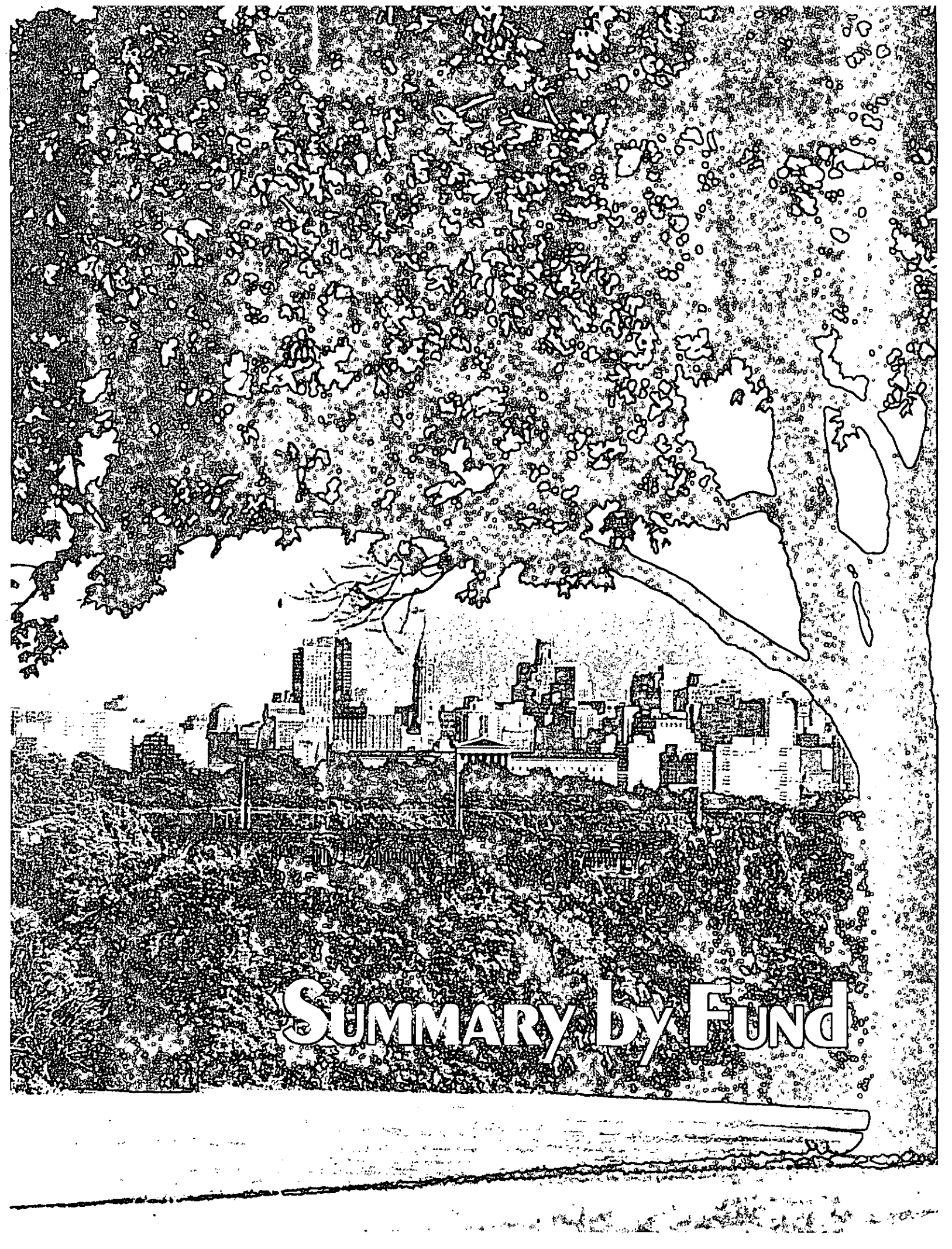
The Land and Water Development Fund continues to be the mainstay of available recreation funds for development of State facilities and grants to local governments. General Fund and other special fund contributions for operating expenses and payments to school districts for recreation services maintain 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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 795	\$ 779	\$ 871	\$ 1,150	\$ 1,215	\$ 1,265	\$ 1,300
Recreation	\$ 68,256	\$ 72,790	\$ 75,276	\$ 79,196	\$ 83,591	\$ 86,907	\$ 91,173
Development, Operation and Maintenance of Recreation Areas and Facilities	29,003	30,062	32,551	34,069	35,448	36,472	37,618
Recreational Hunting	21,667	23,289	22,110	23,301	25,279	27,309	29,494
Recreational Fishing and Boating	11,585	12,649	13,013	13,731	14,095	14,496	15,442
Local Recreation Areas and Facilities	6,001	6,790	7,602	8,095	8,769	8,630	8,619
Cultural Enrichment	\$ 29,084	\$ 28,116	\$ 30,329	\$ 31,967	\$ 33,618	\$ 35,247	\$ 36,927
Development and Promotion of Pennsylvania State and Local History	258	280	314	378	448	509	509
Museum Development and Operation	4,479	4,238	4,690	4,836	4,991	5,153	5,330
Development and Preservation of Historic Sites and Properties	5,229	4,301	4,586	4,883	5,177	5,409	5,678
State Library Services	11,239	11,380	12,159	12,856	13,543	14,255	15,008
Development of Artists and Audiences	1,874	1,900	2,000	2,105	2,210	2,320	2,436
Public Television Services	6,005	6,017	6,580	6,909	7,249	7,601	7,966
Program Total	\$ 98,135	\$101,685	\$106,476	\$112,313	\$118,424	\$123,419	\$129,400



SUMMARY by FUND

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 nontax revenues.

GENERAL FUND

Financial Statement

	(Dollar Amounts in Thousands)	
	<u>1977-78</u>	<u>1978-79</u>
Beginning Balance	\$ -100,647	\$ -63,773
Plus Adjustment to Prior Year		
Appropriations	<u>1,000</u>	<u>.....</u>
Adjusted Balance	\$ -99,647	\$ -63,773
Revenue:		
Official Estimate	\$5,436,400	\$5,873,828
Adjustment to Official Estimate	-25,832	.....
Less Refunds	-53,400	-46,700
Accrued Revenue Unrealized	180,600	194,700
Less Revenues Accrued Previously	<u>-193,300</u>	<u>-180,600</u>
Total Revenue	\$5,344,468	\$5,841,228
Prior Year Lapses	<u>55,000</u>	<u>.....</u>
Funds Available	\$5,299,821	\$5,777,455
Expenditures:		
Appropriations	\$5,341,835	\$5,777,044
Deficiency and Pending Appropriations	46,759	.....
Less Current Year Lapses	<u>-25,000</u>	<u>.....</u>
Estimated Expenditures	<u>-5,363,594</u>	<u>-5,777,044</u>
Ending Balance	<u>\$ -63,773</u>	<u>\$ 411</u>

NOTES ON FINANCIAL STATEMENT

Revenue Refunds

	1977-78 Estimated	1978-79 Budget
Treasury Department		
Corporate Taxes	\$26,100	\$16,900
Other Monies	3,600	3,600
Revenue Department		
Education Tax	1,200	1,200
Personal Income Tax	22,500	25,000
Total Revenue Refunds	\$53,400	\$46,700

Deficiency and Pending Appropriations

Treasury	
Interest-Tax Notes	\$22,617
Capitol Fire Protection	100
DEPARTMENT TOTAL	\$22,717
Education	
Philadelphia College of Art— Instruction	\$ 352
Philadelphia Musical Academy	75
DEPARTMENT TOTAL	\$ 427
Environmental Resources	
Sewage Facilities Enforcement Grants	\$ 400
Historical and Museum Commission	
University of Pennsylvania Museum	\$ 50
Carnegie Museum	50
Pennsylvania Academy of the Fine Arts	5
Academy of Natural Sciences of Philadelphia	112
Museum of the Philadelphia Civic Center	75
Philadelphia Museum of Art	50
DEPARTMENT TOTAL	\$ 342
Public Welfare	
County Administration	\$15,376
Cash Assistance	4,907
DEPARTMENT TOTAL	\$20,283
Revenue	
Distribution of Public Utility Realty Tax	\$ 2,590
TOTAL DEFICIENCY AND PENDING APPROPRIATIONS	\$46,759

Summary by Department
State Funds Only

The following is a summary, by department, of 1976-77 actual expenditures, of 1977-78 amounts available, and of 1978-79 amounts budgeted 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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Governor's Office	\$ 1,983	\$ 1,925	\$ 2,075
Executive Offices	12,512	12,396	13,723
Lieutenant Governor's Office	246	250	270
Department of the Auditor General	11,527	11,527	12,387
Treasury Department	155,658	177,624	205,686
Department of Agriculture	14,551	15,352	15,906
State Council of Civil Defense	637	1,382	695
State Civil Service Commission	1	1	1
Department of Commerce	23,994	14,427	16,795
Department of Community Affairs	25,318	9,911	9,048
Council on Drug and Alcohol Abuse	21,673	20,225	20,341
Department of Education	2,478,324	2,677,377	2,782,233
Department of Environmental Resources	74,023	74,469	80,336
Fish Commission	3	3	3
Department of General Services	82,218	82,072	94,214
Department of Health	70,027	66,564	66,470
Historical and Museum Commission	8,025	7,298	8,071
Insurance Department	4,912	5,255	5,553
Department of Justice	82,049	88,991	97,625
Department of Labor and Industry	43,688	43,905	43,100
Department of Military Affairs	9,264	11,677	12,110
Milk Marketing Board	717	717	750
Board of Probation and Parole	10,694	11,552	12,580
Department of Public Welfare	1,617,177	1,715,973	1,947,977
Department of Revenue	78,069	87,629	92,547
Securities Commission	855	890	950
Department of State	6,670	6,091	6,589
State Employees' Retirement System	4,300	11,140	15,347
State Police	28,296	30,366	38,989
Tax Equalization Board	789	789	847
Department of Transportation	76,512	82,950	93,691
Legislature	41,121	46,194	39,628
Judiciary	37,345	62,428	40,507
Flood Relief and Recovery . . . . .	. . . . .	9,244	. . . . .
TOTAL	\$5,023,178	\$5,388,594	\$5,777,044

GENERAL FUND

FEDERAL FUNDS BY DEPARTMENT

The following is a summary of Federal Funds, by department, of 1976-77 expenditures, the 1977-78 amounts available and the 1978-79 amounts budgeted as presented in the General Fund budget. Excluded are revenue sharing monies which are shown in the special fund—Revenue Sharing Trust Fund. Beginning in 1976-77, the General Assembly has been specifically appropriating Federal Funds by Federal source.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Federal Funds by Department			
Executive Offices	\$ 6,670	\$ 17,235	\$ 12,484
Department of the Auditor General			1,339
Department of Agriculture	1,371	4,064	3,612
State Council of Civil Defense	561	950	823
State Civil Service Commission	67	98	93
Department of Commerce	398	2,119	1,816
Department of Community Affairs	3,779	30,658	40,005
Council on Drug and Alcohol Abuse	9,535	14,589	12,123
Department of Education	35,160	29,416	25,348
Department of Environmental Resources	8,861	21,945	10,007
Department of General Services	1,168	443	345
Department of Health	39,692	40,428	41,989
Historical and Museum Commission	103	230	252
Insurance Department	70		
Department of Justice	8,356	6,562	3,495
Department of Labor and Industry	13,957	16,167	17,087
Department of Military Affairs	610	683	771
Board of Probation and Parole	5,493	4,232	3,019
Public Utility Commission	104	204	236
Department of Public Welfare	1,150,789	\$1,458,459	1,450,760
Department of Revenue	250		
State Police	522	736	228
Department of Transportation	2,206	19,411	10,751
Judiciary	478	1,958	24,787
TOTAL	<u>\$1,290,200</u>	<u>\$1,670,587</u>	<u>\$1,661,370</u>

GENERAL FUND
OTHER FUNDS BY DEPARTMENT

The following is a summary of Other Funds, by department, of 1976-77 expenditures, the 1977-78 amounts available and the 1978-79 amounts budgeted as presented in the General Fund budget.

	1976-77	(Dollar Amounts in Thousands)	
	Actual	1977-78 Available	1978-79 Budget
Other Funds by Department			
Executive Offices	\$ 9,035	\$ 9,731	\$ 9,644
Department of the Auditor General	2,529	2,850	3,161
Treasury Department	489	570	564
Department of Agriculture	443	464	406
State Civil Service Commission	4,552	4,731	4,965
Department of Commerce	1,131	731	661
Department of Community Affairs	1,692	1,212	1,211
Council on Drug and Alcohol Abuse . . . . .	. . . . .	25	37
Department of Education	105,605	117,943	120,904
Department of Environmental Resources	951	1,737	381
Department of General Services	25,405	27,366	23,032
Department of Health	1,092	804	773
Historical and Museum Commission	141	99	74
Insurance Department	81	97	83
Department of Justice	2,407	2,861	3,048
Department of Military Affairs	178	2,081	739
Board of Probation and Parole	10	. . . . .	. . . . .
Public Utility Commission	10,961	13,196	17,924
Department of Public Welfare	98,221	88,239	113,285
Department of Revenue	2,046	2,840	2,418
Department of State	702	1,055	1,124
State Police	6,503	7,100	6,644
Department of Transportation	8,307	6,050	391
Legislature	5	10	10
Judiciary	354	250	415
TOTAL	\$282,840	\$292,042	\$311,894

GENERAL FUND

Summary by Department and Appropriation

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Governor's Office			
General Government			
Governor's Office	\$1,958	\$1,900	\$2,050
Commonwealth Compensation Commission	25	25	25
DEPARTMENT TOTAL	\$1,983	\$1,925	\$2,075
Executive Offices			
General Government			
Office for Human Resources	\$ 151	\$ 168	\$ 351
Office of Administration	3,821	3,821	4,100
Emergency Telephone System . . . . .	. . . . .	100	. . . . .
Governor's Study Commission on Public Relations . . . . .	. . . . .	85	. . . . .
Governor's Council on the Aging . . . . .	. . . . .	. . . . .	251
Office of State Planning and Development	1,059	600	650
Office of the Budget	1,456	1,620	1,690
Human Relations Commission	3,658	3,672	4,132
Council on the Arts	1,874	1,900	2,000
Pennsylvania Commission for Women	127	139	154
Governor's Energy Council	291	291	320
Delaware Valley Regional Planning Commission	75	. . . . .	75
Total State Funds	\$12,512	\$12,396	\$13,723
Federal Funds	\$ 6,670	\$17,235	\$12,484
Other Funds	9,035	9,731	9,644
DEPARTMENT TOTAL	\$28,217	\$39,362	\$35,851

GENERAL FUND

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

	1976-77	(Dollar Amounts in Thousands)	
	Actual	1977-78 Available	1978-79 Budget
Office of the Lieutenant Governor			
General Government			
Lieutenant Governor's Office	\$ 246	\$ 250	\$ 270
DEPARTMENT TOTAL	<u>\$ 246</u>	<u>\$ 250</u>	<u>\$ 270</u>
Department of the Auditor General			
General Government			
Auditor General's Office	\$ 8,903	\$ 8,403	\$ 9,438
Public Assistance Audits	2,394	2,394	2,610
Scranton Office . . . . .	. . . .	500	. . . .
Board of Arbitration of Claims	230	230	339
Total State Funds	<u>\$11,527</u>	<u>\$11,527</u>	<u>\$12,387</u>
Federal Funds . . . . .	. . . .	. . . .	\$ 1,339
Other Funds	\$ 2,529	\$ 2,850	3,161
DEPARTMENT TOTAL	<u>\$14,056</u>	<u>\$14,377</u>	<u>\$16,887</u>

GENERAL FUND
Summary by Department and Appropriation
(continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Treasury Department			
General Government			
State Treasurer's Office	\$ 4,400	\$ 4,400	\$ 4,700
Public Assistance Disbursements	2,302	2,302	2,500
Board of Finance and Revenue	438	500	549
Commission on Interstate Cooperation	30	30	30
Council on State Government	74	74	80
Great Lakes Commission	16	20	20
Replacement Checks	70	35	50
National Conference of State Legislature . . . . .	. . . . .	66	73
Subtotal	<u>\$ 7,330</u>	<u>\$ 7,427</u>	<u>\$ 8,002</u>
Debt Service Requirements			
Interest Obligations—Penn State University	\$ 15	\$ 15	\$ 15
Publishing Monthly Statements	17	17	17
Loan and Transfer Agent	80	90	100
Tax Note Expenses	100	100	100
Interest-Tax Notes	16,367	22,617	27,500
Sinking Funds:			
Public Buildings	1,619	. . . . .	. . . . .
Project 70	5,586	5,400	6,026
Land and Water Development	22,343	28,058	32,421
Capital Debt	86,776	105,071	114,309
Vietnam Veterans' Compensation	4,261	. . . . .	4,633
Disaster Relief	8,006	5,496	7,835
Nursing Home Loan	1,718	2,293	3,516
Volunteer Fire and Rescue Loan	340	540	812
Subtotal	<u>\$147,228</u>	<u>\$169,697</u>	<u>\$197,284</u>
Grants and Subsidies			
Capitol Fire Protection	\$ 100	\$ 100	. . . . .
Law Enforcement Officer's Death Benefits	500	400	\$ 400
Crime Victim's Compensation Board	500	. . . . .	. . . . .
Subtotal	<u>\$ 1,100</u>	<u>\$ 500</u>	<u>\$ 400</u>
Total State Funds	<u>\$155,658</u>	<u>\$177,624</u>	<u>\$205,686</u>
Other Funds	\$ 489	\$ 570	\$ 564
DEPARTMENT TOTAL	<u>\$156,147</u>	<u>\$178,194</u>	<u>\$206,250</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Department of Agriculture			
General Government			
General Government Operations	\$13,459	\$14,052	\$14,364
Flood Relief — Johnstown . . . . .	. . . . .	125	. . . . .
Subtotal	<u>\$13,459</u>	<u>\$14,177</u>	<u>\$14,364</u>
Grants and Subsidies			
Animal Indemnities	\$ 170	\$ 200	\$ 370
Reimbursement for Kennel Construction	47	. . . . .	50
Control of Stem Rust . . . . .	. . . . .	. . . . .	20
Transfer to State Farm Products Show Fund	700	800	875
Livestock Show	60	60	60
Open Dairy Show	60	60	60
Junior Dairy Show	25	25	25
4-H Club Shows	30	30	30
Subtotal	<u>\$ 1,092</u>	<u>\$ 1,175</u>	<u>\$ 1,490</u>
Capital Improvements			
Capital Improvements . . . . .	. . . . .	. . . . .	\$ 52
Subtotal . . . . .	. . . . .	. . . . .	<u>\$ 52</u>
Total State Funds	<u><u>\$14,551</u></u>	<u><u>\$15,352</u></u>	<u><u>\$15,906</u></u>
Federal Funds	\$ 1,371	\$ 4,064	\$ 3,612
Other Funds	443	464	406
DEPARTMENT TOTAL	<u><u>\$16,365</u></u>	<u><u>\$19,880</u></u>	<u><u>\$19,924</u></u>
Council of Civil Defense			
General Government			
General Government Operations	\$ 456	\$ 504	\$ 695
Grants and Subsidies			
Emergency Flood Relief — 1976	\$ 100	. . . . .	. . . . .
Emergency Energy Crisis	81	. . . . .	. . . . .
Flood Relief — Johnstown . . . . .	. . . . .	\$ 78	. . . . .
Emergency Flood Relief — July, 1977 . . . . .	. . . . .	800	. . . . .
Subtotal	<u>\$ 181</u>	<u>\$ 878</u>	. . . . .
Total State Funds	<u><u>\$ 637</u></u>	<u><u>\$ 1,382</u></u>	<u><u>\$ 695</u></u>
Federal Funds	\$ 561	\$ 950	\$ 823
DEPARTMENT TOTAL	<u><u>\$ 1,198</u></u>	<u><u>\$ 2,332</u></u>	<u><u>\$ 1,518</u></u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Civil Service Commission			
General Government			
General Government Operations	\$ 1	\$ 1	\$ 1
Total State Funds	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
Federal Funds	\$ 67	\$ 98	\$ 93
Other Funds	4,552	4,731	4,965
DEPARTMENT TOTAL	<u>\$ 4,620</u>	<u>\$ 4,830</u>	<u>\$ 5,059</u>
Department of Commerce			
General Government			
General Government Operations	\$ 4,758	\$ 4,609	\$ 4,864
Navigation Commission for the Delaware River	49	77	81
Subtotal	<u>\$ 4,807</u>	<u>\$ 4,686</u>	<u>\$ 4,945</u>
Grants and Subsidies			
Industrial Development Assistance	\$ 500	\$ 500	\$ 500
Pennsylvania Industrial Development Authority	10,000	3,000	5,000
Site Development	1,000	1,000	1,000
Local Development District Grants	100	100	100
Appalachian Regional Commission	372	313	397
Minority Business Development Authority	2,000	1,500	1,500
Minority Business Technical Assistance . . . . .	. . . . .	250	250
Community Facilities	1,000	1,000	. . . . .
Tourist Promotion Assistance	1,500	2,000	2,000
Pennsylvania Bicentennial Commission	945	. . . . .	. . . . .
Distinguished Daughters	2	3	3
Pennsylvania Science and Engineering Foundation	950	. . . . .	950
Technical Assistance	150	75	150
Bicentennial Municipal Grants	468	. . . . .	. . . . .
Mummers Museum	200	. . . . .	. . . . .
Subtotal	<u>\$19,187</u>	<u>\$ 9,741</u>	<u>\$11,850</u>
Total State Funds	<u>\$23,994</u>	<u>\$14,427</u>	<u>\$16,795</u>
Federal Funds	\$ 398	\$ 2,119	\$ 1,816
Other Funds	1,131	731	661
DEPARTMENT TOTAL	<u>\$25,523</u>	<u>\$17,277</u>	<u>\$19,272</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Department of Community Affairs			
General Government			
General Government Operations	\$ 5,673	\$ 5,900	\$ 5,965
Volunteer Company Loan Fund—Administration	80	100	108
Flood Relief — Johnstown Temporary			
Housing		1,000	
Flood Relief — Johnstown General			
Government		11	
Subtotal	<u>\$ 5,753</u>	<u>\$ 7,011</u>	<u>\$ 6,073</u>
Grants and Subsidies			
Employment Assistance	\$ 1,740	\$ 1,500	\$ 1,500
Economic Opportunity Assistance	1,300	1,300	1,300
Redevelopment Assistance	15,650		
Regional Councils	75		75
Planning Assistance	200	100	100
Transfer to Volunteer Company Loan Fund	500		
Bicentennial Community Park—Allentown	25		
Penn Hills Water Supply Project	75		
Subtotal	<u>\$19,565</u>	<u>\$ 2,900</u>	<u>\$ 2,975</u>
Total State Funds	<u>\$25,318</u>	<u>\$ 9,911</u>	<u>\$ 9,048</u>
Federal Funds	\$ 3,779	\$30,658	\$40,005
Other Funds	1,692	1,212	1,211
DEPARTMENT TOTAL	<u>\$30,789</u>	<u>\$41,781</u>	<u>\$50,264</u>
 Council on Drug and Alcohol Abuse			
General Government			
Council on Drug and Alcohol Abuse	\$ 2,365	\$ 2,225	\$ 2,341
Grants and Subsidies			
Assistance to Drug and Alcohol Programs	\$19,308	\$18,000	\$18,000
Total State Funds	<u>\$21,673</u>	<u>\$20,225</u>	<u>\$20,341</u>
Federal Funds	\$ 9,535	\$14,589	\$12,123
Other Funds		25	37
DEPARTMENT TOTAL	<u>\$31,208</u>	<u>\$34,839</u>	<u>\$32,501</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Department of Education			
General Government			
General Government Operations	\$ 12,653	\$ 14,290	\$ 15,379
State Library	1,485	1,586	1,800
Pennsylvania Public Television Network—Operations	4,305	4,317	4,580
Pennsylvania Public Television Network—Program Services	1,700	1,700	2,000
Oversight of Special Education	13	120	. . . .
Total—General Government	<u>\$ 20,156</u>	<u>\$ 22,013</u>	<u>\$ 23,759</u>
Debt Service Requirements			
General State Authority Rentals—State-Aided Institutions	<u>\$ 4,204</u>	<u>\$ 4,300</u>	<u>\$ 4,024</u>
Institutional			
State Colleges and University	\$ 168,993	\$ 172,700	\$ 172,700
Scranton State School for the Deaf	1,637	1,695	1,638
Scotland School for Veterans' Children	3,834	3,867	3,924
Thaddeus Stevens State School of Technology	1,748	1,800	1,891
Total—Institutional	<u>\$ 176,212</u>	<u>\$ 180,062</u>	<u>\$ 180,153</u>
Grants and Subsidies			
Support of Public Schools			
Basic Instruction Subsidy and Vocational Education	\$1,253,226	\$1,293,500	\$1,243,602
Increase in School Subsidy . . . . .	. . . .	100,000	100,000
Authority Rentals and Sinking Fund Requirements	142,000	147,000	170,200
Pupil Transportation	66,712	78,000	106,680
Special Education	85,550	98,528	109,379
Homebound Instruction	475	500	500
Tuition for Orphans and Children Placed in Private Homes	8,250	8,250	9,250
Payments in Lieu of Taxes	36	. . . .	80
Education of Migrant Laborers' Children	72	100	162
Education of the Disadvantaged	1,000	1,000	1,000
Special Education—Approved Private Schools	27,815	29,760	29,500
Higher Education of Blind or Deaf Students	35	100	100
Intermediate Units	7,193	7,193	7,193
School Food Services	6,240	8,450	9,054
School Employees' Social Security	64,650	67,000	78,500
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	152,000	158,760	227,495
Former Teachers' Account	6	6	8
Youth Development Centers—Education	3,070	3,149	3,149
State Schools and Hospitals—Education	5,830	9,500	16,400
Subtotal—Support of Public Schools	<u>\$1,824,160</u>	<u>\$2,010,796</u>	<u>\$2,112,252</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Department of Education (continued)			
Grants and Subsidies (continued)			
Other Grants and Subsidies			
Services to Nonpublic Schools	\$ 18,959	\$ 22,758	\$ 25,543
Textbooks for Nonpublic Schools	8,324	8,218	8,318
Student Supplies for Nonpublic Schools	1,939	2,843	2,839
Improvement of Library Services	8,896	8,896	9,428
Library Services for Blind and Handicapped	858	898	931
Educational Radio and Television Grants	772	430	430
Regional Educational Broadcasting Councils	175	. . . . .	. . . . .
Correctional Institutions—Education	2,069	2,199	2,244
Community Colleges—Capital and Operating	44,892	46,651	47,998
Higher Education of the Disadvantaged	3,345	3,895	4,090
Fifth Pathway . . . . .	. . . . .	200	120
Ethnic Heritage Studies	50	50	50
Transfers to Higher Education Assistance Agency: Scholarships	68,440	68,440	68,440
Reserve for Losses on Guaranteed Loans	3,200	2,500	1,000
Student Aid Funds—Matching	1,500	1,800	. . . . .
Administration—Loans and Scholarships	3,916	3,916	3,916
Institutional Assistance Grants	12,000	12,000	12,000
Subtotal—Other Grants and Subsidies	<u>\$ 179,335</u>	<u>\$ 185,694</u>	<u>\$ 187,347</u>
State-Related Universities			
Pennsylvania State University— Educational and General	\$ 74,457	\$ 79,522	\$ 79,522
Pennsylvania State University Student Aid	1,760	1,760	1,760
Pennsylvania State University Research	17,747	7,381	7,381
Pennsylvania State University Extension and Public Services	10,011	. . . . .	. . . . .
Agricultural Research and Extension . . . . .	. . . . .	15,312	15,312
Pennsylvania State University— Medical Programs	2,784	2,784	2,784
Subtotal Penn State University	<u>\$ 106,759</u>	<u>\$ 106,759</u>	<u>\$ 106,759</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Department of Education (continued)			
Grants and Subsidies (continued)			
University of Pittsburgh—Educational and General	\$ 52,858	\$ 52,858	\$ 52,858
University of Pittsburgh—Student Aid	2,960	2,960	2,960
University of Pittsburgh—Medical Programs	4,068	4,031	4,031
University of Pittsburgh—Dental Clinics	600	600	600
Subtotal University of Pittsburgh	\$ 60,486	\$ 60,449	\$ 60,449
Temple University—Educational and General	\$ 56,987	\$ 56,987	\$ 56,987
Temple University—Student Aid	3,018	3,018	3,018
Temple University—Medical Programs	5,412	5,412	5,412
Temple University—Dental Clinics	600	600	600
Temple University—Hospital . . . . .	. . . . .	2,500	2,500
Subtotal Temple University	\$ 66,017	\$ 68,517	\$ 68,517
Lincoln University—Educational and General	\$ 2,525	\$ 3,025	\$ 3,025
Lincoln University—Student Aid	150	150	150
Lincoln University—Advanced Institution Development	250	. . . . .	. . . . .
Lincoln University—Accreditation Improvement	250	. . . . .	. . . . .
Subtotal Lincoln University	\$ 3,175	\$ 3,175	\$ 3,175
Non-State-Related Universities and Colleges			
Delaware Valley College of Science and Agriculture	\$ 185	\$ 185	\$ 185
Dickinson Law School	99	. . . . .	. . . . .
Drexel University	3,018	3,018	3,018
Hahnemann Medical College—Medical Programs	3,067	3,057	3,057
Hahnemann Medical College—Allied Health Programs	209	105	. . . . .
Thomas Jefferson University—Medical Program	3,969	3,969	3,969
Thomas Jefferson University—Allied Health Programs	1,500	750	. . . . .
The Medical College of Pennsylvania	1,795	1,795	1,795
University of Pennsylvania—Instruction	7,063	7,063	7,063
University of Pennsylvania—Dental Clinics	600	500	500
University of Pennsylvania Medical Programs	2,882	2,882	2,882
University of Pennsylvania—School of Veterinary Medicine	3,772	2,572	2,572

GENERAL FUND

Summary by Department and Appropriation (continued)

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Department of Education (continued)			
Grants and Subsidies (continued)			
University of Pennsylvania—Student Aid	3 3,374	\$ 3,374	\$ 3,374
Pennsylvania College of Podiatric Medicine	660	660	660
Pennsylvania College of Optometry	220	220	220
Philadelphia College of Art—Instruction	352	352	352
Philadelphia College of Osteopathic Medicine	3,626	3,577	3,577
Philadelphia College of Textiles and Science	250	250	250
Philadelphia Musical Academy	75	75	75
Subtotal Non-State-Related Universities and Colleges	<u>\$ 36,716</u>	<u>\$ 34,404</u>	<u>\$ 33,549</u>
Non-State-Related Institutions			
Berean Training and Industrial School— Maintenance	\$ 434	\$ 394	\$ 434
Berean Training and Industrial School— Rental Payments . . . . .	. . . . .	40	. . . . .
Downingtown Industrial and Agricultural School—Maintenance	544	544	544
Downingtown Industrial and Agricultural School—Accumulated Debts . . . . .	. . . . .	104	. . . . .
Johnson School of Technology	74	74	74
Williamson Free School of Mechanical Trades	52	52	52
Subtotal Non-State-Related Institutions	<u>\$ 1,104</u>	<u>\$ 1,208</u>	<u>\$ 1,104</u>
Total—Grants and Subsidies	<u>\$2,277,752</u>	<u>\$2,471,002</u>	<u>\$2,573,152</u>
Capital Improvements			
Capital Improvements . . . . .	. . . . .	. . . . .	\$ 145
Handicapped Standards Improvements . . . . .	. . . . .	. . . . .	1,000
Subtotal—Capital Improvements	<u>.</u>	<u>.</u>	<u>1,145</u>
Total State Funds	<u>\$2,478,324</u>	<u>\$2,677,377</u>	<u>\$2,782,233</u>
Federal Funds	\$ 35,160	\$ 29,416	\$ 25,348
Other Funds	105,605	117,943	120,904
DEPARTMENT TOTAL	<u>\$2,619,089</u>	<u>\$2,824,736</u>	<u>\$2,928,485</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Department of Environmental Resources			
General Government			
General Government Operations	\$ 14,676	\$ 14,000	\$ 15,086
Topographic and Geologic Survey	1,344	1,400	1,514
Stream Improvement Projects	435	450	464
Soil Survey Work	200	100	100
Deep Mine Safety Inspection	2,021	2,300	2,415
Occupational Health	562	633	687
Surface Mine Reclamation	1,986	2,100	2,367
Land Protection	2,409	2,309	2,600
Water Quality Management	5,882	5,884	6,791
Air Quality and Noise Control	2,978	2,830	3,812
Community Environmental Control	5,352	5,835	6,436
Radiological Health	577	622	739
State Forestry Operations	10,191	10,100	10,871
Gypsy Moth Laboratory	391	406	438
Insect Spraying Operations . . . . .	. . . . .	350	500
State Parks	18,438	19,194	20,753
Control of Forest Fires	100	150	150
Emergency Flood Relief — 1976	199	. . . . .	. . . . .
Flood Relief — Johnstown General Government . . . . .	. . . . .	165	. . . . .
Flood Relief — Johnstown Restore and Stabilize Streams . . . . .	. . . . .	700	. . . . .
Subtotal	<u>\$ 67,741</u>	<u>\$ 69,528</u>	<u>\$ 75,723</u>
Grants and Subsidies			
Flood Control Projects	\$ 745	\$ 745	\$ 500
Sewage Facilities Planning Grants	250	300	300
Sewage Facilities Enforcement Grants	600	1,200	1,000
Solid Waste Disposal Planning Grants	150	150	150
Solid Waste — Demonstration Grants	1,500	. . . . .	. . . . .
Great Lakes Basin Commission	14	15	15
Delaware River Master	36	29	30
Ohio River Basin Commission	27	30	30
Susquehanna River Basin Commission	150	200	200
Potomac River Basin Advisory Committee	8	. . . . .	. . . . .
Interstate Commission on the Potomac River Basin	16	16	16
Delaware River Basin Commission	391	378	378
Ohio River Valley Water Sanitation Commission	55	55	55
Small Watershed Projects	75	100	100
Local Soil and Water District Assistance	100	100	100
Interstate Mining Commission	10	10	10
Annual Fixed Charges—Flood Lands	8	9	9
Annual Fixed Charges—Project 70	275	250	250
Annual Fixed Charges—Forest Lands	398	399	399
Mansfield Utilities	154	. . . . .	. . . . .
Pymatuning Utilities	400	. . . . .	. . . . .
Scotland School Utilities . . . . .	. . . . .	205	. . . . .
Shippensburg College Utilities . . . . .	. . . . .	250	. . . . .
Caledonia State Park Utilities . . . . .	. . . . .	. . . . .	221
Rockview State Correctional Institution Utilities . . . . .	. . . . .	. . . . .	350
Vector Control	500	500	500
Subtotal	<u>\$ 5,862</u>	<u>\$ 4,941</u>	<u>\$ 4,613</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Department of Environmental Resources (continued)			
Capital Improvements			
Hillman State Park—Improvements	\$ 170	. . . . .	. . . . .
Appalachian Trail	250	. . . . .	. . . . .
Subtotal	\$ 420	. . . . .	. . . . .
Total State Funds	\$ 74,023	\$ 74,469	\$ 80,336
Federal Funds	\$ 8,861	\$ 21,945	\$ 10,007
Other Funds	951	1,737	381
DEPARTMENT TOTAL	\$ 83,835	\$ 98,151	\$ 90,724
Fish Commission			
General Government			
Atlantic States Marine Fisheries Commission	\$ 3	\$ 3	\$ 3
DEPARTMENT TOTAL	\$ 3	\$ 3	\$ 3
Department of General Services			
General Government			
General Government Operations	\$ 22,677	\$ 22,677	\$ 24,894
Flood Relief -- Johnstown . . . . .	. . . . .	95	. . . . .
Harristown Rental Charges . . . . .	. . . . .	. . . . .	5,280
Utility Costs	3,600	4,200	4,465
Harristown Utility and Municipal Charges . . . . .	. . . . .	. . . . .	4,577
Replacement of Fleet Vehicles	1,296	200	717
Printing and Distribution of the Pennsylvania Manual	145	. . . . .	181
Subtotal	\$ 27,718	\$ 27,172	\$ 40,114
Debt Service Requirements			
General State Authority Rentals	\$ 54,500	\$ 54,900	\$ 53,500
 Grants and Subsidies			
Capitol Fire Protection . . . . .	. . . . .	. . . . .	\$ 100
 Capital Improvements			
Handicapped Standards Improvements . . . . .	. . . . .	. . . . .	\$ 500
Total State Funds	\$ 82,218	\$ 82,072	\$ 94,214
Federal Funds	\$ 1,168	\$ 443	\$ 345
Other Funds	25,405	27,366	23,032
DEPARTMENT TOTAL	\$108,791	\$109,881	\$117,591

GENERAL FUND

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

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Department of Health			
General Government			
General Government Operations	\$ 13,112	\$ 10,384	\$ 11,069
Quality Assurance	2,893	3,091	3,190
Bureau of Vital Statistics	2,928	3,077	3,196
State Laboratory	1,837	2,140	2,700
State Laboratory Movable Equipment	1,699	. . . . .	. . . . .
State Health Centers	8,446	9,000	9,662
Emergency Health Services	2,197	2,200	2,326
Maternal and Child Health	490	550	530
Flood Relief — Johnstown . . . . .	. . . . .	27	. . . . .
Hemophilia Treatment	1,190	1,256	1,256
Sickle Cell Anemia	423	550	396
Cooley's Anemia	116	120	120
Renal Disease	2,662	3,633	3,633
Renal Disease Youth Treatment	74	. . . . .	. . . . .
Legionnaires Disease	246	. . . . .	. . . . .
Coal Workers Pneumoconiosis Services	746	707	736
Swine Flu Prevention Program	1,390	. . . . .	. . . . .
Subtotal	<u>\$ 40,449</u>	<u>\$ 36,735</u>	<u>\$ 38,814</u>
Institutional			
Health Rehabilitation Services	<u>\$ 3,905</u>	<u>\$ 3,356</u>	<u>\$ 3,356</u>
Grants and Subsidies			
School Health Examinations	\$ 11,460	\$ 11,810	\$ 11,810
Local Health Departments	12,860	12,325	11,872
The Institute for Cancer Research	418	418	418
The Wistar Institute—Research	200	200	200
Lankenau Hospital—Research	75	75	. . . . .
Cardio-Vascular Studies—Philadelphia	60	60	. . . . .
Cardio-Vascular Studies—St. Francis Hospital, Pittsburgh	60	60	. . . . .
Neurological Diseases—Inglis House, Philadelphia	30	30	. . . . .
Cerebral Palsy—St. Christopher's Hospital, Philadelphia	75	75	. . . . .
Cerebral Dysfunction—Children's Hospital, Pittsburgh	25	25	. . . . .
Cleft Palate Clinic—Lancaster	30	. . . . .	. . . . .
Cleft Palate Clinic—Pittsburgh	30	30	. . . . .
Tay Sachs Disease—Jefferson Hospital, Philadelphia . . . . .	. . . . .	50	. . . . .
Emergency Care Research Institute	350	800	. . . . .
Central Penn Oncology Group . . . . .	. . . . .	100	. . . . .
Lupus Disease — Research . . . . .	. . . . .	75	. . . . .
Burn Foundation of Greater Delaware Valley . . . . .	. . . . .	155	. . . . .
Donolow Health Center . . . . .	. . . . .	150	. . . . .
Matilda Theiss Health Center . . . . .	. . . . .	35	. . . . .
Subtotal	<u>\$ 25,673</u>	<u>\$ 26,473</u>	<u>\$ 24,300</u>
Total State Funds	<u>\$ 70,027</u>	<u>\$ 66,564</u>	<u>\$ 66,470</u>
Federal Funds	\$ 39,692	\$ 40,428	\$ 41,989
Other Funds	1,092	804	773
DEPARTMENT TOTAL	<u>\$110,811</u>	<u>\$107,796</u>	<u>\$109,232</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Historical and Museum Commission			
General Government			
General Government Operations	\$5,477	\$5,427	\$5,999
Valley Forge State Park	653	200	75
Washington Crossing State Park	542	542	631
Brandywine Battlefield Park Commission	105	112	136
Anthracite Museum Complex . . . . .	. . . . .	325	. . . . .
Somerset Historical Center . . . . .	. . . . .	50	. . . . .
Subtotal	<u>\$6,777</u>	<u>\$6,656</u>	<u>\$6,841</u>
Grants and Subsidies			
University of Pennsylvania Museum	\$ 100	\$ 50	\$ 100
Carnegie Museum	100	50	100
The Franklin Institute	400	200	400
Pennsylvania Academy of the Fine Arts	3	5	5
Academy of Natural Sciences of Philadelphia	225	112	225
Museum of the Philadelphia Civic Center	150	75	150
Buhl Planetarium and Institute of Popular Science	100	50	100
Philadelphia Museum of Art	100	50	100
Liberty Bell Shrine, Allentown	20	. . . . .	. . . . .
Allentown Museum of Art	50	50	50
Subtotal	<u>\$1,248</u>	<u>\$ 642</u>	<u>\$1,230</u>
Total State Funds	<u><u>\$8,025</u></u>	<u><u>\$7,298</u></u>	<u><u>\$8,071</u></u>
Federal Funds	\$ 103	\$ 230	\$ 252
Other Funds	141	99	74
DEPARTMENT TOTAL	<u><u>\$8,269</u></u>	<u><u>\$7,627</u></u>	<u><u>\$8,397</u></u>
Insurance Department			
General Government			
General Government Operations	\$4,912	\$5,250	\$5,553
Flood Relief — Johnstown . . . . .	. . . . .	5	. . . . .
Total State Funds	<u>\$4,912</u>	<u>\$5,255</u>	<u>\$5,553</u>
Federal Funds	\$ 70	. . . . .	. . . . .
Other Funds	81	\$ 97	\$ 83
DEPARTMENT TOTAL	<u><u>\$5,063</u></u>	<u><u>\$5,352</u></u>	<u><u>\$5,636</u></u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Department of Justice			
General Government			
General Government Operations	\$ 7,456	\$ 7,530	\$ 8,366
Flood Relief — Johnstown . . . . .	. . . . .	10	. . . . .
Office of Drug Law Enforcement	3,124	3,225	3,696
Pennsylvania Crime Commission	249	1,249	1,779
Juvenile Court Judges Commission	200	234	304
Crime Victims Compensation Board	83	250	275
Office of Consumer Advocate	374	100	. . . . .
Subtotal	<u>\$ 11,486</u>	<u>\$ 12,598</u>	<u>\$ 14,420</u>
Institutional			
State Correctional Institutions	\$ 67,885	\$ 73,100	\$ 78,854
Grants and Subsidies			
Improvement of County Juvenile			
Probation Services	\$ 1,568	\$ 1,452	\$ 1,452
Aid to Local Law Enforcement	1,110	1,091	725
Compensation to Crime Victims . . . . .	. . . . .	750	2,000
Subtotal	<u>\$ 2,678</u>	<u>\$ 3,293</u>	<u>\$ 4,177</u>
Capital Improvements			
Capital Improvements . . . . .	. . . . .	. . . . .	\$ 174
Total State Funds	<u>\$ 82,049</u>	<u>\$ 88,991</u>	<u>\$ 97,625</u>
Federal Funds	\$ 8,356	\$ 6,562	\$ 3,495
Other Funds	2,407	1,957	1,777
Other Funds — Restricted Revenue . . . . .	. . . . .	904	1,271
DEPARTMENT TOTAL	<u>\$ 92,812</u>	<u>\$ 98,414</u>	<u>\$104,168</u>

GENERAL FUND
Summary by Department and Appropriation
(continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Department of Labor and Industry			
General Government			
General Government Operations	\$11,441	\$12,100	\$12,100
Flood Relief — Johnstown . . . . .	. . . . .	15	. . . . .
Subtotal	<u>\$11,441</u>	<u>\$12,115</u>	<u>\$12,100</u>
Grants and Subsidies			
Occupational Disease Payments	\$22,245	\$20,500	\$20,000
Transfer to Vocational Rehabilitation Fund	7,923	9,230	9,000
Workmen's Compensation Payments	2,079	2,060	2,000
Subtotal	<u>\$32,247</u>	<u>\$31,790</u>	<u>\$31,000</u>
Total State Funds	<u>\$43,688</u>	<u>\$43,905</u>	<u>\$43,100</u>
Federal Funds	\$13,957	\$16,167	\$17,087
DEPARTMENT TOTAL	<u>\$57,645</u>	<u>\$60,072</u>	<u>\$60,187</u>
Department of Military Affairs			
General Government			
General Government Operations	\$ 7,367	\$ 7,800	\$ 8,319
Helicopter Liability Insurance	135	200	150
Emergency Energy Crisis — 1977	132	. . . . .	. . . . .
Emergency Flood Relief — July, 1977 . . . . .	. . . . .	200	. . . . .
Flood Relief — Johnstown . . . . .	. . . . .	1,329	. . . . .
American Battle Monuments . . . . .	. . . . .	. . . . .	3
Subtotal	<u>\$ 7,634</u>	<u>\$ 9,529</u>	<u>\$ 8,472</u>
Institutional			
Soldiers and Sailors Home	\$ 835	\$ 738	\$ 772
Hollidaysburg Veterans Home . . . . .	. . . . .	600	2,056
Subtotal	<u>\$ 835</u>	<u>\$ 1,338</u>	<u>\$ 2,828</u>
Grants and Subsidies			
Education of Veterans Children	\$ 62	\$ 70	\$ 70
Veterans Assistance	650	650	650
Blind Veterans Pension	76	80	80
National Guard Pension	7	10	10
Subtotal	<u>\$ 795</u>	<u>\$ 810</u>	<u>\$ 810</u>
Total State Funds	<u>\$ 9,264</u>	<u>\$11,677</u>	<u>\$12,110</u>
Federal Funds	\$ 610	\$ 683	\$ 771
Other Funds	178	2,081	739
DEPARTMENT TOTAL	<u>\$10,052</u>	<u>\$14,441</u>	<u>\$13,620</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Milk Marketing Board			
Grants and Subsidies			
Transfer to Milk Marketing Board	\$ 717	\$ 717	\$ 750
DEPARTMENT TOTAL	<u>\$ 717</u>	<u>\$ 717</u>	<u>\$ 750</u>
Board of Probation and Parole			
General Government			
General Government Operations	\$ 9,015	\$ 9,789	\$ 10,680
Grants and Subsidies			
Improvement of Adult Probation Services	\$ 1,679	\$ 1,763	\$ 1,900
Total State Funds	<u>\$ 10,694</u>	<u>\$ 11,552</u>	<u>\$ 12,580</u>
Federal Funds	\$ 5,493	\$ 4,232	\$ 3,019
Other Funds	10	. . . . .	. . . . .
DEPARTMENT TOTAL	<u>\$ 16,197</u>	<u>\$ 15,784</u>	<u>\$ 15,599</u>
Public Utility Commission			
General Government			
Federal Funds	\$ 104	\$ 204	\$ 236
Other Funds--Restricted Revenue	10,961	13,196	17,924
DEPARTMENT TOTAL	<u>\$ 11,065</u>	<u>\$ 13,400</u>	<u>\$ 18,160</u>
Department of Public Welfare			
General Government			
General Government Operations	\$ 19,772	\$ 18,000	\$ 19,325
Office of Information Systems	3,216	3,014	5,641
County Administration	92,498	62,112	95,504
Office of Program Accountability	4,609	4,901	5,335
Subtotal	<u>\$ 120,095</u>	<u>\$ 88,027</u>	<u>\$ 125,805</u>
Institutional			
Youth Development Institutions and			
Forestry Camps	\$ 17,428	\$ 18,823	\$ 18,436
Secure Facilities for Delinquent Youth	4,183	4,323	4,982
Community Based Treatment for Youth Offenders	1,626	1,712	1,104
State Restoration Centers	5,657	7,572	8,000
State General Hospitals	7,243	6,500	. . . . .
Mental Health and Mental Retardation			
Services	338,827	347,000	342,495
Subtotal	<u>\$ 374,964</u>	<u>\$ 385,930</u>	<u>\$ 375,017</u>

GENERAL FUND

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

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Department of Public Welfare (continued)			
Grants and Subsidies			
Cash Assistance	\$ 532,000	\$ 538,507	\$ 594,064
Medical Assistance	286,816	334,300	441,540
Public Nursing Homes	10,000	21,863	38,072
Private Nursing Homes	59,045	60,000	62,988
Supplemental Grants—Aged, Blind and Disabled	57,926	61,460	64,704
Flood Relief — Johnstown . . . . .	. . . . .	910	. . . . .
Community Services for the Mentally Ill and Mentally Retarded	91,261	99,456	105,849
Community Living Arrangements	15,000	22,022	30,129
Aging Programs	8,058	8,300	8,798
Training Personnel at Geriatric Homes	50	50	50
Blind Programs	840	940	940
Pennsylvania Association for the Blind, Pittsburgh	25	25	. . . . .
Center for the Blind, Philadelphia	25	25	. . . . .
Beacon Lodge Camp	25	25	. . . . .
Center for Blind, Delaware	25	25	. . . . .
Office of Visually Handicapped Radio Receivers . . . . .	. . . . .	50	. . . . .
Rudolphy Residence for Blind — Renovations . . . . .	. . . . .	66	. . . . .
County Child Welfare Programs	32,689	65,000	70,000
Day Care Services	18,500	18,500	19,244
Arsenal Family and Children's Center	100	100	. . . . .
Juvenile Delinquency Programs	1,500	. . . . .	. . . . .
Gangwork and Outreach . . . . .	. . . . .	96	100
Youth Service System Grants . . . . .	. . . . .	167	. . . . .
Regional Detention Facilities . . . . .	. . . . .	1,500	. . . . .
Home for Crippled Children, Pittsburgh	400	440	440
Children's Heart Hospital, Philadelphia	800	880	880
Society for Crippled Children, Blair County . . . . .	. . . . .	25	. . . . .
Mentally Disabled Advocacy Project . . . . .	. . . . .	240	. . . . .
Western Psychiatric Institute and Clinic	4,500	4,500	4,500
Social Services	2,533	2,483	2,728
Subtotal	<u>\$1,122,118</u>	<u>\$1,241,955</u>	<u>\$1,445,026</u>
 Capital Improvements			
Capital Improvements . . . . .	. . . . .	. . . . .	\$ 129
Gas Line — C.H. Marcy . . . . .	. . . . .	61	. . . . .
Handicapped Standards Improvements . . . . .	. . . . .	. . . . .	2,000
Subtotal . . . . .	. . . . .	<u>\$ 61</u>	<u>\$ 2,129</u>
Total State Funds	<u>\$1,617,177</u>	<u>\$1,715,973</u>	<u>\$1,947,977</u>
Federal Funds	\$1,150,789	\$1,458,459	\$1,450,760
Other Funds	98,221	88,239	113,285
DEPARTMENT TOTAL	<u>\$2,866,187</u>	<u>\$3,262,671</u>	<u>\$3,512,022</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Department of Revenue			
General Government			
General Government Operations	\$ 47,139	\$ 48,810	\$ 58,547
Inheritance Tax	3,924	7,654	. . . . .
Subtotal	<u>\$ 51,063</u>	<u>\$ 56,464</u>	<u>\$ 58,547</u>
Grants and Subsidies			
Distribution of Public Utility Realty Tax	\$ 27,006	\$ 31,165	\$ 34,000
Total State Funds	<u>\$ 78,069</u>	<u>\$ 87,629</u>	<u>\$ 92,547</u>
Federal Funds	\$ 250	. . . . .	. . . . .
Other Funds	2,046	\$ 2,840	\$ 2,418
DEPARTMENT TOTAL	<u>\$ 80,365</u>	<u>\$ 90,469</u>	<u>\$ 94,965</u>
Securities Commission			
General Government			
General Government Operations	\$ 855	\$ 890	\$ 950
DEPARTMENT TOTAL	<u>\$ 855</u>	<u>\$ 890</u>	<u>\$ 950</u>
Department of State			
General Government			
General Government Operations	\$ 5,439	\$ 5,506	\$ 5,995
Publishing Constitutional Amendments	59	40	40
Electoral College Expenses	3	. . . . .	. . . . .
Subtotal	<u>\$ 5,501</u>	<u>\$ 5,546</u>	<u>\$ 6,035</u>
Grants and Subsidies			
Voting of Citizens in Military Service	\$ 14	\$ 20	\$ 16
Voter Registration by Mail	1,155	525	538
Subtotal	<u>\$ 1,169</u>	<u>\$ 545</u>	<u>\$ 554</u>
Total State Funds	<u>\$ 6,670</u>	<u>\$ 6,091</u>	<u>\$ 6,589</u>
Other Funds	\$ 702	\$ 1,055	\$ 1,124
DEPARTMENT TOTAL	<u>\$ 7,372</u>	<u>\$ 7,146</u>	<u>\$ 7,713</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Employees' Retirement System			
Grants and Subsidies			
Annuitants Medical – Hospital Insurance	\$ 4,300	\$ 11,140	\$ 15,347
DEPARTMENT TOTAL	<u>\$ 4,300</u>	<u>\$ 11,140</u>	<u>\$ 15,347</u>
State Police			
General Government			
General Government Operations	\$ 27,439	\$ 29,000	\$ 37,689
Municipal Police Training	857	1,000	1,300
Flood Relief – Johnstown . . . . .	. . . . .	286	. . . . .
Nonservice Disability and Death Benefits . . . . .	. . . . .	80	. . . . .
Total State Funds	<u>\$ 28,296</u>	<u>\$ 30,366</u>	<u>\$ 38,989</u>
Federal Funds	\$ 522	\$ 736	\$ 228
Other Funds	6,503	7,100	6,644
DEPARTMENT TOTAL	<u>\$ 35,321</u>	<u>\$ 38,202</u>	<u>\$ 45,861</u>
Tax Equalization Board			
General Government			
General Government Operations	\$ 789	\$ 789	\$ 847
DEPARTMENT TOTAL	<u>\$ 789</u>	<u>\$ 789</u>	<u>\$ 847</u>
Department of Transportation			
General Government			
Mass Transportation Operations	\$ 860	\$ 1,040	\$ 1,075
Purchase of Aircraft . . . . .	. . . . .	. . . . .	1,000
Subtotal	<u>\$ 860</u>	<u>\$ 1,040</u>	<u>\$ 2,075</u>
Grants and Subsidies			
Mass Transportation Assistance	\$ 74,200	\$ 79,000	\$ 87,000
Intercity Rail and Rural Bus Transportation	177	1,625	3,299
Port of Philadelphia	1,000	1,000	1,000
Port of Erie	250	250	250
Civil Air Patrol	25	35	35
Subtotal	<u>\$ 75,652</u>	<u>\$ 81,910</u>	<u>\$ 91,584</u>
Capital Improvements			
Capital Improvements . . . . .	. . . . .	. . . . .	\$ 32
Total State Funds	<u>\$ 76,512</u>	<u>\$ 82,950</u>	<u>\$ 93,691</u>
Federal Funds	\$ 2,206	\$ 19,411	\$ 10,751
Other Funds	8,307	6,050	391
DEPARTMENT TOTAL	<u>\$ 87,025</u>	<u>\$108,411</u>	<u>\$104,833</u>

GENERAL FUND

Summary by Department and Appropriation (continued)

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available		1978-79 Budget
Legislature				
General Government				
Senate	\$ 14,685	\$ 15,093		\$ 12,067
House of Representatives	21,886	26,299		22,553
Legislative Reference Bureau	1,851	2,033		2,152
Legislative Budget and Finance Committee	292	317		330
Legislative Data Processing Center	850	925		975
Legislative Miscellaneous and Commissions	1,557	1,527		1,551
Total State Funds	<u>\$ 41,121</u>	<u>\$ 46,194</u>		<u>\$ 39,628</u>
Other Funds	\$ 5	\$ 10		\$ 10
DEPARTMENT TOTAL	<u>\$ 41,126</u>	<u>\$ 46,204</u>		<u>\$ 39,638</u>
Judiciary				
General Government				
Supreme Court	\$ 2,595	\$ 2,675		\$ 2,958
Court Administrator	1,198	1,098		1,644
Superior Court	1,516	1,575		1,741
Commonwealth Court	1,911	2,000		2,137
Courts of Common Pleas	16,705	16,845		17,091
Senior and Active Judges . . . . .	. . . . .	500		500
Community Courts—District Justices of the Peace	12,174	12,340		12,994
Philadelphia Traffic Court	179	170		168
Philadelphia Municipal Court	937	1,092		1,139
Law Clerks	130	133		135
Subtotal	<u>\$ 37,345</u>	<u>\$ 38,428</u>		<u>\$ 40,507</u>
Grants and Subsidies				
Reimbursement of County Court Expenses . . . . .	. . . . .	\$ 24,000		. . . . .
Total State Funds	<u>\$ 37,345</u>	<u>\$ 62,428</u>		<u>\$ 40,507</u>
Federal Funds	\$ 478	\$ 1,958		\$ 24,787
Other Funds	354	250		415
DEPARTMENT TOTAL	<u>\$ 38,177</u>	<u>\$ 64,636</u>		<u>\$ 65,709</u>
Flood Relief and Recovery . . . . .	. . . . .	<u>\$ 9,244</u>		. . . . .
General Fund Total — All Funds				
State Funds	\$5,023,178	\$5,388,594		\$5,777,044
Federal Funds	1,290,200	1,670,587		1,661,370
Other Funds	282,840	292,042		311,894
GENERAL FUND TOTAL	<u>\$6,596,218</u>	<u>\$7,351,223</u>		<u>\$7,750,308</u>

GENERAL FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Estimated	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	
TAX REVENUE							
Corporation Taxes							
Corporate Net Income	\$ 655,876	\$ 808,200	\$ 911,500	\$ 932,200	\$ 963,500	\$1,043,400	\$1,112,700
Capital Stock & Franchise	210,752	219,600	228,500	242,700	254,200	266,600	279,400
Selective Business							
Utility Gross Receipts	281,708	357,100	374,700	420,400	469,300	530,600	599,400
Utility Property	57,527	59,500	61,600	63,700	65,900	68,200	70,600
Insurance Premiums	77,426	82,200	89,500	97,500	106,300	115,900	126,300
Financial Institutions	76,014	76,800	80,800	84,100	87,900	92,000	96,000
Other	11,747	12,100	14,100	14,400	14,700	16,600	17,700
Total—Corporation Taxes	\$1,371,050	\$1,615,500	\$1,760,700	\$1,855,000	\$1,961,800	\$2,133,300	\$2,302,100
Consumption Taxes							
Sales and Use	\$1,524,515	\$1,705,500	\$1,814,100	\$1,969,500	\$2,133,700	\$2,312,400	\$2,499,400
Cigarette	247,966	257,400	263,700	270,200	276,800	283,600	290,600
Malt Beverage	25,763	26,800	27,900	28,500	29,000	29,600	30,100
Liquor	80,585	82,500	85,500	88,100	90,700	93,400	96,200
Total—Consumption Taxes	\$1,878,829	\$2,072,200	\$2,191,200	\$2,356,300	\$2,530,200	\$2,719,000	\$2,916,300
Other Taxes							
Personal Income Tax	\$1,202,909	\$1,361,100	\$1,543,300	\$1,628,100	\$1,681,900	\$1,835,600	\$1,998,200
Realty Transfer	67,160	84,900	91,600	98,800	106,600	115,000	124,000
Inheritance	146,464	159,400	176,000	188,600	202,600	219,300	239,500
Minor and Repealed	623	600	600	600	600	600	600
Total—Other Taxes	\$1,417,156	\$1,606,000	\$1,811,500	\$1,916,100	\$1,991,700	\$2,170,500	\$2,362,300
TOTAL TAX REVENUE	\$4,667,035	\$5,293,700	\$5,763,400	\$6,127,400	\$6,483,700	\$7,022,800	\$7,580,700
NONTAX REVENUE							
Liquor Store Profits	\$ 27,000	\$ 20,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 11,000	\$ 10,000
Licenses, Fees and Miscellaneous							
Licenses and Fees	16,212	17,400	17,700	19,000	19,300	20,700	21,100
Miscellaneous	65,336	73,338	70,668	73,000	76,200	79,500	83,000
Fines, Penalties and Interest							
On Taxes	5,926	5,800	5,800	5,800	5,800	5,800	5,800
Other	2,503	330	260	300	300	300	300
TOTAL NONTAX REVENUES	\$ 116,977	\$ 116,868	\$ 110,428	\$ 114,100	\$ 117,600	\$ 117,300	\$ 120,200
GENERAL FUND TOTAL	\$4,784,012	\$5,410,568	\$5,873,828	\$6,241,500	\$6,601,300	\$7,140,100	\$7,700,900

ADJUSTMENTS TO REVENUE ESTIMATE

On December 21, 1977 the Secretary of Revenue submitted a revised official estimate for the 1977-78 fiscal year of \$5,436,400,000 reflecting the estimated revenue from Act Nos. 98 and 100 approved December 21, 1977.

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)		
	1977-78 Official Estimate	Adjustments	1977-78 Revised Estimate
TAX REVENUE			
Corporation Taxes			
Corporate Net Income	\$ 796,000	\$ 12,200	\$ 808,200
Capital Stock and Franchise	219,600	. . . .	219,600
Selective Business			
Gross Receipts	361,000	-3,900	357,100
Utility Property	60,400	-900	59,500
Insurance Premiums	82,200	. . . .	82,200
Financial Institutions	76,800	. . . .	76,800
Other	12,400	-300	12,100
Total—Corporation Taxes	<u>\$1,608,400</u>	<u>\$ 7,100</u>	<u>\$1,615,500</u>
Consumption Taxes			
Sales and Use	\$1,728,200	\$ -22,700	\$1,705,500
Cigarette	254,100	3,300	257,400
Malt Beverage	26,400	400	26,800
Liquor	82,500	. . . .	82,500
Total—Consumption Taxes	<u>\$2,091,200</u>	<u>\$ -19,000</u>	<u>\$2,072,200</u>
Other Taxes			
Personal Income Tax	\$1,380,900	\$ -19,800	\$1,361,100
Realty Transfer	77,600	7,300	84,900
Inheritance	165,200	-5,800	159,400
Minor and Repealed	600	. . . .	600
Total—Other Taxes	<u>\$1,624,300</u>	<u>\$ -18,300</u>	<u>\$1,606,000</u>
TOTAL TAX REVENUE	<u>\$5,323,900</u>	<u>\$ -30,200</u>	<u>\$5,293,700</u>
NONTAX REVENUE			
Liquor Store Profits	\$ 20,000	. . . .	\$ 20,000
Licenses, Fees and Miscellaneous			
Licenses and Fees	17,000	\$ 400	17,400
Miscellaneous	69,200	4,138	73,338
Fines, Penalties and Interest			
On Taxes	5,800	. . . .	5,800
Other	500	-170	330
TOTAL NONTAX REVENUES	<u>\$ 112,500</u>	<u>\$ 4,368</u>	<u>\$ 116,868</u>
GENERAL FUND TOTAL	<u>\$5,436,400</u>	<u>\$ -25,832</u>	<u>\$5,410,568</u>

GENERAL FUND REVENUE SOURCES

Corporate Net Income Tax

Actual	Estimated
1971-72 .....\$475,743,911	1977-78 \$ 808,200,000
1972-73 490,231,003	1978-79 911,500,000
1973-74 533,583,217	1979-80 932,200,000
1974-75 592,799,883	1980-81 963,500,000
1975-76 606,261,455	1981-82 1,043,400,000
1976-77 655,876,381	1982-83 1,112,700,000

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. The present rate of this tax is ten and one-half percent.

The tax was first enacted in 1935 as an emergency tax and was reenacted every two years at various rates until it was made a permanent tax in 1961 at a rate of six percent. The rate was increased from six to seven percent for taxable years 1967 and 1968, and from seven to seven and one-half percent for the taxable year 1969. Subsequently, the rate for the taxable year 1969 and thereafter was increased from seven and one-half to twelve percent. The Tax Reform Code of 1971 reduced the rate of the tax from twelve to eleven percent effective July 1, 1972. The rate was further reduced to nine and one-half percent effective on January 1, 1974. Act No. 98, approved December 21, 1977, increased the rate to ten and one-half percent retroactive to January 1, 1977, and further provided that unless reenacted prior to January 1, 1980, the rate will return to nine and one-half percent.

Prepayment of 50 percent of the current and subsequent year's corporate net income tax was enacted in 1961, and an additional 10 percent prepayment was enacted in 1970 increasing the prepayment requirement to 90 percent. All corporations are required to transmit tentative reports annually together with the prepayment on the current year's tax by the fifteenth day of the fourth month after the beginning of the current tax 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 provided an alternative method of computing the tentative payment based upon 90 percent of taxable income received or accrued during the first three months of the current calendar or fiscal year, annualized. Substantial revisions to the prepayment were enacted by Act No. 98, approved December 21, 1977 that, effective January 1, 1978, began implementation of a four payment installment system for the 90 percent prepayment over a six year period; changed the tentative payment due date from the thirtieth to the fifteenth day of the month; and provided for the filing of an amended tentative tax liability when reporting and paying the third or fourth installment provided that the revised estimate reflects a lower liability than reported in the previous tentative tax reports. Effective January 1, 1978, the act also changed the tentative tax base from the immediate prior year to the year preceeding the immediate prior year, eliminated the five percent understatement allowance, imposed penalties for any tentative tax underpayment, and provided that if not reenacted prior to January 1, 1980, further implementation of the prepayment changes are repealed with future prepayments to be made on the same basis as those made during the taxable years beginning in 1979.

Significant changes to the law as a result of the Tax Reform Code of 1971 (Act No. 2, March 4, 1971) provided that all insurance companies were exempted from the tax, the deduction of the Pennsylvania Corporate Net Income Tax in the tax base was no longer allowed and must be included in Pennsylvania taxable income, "depletion" was eliminated as a tax preference item and tax preference items as defined in Section 57 of the Internal Revenue Code were to be added to net taxable income. In addition new allocation and apportionment provisions which essentially adopt the Uniform Division of Income for Tax Purposes Act were enacted. These new provisions were effective for the taxable years beginning in 1971.

Act No. 357, approved December 30, 1974, which amended the Act of August 7, 1963 (P.L. 549), provides for corporate tax exemption for student loans guaranteed by the Act of 1963, their transfer, and the income therefrom (including any profit made on the sale thereof) which income shall be excluded from the numerator and the denominator of the sales factor of the allocation fraction.

Act No. 174, approved July 9, 1976 and effective sixty days thereafter, expands the Neighborhood Assistance Act by allowing a tax credit of up to 70 percent (formerly 50 percent) of the amount invested in programs where activities fall within the scope of special program priorities as defined with approval of the Governor in regulations promulgated by the Secretary of the Department of Community Affairs. Also, the amount of allowable tax credit is increased to \$250,000 (formerly \$175,000) annually for any taxpayer with a limit of \$8,750,000 in any one fiscal year for all taxpayers.

The estimated revenue from the Corporate Net Income Tax is \$808.2 million for fiscal 1977-78 and \$11.5 for fiscal 1978-1979.

Capital Stock and Franchise Tax

Actual	Estimated		
1971-72	\$209,410,745	1977-78	\$219,600,000
1972-73	189,587,574	1978-79	228,500,000
1973-74	190,502,431	1979-80	242,700,000
1974-75	184,907,163	1980-81	254,200,000
1975-76	193,234,630	1981-82	266,600,000
1976-77	210,751,904	1982-83	279,400,000

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

The rate for both taxes was increased from five to six 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.

Both taxes are subject to a prepayment of current year's taxes of 90 percent of the tax base for the immediate prior year. The prepayment percentage was enacted in 1956 at 80 percent and increased to 90 percent in 1970. Act No. 98, approved December 21, 1977, changed the tax base for computation of the tentative tax payments from the immediate prior year to the year preceding the immediate prior year. An alternate method of computing the prepayment amount was eliminated by a 1970 amendment but reinstated in 1971. The tentative reports and tax payments are due by the fifteenth day of the fourth month 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. Act 142 of the 1971 Session restored the alternative method of computing the tentative payment at the 90 percent rate.

The significant changes resulting from the Tax Reform Code of 1971 (Act No. 2, March 4, 1971) were the exemption of all insurance companies from these taxes, repeal of the statutory provisions relating to the manufacturing, processing, and research and development exemptions, an increase in the rate of tax from seven to ten mills and the application of the allocation and apportionment provisions of the Corporate Net Income Tax for the computation of the Capital Stock and Franchise Taxes. These new provisions were effective for the taxable year 1971 and thereafter. The optional allocation formula for capital stock taxes is still in effect. An exemption was provided for pollution control devices effective for taxable years beginning in 1971.

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

Act No. 357, approved December 30, 1974, which amended the Act of August 7, 1963, (P. L. 549), provides for corporate tax exemption for student loans guaranteed by the Act of 1963, their transfer and the income therefrom (including any profit made on the sale thereof) which in the case of the single exempt assets fraction, the value of such loans shall be excluded from the numerator but included in the denominator. Where the three factor formula is utilized, such income shall be excluded from the numerator but included in the denominator of the sales factor of the allocation fraction.

The estimated revenue from the Capital Stock and Franchise Taxes is \$219.6 million for fiscal 1977-78 and \$228.5 million for fiscal 1978-79.

Utility Gross Receipts Tax

Actual	Estimated
1971-72 .....\$171,987,372	1977-78 .....\$357,100,000
1972-73 162,330,230	1978-79 374,700,000
1973-74 171,045,051	1979-80 420,400,000
1974-75 226,749,316	1980-81 469,300,000
1975-76 245,683,685	1981-82 530,600,000
1976-77 281,708,308	1982-83 599,400,000

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 45 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 14 to 20 mills, effective July 1, 1967. A temporary rate rise from 20 to 45 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.

All firms except municipally owned or operated public utilities and motor transportation companies, are required to transmit tentative reports annually together with prepayment of the 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 significant changes resulting from the Tax Reform Code of 1971 (Act No. 2, March 4, 1971) are that the temporary rate of 45 mills was made permanent for the tax year 1971 and thereafter, and the prepayment requirement for this tax was changed to 90 percent on the previous year's tax base. Prior to that change companies were allowed to compute their tax prepayment by applying a rate of 29-1/3 mills to the previous year's tax base or by applying a rate of 117-1/3 mills to their taxable gross receipts for the first three months of the current calendar year. These provisions were effective for the taxable year 1971. The tentative rate was then increased to 90 percent on any business conducted in the calendar year 1972 and each year thereafter. Act 142 of the 1971 session restored the alternative method of computing the tentative payment at the 90 percent rate.

Act No. 100, approved December 21, 1977 broadens the definition of taxable gross receipts to include those gross receipts derived from the sales of electricity produced in Pennsylvania and sold outside Pennsylvania based on an expense apportionment formula. This portion of the Act is retroactive to January 1, 1977 and is included in the estimated revenues for the utility gross receipts tax.

The estimated revenue from the Gross Receipts Tax is \$357.1 million for fiscal 1977-78 and \$374.7 million for fiscal 1978-79.

Utility Property Tax

	Actual		Estimated
1971-72	\$32,307,253	1977-78	\$59,500,000
1972-73	36,317,419	1978-79	61,600,000
1973-74	42,425,655	1979-80	63,700,000
1974-75	43,731,012	1980-81	65,900,000
1975-76	55,290,145	1981-82	68,200,000
1976-77	57,527,234	1982-83	70,600,000

The tax on the real property of utilities enacted during the 1970 legislative session, is levied at a rate of 30 mills 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.

The estimated revenue from the Utility Property Tax is \$59.5 million for fiscal 1977-78 and \$61.6 million for fiscal 1978-79.

Insurance Premiums Tax

Actual	Estimated
1971-72 .....\$49,702,517	1977-78\$ 82,200,000
1972-73 52,755,335	1978-79 89,500,000
1973-74 55,899,848	1979-80 97,500,000
1974-75 57,513,678	1980-81 106,300,000
1975-76 65,481,628	1981-82 115,900,000
1976-77 77,426,129	1982-83 126,300,000

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

The tax on foreign companies is based on the amount of business transacted in Pennsylvania. Receipts from the two percent tax on foreign fire insurance and foreign casualty companies are deposited in a General Fund restricted receipt account, and 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 percent due from retaliatory provisions with other states plus an amount for administration of the tax is deposited in the General Fund as general revenue. That portion of the tax not deposited as a general revenue is not included in the estimate.

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

An 80 percent prepayment requirement for life and limited life insurance companies, both foreign and domestic, was enacted in 1961. An additional 10 percent prepayment was enacted in 1970 increasing the prepayment requirement to 90 percent 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 are required to transmit tentative reports annually together with prepayment of the current year's tax computed by applying the current rate of tax to 90 percent 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 restored the alternative method of computing the tentative payment at the 90 percent rate.

The Tax Reform Code of 1971 (Act No. 2, March 4, 1971), extended the tax to all domestic insurance companies except purely mutual beneficial associations and nonprofit hospital and medical associations. However, those companies not subject to the tax prior to 1971 paid at the rate of one percent on taxable gross premiums for the year 1971 and at the rate of two percent for each year thereafter.

Act No. 174, approved July 9, 1976 and effective sixty days thereafter, expands the Neighborhood Assistance Act by allowing a tax credit of up to 70 percent (formerly 50 percent) of the amount invested in programs where activities fall within the scope of special program priorities as defined with approval of the Governor in regulations promulgated by the Secretary of the Department of Community Affairs. Also, the amount of allowable tax credit is increased to \$250,000 (formerly \$175,000) annually for any taxpayer with a limit of \$8,750,000 in any one fiscal year for all taxpayers.

The estimated revenue from the Insurance Premiums Tax is \$82.2 million for fiscal 1977-78 and \$89.5 million for fiscal 1978-79.

Financial Institutions Taxes

Actual	Estimated
1971-72 \$56,520,000	1977-78 \$76,800,000
1972-73 60,677,691	1978-79 80,800,000
1973-74 62,955,827	1979-80 84,100,000
1974-75 52,138,409	1980-81 87,900,000
1975-76 54,498,523	1981-82 92,000,000
1976-77 76,014,418	1982-83 96,000,000

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. 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 of each year.

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 (Act No. 2, March 4, 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 percent 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.

Act No. 357, approved December 30, 1974, which amended the Act of August 7, 1963 (P.L. 549), provides for corporate tax exemptions for student loans guaranteed by the Act of 1963, their transfer, and the income therefrom (including any profit made on the sale thereof) which income shall be deducted from the taxable value of shares but no deduction from undivided profit shall be made for net income derived from such loans in the case of the bank shares tax.

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

Taxes on mutual thrift institutions were subject to an 80 percent prepayment requirement enacted in 1964. An additional 10 percent prepayment was enacted in 1970 increasing the prepayment requirement to 90 percent for such institutions. In addition, the 1970 amendment changed the method for determining the base for prepayment. Thus, such institutions were annually required to transmit tentative reports, together with prepayment of current year's tax computed by applying the current rate of tax to 90 percent of the tax base for the immediate prior year. Tentative reports are due and tax prepayments are 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 restored the alternative method of computing the tentative payment at the 90 percent rate.

Act No. 357, approved December 30, 1974, which amended the Act of August 7, 1963 (P.L. 549), provides for corporate tax exemption for student loans guaranteed by the Act of 1963, their transfer, and the income therefrom (including any profit made on the sale thereof) which income shall be directly deducted from net earnings for mutual thrift institutions.

Act No. 174, approved July 9, 1976 and effective sixty days thereafter, expands the Neighborhood Assistance Act by allowing a tax credit of up to 70 percent (formerly 50 percent) of the amount invested in programs where activities fall within the scope of special program priorities as defined with approval of the Governor in regulations promulgated by the Secretary of the Department of Community Affairs. Also, the amount of allowable tax credit is increased to \$250,000 (formerly \$175,000) annually for any taxpayer with a limit of \$8,750,000 in any one fiscal year for all taxpayers.

Act No. 98, approved December 21, 1977 provides for the payment of tentative prepayments (in the case of mutual thrift institutions) to be based on the year prior to the immediate prior year's liability beginning with the 1979 liability prepayments.

The estimated revenues from Financial Institutions Taxes are \$76.8 million for fiscal 1977-78 and \$80.8 million for fiscal 1978-79.

GENERAL FUND REVENUE SOURCES

Other Selective Business Taxes

Actual	Estimated
1971-72 \$13,900,517	1977-78 \$12,100,000
1972-73 12,321,090	1978-79 14,100,000
1973-74 11,511,363	1979-80 14,400,000
1974-75 14,148,262	1980-81 14,700,000
1975-76 16,837,833	1981-82 16,600,000
1976-77 11,746,757	1982-83 17,700,000

Other selective business taxes include: Corporation Excise Tax-Foreign, Act of July 25, 1953, P.L. 560 (declared unconstitutional by the Supreme Court of Pennsylvania on July 6, 1976 and eliminated from the estimated revenues); 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 Corporate Net Income Tax, Act of May 23, 1945, P.L. 893; Gross Receipts-Private Banks, Act of May 16, 1961, P.L. 708 as amended; Boxing and Wrestling Exhibits Tax, Act of June 14, 1923, P.L. 710 (which was formerly deposited as a General Fund revenue subject to appropriation is now deposited as an augmenting General Fund revenue by the Department of State — this change is reflected in the 1975-76 actual collections and subsequent estimates); and Corporation Income Tax, Act of August 24, 1951, P.L. 1417 as amended.

Of the taxes in this category, the largest source of revenue is the Corporation Income Tax. It is based on net income allocable to Pennsylvania for corporations owning property or carrying on business activities in Pennsylvania and not subject to the Corporate Net Income Tax. The tax rate was increased from six to seven percent for the taxable years 1967 and 1968 and from seven to seven and one-half percent for the taxable year 1969. The rate for taxable year 1969 and subsequent taxable years was raised from seven and one-half to twelve percent by legislative amendment approved December 31, 1969. The Tax Reform Code of 1971 reduced the tax rate from twelve percent to eleven percent effective for the last six months of calendar year 1972 for calendar year filing companies and for the second six months for companies whose fiscal year filing periods began in calendar year 1972. The tax rate was further reduced to nine and one-half percent effective January 1, 1974. On December 21, 1977, Act No. 98 increased the tax rate to ten and one-half percent effective for tax years beginning during 1977.

The tax is subject to a 90 percent prepayment, revised from 80 percent in 1970. Substantial revisions to the prepayment provisions of the tax were enacted by Act 98 of the 1977 session. Effective January 1, 1978, a six year phased implementation of a four payment installment schedule for the tentative tax payment was instituted and the date for tentative tax payments was changed from the thirtieth to the fifteenth day of the month. The act also provided for the filing of an amended tentative tax liability when reporting and paying the third or fourth installment provided that the new estimate reflects a lower tax liability than was reported in the original or amended tentative tax report. Changes that become effective on January 1, 1979 are the change in the prepayment tax base from that of the immediate prior year to the tax base of the year preceeding the immediate prior year, the elimination of the five percent understatement allowance and the imposition of penalties for any tentative tax underpayment. Act No. 98 also provides that unless reenacted prior to January 1, 1980, the tax rate will be reduced to nine and one-half percent; that further implementation of the prepayment charges are repealed; and that prepayments be made on the same basis as made during the taxable years beginning in 1979.

Act No. 357, approved December 30, 1974, which amended the Act of August 7, 1963, P.L. 549, provides for corporate tax exemption for student loans guaranteed by the Act of 1963, their transfer, and the income therefrom (including any profit made on the sale thereof) which income shall be excluded from the numerator and the denominator of the sales factor in the case of the Corporation Income Tax.

The Domestic Excise Tax-Act of July 25, 1953, P.L. 564 was repealed by Act No. 182 of July 12, 1972, which became effective September 10, 1972.

The estimated revenues from Other Selective Business Taxes are \$12.1 million for fiscal 1977-78 and \$14.1 million for fiscal 1978-79.

GENERAL FUND REVENUE SOURCES

Sales and Use Tax

Actual	Estimated
1971-72\$ 987,144,316	1977-78 .....\$1,705,500,000
1972-73 1,109,119,955	1978-79 1,814,100,000
1973-74 1,190,553,021	1979-80 1,969,500,000
1974-75 1,271,014,664	1980-81 2,133,700,000
1975-76 1,395,485,501	1981-82 2,312,400,000
1976-77 1,524,514,577	1982-83 2,499,400,000

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 percent 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 exempt beginning July 1, 1971, are repair, alteration, dry 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 nonprescription medicines, drugs or medical supplies. In addition, various sales, services and incidence of use which previously were exempt became taxable effective March 4, 1971. Among these were 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 enacted concerning exemptions from the Sales and Use Tax. They were: (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, exempting from taxation certain therapeutic, prosthetic and artificial devices; and (3) Act No. 192, effective retroactively to March 4, 1971, exempting from taxation motor vehicles which are used solely for driver education.

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 those months. Vendors 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. Acceleration of the second calendar quarter collections requires the vendor to file single returns for the months of April and May on or before the 15th day of June next following with the remainder 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 made.

The estimated revenue from the Sales and Use Tax is \$1,705.5 million for fiscal 1977-78 and \$1,814.1 million for fiscal 1978-79.

GENERAL FUND REVENUE SOURCES

Cigarette Tax

Actual		Estimated
1971-72	\$176,015,358	1977-78 \$257,400,000
1972-73	205,412,941	1978-79 263,700,000
1973-74	213,941,476	1979-80 270,200,000
1974-75	215,350,564	1980-81 276,800,000
1975-76	245,099,545	1981-82 283,600,000
1976-77	247,966,169	1982-83 290,600,000

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.

The permanent rate of the tax was increased from seven to thirteen cents per package of 20 cigarettes and the one cent tax per package previously levied to finance the bonds issued for the Korean Veteran's bonus was repealed in October 1967. The current rate of eighteen cents per package of 20 cigarettes was enacted in January 1970 by Act No. 1.

Beginning on July 1, 1971, 23 percent of the Cigarette Tax collections were transferred to the Parent Reimbursement Fund. The amount shown above as revenues for the 1971-72 fiscal year reflects the residual after the transfer of 23 percent for the last eleven months of that fiscal year's Cigarette Tax collections. The percentage of collection to be transferred to the Parent Reimbursement Fund was reduced to ten percent effective July 1, 1972. The amounts shown above for fiscal years, 1972-73 to 1974-75 represent 90 percent of collections. The transfer was suspended for the 1975-76 fiscal year by Act 19 of the 1975 Session providing for again transferring 10 percent of collections to the Parent Reimbursement Fund beginning July 1, 1976. Act 97, enacted June 23, 1976 permanently repealed the transfer providing that all Cigarette Tax collections be deposited in the General Fund.

The estimated revenue from the Cigarette Tax is \$257.4 million for fiscal 1977-78 and \$263.7 million for fiscal 1978-79.

Malt Beverage Tax

Actual		Estimated	
1971-72	\$24,397,332	1977-78	\$26,800,000
1972-73	24,416,781	1978-79	27,900,000
1973-74	25,178,651	1979-80	28,500,000
1974-75	23,815,902	1980-81	29,000,000
1975-76	25,048,191	1981-82	29,600,000
1976-77	25,762,500	1982-83	30,100,000

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

The tax rate is two-thirds of a 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.

Act No. 82, enacted May 9, 1975 amended the Malt Beverage Law providing a tax credit for domestic manufacturers of malt or brewed beverages. The credit is for "qualifying capital expenditures" and may not exceed the amount of the expenditures or \$100,000 a year. The Act was effective for the period January 1, 1974 to December 31, 1976.

Act No. 198, enacted July 9, 1976 extended the provisions of Act No. 82 until December 31, 1978.

The estimated revenue from the Malt Beverage Tax for fiscal 1977-78 is \$26.8 million and \$27.9 million for fiscal 1978-79.

Liquor Tax Revenue

Actual		Estimated	
1971-72	\$71,433,122	1977-78	\$82,500,000
1972-73	73,925,623	1978-79	85,500,000
1973-74	75,153,919	1979-80	88,100,000
1974-75	78,090,063	1980-81	90,700,000
1975-76	79,434,325	1981-82	93,400,000
1976-77	80,585,192	1982-83	96,200,000

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

The six percent sales tax is also imposed on all liquors sold in Pennsylvania and is reflected in the Sales and Use Tax receipts.

The estimated revenue from the Liquor Tax is \$82.5 million for fiscal year 1977-78 and \$85.5 million for fiscal 1978-79.

GENERAL FUND REVENUE SOURCES

Personal Income Tax

Actual	Estimated
1971-72 \$ 890,662,496	1977-78 \$1,361,100,000
1972-73 1,022,723,022	1978-79 1,543,300,000
1973-74 1,124,649,675	1979-80 1,628,100,000
1974-75 1,033,507,942	1980-81 1,681,900,000
1975-76 1,090,569,596	1981-82 1,835,600,000
1976-77 1,202,908,692	1982-83 1,998,200,000

The Tax Reform Act of 1971 enacted a Personal Income Tax effective for 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 nonresidents and nonresident trusts and estates. The tax was levied at a 3.5 percent rate on "taxable income" as defined by the Internal Revenue Code. The actual withholding rate in 1971 was accelerated to 5.2 percent in order to collect twelve months' revenue in an eight month period. Two special credit allowances were available: (1) a credit equal to 30 percent 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."

On June 24, 1971, the original Personal Income Tax law 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 as Act No. 93, imposing a flat rate of tax, at 2.3 percent, effective June 1, 1971, upon the gross income of all resident individuals, estates and trusts and nonresident individuals, estates and trusts having income derived from Pennsylvania. Credits for prepaid or withheld taxes and income taxes paid to other states by Pennsylvania residents are standard. Payments made under the previous law were also allowed as a credit. For those individuals with taxable incomes over \$1,000, other than wages subject to withholding, a declaration and partial payment of the estimated tax is required similar to those mandated by Federal law. Payments may be made annually on April 15 for calendar year taxpayers, twice yearly, three times yearly, or four times yearly, with the reporting frequency dependent upon the size of estimated income. There are special provisions provided for farm income.

Withholding became effective October 1, 1971 with provisions 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 effective retroactively to January 1974 with provisions providing: (1) a reduction to the rate of tax from 2.3 percent to 2.0 percent; (2) a withholding rate of 1.85 percent for the period May 1, 1974; (3) a 2.0 withholding rate effective January 1, 1975; (4) exemption of income from the U.S. Government for active duty performed outside the Commonwealth while a member of the Armed Forces; and (5) the consideration as a timely tax payment if the letter transmitting payment is postmarked on or before the due date. Effective January 1, 1978, Act No. 98 of the 1977 legislative session increased the rate of the tax to 2.2 percent, its current level.

A full or partial exemption or refund from the tax is provided for taxpayers who are eligible under standards of poverty defined in Act No. 32 of 1977. An individual is eligible for a 100 percent "poverty income" exemption or refund if total 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 percent of the tax is provided for a claimant whose income exceeds the applicable basic standards by no more than \$100. Thereafter, the allowable percentage exemption is reduced by 10 percent for each \$100 of total income.

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 capital gains purposes. For property acquired thereafter, the actual date of acquisition is to be used.

Personal Income Tax receipts of \$890,662,496 for fiscal 1971-72 are the total of all collections under the old tax declared unconstitutional and collections under the revised tax. A total amount of \$147,709,474 was collected under the unconstitutional tax in fiscal 1970-71 and all but \$12,642,166 had been transmitted to the State 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 revenue collections of those two years which were necessary to show the amounts against which appropriations could lawfully be made.

The estimated revenue from the Personal Income Tax is \$1,361.1 for the 1977-78 fiscal year and \$1,543.3 for 1978-79.

GENERAL FUND REVENUE SOURCES

Realty Transfer Tax

Actual		Estimated	
1971-72	\$40,502,147	1977-78	\$ 84,900,000
1972-73	49,646,922	1978-79	91,600,000
1973-74	49,717,130	1979-80	98,800,000
1974-75	44,930,458	1980-81	106,600,000
1975-76	54,510,021	1981-82	115,000,000
1976-77	67,159,957	1982-83	124,000,000

The Realty Transfer Tax is levied at the rate of one percent 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.

The estimated revenue from the Realty Transfer Tax is \$84.9 million for fiscal 1977-78 and \$91.6 million for fiscal 1978-79.

Inheritance Tax

Actual	Estimated
1971-72 \$127,259,239	1977-78 \$159,400,000
1972-73 134,767,165	1978-79 176,000,000
1973-74 132,059,291	1979-80 188,600,000
1974-75 126,327,999	1980-81 202,600,000
1975-76 139,344,368	1981-82 219,300,000
1976-77 146,463,730	1982-83 239,500,000

The Inheritance Tax is a transfer tax levied on the clear value of property to heirs of a deceased person. The rate is six percent of the value, after a personal exemption if passing to direct or lineal heirs, and fifteen percent without exemption if passing to collateral heirs. A tax rate increase from two to six percent 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 nine months after the death of a person whose property is being transferred. The time limit for filing returns was reduced from fifteen to nine 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 nonresidents. The tax is the difference between the Inheritance Tax imposed by the State and the credit allowed under the Federal Estate Tax.

The estimated revenue from the Inheritance Tax is \$159.4 million for fiscal 1977-78 and \$176.0 million for fiscal 1978-79.

GENERAL FUND REVENUE SOURCES

Minor and Repealed Taxes

Actual		Estimated	
1971-72	\$574,588	1977-78	\$600,000
1972-73	616,430	1978-79	600,000
1973-74	597,429	1979-80	600,000
1974-75	570,348	1980-81	600,000
1975-76	577,842	1981-82	600,000
1976-77	623,268	1982-83	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.

Spiritous 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 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 1977-78 the estimated revenue is \$600,000.

Liquor Store Profits

Actual		Estimated	
1971-72	\$52,000,000	1977-78	\$20,000,000
1972-73	52,000,000	1978-79	16,000,000
1973-74	48,000,000	1979-80	16,000,000
1974-75	44,000,000	1980-81	16,000,000
1975-76	63,000,000	1981-82	11,000,000
1976-77	27,000,000	1982-83	10,000,000

Liquor Store Profits represent the amount of profit from the operation of State Liquor Stores less 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 \$20.0 million for fiscal 1977-78 and at \$16.0 million in fiscal 1978-79.

Institutional Reimbursements

Actual		Estimated
1971-72	\$14,220,852	1977-78
1972-73	13,196,060	1978-79
1973-74	10,337,721	1979-80
1974-75	6,966,870	1980-81
1975-76	69	1981-82
1976-77		1982-83

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 where they were earned.

Institutional reimbursements continue to be treated as augmentations with the exception of those from correctional institutions, youth development centers and forestry camps which will be treated as revenues. Legislation was enacted to reduce the counties' liabilities for persons committed to these institutions by the county courts, to 75 percent of costs during 1971-72, 50 percent during 1972-73, 25 percent during 1973-74, and no liability thereafter.

Receipts after the 1973-74 fiscal period are a result of court settlements and late payments. No receipts are expected to be collected in 1977-78 or thereafter.

Licenses, Fees and Miscellaneous Revenue

Actual		Estimated	
1971-72	\$ 78,284,067	1977-78	\$ 90,738,000
1972-73	90,188,131	1978-79	88,368,000
1973-74	99,596,498	1979-80	92,000,000
1974-75	98,908,045	1980-81	95,500,000
1975-76	231,058,293	1981-82	100,200,000
1976-77	81,547,856	1982-83	104,100,000

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 provide the largest amounts of revenue to the General Fund are dog licenses, public utility assessment fees, insurance licenses and fees, vital statistics fees, professional license fees, and cigarette license fees.

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 only for a specific purpose. 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 \$90.2 million in fiscal 1977-78. Special fund transfers included are: Harness Racing, \$3.2 million and Horse Racing \$13.9 million.

Collections in the 1978-79 fiscal year will be approximately \$88.4 million. Estimated special fund transfers are Harness Racing \$4.3 million and Horse Racing, \$15.7 million.

GENERAL FUND REVENUE SOURCES

Fines, Penalties and Interest

Actual	Estimated
1971-72 \$ 6,457,494	1977-78 \$6,130,000
1972-73 8,375,499	1978-79 6,060,000
1973-74 9,816,985	1979-80 6,100,000
1974-75 11,282,966	1980-81 6,100,000
1975-76 11,507,703	1981-82 6,100,000
1976-77 8,428,884	1982-83 6,100,000

This revenue 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. The largest segment of the amounts received are fines for violations of the Vehicle Code.

Act No. 81, enacted June 17, 1976, which revised the Motor Vehicle Code, provided that motor law fines would no longer be deposited in the General Fund but instead would be deposited in the Motor License Fund.

Act No. 204, enacted July 15, 1976, the "Magisterial District Reform Act", provides that costs and expenses incident to district offices shall be paid by the county where located. Costs are to be collected by district justices and paid to the Commonwealth monthly to be deposited in the General Fund.

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. Because of the manner in which Federal funds were appropriated, they are now deposited as General Fund revenues rather than augmentations. They have not, however, been included in the revenue detail.

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
TAX REVENUE			
Corporate Net Income Tax	\$ 655,876,381	\$ 808,200,000	\$ 911,500,000
Capital Stock and Franchise Taxes			
Capital Stock Taxes—Domestic	\$ 130,962,241	\$ 136,500,000	\$ 142,000,000
Franchise Taxes—Foreign	79,789,663	83,100,000	86,500,000
Total	\$ 210,751,904	\$ 219,600,000	\$ 228,500,000
Utility Gross Receipts			
Telephone and Telegraph	\$ 57,931,374	\$ 63,400,000	\$ 70,800,000
Electric Hydroelectric and Water Power	155,299,968	218,700,000	220,300,000
Motor Transportation	631,559	700,000	700,000
Transportation	14,672,424	16,100,000	17,900,000
Gas	53,172,983	58,200,000	65,000,000
Total	\$ 281,708,308	\$ 357,100,000	\$ 374,700,000
Utility Property Tax	\$ 57,527,234	\$ 59,500,000	\$ 61,600,000
Insurance Premiums Tax			
Domestic Casualty	\$ 11,534,291	\$ 12,245,000	\$ 13,333,000
Domestic Marine	8,980	10,000	11,000
Domestic Fire	6,463,457	6,862,000	7,471,000
Domestic Life and Previously Exempted Lines	5,171,346	5,490,000	5,978,000
Unauthorized Insurance	165,597	176,000	192,000
Foreign Life	49,399,796	52,445,000	57,103,000
Foreign Excess Casualty	1,672,826	1,776,000	1,934,000
Foreign Marine	6,798	7,000	8,000
Foreign Excess Fire	663,970	705,000	768,000
Excess Insurance Brokers	1,515,377	1,609,000	1,750,000
Title Insurance	823,691	875,000	952,000
Total	\$ 77,426,129	\$ 82,200,000	\$ 89,500,000
Financial Institutions Taxes			
Trust Companies	\$ 4,084,415	\$ 4,300,000	\$ 4,500,000
State Banks	16,893,389	17,800,000	18,700,000
National Banks	35,905,399	37,800,000	39,700,000
State Mutual Thrift Institutions	11,676,097	10,300,000	10,900,000
Federal Mutual Thrift Institutions	7,455,118	6,600,000	7,000,000
Total	\$ 76,014,418	\$ 76,800,000	\$ 80,800,000

GENERAL FUND REVENUE DETAIL

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Other Selective Business Taxes			
Excise—Foreign	\$ 184,851	\$ -200,000	.....
Corporate Loans—Domestic	4,250,026	4,584,000	\$ 4,917,000
Corporate Loans—Foreign	746,601	805,000	865,000
Tax on Electric Cooperative Corporations	15,742	17,000	18,000
Corporate Net Income Tax on Agricultural Cooperative Association	64,900	70,000	75,000
Corporation Income	6,462,617	6,800,000	8,200,000
Gross Receipts-Private Bankers	22,020	24,000	25,000
Total	<u>\$ 11,746,757</u>	<u>\$ 12,100,000</u>	<u>\$ 14,100,000</u>
Sales and Use Tax	<u>\$1,524,514,577</u>	<u>\$1,705,500,000</u>	<u>\$1,814,100,000</u>
Cigarette Tax	<u>\$ 247,966,169</u>	<u>\$ 257,400,000</u>	<u>\$ 263,700,000</u>
Malt Beverage Tax	<u>\$ 25,762,500</u>	<u>\$ 26,800,000</u>	<u>\$ 27,900,000</u>
Liquor Tax	<u>\$ 80,585,192</u>	<u>\$ 82,500,000</u>	<u>\$ 85,500,000</u>
Personal Income Tax	<u>\$1,202,908,692</u>	<u>\$1,361,100,000</u>	<u>\$1,543,300,000</u>
Realty Transfer Tax	<u>\$ 67,159,957</u>	<u>\$ 84,900,000</u>	<u>\$ 91,600,000</u>
Inheritance Tax			
Resident Transfer Inheritance and Estate Tax	\$ 148,316,081	\$ 161,416,000	\$ 178,226,000
Nonresident Transfer Inheritance and Estate Tax	883,017	961,000	1,061,000
Expense Deduction from Resident Transfer, Direct Collateral Inheritance and Estate Tax	-2,740,875	-2,983,000	-3,294,000
Collateral Inheritance Tax	5,507	6,000	7,000
Total	<u>\$ 146,463,730</u>	<u>\$ 159,400,000</u>	<u>\$ 176,000,000</u>
Minor and Repealed Taxes			
Tax on Writs, Wills and Deeds	\$ 611,306	\$ 588,200	\$ 588,200
Distilled Spirits	1,608	1,500	1,500
Rectified Spirits	920	900	900
Wines	9,767	9,400	9,400
Repealed Taxes	-333	.....	.....
Total	<u>\$ 623,268</u>	<u>\$ 600,000</u>	<u>\$ 600,000</u>
TOTAL TAX REVENUE	<u>\$4,667,035,216</u>	<u>\$5,293,700,000</u>	<u>\$5,763,400,000</u>
NONTAX REVENUES			
Liquor Store Profits	<u>\$ 27,000,000</u>	<u>\$ 20,000,000</u>	<u>\$ 16,000,000</u>
Licenses, Fees and Miscellaneous			
Auditor General			
LICENSES AND FEES			
Miscellaneous Licenses	\$ 2,874	\$ 2,600	\$ 2,600
MISCELLANEOUS REVENUE			
Refunds of Expenditures not Credited to Appropriations	440	.....	.....
Subtotal	<u>\$ 3,314</u>	<u>\$ 2,600</u>	<u>\$ 2,600</u>

GENERAL FUND REVENUE DETAIL

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Treasury Department			
MISCELLANEOUS REVENUE			
Interest on Securities	\$ 20,102,726	\$ 26,599,000	\$ 25,000,000
Interest on Deposits	2,254,680	1,500,000	250,000
Allocation of Treasury Cost	558,265	262,600	. . . .
Premium on Discount on Tax Notes Sold	6,380	10,100	. . . .
Interest on Securities—Liquor License Fund	115,500	150,000	125,000
Re-deposit of Checks	1,410,070	588,300	. . . .
Refunds of Expenditures Not Credited to			
Appropriations	854	6,000	. . . .
Miscellaneous	219	. . . .	. . . .
Subtotal	<u>\$ 24,448,694</u>	<u>\$ 29,116,000</u>	<u>\$25,375,000</u>
Department of Agriculture			
LICENSES AND FEES			
Carbonated Beverage Licenses	\$ 31,150	\$ 31,000	\$ 31,000
Egg Certification Fees	21,692	22,000	22,000
Cold Storage Warehouse Licenses	4,625	4,025	4,025
Egg Opening Licenses	250	300	350
Seed Testing and Certification Fees	26,020	23,000	23,000
Bakery Licenses	33,664	34,750	34,000
Frozen Dessert Licenses	38,560	40,000	40,000
Livestock Dealers Licenses	4,597	5,000	5,000
Farm Products Dealers Licenses . . . . .	. . . .	7,500	7,500
Abattoir Licenses	24,388	12,500	12,500
Rendering Plant Licenses	470	410	500
Horse Slaughtering License	100	150	100
Approved Inspector's Certificate and			
Registration Fees	3,115	3,500	3,500
Garbage Feeders Licenses	850	900	900
Poultry Technician Licenses	105	130	125
Miscellaneous Licenses and Fees	11,570	14,000	11,000
Farm Product Inspection Fees	6,633	8,000	8,000
Coggins Test	69,335	90,000	90,000
Public Weighmaster's Liquid Fuels Licenses	4,552	4,700	4,700
Public Weighmaster's Solid Fuels Licenses	4,030	4,700	4,700
Livestock Branding Fees	40	200	100
Pesticide Dealers License and Fees . . . . .	. . . .	. . . .	18,000
Pesticide Application License and Fees . . . . .	. . . .	. . . .	108,000
MISCELLANEOUS REVENUE			
Sale of Surplus Products	72,869	76,000	82,000
Miscellaneous	181,978	1,500	1,500
Refunds of Expenditures Not Credited to			
Appropriations	9,235	1,000	1,000
Subtotal	<u>\$ 549,828</u>	<u>\$ 385,265</u>	<u>\$ 513,500</u>

GENERAL FUND REVENUE DETAIL

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Department of Community Affairs			
LICENSES AND FEES			
Municipal Indebtedness Fees	\$ 6,930	\$ 50,000	\$ 50,000
Land Office Fees	7,142	5,000	5,000
 MISCELLANEOUS REVENUE			
Miscellaneous	\$ 408,234	\$ 300,000	\$ 300,000
Refunds of Expenditures Not Credited to Appropriations	141,314	30,000	30,000
Subtotal	\$ 563,620	\$ 385,000	\$ 385,000
 Department of Commerce			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 586	\$ 26,000	\$ 26,000
Refunds of Expenditures Not Credited to Appropriations	120,851	10,425	10,425
Nursing Home Loans — Repayments	787,779	1,050,000	1,050,000
Subtotal	\$ 909,216	\$ 1,086,425	\$ 1,086,425
 Department of Education			
LICENSES AND FEES			
Secondary Education Evaluation Fees	\$ 32,997	\$ 35,000	\$ 35,000
Private Trade Schools License Fees	21,420	28,400	32,400
Business School License Fees	6,520	6,525	6,775
Correspondence School License Fees	3,295	3,900	4,900
Private Academic School License Fees	16,750	25,805	22,500
Private Driver Training School Fees	6,055	7,350	8,950
Teachers Certification Fees	218,779	320,000	510,000
 MISCELLANEOUS REVENUE			
Miscellaneous	1,751	6,000	6,000
Refunds of Expenditures Not Credited to Appropriations	99,096	. . . . .	. . . . .
Sale of Equipment . . . . .	. . . . .	1,950,000	75,000
Subtotal	\$ 406,663	\$ 2,382,980	\$ 701,525
 Probation and Parole			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 8,387	\$ 6,520	. . . . .
Subtotal	\$ 8,387	\$ 6,520	. . . . .
 Department of Environmental Resources			
LICENSES AND FEES			
Bathing Place	\$ 1,320	\$ 1,600	\$ 1,600
Sewage and Industrial Waste Permit Fees	42,250	47,250	47,250
Restaurant Licenses	18,124	18,110	18,110
Miscellaneous Licenses and Fees	301,743	328,000	327,000
Registration Fees for Organized Camps	8,319	9,810	9,810
Explosive Storage Permit Fees	61,210	55,000	55,000
Blasters' Examination and Licensing Fees	25,019	20,000	20,000
Examination and Certificate Fees	6,169	. . . . .	. . . . .
Bituminous Miners' Examination and Certificate Fees	2,697	. . . . .	. . . . .

GENERAL FUND REVENUE DETAIL

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Department of Environmental Resources (continued)			
LICENSES AND FEES (continued)			
Bituminous Shot Firers and Machine Runners			
Examination and Certificates	\$ 1,970	. . . . .	. . . . .
Anthracite Miners' Examination and			
Certificate Fees	102	. . . . .	. . . . .
Water Power and Supply Permit Fees	61,848	\$ 61,800	\$ 61,800
Dams and Encroachment Fees	125	600	600
Miscellaneous Fees	176,882	185,000	200,000
Coal Refuse Disposal Area-Permit Fees	2,105	4,000	4,000
Water Bacteria Logical Examinations	19,371	20,000	20,000
Sewage Enforcement Examination Fees	2,470	4,000	4,000
Sewage Enforcement-Certificate Copy Fees	3,745	470	470
 MISCELLANEOUS REVENUE			
Stumpage	1,617,649	1,500,200	1,750,200
Minerals Sales	102,056	178,000	213,500
Camp Leases	1,179,588	1,227,000	1,255,000
Water Leases	5,612	5,600	5,600
Rights-of-Way	109,622	107,000	109,000
Recovered Damages	7,933	3,109	3,000
Housing Rents	301,133	509,000	660,000
Ground Rents	86,461	96,100	106,700
Royalties for Recovery of Materials-			
Schuylkill River	19,063	20,000	25,000
Costs of Extinguishing Forest Fires	19,422	15,000	15,000
Sale of Seedlings	60,500	52,000	52,000
Concession Revenues	385,047	400,000	425,000
Miscellaneous	58,361	40,290	42,400
Surface Subsident Assistance Loans	3,660	4,740	4,740
Refunds of Expenditures Not Credited to Appropriations	55,603	. . . . .	. . . . .
Subtotal	\$ 4,747,179	\$ 4,913,679	\$ 5,436,780
 Department of General Services			
MISCELLANEOUS REVENUE			
Sale of State Property	\$ 35,456	\$ 20,000	\$ 30,000
Sale of Publications	63,903	65,000	75,000
Sale of Unserviceable Property	221,865	185,000	220,000
Rental of State Property	38,759	20,000	40,000
Recovery on Insurance and Surety Bonds	284	300	300
Mileage of State Automobiles	592,740	550,000	650,000
Contract Forfeitures and Damages	1,988	3,000	3,000
Allocation of Property Costs	4,414,482	4,842,000	5,326,000
Real Estate Services	117,703	90,000	120,000
Miscellaneous	457,301	130,000	200,000
Refunds of Expenditures Not Credited to Appropriations	131,055	75,000	75,000
Subtotal	\$ 6,075,536	\$ 5,980,300	\$ 6,739,300
 Governor's Office			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 2,634	\$ 50,000	\$ 50,000
Refunds of Expenditures Not Credited to Appropriations	46,149	75,000	75,000
Subtotal	\$ 48,783	\$ 125,000	\$ 125,000

GENERAL FUND REVENUE DETAIL

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Lieutenant Governor's Office			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited			
to Appropriations	\$ 535	. . . . .	. . . . .
Subtotal	<u>\$ 535</u>	. . . . .	. . . . .
House of Representatives			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited			
to Appropriations	\$ 299	. . . . .	. . . . .
Subtotal	<u>\$ 299</u>	. . . . .	. . . . .
Department of Health			
LICENSES AND FEES			
Vital Statistics Fees	\$ 1,252,613	\$ 1,300,000	\$ 1,300,000
Registration Fees-Drugs Devices and			
Cosmetics Act	199,414	200,000	200,000
Application Fees-Analytical, Biochemist,			
Biological Laboratory Act	37,800	38,000	38,000
Profit Making Hospital Licenses	1,800	2,000	2,000
Nursing Home Licenses	14,660	15,000	15,000
MISCELLANEOUS REVENUE			
Miscellaneous	2,458	3,000	3,000
Refunds of Expenditures Not Credited			
to Appropriations	12,316	1,000	1,000
Subtotal	<u>\$ 1,521,061</u>	<u>\$ 1,559,000</u>	<u>\$ 1,559,000</u>
Pennsylvania Historical and Museum Commission			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 3,044	\$ 500	\$ 500
Refunds of Expenditures Not Credited			
to Appropriations	2,583	14,250	600
Subtotal	<u>\$ 5,627</u>	<u>\$ 14,750</u>	<u>\$ 1,100</u>
Pennsylvania Securities Commission			
LICENSES AND FEES			
Securities Registration	\$ 305,038	\$ 350,000	\$ 385,000
Securities Dealers' Application Fees	84,118	110,000	120,000
Securities Salesmen Application Fees	288,956	380,000	300,000
Investment Advisors' Application Fees	24,944	3,000	30,000
Exemption Certificates Fees	166,932	180,000	200,000
Takeover Disclosure Fee	2,900	10,000	15,000
MISCELLANEOUS REVENUE			
Miscellaneous	7,550	8,000	10,000
Refunds of Expenditures Not Credited to			
Appropriations	5	. . . . .	. . . . .
Subtotal	<u>\$ 880,443</u>	<u>\$ 1,041,000</u>	<u>\$ 1,060,000</u>

GENERAL FUND REVENUE DETAIL

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Insurance Department			
LICENSES AND FEES			
Agents' Licenses	\$ 1,703,595	\$ 1,500,000	\$ 1,874,000
Brokers' Licenses	324,404	350,000	341,000
Examination Fees and Expenses	523,260	670,000	556,000
Valuation of Policies Fees	515,831	539,000	638,000
Examination Fees for Brokers and Agents			
Applications	135,855	150,000	140,000
Miscellaneous Fees	229,106	225,000	235,000
Miscellaneous Licenses	59,000	60,000	61,000
MISCELLANEOUS REVENUE			
Miscellaneous	608	. . . . .	. . . . .
Refunds of Expenditures Not Credited to Appropriations	1,397	880	. . . . .
Subtotal	\$ 3,493,056	\$ 3,494,880	\$ 3,845,000
Department of Justice			
LICENSES AND FEES			
Boards of Pardons Fees	\$ 10,032	\$ 10,000	\$ 10,000
MISCELLANEOUS REVENUE			
Crime Victim's Award Restitution . . . . .	. . . . .	. . . . .	50,000
Anti-Trust Case Payments	209	. . . . .	. . . . .
Assessed Civil Penalties Payments	7,650	8,000	50,000
Miscellaneous	3,799	4,000	4,000
Refunds of Expenditures Not Credited to Appropriations	234,426	235,000	235,000
Crime Conviction-Imposed Cost	406,432	545,000	750,000
Subtotal	\$ 662,548	\$ 802,000	\$ 1,099,000
Legislative Miscellaneous and Commissions			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 722	. . . . .	. . . . .
Subtotal	\$ 722	. . . . .	. . . . .
State Civil Service Commission			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 289	. . . . .	. . . . .
Subtotal	\$ 289	. . . . .	. . . . .
Department of Labor and Industry			
LICENSES AND FEES			
Bedding and Upholstery Fees	\$ 221,153	\$ 225,000	\$ 225,000
Boiler Inspection Fees	434,757	450,000	450,000
Elevator Inspection Fees	452,842	500,000	500,000
Employment Agents' Licenses	72,760	80,000	75,000
Projectionists' Examination and License Fees	12,732	15,000	15,000
Approval of Elevator Plan Fees	40,850	35,000	45,000
Industrial Homework Permit Fees	2,300	4,000	4,000
Workmen's Compensation Exemption Fees	36,900	35,000	40,000

GENERAL FUND REVENUE DETAIL

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Department of Labor and Industry (continued)			
LICENSES AND FEES			
Employment Agents' Registration Fees	\$ 19,787	\$ 23,000	\$ 20,000
Liquified Petroleum Gas Registration Fees	96,265	100,000	100,000
Stuffed Toys Manufacturers Registration Fees	9,825	10,000	10,000
Approval of Building Plan Fees	662,515	600,000	700,000
MISCELLANEOUS REVENUE			
Miscellaneous	7,977	15,000	10,000
Refunds of Expenditures Not Credited to Appropriations	220,918	458,300	200,000
Subtotal	<u>\$ 2,291,581</u>	<u>\$ 2,550,300</u>	<u>\$ 2,394,000</u>
Pennsylvania Municipal Retirement Board			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 463	. . . . .	. . . . .
Subtotal	<u>\$ 463</u>	. . . . .	. . . . .
Public Utility Commission			
LICENSES AND FEES			
General Assessment Fees	\$ 24	\$ 100	\$ 100
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	152	100	1,900
Subtotal	<u>\$ 176</u>	<u>\$ 200</u>	<u>\$ 2,000</u>
Department of Public Welfare			
LICENSES AND FEES			
Private Mental Hospital Licenses	\$ 1,787	\$ 2,000	\$ 2,000
MISCELLANEOUS REVENUE			
Miscellaneous	1,075	1,500	1,500
Refunds of Expenditures Not Credited to Appropriations	245,505	200,000	200,000
Subtotal	<u>\$ 248,367</u>	<u>\$ 203,500</u>	<u>\$ 203,500</u>
State Council of Civil Defense			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 636	\$ 1,600	. . . . .
Subtotal	<u>\$ 636</u>	<u>1,600</u>	. . . . .
State Equalization Board			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 701	. . . . .	. . . . .
Subtotal	<u>\$ 701</u>	. . . . .	. . . . .
Department of Military Affairs			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 226,841	\$ - 6,900	\$ 15,000
Refunds of Expenditures Not Credited to Appropriations	18,611	17,500	18,000
Subtotal	<u>\$ 245,452</u>	<u>\$ 24,400</u>	<u>\$ 33,000</u>

GENERAL FUND REVENUE DETAIL

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Department of Revenue			
LICENSES AND FEES			
Cigarette Permit Fees	\$ 191,429	\$ 195,000	\$ 195,000
Certificate and Copy Fees	9,028	8,000	8,000
Dog Licenses	1,234,896	1,212,513	1,242,616
MISCELLANEOUS REVENUE			
Abandoned Property Revenue	3,510,040	2,835,736	2,845,485
Reimbursement of Tax Liens	2,881	3,000	3,000
Waterway Obstruction Rents	45	50	50
Miscellaneous	6,390	6,000	6,000
Refunds of Expenditures Not Credited to Appropriations	21,371	20,000	20,000
District Justice Cost	2,927,998	7,400,000	7,400,000
Subtotal	<u>\$ 7,904,078</u>	<u>\$ 11,680,299</u>	<u>\$ 11,720,151</u>
Department of State			
LICENSES AND FEES			
Commission and Filing — Corporation			
Bureau	\$ 2,977,576	\$ 2,720,000	\$ 3,100,000
Recorder of Deeds Fees	22,821	25,000	23,000
Notary Public Commission Fees	344,850	290,000	350,000
State Board of Pharmacy Fees	108,116	122,217	113,025
State Dental Council and Examining Board Fees	142,233	41,110	149,338
State Board of Optometrical Examiners' Fees	1,483	. . . . .	. . . . .
State Board of Examiners for Registration of Nurses' Fees	394,045	937,184	413,750
State Board of Veterinary Medical Examiners Fees	28,735	10,725	30,175
State Board of Public Accountant Fees	268,384	245,236	281,803
State Board of Examiners of Architects' Fees	60,872	61,280	63,915
State Board of Funeral Directors Fees	24,965	113,425	26,213
State Board of Professional Engineers Fees	350,951	90,265	368,498
State Real Estate Commissions License Fees	126,613	364,078	132,945
State Board of Barber Examiners Fees	32,641	157,587	34,275
State Board of Cosmetology Fees	73,988	628,407	77,687
State Board of Psychologist Examiners Fees	11,434	34,228	12,006
State Board of Chiropractic Examiners Fees	18,412	5,840	19,335
State Board of Landscape Architects	15,565	8,920	23,347
State Board of Motor Vehicle Salesman	403,589	338,825	423,767
State Board of Nursing Home Administrators Fees	12,601	27,325	13,230
Commissions and Filing Fees — Bureau of Elections	29,932	32,000	35,000
State Board of Physical Therapist Examiners	38,297	12,750	40,210
MISCELLANEOUS REVENUE			
Miscellaneous . . . . .	. . . . .	300	. . . . .
Refunds of Expenditures Not Credited to Appropriations	2,481	600	. . . . .
Subtotal	<u>\$ 5,490,584</u>	<u>\$ 6,267,302</u>	<u>\$ 5,731,519</u>
Pennsylvania State Police			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 125,301	\$ 100,000	\$ 100,000
Reimbursement for Lost Property	700	600	600
Refunds of Expenditures Not Credited to Appropriations	102,263	60,000	60,000
Subtotal	<u>\$ 228,264</u>	<u>\$ 160,600</u>	<u>\$ 160,600</u>

GENERAL FUND REVENUE DETAIL

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Pennsylvania Public Television			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to			
Appropriations	\$ 1,237	\$ 400	. . . . .
Subtotal	<u>\$ 1,237</u>	<u>\$ 400</u>	. . . . .
Pennsylvania Department of Transportation			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited			
to Appropriations	\$ 245,786	\$ 215,000	\$ 225,000
Subtotal	<u>\$ 245,786</u>	<u>\$ 215,000</u>	<u>\$ 225,000</u>
Other			
MISCELLANEOUS REVENUE			
Conscience Money	\$ 82	\$ 1,000	\$ 1,000
Transfer from Harness Racing Fund	4,066,652	3,189,000	4,282,000
Transfer from Horse Racing Fund	14,297,073	13,888,000	15,686,000
Transfer from World War II Veterans'			
Compensation Sinking Fund	1,322,396	. . . . .	. . . . .
Transfer from Administration Fund	582,734	. . . . .	. . . . .
Transfer from Unemployment Compensation			
Benefit Payment Fund	243,405	. . . . .	. . . . .
Transfer from Pennsylvania Fair Fund	52,389	. . . . .	. . . . .
Transfer from State Lottery Fund . . . . .	. . . . .	1,261,000	. . . . .
Subtotal	<u>\$ 20,564,731</u>	<u>\$ 18,339,000</u>	<u>\$ 19,969,000</u>
Total Licenses, Fees and Miscellaneous	<u>\$ 81,547,856</u>	<u>\$ 90,738,000</u>	<u>\$ 88,368,000</u>
Fines, Penalties and Interest on Taxes			
Penalties on Excise Taxes—Corporations	\$ 436,932	\$ 427,600	\$ 427,600
Interest on Excise Taxes—Corporation			
(Department of Revenue)	1,894,580	1,854,200	1,854,200
Corporation Net Income Tax	3,588,920	3,512,400	3,512,400
Realty Transfer Tax	5,934	5,800	5,800
Other Fines and Penalties			
Department of Agriculture			
General Food Fines	\$ 21,786	\$ 22,000	\$ 22,000
Pesticide Fines and Penalties . . . . .	. . . . .	. . . . .	1,000
Egg Fines	1,791	1,500	1,500
Marketing Law Fines	1,685	2,000	2,000
Miscellaneous	16,764	3,000	3,000
Department of Environmental Resources			
Miscellaneous Fines	11,629	12,000	12,000
Solid Waste Management	3,919	5,000	5,000
Department of General Services			
Traffic Violations	21,653	23,000	23,000
Department of Insurance			
Miscellaneous Fines	42,578	40,000	46,000
Department of Labor and Industry			
Miscellaneous Fines	5,013	1,000	5,000
Minor Labor Law Fines	600	500	600
Fire Alarm and Panic Fines	170	400	200
Boiler Inspection Fines	150	100	150

GENERAL FUND REVENUE DETAIL

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Other Fines and Penalties (continued)			
Department of Labor and Industry (continued)			
Bedding and Upholstery Fees	\$ 325	\$ 50	\$ 400
Elevator Inspection Fines	25	25	25
Department of Military Affairs			
Court Martial Fines	295	500	500
Public Utility Commission			
Violation of Order Fines	86,743	90,000	125,000
Department of Revenue			
Malt Liquor Fines and Penalties	531	2,500	2,500
Miscellaneous Fines . . . . .	. . . . .	5,000	4,125
Spirituuous and Vinuous Liquor Fines and Penalties	368	500	500
Motor Law Fines	2,282,858	103,180	. . . . .
Sabbath Breaking Fines	485	500	500
Dog Law Fines	15	. . . . .	. . . . .
Department of State			
Professional Licensing Fines	3,135	17,245	5,000
Total Fines Penalties and Interest	\$ 8,428,884	\$ 6,130,000	\$ 6,060,000
TOTAL NONTAX REVENUE	\$ 116,976,740	\$ 116,868,000	\$ 110,428,000
TOTAL GENERAL FUND REVENUES	\$4,784,011,956	\$5,410,568,000	\$5,873,828,000

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 rights-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.

Financial Statement*

	(Dollar Amounts in Thousands)	
	1977-78	1978-79
Beginning Balance	\$ 8,907	\$ 29,545
Receipts:		
Revenue Estimate	846,700	879,920
Prior Year Lapses	13,313	.....
Funds Available	<u>\$868,920</u>	<u>\$909,465</u>
Expenditures:		
Appropriated	\$833,133	\$908,690
Deficiency and Pending Appropriations	6,892	.....
Less Current Year Lapses	<u>-650</u>	.....
Estimated Expenditures	<u>-839,375</u>	<u>-908,690</u>
Ending Balance	<u>\$ 29,545</u>	<u>\$ 775</u>

*Includes restricted revenue.

Summary by Department

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Department of Transportation			
General Government			
General Government Operations	\$ 22,168	\$ 19,935	\$ 18,744
Refunding Monies Collected Through The			
Department of Transportation	753	850	877
Highway and Safety Construction	45,994	50,000	45,356
Highway Maintenance	353,645	264,906	339,332
Secondary Roads—Maintenance and			
Resurfacing	55,743	56,930	58,976
Safety Administration and Licensing	37,104	37,042	34,188
Aviation Operations	3,871	4,407	4,528
Subtotal	<u>\$ 519,278</u>	<u>\$ 434,070</u>	<u>\$ 502,001</u>
Debt Service Requirements			
State Highway and Bridge Authority Rentals	<u>\$ 35,301</u>	<u>\$ 35,500</u>	<u>\$ 33,150</u>
Grants and Subsidies			
Local Road Maintenance and Construction			
Payments	\$ 85,200	\$ 88,570	\$ 89,811
Airport Development	877	1,511	3,000
Subtotal	<u>\$ 86,077</u>	<u>\$ 90,081</u>	<u>\$ 92,811</u>
Total State Funds	<u>\$ 640,656</u>	<u>\$ 559,651</u>	<u>\$ 627,962</u>
Federal Funds	\$ 291,042	\$ 319,481	\$ 160,904
Other Funds	38,264	34,909	15,876
DEPARTMENT TOTAL	<u>\$ 969,962</u>	<u>\$ 914,041</u>	<u>\$ 804,742</u>
Treasury Department			
General Government			
Replacement Checks	\$ 50	\$ 50	\$ 50
Refunding Liquid Fuel Tax—Agricultural Use	4,081	4,500	5,000
Administration of Refunding Liquid Fuel			
Tax—Agricultural Use	60	72	76
Refunding Liquid Fuel Tax—State Share	5,000	5,500	5,500
Refunding Emergency Fuel Tax	1	1	1
Refunding Liquid Fuel Tax—Political			
Subdivision Use	680	900	1,000
Administration of Refunding Liquid Fuel			
Tax—Political Subdivision Use	46	52	56
Refunding Liquid Fuels Tax—Volunteer Fire			
Companies, Ambulance Services, and			
Rescue Squads	30	100	100
Administration of Refunding Liquid Fuels Tax—			
Volunteer Fire Companies, Ambulance Services			
and Rescue Squads	31	29	33
Refunding Marine Liquid Fuel Tax—Boating			
Fund	1,400	1,500	1,700
Subtotal	<u>\$ 11,378</u>	<u>\$ 12,704</u>	<u>\$ 13,516</u>

Summary by Department
(continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Treasury Department (continued)			
Debt Service Requirements			
Capital Debt—Transportation Projects	\$ 142,839	\$ 163,262	\$ 168,489
Capital Debt—General State Authority Projects	179	180	293
Loan and Transfer Agent	100	100	100
Subtotal	<u>\$ 143,118</u>	<u>\$ 163,542</u>	<u>\$ 168,882</u>
DEPARTMENT TOTAL	<u>\$ 154,496</u>	<u>\$ 176,246</u>	<u>\$ 182,398</u>
Department of Education			
Grants and Subsidies			
Safe Driving Course	\$ 4,351	\$ 4,408	\$ 4,202
Total State Funds	<u>\$ 4,351</u>	<u>\$ 4,408</u>	<u>\$ 4,202</u>
Federal Funds	\$ 53	\$ 71	\$ 72
DEPARTMENT TOTAL	<u>\$ 4,404</u>	<u>\$ 4,479</u>	<u>\$ 4,274</u>
Department of General Services			
Debt Service Requirements			
General State Authority Rentals	\$ 1,366	\$ 1,450	\$ 1,450
Department of Revenue			
General Government			
Collection—Liquid Fuels Tax	\$ 2,883	\$ 3,276	\$ 3,436
Pennsylvania State Police			
General Government			
Transfer to General Fund	\$ 83,484	\$ 93,641	\$ 87,942
Transfer to General Fund—Municipal Police Training	1,400	1,353	1,300
DEPARTMENT TOTAL	<u>\$ 84,884</u>	<u>\$ 94,994</u>	<u>\$ 89,242</u>
Fund Summary			
State Funds—Transportation	\$ 640,656	\$ 559,651	\$ 627,962
State Funds—Other Departments	247,980	280,374	280,728
Total State Funds	<u>\$ 888,636</u>	<u>\$ 840,025</u>	<u>\$ 908,690</u>
Federal Funds	\$ 291,095	\$ 319,552	\$ 160,976
Other Funds	38,264	34,909	15,876
FUND TOTAL	<u>\$1,217,995</u>	<u>\$1,194,486</u>	<u>\$1,085,542</u>

MOTOR LICENSE FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Estimated	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
Liquid Fuels Taxes	\$476,018	\$492,350	\$502,350	\$515,650	\$529,050	\$542,950	\$556,950
Motor Licenses and Fees	302,163	316,660	338,960	353,080	332,300	343,330	348,100
Aviation Revenues	4,939	5,300	5,400	5,500	5,800	5,700	5,800
Other Motor Receipts	30,151	32,390	33,210	34,510	35,910	37,310	38,810
TOTAL MOTOR LICENSE FUND REVENUES	<u><u>\$813,271</u></u>	<u><u>\$846,700</u></u>	<u><u>\$879,920</u></u>	<u><u>\$908,740</u></u>	<u><u>\$903,060</u></u>	<u><u>\$929,290</u></u>	<u><u>\$949,660</u></u>

* Liquid Fuels are on an accrual bookkeeping basis.

ADJUSTMENTS TO REVENUE ESTIMATE

On June 30, 1977, the Secretary of Revenue submitted an official estimate for the 1977-78 fiscal year of \$826,280,000.

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)		1977-78 Revised Estimate
	1977-78 Official Estimate	Adjustments	
Liquid Fuels Taxes	\$485,050	\$ 7,300	\$492,350
Motor Licenses and Fees	309,670	6,990	316,660
Aviation Revenues	*	5,300	5,300
Other Motor Receipts	31,560	830	32,390
TOTAL	<u>\$826,280</u>	<u>\$20,420</u>	<u>\$846,700</u>

*Aviation Revenues are not included in the Official Estimate.

MOTOR LICENSE FUND REVENUE SOURCES

LIQUID FUELS TAXES

Actual		Estimated	
1971-72	\$372,381,204	1977-78	\$492,350,000
1972-73	418,162,967	1978-79	502,350,000
1973-74	400,533,990	1979-80	515,650,000
1974-75	486,329,227*	1980-81	529,050,000
1975-76	469,681,414	1981-82	542,950,000
1976-77	476,018,152	1982-83	556,950,000

The revenues are derived from four separate sources: Liquid Fuels 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 Fuels Tax Fund. Fuels sold and delivered to the U.S. Government, the Commonwealth and any of its political subdivisions, public authorities and nonprofit 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 allowed discounts, are paid into the Motor License Fund and the Liquid Fuels Tax Fund in the same proportion as the Liquid Fuels Tax monies. Exempt from 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 nonprofit, private 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 not 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 nine cent rate became effective September 1, 1974.

* Liquid Fuels Taxes for 1974-1975 reflect the shift from a cash to accrual bookkeeping basis. All later years are on an accrual basis. The cash to accrual basis includes deposits for July plus the deposits in the first five deposit days of August.

MOTOR LICENSE FUND REVENUE SOURCES

MOTOR LICENSES AND FEES

Actual	Estimated
1971-72 .....\$169,723,542	1977-78 .....\$316,660,000
1972-73 177,684,577	1978-79 338,960,000
1973-74 184,891,563	1979-80 353,080,000
1974-75 199,020,766	1980-81 332,300,000
1975-76 271,671,855	1981-82 343,330,000
1976-77 302,162,891	1982-83 348,100,000

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 learner's permits, operator's licenses, certificates of title and transfers of registration.

AVIATION REVENUES

Actual	Estimated
1971-72 .....\$4,028,037	1977-78 .....\$5,300,000
1972-73 4,242,808	1978-79 5,400,000
1973-74 4,426,990	1979-80 5,500,000
1974-75 5,032,231	1980-81 5,800,000
1975-76 4,991,705	1981-82 5,700,000
1976-77 4,938,708	1982-83 5,800,000

Aviation revenue is derived from taxes levied on aviation gasoline and jet fuel, and from income earned for jet or turbo-jet aircraft. Airport income consists primarily of rents, concessions, utility refunds and landing fees. (Effective during the 1973-74 fiscal year, utility refunds became 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	
1971-72	\$12,030,162	1977-78	\$32,390,000
1972-73	13,564,084	1978-79	33,210,000
1973-74	11,914,450	1979-80	34,510,000
1974-75	12,715,275	1980-81	35,910,000
1975-76	19,448,724	1981-82	37,310,000
1976-77	30,151,270	1982-83	38,810,000

Other Motor License Fund revenues are derived from three sources:

Fines — This category consists of aeronautics fines collected under the Fuel Use Tax Act and certain vehicle code fines. The estimates for 1976-77 and beyond reflect the effect of Act 81 of 1976 on fines deposited in the Motor License Fund.

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. 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.

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
LIQUID FUELS TAXES*			
Liquid Fuels Tax			
Liquid Fuels Tax	\$414,454,341	\$427,055,000	\$434,354,000
Liquid Fuels Tax Penalties	17,640	18,000	19,000
Liquid Fuels Tax Interest	25,729	27,000	27,000
Liquid Fuels Tax Discount Forfeited	295	. . . . .	. . . . .
Total	<u>\$414,498,005</u>	<u>\$427,100,000</u>	<u>\$434,400,000</u>
Fuel Use Tax			
Fuel Use Tax	\$ 55,781,514	\$ 59,556,000	\$ 61,946,000
Fuel Use Tax Penalties	139,714	149,000	155,000
Fuel Use Tax Interest	89,164	95,000	99,000
Total	<u>\$ 56,010,392</u>	<u>\$ 59,800,000</u>	<u>\$ 62,200,000</u>
Motor Carriers Road Tax			
Motor Carriers Road—Fuels Tax	\$ 4,217,938	\$ 4,195,000	\$ 4,451,000
Motor Carriers Road Tax Penalties	97,264	97,000	103,000
Motor Carriers Road Tax Interest	11,432	11,000	12,000
Motor Carriers Road Tax Registration Fees and Special Permit Fees	600,538	597,000	634,000
Total	<u>\$ 4,927,172</u>	<u>\$ 4,900,000</u>	<u>\$ 5,200,000</u>
Interstate Bus Compact Fuels Tax			
Interstate Bus Compact Fuels Tax	\$ 580,793	\$ 548,000	\$ 548,000
Interstate Bus Compact Tax Penalties	606	1,000	1,000
Interstate Bus Compact Fuels Tax Interest	1,184	1,000	1,000
Total	<u>\$ 582,583</u>	<u>\$ 550,000</u>	<u>\$ 550,000</u>
TOTAL LIQUID FUELS TAXES	<u>\$476,018,152</u>	<u>\$492,350,000</u>	<u>\$502,350,000</u>
MOTOR LICENSES AND FEES			
Passenger Motor Vehicles Licenses	\$127,509,620	\$138,100,000	\$143,100,000
Commercial Motor Vehicle and Truck Tractor Licenses	91,014,943	90,100,000	90,100,000
Motor Bus and Omnibus Licenses	705,859	750,000	780,000
Tractor Licenses	243,137	250,000	250,000
Trailer and Semi-Trailer Licenses	4,116,090	4,200,000	4,300,000
Motorcycle and Motor Bicycle Licenses	2,227,313	2,700,000	2,800,000
Manufacturers' Jobbers' and Dealers Licenses	2,167,306	2,200,000	2,200,000

* Liquid Fuel Taxes are on an accrual bookkeeping basis.

MOTOR LICENSE FUND REVENUE DETAIL

MOTOR LICENSES AND FEES (continued)	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Suburban Licenses	\$ 5,772,033		
Special License Plates	936,420	\$ 300,000	\$ 300,000
Temporary Registration Plates	1,163,035	1,230,000	1,270,000
Operators' Licenses	36,638,089	44,100,000	59,800,000
Certificates of Title Fees	14,401,200	13,300,000	13,800,000
Transferring Registration Fees	4,431,513	4,400,000	4,600,000
Duplicating Registration Card Fees	1,285,580	1,200,000	1,240,000
Certified Copies of Records Fees	154,684	210,000	210,000
Uncollectible Check Fees	260,242	350,000	350,000
Motor Homes Licenses	962,766	950,000	980,000
Farm Trucks Licenses	188,531	250,000	250,000
Ambulance, Taxis and Hearses Licenses	30,877	50,000	50,000
Antique and Classic Licenses	118,947	170,000	180,000
Returned Checks Collected	900,383	1,040,000	1,040,000
Miscellaneous Licenses and Fees	1,835,084	1,800,000	1,800,000
Deduct Returned Checks	-1,226,991	-1,400,000	-1,400,000
Sale of Registration Lists	59,135	60,000	60,000
Special Hauling Permit Fees	4,956,147	4,900,000	5,300,000
Clearing Account and Adjustments	1,454,856	1,450,000	1,450,000
Fees - Recording - Changing Security Interest Titles		4,000,000	4,150,000
June 1976 Clearing Account	-143,908		
TOTAL MOTOR LICENSES AND FEES	<u>\$302,162,891</u>	<u>\$316,660,000</u>	<u>\$338,960,000</u>

AVIATION REVENUES

Aviation Liquid Fuels Tax	\$ 3,191,693	\$ 3,225,000	\$ 3,290,000
Harrisburg International Airport Operations	1,577,481	1,600,000	1,625,000
State Airport Operations	169,534	475,000	485,000
TOTAL AVIATION REVENUES	<u>\$ 4,938,708</u>	<u>\$ 5,300,000</u>	<u>\$ 5,400,000</u>

OTHER MOTOR FUND REVENUES

Gross Receipts Tax			
Gross Receipts Tax	\$ 126,043	\$ 130,000	\$ 130,000
Gross Receipts Penalties	122	. . . . .	. . . . .
Gross Receipts Interest	4	. . . . .	. . . . .
Total	<u>\$ 126,169</u>	<u>\$ 130,000</u>	<u>\$ 130,000</u>
Department of Transportation			
Vehicle Code Fines	\$ 13,816,012	\$ 14,000,000	\$ 14,500,000
Total	<u>\$ 13,816,012</u>	<u>\$ 14,000,000</u>	<u>\$ 14,500,000</u>
Miscellaneous Revenue			
Treasury Department			
Interest on Securities	\$ 2,935,274	\$ 3,400,000	\$ 3,000,000
Interest on Securities Liquid Fuels Tax Fund	445,530	500,000	500,000
Redeposit of Checks	38,284	70,000	. . . . .
Interest on Deposit - Motor License Fund	247	. . . . .	. . . . .
Department of General Services			
Sale of Unserviceable Property	229,170	130,000	150,000
Rent of State Property	222	. . . . .	. . . . .
Sale of Real Estate	45,893	20,000	30,000

MOTOR LICENSE FUND REVENUE DETAIL

OTHER MOTOR FUND REVENUES (continued)	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Miscellaneous Revenue (continued)			
Department of Transportation			
Highway Encroachment Permits	\$ 683,743	\$ 697,000	\$ 712,000
Highway Bridges Income	43,406	70,000	77,000
Sale of Structures	40,351	75,000	75,000
Rentals of State Property	566,967	. . . . .	. . . . .
Sale of Maps and Plans	244,831	245,000	125,000
Sale of Gas, Oil and Anti-Freeze	1,610,526	1,650,000	1,700,000
Recovered Damages	1,876,324	2,072,000	2,412,000
Contract Deposit Forfeitures	9,443	6,000	6,000
Sale of Inspection Stickers	3,751,609	4,125,000	4,418,000
Insurance Information and Certified			
Copy Fees	2,622,273	4,475,000	4,604,000
Miscellaneous Revenues	968,109	706,000	752,000
Refunds of Expenditures Not Credited to			
Appropriations or Allocations	87,545	. . . . .	. . . . .
Fees for Reclaiming Abandoned Vehicles	7,335	16,000	16,000
Sale of Abandoned Vehicles	1,682	3,000	3,000
Department of Revenue			
Refunds of Expenditures Not Credited			
to Appropriations	277	. . . . .	. . . . .
Miscellaneous Revenue	48	. . . . .	. . . . .
Total Miscellaneous	\$ 16,209,089	\$ 18,260,000	\$ 18,580,000
TOTAL OTHER MOTOR FUND REVENUES . . .	\$ 30,151,270	\$ 32,390,000	\$ 33,210,000
TOTAL MOTOR LICENSE FUND REVENUES . .	\$813,271,021	\$846,700,000	\$879,920,000

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)	
	1977-78	1978-79
Beginning Balance	\$17,466	\$17,166
Receipts:		
Revenue Estimate	21,599	21,315
Prior Year Lapses	248	. . . .
Funds Available	<u>\$39,313</u>	<u>\$38,481</u>
Expenditures:		
Appropriated	\$22,447	\$23,420
Less Current Year Lapses	<u>-300</u>	<u>. . . .</u>
Estimated Expenditures	<u>-22,147</u>	<u>-23,420</u>
Ending Balance:	<u><u>\$17,166</u></u>	<u><u>\$15,061</u></u>

Summary by Department

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Game Commission			
General Government			
General Operations	\$20,160	\$21,509	\$20,068
Treasury Department			
General Government			
Replacement Checks	\$ 2	\$ 2	\$ 2
Total State Funds	<u>\$20,162</u>	<u>\$21,511</u>	<u>\$20,070</u>
Federal Funds	\$ 107	\$ 500	\$ 2,850
Other Funds	447	436	500
FUND TOTAL	<u>\$20,716</u>	<u>\$22,447</u>	<u>\$23,420</u>

GAME FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
	Actual	Estimated	Budget	Estimated	Estimated	Estimated	Estimated
Licenses and Fees	\$14,544	\$14,794	\$14,491	\$14,490	\$14,490	\$14,490	\$14,490
Fines and Penalties	436	500	450	450	450	450	450
Miscellaneous Revenues	5,547	5,369	3,024	2,900	2,800	2,700	2,600
Total Game Fund Revenues	<u>\$20,527</u>	<u>\$20,663</u>	<u>\$17,965</u>	<u>\$17,840</u>	<u>\$17,740</u>	<u>\$17,640</u>	<u>\$17,540</u>
Augmentations	\$ 554	\$ 936	\$ 3,350	\$ 3,490	\$ 3,620	\$ 3,760	\$ 3,900
TOTAL GAME FUND RECEIPTS	<u>\$21,081</u>	<u>\$21,599</u>	<u>\$21,315</u>	<u>\$21,330</u>	<u>\$21,360</u>	<u>\$21,400</u>	<u>\$21,440</u>

GAME FUND REVENUE SOURCES

Licenses and Fees

Actual		Estimated	
1971-72	\$ 8,325,079	1977-78	\$14,793,500
1972-73	9,980,720	1978-79	14,490,500
1973-74	12,580,328	1979-80	14,490,000
1974-75	13,892,847	1980-81	14,490,000
1975-76	14,480,131	1981-82	14,490,000
1976-77	14,543,610	1982-83	14,490,000

The Game Commission issues resident hunting and trapping licenses for wild birds and animals upon payment by Pennsylvania residents of an \$8.25 fee for persons 17 to 64 years of age and a \$5.25 fee for persons age 12 to 16 and 65 and above. 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, nonresident 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 nonresidents for a \$3.15 fee. 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 nonresident trapper's licenses, include the commissions of the issuing agents which are not reflected in the total revenue figures.

Fines and Penalties

Actual		Estimated	
1971-72	\$307,155	1977-78	\$500,000
1972-73	312,270	1978-79	450,000
1973-74	341,793	1979-80	450,000
1974-75	390,592	1980-81	450,000
1975-76	497,624	1981-82	450,000
1976-77	435,784	1982-83	450,000

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

Miscellaneous Revenue

Actual		Estimated	
1971-72	\$3,197,685	1977-78	\$5,369,500
1972-73	2,623,885	1978-79	3,024,000
1973-74	5,080,446	1979-80	2,900,000
1974-75	5,426,468	1980-81	2,800,000
1975-76	4,469,520	1981-82	2,700,000
1976-77	5,547,514	1982-83	2,600,000

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.

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Licenses and Fees			
Resident Hunting Licenses	\$ 7,723,956	\$ 7,800,000	\$ 7,725,000
Resident Junior Hunting Licenses	845,110	850,000	845,000
Nonresident Hunting Licenses	3,689,556	3,900,000	3,650,000
Special Game Permits	40,200	41,000	40,000
Special Antlerless Deer Licenses	1,322,079	1,300,000	1,300,000
Special Archery Licenses	451,055	450,000	450,000
Nonresident Trapping Licenses	1,521	1,000	1,500
Special Three-day Nonresident Regulated Shooting Ground Licenses	3,937	4,500	4,000
Resident Senior Hunting Licenses	285,896	285,000	285,000
Muzzle-loading Hunting Licenses	22,973	12,000	25,000
Right of Way Licenses	157,327	150,000	165,000
TOTAL	<u>\$14,543,610</u>	<u>\$14,793,500</u>	<u>\$14,490,500</u>
Fines and Penalties			
Game Law Fines	\$ 435,784	\$ 500,000	\$ 450,000
TOTAL	<u>\$ 435,784</u>	<u>\$ 500,000</u>	<u>\$ 450,000</u>
Miscellaneous Revenue			
Sale of Coal	\$ 51,602	\$ 60,000	\$ 60,000
Sale of Wood Products	1,117,200	700,000	1,300,000
Interest on Deposits	29,694	30,000	24,000
Sale of Publications	40,302	46,000	40,000
Sale of Unserviceable Property	7,609	5,000	5,000
Sale of Skins and Guns	29,947	28,000	30,000
Rental of State Property	870	. . . . .	1,000
Contributions by Federal Government	2,545,806	2,699,000	. . . . .
Miscellaneous Revenue	33,506	30,000	70,000
Interest on Securities	1,087,680	1,200,000	875,000
Gas and Oil Ground Rentals and Royalties	46,741	105,000	95,000
Refund of Expenditures Not Credited to Appropriations	34,240	35,000	. . . . .
Sale of Nonusable Property	13,432	17,000	20,000
Miscellaneous Revenue License Division	988	1,000	. . . . .
Redeposit of Checks	1,232	1,500	1,000
Sale of Game News	452,129	380,000	450,000
Sale of Miscellaneous Mineral Permits	1,546	2,000	. . . . .
Sale of Stone, Sand, Gravel and Limestone	4,510	5,000	5,000
Sale of Grain and Hay	48,480	25,000	48,000
TOTAL	<u>\$ 5,547,514</u>	<u>\$ 5,369,500</u>	<u>\$ 3,024,000</u>
TOTAL REVENUES	<u>\$20,526,908</u>	<u>\$20,663,000</u>	<u>\$17,964,500</u>

GAME FUND REVENUE DETAIL

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Augmentations			
Sale of Automobiles and Other Vehicles	\$ 132,025	\$ 150,000	\$ 150,000
Reimbursement for Comptroller Services	314,986	286,000	350,000
Bureau of Outdoor Recreation Reimbursements			
Land Acquisition	106,910	100,000	200,000
Federal Reimbursement — Pittman			
Robinson Act . . . . .	. . . . .	400,000	\$ 2,650,000
 TOTAL	 \$ 553,921	 \$ 936,000	 \$3,350,000
 TOTAL RECEIPTS	 \$21,080,829	 \$21,599,000	 \$21,314,500

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)	
	1977-78	1978-79
Beginning Balance	\$ 5,719	\$ 5,673
Receipts:		
Revenue Estimate	13,564	13,127
Prior Year Lapses	104	. . . .
Funds Available	<u>\$19,387</u>	<u>\$18,800</u>
Expenditures:		
Appropriated	\$13,814	\$12,996
Less Current Year Lapses	<u>-100</u>	<u>. . . .</u>
Estimated Expenditures	<u>-13,714</u>	<u>-12,996</u>
Ending Balance:	<u><u>\$ 5,673</u></u>	<u><u>\$ 5,804</u></u>

Summary by Department

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Fish Commission			
General Government			
General Operations	\$ 8,654	\$ 8,791	\$ 8,587
Treasury Department			
General Government			
Replacement Checks	\$ 1	\$ 1	\$ 1
Department of General Services			
Debt Service Requirements			
General State Authority Rentals	\$ 62	\$ 75	\$ 75
Capital Improvements			
Renovation of Pleasant Mount Hatchery .....	.....	\$ 1	.....
DEPARTMENT TOTAL	\$ 62	\$ 76	\$ 75
Total State Funds	\$ 8,717	\$ 8,868	\$ 8,663
Federal Funds .....	.....	\$ 1,887	\$ 893
Other Funds	\$ 2,268	3,059	3,440
FUND TOTAL	\$10,985	\$13,814	\$12,996

FISH FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Estimated	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
Licenses and Fees	\$ 7,446	\$ 7,615	\$ 7,757	\$ 7,889	\$ 8,023	\$ 8,121	\$ 8,217
Fines and Penalties	175	180	185	190	195	200	205
Miscellaneous	1,366	823	852	870	870	870	875
Total Fish Fund Revenues	<u>\$ 8,987</u>	<u>\$ 8,618</u>	<u>\$ 8,794</u>	<u>\$ 8,949</u>	<u>\$ 9,088</u>	<u>\$ 9,191</u>	<u>\$ 9,297</u>
Augmentations	\$ 2,268	\$ 4,946	\$ 4,333	\$ 4,348	\$ 4,553	\$ 4,565	\$ 4,091
TOTAL FISH FUND RECEIPTS	<u><u>\$11,255</u></u>	<u><u>\$13,564</u></u>	<u><u>\$13,127</u></u>	<u><u>\$13,297</u></u>	<u><u>\$13,641</u></u>	<u><u>\$13,756</u></u>	<u><u>\$13,388</u></u>

Licenses and Fees

Actual	Estimated
1971-72 .....\$4,288,435	1977-78 .....\$7,615,000
1972-73 4,786,140	1978-79 7,757,000
1973-74 5,811,419	1979-80 7,889,000
1974-75 7,422,752	1980-81 8,023,000
1975-76 7,053,443	1981-82 8,121,000
1976-77 7,446,305	1982-83 8,217,000

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. Nonresident 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
1971-72 \$113,866	1977-78 \$180,000
1972-73 139,331	1978-79 185,000
1973-74 128,428	1979-80 190,000
1974-75 158,914	1980-81 195,000
1975-76 155,145	1981-82 200,000
1976-77 174,684	1982-83 205,000

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
1971-72 .....\$1,411,158	1977-78\$ 823,000
1972-73 924,940	1978-79 852,000
1973-74 1,187,679	1979-80 870,000
1974-75 1,653,975	1980-81 870,000
1975-76 1,224,606	1981-82 870,000
1976-77 1,366,198	1982-83 875,000

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 unservicable 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.

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Licenses and Fees			
Resident Fishing Licenses	\$ 6,629,050	\$ 6,761,000	\$ 6,863,000
Resident Senior Fishing Licenses	164,371	168,000	175,000
Nonresident Fishing Licenses	505,275	530,000	555,000
Tourist Fishing Licenses	122,812	130,000	137,000
Lake Erie Licenses	2,252	5,500	2,500
Commercial Hatchery Licenses	5,225	2,400	5,600
Fee—Fishing Lake Licenses	8,095	8,200	8,500
Miscellaneous Permits and Fees	5,978	6,300	6,500
Technical Service Fees—Non-Government			
Organizations	347	400	400
Scientific Collector's Permits	2,900	3,200	3,500
TOTAL	\$ 7,446,305	\$ 7,615,000	\$ 7,757,000
Fines and Penalties			
Fish Law Fines	\$ 174,684	\$ 180,000	\$ 185,000
TOTAL	\$ 174,684	\$ 180,000	\$ 185,000
Miscellaneous Revenue			
Interest on Deposits	\$ 7,003	\$ 7,000	\$ 7,000
Sale of Publications	20,887	23,000	24,000
Sale of Unserviceable Property	289	430	460
Contributions for Restocking Streams	19,754	25,000	30,000
Contributions from Federal Government for			
Acquisition, Constructions and Research	577,038	. . . . .	. . . . .
Miscellaneous Revenue	49,232	73,970	78,900
Refund of Expenditures not Credited			
to Appropriations	19,094	. . . . .	. . . . .
Interest on Securities	251,122	253,000	253,000
Rental of Fish Commission Property	25,305	35,000	45,000
Income from Sand and Gravel Dredging	208,440	215,000	220,000
In Lieu Payments for Fishways	75,000	75,000	75,000
Redeposit of Checks	400	600	640
Sale of Pennsylvania Angler	112,634	115,000	118,000
TOTAL	\$ 1,366,198	\$ 823,000	\$ 852,000
TOTAL REVENUES	\$ 8,987,187	\$ 8,618,000	\$ 8,794,000
Augmentations			
Sale of Automobiles and Other Vehicles	\$ 37,225	\$ 32,000	\$ 50,000
Reimbursement for Services—Boating Fund	1,736,639	2,419,000	2,738,000
Reimbursement for Services—Land and			
Water Development Fund	493,545	608,000	652,000
Federal Reimbursement . . . . .	. . . . .	1,887,000	893,000
TOTAL	\$ 2,267,409	\$ 4,946,000	\$ 4,333,000
TOTAL RECEIPTS	\$11,254,596	\$13,564,000	\$13,127,000

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)	
	1977-78	1978-79
Beginning Balance	\$3,828	\$3,523
Receipts:		
Revenue Estimate	2,275	2,366
Prior Year Lapses	4	. . . .
Funds Available	<u>\$6,107</u>	<u>\$5,889</u>
Expenditures:		
Appropriated	\$2,584	\$2,741
Less Current Year Lapses	<u>. . . .</u>	<u>. . . .</u>
Estimated Expenditures	<u>-2,584</u>	<u>-2,741</u>
Ending Balance	<u><u>\$3,523</u></u>	<u><u>\$3,148</u></u>

Summary by Department

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Fish Commission			
General Government			
General Operations	\$1,535	\$2,224	\$2,570
Department of General Services			
Debt Service Requirements			
General State Authority Rentals	\$ 2	\$ 2	\$ 2
Treasury Department			
General Government			
Replacement Checks	\$ 1	\$ 1	\$ 1
Department of Revenue			
General Government			
Collecting Motorboat Registration Fees	\$ 255	\$ 162	. . . . .
Department of Transportation			
General Government			
Navigation Office for the Delaware River	\$ 18	. . . . .	. . . . .
Total State Funds	<u>\$1,811</u>	<u>\$2,389</u>	<u>\$2,573</u>
Federal Funds	\$ 200	\$ 173	\$ 148
Other Funds	2	22	20
FUND TOTAL	<u>\$2,013</u>	<u>\$2,584</u>	<u>\$2,741</u>

BOATING FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Estimated	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
Licenses and Fees	\$ 769	\$ 815	\$ 843	\$ 894	\$ 947	\$ 999	\$1,055
Fines and Penalties	35	40	45	45	45	45	45
Miscellaneous	1,312	1,225	1,310	1,325	1,335	1,350	1,350
Restricted Revenue	10	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Total Boating Fund Revenue	<u>\$2,126</u>	<u>\$2,080</u>	<u>\$2,198</u>	<u>\$2,264</u>	<u>\$2,327</u>	<u>\$2,394</u>	<u>\$2,450</u>
Augmentations	\$ 202	\$ 195	\$ 168	\$ 10	\$ 10	\$ 10	\$ 10
TOTAL BOATING FUND RECEIPTS	<u><u>\$2,328</u></u>	<u><u>\$2,275</u></u>	<u><u>\$2,366</u></u>	<u><u>\$2,274</u></u>	<u><u>\$2,337</u></u>	<u><u>\$2,404</u></u>	<u><u>\$2,460</u></u>

BOATING FUND REVENUE SOURCES

Licenses and Fees

Actual	Estimated
1971-72 \$521,308	1977-78 \$ 815,000
1972-73 578,509	1978-79 843,000
1973-74 600,181	1979-80 894,000
1974-75 648,493	1980-81 947,000
1975-76 708,444	1981-82 999,000
1976-77 768,596	1982-83 1,055,000

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
1971-72 \$18,899	1977-78 \$40,000
1972-73 17,550	1978-79 45,000
1973-74 17,485	1979-80 45,000
1974-75 21,177	1980-81 45,000
1975-76 31,031	1981-82 45,000
1976-77 35,087	1982-83 45,000

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

Miscellaneous Revenue

Actual	Estimated
1971-72 \$ 998,435	1977-78 \$1,225,000
1972-73 855,796	1978-79 1,310,000
1973-74 1,307,792	1979-80 1,325,000
1974-75 1,095,604	1980-81 1,335,000
1975-76 1,443,556	1981-82 1,350,000
1976-77 1,312,428	1982-83 1,350,000

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.

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Licenses and Fees			
Motor Boat Registration Fees	\$ 768,596	\$ 815,000	\$ 843,000
TOTAL	\$ 768,596	\$ 815,000	\$ 843,000
Fines and Penalties			
Motor Boat Fines	\$ 35,087	\$ 40,000	\$ 45,000
TOTAL	\$ 35,087	\$ 40,000	\$ 45,000
Miscellaneous			
Liquid Fuels Tax	\$1,015,902	\$1,025,000	\$1,100,000
Miscellaneous	130,463	25,000	25,000
Interest on Securities	166,063	175,000	185,000
TOTAL	\$1,312,428	\$1,225,000	\$1,310,000
Restricted Revenue			
Motor Boat Registration Fees	\$ 9,325	. . . . .	. . . . .
Motor Boat Fines	345	. . . . .	. . . . .
Miscellaneous	25	. . . . .	. . . . .
TOTAL	\$ 9,695	. . . . .	. . . . .
TOTAL REVENUES	\$2,125,806	\$2,080,000	\$2,198,000
Augmentations			
Sale of Automobiles	\$ 1,925	\$ 22,000	\$ 20,000
U.S. Coast Guard Grant for Safety	200,667	168,000	84,000
Federal Aid . . . . .	. . . . .	5,000	64,000
TOTAL	\$ 202,592	\$ 195,000	\$ 168,000
TOTAL RECEIPTS	\$2,328,398	\$2,275,000	\$2,366,000

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.

Financial Statement

	(Dollar Amounts in Thousands)	
	<u>1977-78</u>	<u>1978-79</u>
Beginning Balance	\$-499	\$ 68
Receipts:		
Revenue Estimate	5,119	4,800
Prior Year Lapses	65	.....
Funds Available	<u>\$4,685</u>	<u>\$4,868</u>
Expenditures:		
Appropriated	\$4,617	\$4,777
Less Current Year Lapses	<u>.....</u>	<u>.....</u>
Estimated Expenditures	<u>-4,617</u>	<u>-4,777</u>
Ending Balance:	<u><u>\$ 68</u></u>	<u><u>\$ 91</u></u>

BANKING DEPARTMENT FUND

Summary by Department

	1976-77	(Dollar Amounts in Thousands)	1978-79
	Actual	1977-78 Available	Budget
Banking Department			
General Operations	\$4,252	\$4,616	\$4,776
Treasury Department			
Replacement Checks	1	1	1
FUND TOTAL	<u>\$4,253</u>	<u>\$4,617</u>	<u>\$4,777</u>

BANKING DEPARTMENT FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Estimated	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
Licenses and Fees	\$4,050	\$5,096	\$4,777	\$4,993	\$5,244	\$5,507	\$5,784
Miscellaneous Revenues	18	23	23	23	23	23	23
TOTAL BANKING DEPARTMENT FUND REVENUES	<u><u>\$4,068</u></u>	<u><u>\$5,119</u></u>	<u><u>\$4,800</u></u>	<u><u>\$5,016</u></u>	<u><u>\$5,267</u></u>	<u><u>\$5,530</u></u>	<u><u>\$5,807</u></u>

BANKING DEPARTMENT FUND REVENUE SOURCES

Licenses and Fees

Actual		Estimated
1971-72	\$2,530,045	1977-78 \$5,096,200
1972-73	2,812,867	1978-79 4,776,850
1973-74	3,064,037	1979-80 4,993,000
1974-75	3,380,964	1980-81 5,244,000
1975-76	3,699,515	1981-82 5,507,000
1976-77	4,050,294	1982-83 5,784,000

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, 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
1971-72	\$.850	1977-78
1972-73	490	1978-79
1973-74		1979-80
1974-75		1980-81
1975-76	100	1981-82
1976-77		1982-83

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

Miscellaneous Revenue

Actual		Estimated
1971-72	\$16,420	1977-78 \$23,150
1972-73	13,243	1978-79 23,150
1973-74	10,817	1979-80 23,150
1974-75	27,884	1980-81 23,150
1975-76	18,405	1981-82 23,150
1976-77	18,077	1982-83 23,150

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.

BANKING DEPARTMENT FUND REVENUE DETAIL

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

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Licenses and Fees			
Examination Fees	\$2,371,778	\$2,845,000	\$2,765,000
Overhead Assessment Fees	1,209,728	1,782,000	1,407,650
Money Lenders Licenses	500	. . . . .	. . . . .
Liquidation Fees . . . . .	. . . . .	1,200	1,200
Miscellaneous Fees	31,958	28,000	28,000
Pawnbrokers Fees	3,400	3,000	3,000
Consumer Discount Company Licenses	261,400	260,000	260,000
Installment Sellers License Fees	52,330	50,000	125,000
Sales Finance Companies License Fees	108,000	115,000	172,000
Collector—Repossessor License Fees	6,200	6,000	9,000
Money Transmitters License Fees	5,000	6,000	6,000
TOTAL	\$4,050,294	\$5,096,200	\$4,776,850
Miscellaneous Revenues			
Interest on Securities	\$ 16,572	\$ 23,000	\$ 23,000
Interest on Deposits . . . . .	. . . . .	. . . . .	. . . . .
Miscellaneous	1,388	. . . . .	. . . . .
Sale of Unserviceable Property	37	50	50
Redeposit of Checks	80	100	100
TOTAL	\$ 18,077	\$ 23,150	\$ 23,150
TOTAL REVENUES	\$4,068,371	\$5,119,350	\$4,800,000

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)	
	1977-78	1978-79
Beginning Balance	\$ -54	\$ 1
Receipts:		
Revenue Estimate	\$ 468	\$ 361
Transfer from General Fund	<u>717</u>	<u>750</u>
Total Receipts	1,185	1,111
Prior Year Lapses	20	.....
Funds Available	<u>\$1,151</u>	<u>\$1,112</u>
Expenditures:		
Appropriated	\$1,150	\$1,090
Less Current Year Lapses	<u>.....</u>	<u>.....</u>
Estimated Expenditures	<u>-1,150</u>	<u>-1,090</u>
Ending Balance:	<u><u>\$ 1</u></u>	<u><u>\$ 22</u></u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Milk Marketing Board			
General Government	\$ 651	\$ 429	\$ 336
Treasury Department			
Replacement Checks	\$ 1	\$ 1	\$ 1
Refund Milk Marketing License and Fees	2	3	3
DEPARTMENT TOTAL	<u>\$ 3</u>	<u>\$ 4</u>	<u>\$ 4</u>
Total State Funds	<u>\$ 654</u>	<u>\$ 433</u>	<u>\$ 340</u>
Other Funds	<u>\$ 718</u>	<u>\$ 717</u>	<u>\$ 750</u>
FUND TOTAL	<u>\$1,372</u>	<u>\$1,150</u>	<u>\$1,090</u>

MILK MARKETING FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
	Actual	Estimated	Budget	Estimated	Estimated	Estimated	Estimated
Licenses and Fees	\$ 423	\$ 432	\$ 326	\$ 385	\$ 385	\$ 385	\$ 385
Fines and Penalties	12	5	5	5	5	5	5
Miscellaneous Revenue	16	31	30	30	30	30	30
Total Milk Marketing Fund Revenues	<u>\$ 451</u>	<u>\$ 468</u>	<u>\$ 361</u>	<u>\$ 420</u>	<u>\$ 420</u>	<u>\$ 420</u>	<u>\$ 420</u>
Augmentations	\$ 718	\$ 717	\$ 750	\$ 762	\$ 804	\$ 884	\$ 959
TOTAL MILK MARKETING FUND RECEIPTS	<u><u>\$1,169</u></u>	<u><u>\$1,185</u></u>	<u><u>\$1,111</u></u>	<u><u>\$1,182</u></u>	<u><u>\$1,224</u></u>	<u><u>\$1,304</u></u>	<u><u>\$1,379</u></u>

MILK MARKETING FUND REVENUE SOURCES

Licenses and Fees

Actual	Estimated
1971-72 \$227,280	1977-78 \$431,902
1972-73 386,698	1978-79 325,902
1973-74 616,206	1979-80 385,000
1974-75 443,500	1980-81 385,000
1975-76 313,195	1981-82 385,000
1976-77 423,254	1982-83 385,000

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
1971-72 \$ 1,150	1977-78 \$5,000
1972-73 56,370	1978-79 5,000
1973-74 14,700	1979-80 5,000
1974-75 7,550	1980-81 5,000
1975-76 2,050	1981-82 5,000
1976-77 11,875	1982-83 5,000

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
1971-72 \$ 848	1977-78 \$30,600
1972-73 3,151	1978-79 30,500
1973-74 17,273	1979-80 30,500
1974-75 41,268	1980-81 30,500
1975-76 29,182	1981-82 30,500
1976-77 15,733	1982-83 30,500

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.

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Licenses and Fees			
Milk Dealers Licenses	\$ 398,584	\$ 407,000	\$ 301,000
Milk Dealers Licenses Transfer Fees . . . . .	. . . . .	2	2
Weighing or Measuring Permit Fees	3,620	4,100	4,100
Milk Testers Certificate Fees	3,220	3,200	3,200
Milk Weighers Certificate Fees	8,265	8,500	8,500
Milk Testers and Weighers Examination Fees	1,605	1,200	1,200
Milk Haulers License Fees	7,960	7,900	7,900
TOTAL	\$ 423,254	\$ 431,902	\$ 325,902
Fines and Penalties			
Milk Marketing Act Fines	\$ 11,875	\$ 5,000	\$ 5,000
TOTAL	\$ 11,875	\$ 5,000	\$ 5,000
Miscellaneous Revenue			
Refunds of Expenditures Not Credited to Appropriations	\$ 652	. . . . .	. . . . .
Interest on Securities	14,505	\$ 30,000	\$ 29,900
Other	463	500	500
Redeposit on Checks	3	100	. . . . .
Interest on Deposits	110	. . . . .	100
TOTAL	\$ 15,733	\$ 30,600	\$ 30,500
TOTAL REVENUES	\$ 450,862	\$ 467,502	\$ 361,402
Augmentations			
Appropriation from General Fund	\$ 717,000	\$ 717,000	\$ 750,000
Sale of Motor Vehicles	1,350	. . . . .	. . . . .
TOTAL	\$ 718,350	\$ 717,000	\$ 750,000
TOTAL RECEIPTS	\$1,169,212	\$1,184,502	\$1,111,402

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)	
	1977-78	1978-79
Beginning Balance	\$ 38	\$ 38
Receipts:		
Revenue Estimate	\$ 897	\$ 897
Transfer from General Fund	800	875
Total Receipts	1,697	1,772
Prior Year Lapses .....	.....	.....
Funds Available	\$1,735	\$1,810
Expenditures:		
Appropriated	\$1,697	\$1,758
Less Current Year Lapses .....	.....	.....
Estimated Expenditures	-1,697	-1,758
Ending Balance:	\$ 38	\$ 52

STATE FARM PRODUCTS SHOW FUND

Summary by Department

	1976-77	(Dollar Amounts in Thousands) 1977-78	1978-79
	Actual	Available	Budget
Department of Agriculture			
General Operations	\$ 891	\$ 896	\$ 882
Treasury Department			
Replacement Checks	\$ 1	\$ 1	\$ 1
Total State Funds	<u>\$ 892</u>	<u>\$ 897</u>	<u>\$ 883</u>
Other Funds	\$ 700	\$ 800	\$ 875
FUND TOTAL	<u>\$1,592</u>	<u>\$1,697</u>	<u>\$1,758</u>

STATE FARM PRODUCTS SHOW FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Estimated	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
Fees	\$ 155	\$ 156	\$ 156	\$ 161	\$ 167	\$ 173	\$ 179
Miscellaneous	733	741	741	766	793	820	849
Total State Farm Products Show Fund Revenues	<u>\$ 888</u>	<u>\$ 897</u>	<u>\$ 897</u>	<u>\$ 927</u>	<u>\$ 960</u>	<u>\$ 993</u>	<u>\$1,028</u>
Augmentations	\$ 700	\$ 800	\$ 875	\$ 907	\$ 961	\$1,013	\$1,068
TOTAL STATE FARM PRODUCTS SHOW FUND RECEIPTS	<u>\$1,588</u>	<u>\$1,697</u>	<u>\$1,772</u>	<u>\$1,834</u>	<u>\$1,921</u>	<u>\$2,006</u>	<u>\$2,096</u>

STATE FARM PRODUCTS SHOW FUND REVENUE SOURCES

Fees

Actual		Estimated	
1971-72	\$108,139	1977-78	\$156,000
1972-73	120,328	1978-79	156,000
1973-74	120,224	1979-80	161,000
1974-75	120,157	1980-81	167,000
1975-76	154,179	1981-82	173,000
1976-77	155,446	1982-83	179,000

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

Miscellaneous Revenue

Actual		Estimated	
1971-72	\$352,211	1977-78	\$740,600
1972-73	438,411	1978-79	740,600
1973-74	469,731	1979-80	766,000
1974-75	579,350	1980-81	793,000
1975-76	756,647	1981-82	820,000
1976-77	733,014	1982-83	849,000

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.

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Fees			
Exhibit Fees — Competitive	\$ 7,253	\$ 7,000	\$ 7,000
Exhibit Fees — Commercial	144,474	145,000	145,000
Exhibit Fees — State Agencies	3,719	4,000	4,000
TOTAL	<u>\$ 155,446</u>	<u>\$ 156,000</u>	<u>\$ 156,000</u>
Miscellaneous Revenue			
Concession Revenue	\$ 148,579	\$ 150,000	\$ 150,000
Service Charges	78,412	80,000	80,000
Rentals	323,832	330,000	330,000
Sale of Exhibits — Net Proceeds	4,143	4,000	4,000
Miscellaneous Revenue	7,337	7,000	7,000
Refund of Expenditures Not Credited			
to Appropriations	850	1,000	1,000
Interest on Securities	16,286	15,000	15,000
Parking Fees	140,220	140,000	140,000
Redeposit of Checks	446	600	600
Salary Reimbursement — Dairy and Livestock Association	12,909	13,000	13,000
TOTAL	<u>\$ 733,014</u>	<u>\$ 740,600</u>	<u>\$ 740,600</u>
TOTAL REVENUES	<u>\$ 888,460</u>	<u>\$ 896,600</u>	<u>\$ 896,600</u>
Augmentations			
Transfer from General Fund	\$ 700,000	\$ 800,000	\$ 875,000
TOTAL	<u>\$ 700,000</u>	<u>\$ 800,000</u>	<u>\$ 875,000</u>
TOTAL RECEIPTS	<u>\$1,588,460</u>	<u>\$1,696,600</u>	<u>\$1,771,600</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.

Financial Statement

	(Dollar Amounts in Thousands)	
	1977-78	1978-79
Beginning Balance	\$2,637	\$3,106
Receipts:		
Revenue Estimate	6,460	6,632
Prior Year Lapses .....	.....	.....
Funds Available	\$9,097	\$9,738
Expenditures:		
Appropriated	\$5,991	\$7,014
Less Current Year Lapses .....	.....	.....
Estimated Expenditures	<u>-5,991</u>	<u>-7,014</u>
Ending Balance	<u>\$3,106</u>	<u>\$2,724</u>

STATE HARNESS RACING FUND

Summary by Department

		(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget	
Department of Agriculture				
Harness Racing Commission	\$1,208	\$1,900	\$1,643	
Fair Fund Administration	213	250	250	
Transfer to Fair Fund	608	477	640	
Transfer to General Fund	4,067	3,189	4,282	
DEPARTMENT TOTAL	\$6,096	\$5,816	\$6,815	
 Department of Revenue				
Administration of Collections—Harness Racing	\$ 164	\$ 174	\$ 198	
 Treasury Department				
Replacement Checks	\$ 1	\$ 1	\$ 1	
Total State Funds	\$6,261	\$5,991	\$7,014	
Other Funds	\$ 1	.....	.....
FUND TOTAL	\$6,262	\$5,991	\$7,014	

STATE HARNESS RACING FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Estimated	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
Tax Revenue	\$4,765	\$5,700	\$5,883	\$5,941	\$6,000	\$6,060	\$6,121
Licenses and Fees	248	291	287	290	293	296	299
Miscellaneous	532	469	462	467	472	477	481
Total State Harness Racing Fund Receipts	<u>\$5,545</u>	<u>\$6,460</u>	<u>\$6,632</u>	<u>\$6,698</u>	<u>\$6,765</u>	<u>\$6,833</u>	<u>\$6,901</u>
Augmentations	\$ 1	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL STATE HARNESS RACING FUND RECEIPTS	<u>\$5,546</u>	<u>\$6,460</u>	<u>\$6,632</u>	<u>\$6,698</u>	<u>\$6,765</u>	<u>\$6,833</u>	<u>\$6,901</u>

STATE HARNESS RACING FUND REVENUE SOURCES

Tax Revenue

Actual		Estimated	
1971-72	\$8,338,657	1977-78	\$5,700,000
1972-73	7,618,638	1978-79	5,883,000
1973-74	9,122,980	1979-80	5,941,000
1974-75	7,874,872	1980-81	6,000,000
1975-76	6,013,932	1981-82	6,060,000
1976-77	4,765,264	1982-83	6,121,000

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 four percent of the amount wagered each day is paid directly to the first class school district. For races held in school districts of other than the first class, a tax of five and one-half percent of the amount wagered each day is levied. Of this tax 36-1/3 percent 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 five percent rate.

License and Fees

Actual		Estimated	
1971-72	\$ 31,232	1977-78	\$291,000
1972-73	31,131	1978-79	287,000
1973-74	52,282	1979-80	290,000
1974-75	143,788	1980-81	293,000
1975-76	184,275	1981-82	296,000
1976-77	248,327	1982-83	299,000

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	
1971-72	\$219,449	1977-78	\$469,000
1972-73	302,315	1978-79	462,000
1973-74	500,430	1979-80	467,000
1974-75	480,949	1980-81	472,000
1975-76	477,816	1981-82	477,000
1976-77	531,544	1982-83	481,000

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.

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Tax Revenue			
State Admission Tax	\$ 129,118	\$ 150,000	\$ 166,000
Wagering Tax	4,636,146	5,550,000	5,717,000
TOTAL	<u>\$4,765,264</u>	<u>\$5,700,000</u>	<u>\$5,883,000</u>
 Licenses and Fees			
Occupational License Fees	\$ 35,515	\$ 41,000	\$ 40,000
Pre and Post Racing Testing Laboratory Service Fees	212,812	250,000	247,000
TOTAL	<u>\$ 248,327</u>	<u>\$ 291,000</u>	<u>\$ 287,000</u>
 Miscellaneous			
Uncashed Tickets	\$ 199,508	\$ 150,000	\$ 147,000
Interest on Securities	313,113	300,000	294,000
Miscellaneous	18,874	19,000	21,000
Redeposit of Checks	49	.....	.....
TOTAL	<u>\$ 531,544</u>	<u>\$ 469,000</u>	<u>\$ 462,000</u>
TOTAL REVENUE	<u>\$5,545,135</u>	<u>\$6,460,000</u>	<u>\$6,632,000</u>
 Augmentations			
Sale of Motor Vehicles	\$ 850	.....	.....
TOTAL	<u>\$ 850</u>	.....	.....
TOTAL RECEIPTS	<u>\$5,545,985</u>	<u>\$6,460,000</u>	<u>\$6,632,000</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.

Financial Statement

	(Dollar Amounts in Thousands)	
	1977-78	1978-79
Beginning Balance	\$ 7,308	\$10,425
Receipts:		
Revenue Estimate	20,336	18,228
Prior Year Lapses . . . . .	. . . . .	. . . . .
Funds Available	<u>\$27,644</u>	<u>\$28,653</u>
Expenditures:		
Appropriated	\$17,219	\$19,357
Less Current Year Lapses	<u>.</u>	<u>.</u>
Estimated Expenditures	-17,219	-19,357
Ending Balance	<u><u>\$10,425</u></u>	<u><u>\$ 9,296</u></u>

STATE HORSE RACING FUND

Summary by Department

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Horse Racing Commission			
General Operations	\$ 945	\$ 1,082	\$ 1,129
Transfer to General Fund	14,297	13,888	15,686
Transfer to Fair Fund	2,136	2,075	2,344
DEPARTMENT TOTAL	<u>\$17,378</u>	<u>\$17,045</u>	<u>\$19,159</u>
 Department of Revenue			
Administration of Collections—Horse Racing	\$ 111	\$ 173	\$ 197
 Department of Treasury			
Replacement Checks	\$ 1	\$ 1	\$ 1
Total State Funds	<u>\$17,490</u>	<u>\$17,219</u>	<u>\$19,357</u>
 Other Funds	 \$ 3	. . . . .	. . . . .
FUND TOTAL	<u>\$17,493</u>	<u>\$17,219</u>	<u>\$19,357</u>

STATE HORSE RACING FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
	Actual	Estimated	Budget	Estimated	Estimated	Estimated	Estimated
Tax Revenues	\$17,155	\$19,351	\$17,280	\$17,885	\$18,511	\$19,159	\$19,829
Licenses and Fees	137	127	121	125	130	134	139
Miscellaneous	646	858	827	854	887	915	949
Total State Horse Racing Fund Revenues	<u>\$17,938</u>	<u>\$20,336</u>	<u>\$18,228</u>	<u>\$18,864</u>	<u>\$19,528</u>	<u>\$20,208</u>	<u>\$20,917</u>
Augmentation	\$ 3	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL STATE HORSE RACING FUND RECEIPTS	<u><u>\$17,941</u></u>	<u><u>\$20,336</u></u>	<u><u>\$18,228</u></u>	<u><u>\$18,864</u></u>	<u><u>\$19,528</u></u>	<u><u>\$20,208</u></u>	<u><u>\$20,917</u></u>

STATE HORSE RACING FUND REVENUE SOURCES

Tax Revenues

Actual	Estimated
1971-72 \$11,167,085	1977-78 \$19,351,000
1972-73 15,403,819	1978-79 17,280,000
1973-74 15,545,034	1979-80 17,885,000
1974-75 17,071,124	1980-81 18,511,000
1975-76 16,376,135	1981-82 19,159,000
1976-77 17,154,737	1982-83 19,829,000

Tax revenues consist of an admission tax levied at the rate of 15 percent of the admission price and a tax of four and three-quarter percent of the amount wagered each day at the track. Also a breakage tax is collected at the rate of 50 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 five percent.

Licenses and Fees

Actual	Estimated
1971-72 \$ 72,000	1977-78 \$127,000
1972-73 128,112	1978-79 121,000
1973-74 110,760	1979-80 125,000
1974-75 104,794	1980-81 130,000
1975-76 117,937	1981-82 134,000
1976-77 136,734	1982-83 139,000

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
1971-72 \$352,389	1977-78 \$858,000
1972-73 461,646	1978-79 827,000
1973-74 699,064	1979-80 854,000
1974-75 855,116	1980-81 887,000
1975-76 773,015	1981-82 915,000
1976-77 646,591	1982-83 949,000

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.

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Tax Revenue			
State Admission Tax	\$ 596,208	\$ 755,000	\$ 682,000
Wagering Tax	15,459,076	17,373,000	15,550,000
Breakage Tax	1,099,453	1,223,000	1,048,000
TOTAL	\$17,154,737	\$19,351,000	\$17,280,000
 Licenses and Fees			
License Fees	\$ 136,734	\$ 127,000	\$ 121,000
TOTAL	\$ 136,734	\$ 127,000	\$ 121,000
 Miscellaneous			
Uncashed Tickets	\$ 278,808	\$ 368,000	\$ 328,000
Interest on Securities	349,014	467,000	475,000
Miscellaneous	18,757	23,000	24,000
Redeposit of Checks	12	. . . . .	. . . . .
TOTAL	\$ 646,591	\$ 858,000	\$ 827,000
TOTAL REVENUES	\$17,938,062	\$20,336,000	\$18,228,000
 Augmentations			
Sale of Automobiles	\$ 2,750	. . . . .	. . . . .
TOTAL	\$ 2,750	. . . . .	. . . . .
TOTAL RECEIPTS	\$17,940,812	\$20,336,000	\$18,228,000

Pennsylvania Fair Fund

The Pennsylvania Fair Fund is a special fund composed of revenues transferred from the State Harness Racing and State Horse Racing Funds. It provides for assistance to agricultural fairs and for marketing, consumer service and agricultural research programs.

Financial Statement

(Dollar Amounts in Thousands)

	1977-78	1978-79
Beginning Balance	\$ 301	\$ 234
Receipts:		
Revenue Estimate	2,586	3,020
Prior Year Lapses	48	. . . .
Funds Available	<u>\$2,935</u>	<u>\$3,254</u>
Expenditures:		
Appropriated	\$2,701	\$2,901
Less Current Year Lapses	<u>. . . .</u>	<u>. . . .</u>
Estimated Expenditures	-2,701	-2,901
Ending Balance	<u><u>\$ 234</u></u>	<u><u>\$ 353</u></u>

Summary by Department

	1976-77	(Dollar Amounts in Thousands) 1977-78	1978-79
	Actual	Available	Budget
Department of Agriculture			
General Government			
General Operations	\$2,819	\$2,700	\$2,900
Treasury Department			
General Government			
Replacement Checks	\$ 1	\$ 1	\$ 1
FUND TOTAL	<u>\$2,820</u>	<u>\$2,701</u>	<u>\$2,901</u>

FAIR FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
	Actual	Estimated	Budget	Estimated	Estimated	Estimated	Estimated
Miscellaneous	\$2,776	\$2,586	\$3,020	\$2,856	\$2,927	\$3,002	\$3,078
TOTAL FAIR FUND RECEIPTS	<u>\$2,776</u>	<u>\$2,586</u>	<u>\$3,020</u>	<u>\$2,856</u>	<u>\$2,927</u>	<u>\$3,002</u>	<u>\$3,078</u>

Miscellaneous Revenue

Actual		Estimated	
1971-72	\$2,122,378	1977-78	\$2,586,000
1972-73	2,217,990	1978-79	3,020,000
1973-74	2,561,020	1979-80	2,856,000
1974-75	2,954,478	1980-81	2,927,000
1975-76	2,976,110	1981-82	3,002,000
1976-77	2,775,941	1982-83	3,078,000

After subtracting administrative expenses, thirteen percent of the balances in the State Harness Racing Fund (excluding Department of Commerce funds for community facilities) and the State Horse Racing Fund (excluding the Breeding Fund) are transferred to the Fair Fund. In addition, small amounts are received from interest on securities.

FAIR FUND REVENUE DETAIL

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

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Miscellaneous Revenue			
Transfer from State Harness Racing Fund	\$ 607,660	\$ 477,000	\$ 640,000
Transfer from State Horse Racing Fund	2,136,344	2,075,000	2,344,000
Interest on Securities	31,822	33,000	36,000
Miscellaneous	115	1,000	.....
TOTAL RECEIPTS	<u><u>\$2,775,941</u></u>	<u><u>\$2,586,000</u></u>	<u><u>\$3,020,000</u></u>

Sire Stakes Fund

The Sire Stakes Fund is a special fund composed of revenues from breakage from pari-mutuel pools at harness races and nominating and sustaining fees. It provides additional purse money at certain harness races run by Pennsylvania horses.

Financial Statement

	(Dollar Amounts in Thousands)	
	1977-78	1978-79
Beginning Balance	\$1,372	\$1,256
Receipts:		
Revenue Estimate	1,139	1,151
Prior Year Lapses . . . . .	. . . .	. . . .
Funds Available	<u>\$2,511</u>	<u>\$2,407</u>
Expenditures:		
Appropriated	\$1,255	\$1,281
Less Current Year Lapses	<u>. . . .</u>	<u>. . . .</u>
Estimated Expenditures	-1,255	-1,281
Ending Balance	<u><u>\$1,256</u></u>	<u><u>\$1,126</u></u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Department of Agriculture			
General Government			
Harness Racing Commission, General			
Operations	\$1,045	\$1,255	\$1,281
	<u> </u>	<u> </u>	<u> </u>
FUND TOTAL	<u>\$1,045</u>	<u>\$1,255</u>	<u>\$1,281</u>

SIRE STAKES FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Estimated	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
Miscellaneous	\$1,034	\$1,139	\$1,151	\$1,142	\$1,132	\$1,122	\$1,111
TOTAL SIRE STAKES FUND RECEIPTS	<u><u>\$1,034</u></u>	<u><u>\$1,139</u></u>	<u><u>\$1,151</u></u>	<u><u>\$1,142</u></u>	<u><u>\$1,132</u></u>	<u><u>\$1,122</u></u>	<u><u>\$1,111</u></u>

SIRE STAKES FUND REVENUE SOURCES

Miscellaneous Revenue

Actual		Estimated	
1971-72	\$1,022,359	1977-78	\$1,139,000
1972-73	975,561	1978-79	1,151,000
1973-74	1,056,455	1979-80	1,142,000
1974-75	1,151,056	1980-81	1,132,000
1975-76	1,298,540	1981-82	1,122,000
1976-77	1,033,735	1982-83	1,111,000

Fifty percent of the total breakage from all pari-mutuel pools at harness races is paid into the Sire Stakes Fund. This fund also receives nominating and sustaining fees paid by standardbred owners for entry fees in races for Pennsylvania bred horses. The fund also earns interest on securities.

SIRE STAKES FUND REVENUE DETAIL

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

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Miscellaneous Revenue			
Breakage	\$ 687,020	\$ 777,000	\$ 786,000
Nominating and Sustaining Payments	299,754	311,000	314,000
Interest on Securities	46,935	51,000	51,000
Miscellaneous	26	. . . .	. . . .
 TOTAL RECEIPTS	 <u>\$1,033,735</u>	 <u>\$1,139,000</u>	 <u>\$1,151,000</u>

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)	
	1977-78	1978-79
Beginning Balance	\$-7,293	\$ 562
Receipts:		
Revenue Estimate	133,060	135,752
Prior Year Lapses	<u>383</u>	<u> </u>
Funds Available	\$126,150	\$136,314
Expenditures:		
Appropriated	\$125,588	\$126,185
Less Current Year Lapses	<u> </u>	<u> </u>
Estimated Expenditures	<u>-125,588</u>	<u>-126,185</u>
Ending Balance:	<u>\$ 562</u>	<u>\$ 10,129</u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Department of Revenue			
General Government			
General Operations	\$ 15,642	\$ 18,039	\$ 18,232
Payment of Prize Money	32,800	31,000	31,000
Payment of Commissions	700	700	700
Reimbursement to General Fund . . . . .	. . . . .	1,261	. . . . .
Subtotal	<u>\$ 49,142</u>	<u>\$ 51,000</u>	<u>\$ 49,932</u>
Grants and Subsidies			
Property Tax and Rent Assistance for the Elderly	\$ 58,250	\$ 59,275	\$ 60,000
DEPARTMENT TOTAL	<u>\$107,392</u>	<u>\$110,275</u>	<u>\$109,932</u>
Treasury Department			
General Government			
Refunding State Lottery Monies	\$ 1	\$ 10	\$ 1
Replacement Checks	10	10	12
DEPARTMENT TOTAL	<u>\$ 11</u>	<u>\$ 20</u>	<u>\$ 13</u>
Department of Transportation			
Grants and Subsidies			
Free Transit for the Elderly	\$ 12,859	\$ 14,939	\$ 15,387
Department of General Services			
General Government			
Harristown Rental Charges . . . . .	. . . . .	. . . . .	\$ 252
Harristown Utility and Municipal Charges . . . . .	. . . . .	. . . . .	220
DEPARTMENT TOTAL	<u>.</u>	<u>.</u>	<u>\$ 472</u>
Total State Funds	<u>\$120,262</u>	<u>\$125,234</u>	<u>\$125,804</u>
Other Funds	\$ 194	\$ 354	\$ 381
FUND TOTAL	<u>\$120,456</u>	<u>\$125,588</u>	<u>\$126,185</u>

STATE LOTTERY FUND REVENUE SUMMARY

Five Year Revenue Projections

(Dollar Amounts in Thousands)

	1976-77 Actual	1977-78 Estimated	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
Collections	\$100,167	\$132,077	\$134,742	\$134,742	\$134,742	\$134,742	\$134,742
Miscellaneous Revenue	529	629	629	629	629	629	629
Total Lottery Fund Revenue	<u>\$100,696</u>	<u>\$132,706</u>	<u>\$135,371</u>	<u>\$135,371</u>	<u>\$135,371</u>	<u>\$135,371</u>	<u>\$135,371</u>
Augmentations	\$ 194	\$ 354	\$ 381	\$ 381	\$ 381	\$ 381	\$ 381
TOTAL LOTTERY FUND RECEIPTS	<u><u>\$100,890</u></u>	<u><u>\$133,060</u></u>	<u><u>\$135,752</u></u>	<u><u>\$135,752</u></u>	<u><u>\$135,752</u></u>	<u><u>\$135,752</u></u>	<u><u>\$135,752</u></u>

STATE LOTTERY FUND REVENUE SOURCES

Collections

Actual	Estimated
1971-72 \$ 50,093,524	1977-78 \$132,077,000
1972-73 117,015,902	1978-79 134,742,000
1973-74 121,399,971	1979-80 134,742,000
1974-75 102,004,576	1980-81 134,742,000
1975-76 101,259,893	1981-82 134,742,000
1976-77 100,166,996	1982-83 134,742,000

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 one ticket valid for 52 weeks or two tickets valid for 26 weeks or at \$12.00 for either one ticket valid for 24 weeks or two tickets valid for 12 weeks. A daily lottery was introduced during the 1976-77 fiscal year in which collections are made from machines that issue tickets. Daily lottery tickets may vary in price from \$.50 to \$5.00 per ticket in increments of \$.50 at the discretion of the purchaser.

Miscellaneous Revenue

Actual	Estimated
1971-72 \$1,205,289	1977-78 \$629,000
1972-73 1,663,722	1978-79 629,000
1973-74 4,359,299	1979-80 629,000
1974-75 2,818,389	1980-81 629,000
1975-76 778,610	1981-82 629,000
1976-77 529,146	1982-83 629,000

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.

	1976-77 Actual	1977-78 Estimated	1978-79 Budget
Collections	\$100,166,996	\$132,077,000	\$134,742,000
Miscellaneous	529,146	629,000	629,000
TOTAL REVENUES	<u>\$100,696,142</u>	<u>\$132,706,000</u>	<u>\$135,371,000</u>
Augmentations			
Licenses and Fees	\$ 118,064	\$ 117,000	\$ 114,000
Legal Service to State Employees			
Retirement Board	11,060	11,000	10,000
Legal Services to School Employees			
Retirement Board	10,984	11,000	10,000
Sale of Automobiles	9,475	2,000	.....
Reimbursement for Telephone Lines	44,100	213,000	247,000
TOTAL	<u>\$ 193,683</u>	<u>\$ 354,000</u>	<u>\$ 381,000</u>
TOTAL RECEIPTS	<u>\$100,889,825</u>	<u>\$133,060,000</u>	<u>\$135,752,000</u>

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 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.

Pennsylvania will use its revenue sharing funds primarily for assistance to local governments, school districts and individuals.

REVENUE SHARING TRUST FUND

Financial Statement

	(Dollar Amounts in Thousands)	
	1977-78	1978-79
Beginning Balance	\$ -55	\$ 308
Receipts:		
Revenue Estimate	118,113	117,500
Funds Available	\$118,058	\$117,808
Expenditures:		
Appropriated	\$117,750	\$117,749
Less Current Year Lapses .....	.....	.....
Estimated Expenditures	-117,750	-117,749
Ending Balance	\$ 308	\$ 59

REVENUE SHARING TRUST FUND

Summary by Department

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Governor's Office			
General Government			
Auditor General's Audit Costs .....	.....	\$ 120	\$ 120
Department of Education			
Grants and Subsidies			
Pupil Transportation	\$ 23,600	\$ 23,600	\$ 23,600
Special Education	51,400	53,600	53,600
Special Education—Approved Private Schools	2,500	2,500	2,500
Transfer to State Public School Building Authority .....	.....	1,000	.....
DEPARTMENT TOTAL	<u>\$ 77,500</u>	<u>\$ 80,700</u>	<u>\$ 79,700</u>
Department of Environmental Resources			
Grants and Subsidies			
Sewage Treatment Plant Operations Grants	\$ 11,632	\$ 12,250	\$ 13,630
Department of Health			
Grants and Subsidies			
Local Health Departments – Environmental	\$ 3,600	.....	\$ 6,799
Department of Justice			
General Government			
Medicaid Fraud Investigations .....	.....	\$ 65	.....
Medicaid Fraud Prosecutions .....	.....	15	.....
DEPARTMENT TOTAL .....	.....	<u>\$ 80</u>	.....
Department of Public Welfare			
Grants and Subsidies			
Cash Assistance .....	.....	\$ 24,400	.....
Private Nursing Homes .....	.....	.....	\$ 17,500
DEPARTMENT TOTAL .....	.....	<u>\$ 24,400</u>	<u>\$ 17,500</u>
Department of State			
General Government			
General Government Operations .....	.....	\$ 200	.....
Judiciary			
Grants and Subsidies			
Reimbursement of County Court Costs	\$ 24,000	.....	.....
FUND TOTAL	<u>\$116,732</u>	<u>\$117,750</u>	<u>\$117,749</u>

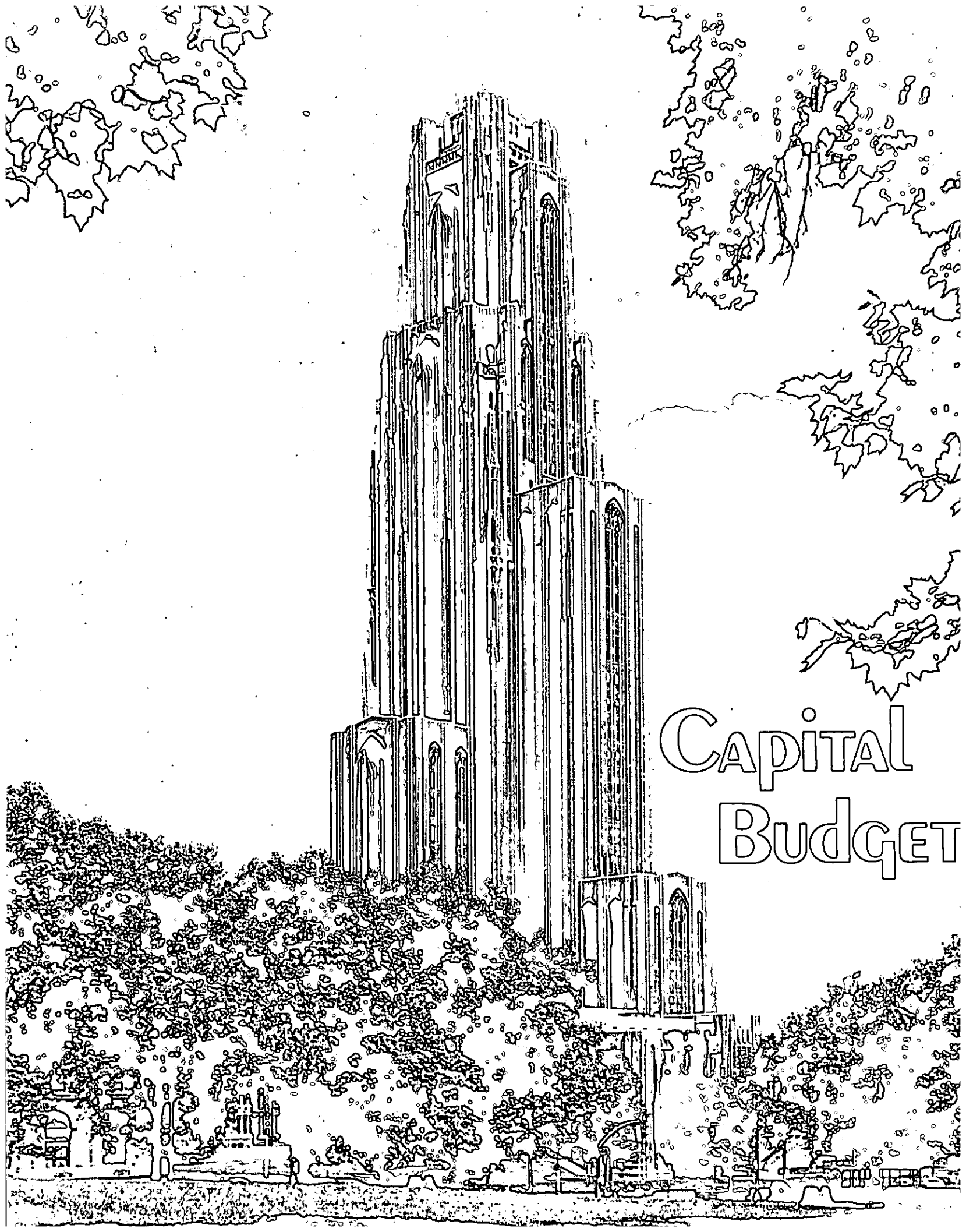
REVENUE SHARING TRUST FUND REVENUE SUMMARY

Five Year Revenue Projection

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
	Actual	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated
Miscellaneous Revenues	<u>\$116,650</u>	<u>\$118,113</u>	<u>\$117,500</u>	<u>\$119,000</u>	<u>\$120,000</u>	<u>\$120,000</u>	<u>\$120,000</u>

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

The State and Local Fiscal Assistance Act authorizes payment of revenue sharing funds to state and local government for the period January 1, 1977 through September 30, 1980. It is our assumption that Congress will extend the Revenue Sharing legislation when the current Act terminates; therefore, projections are being made beyond the current 1980 termination date.



CAPITAL BUDGET

Capital Budget

This section contains the 1978-79 Capital Budget and Five Year Capital Program. The bonded indebtedness required to support the capital programs 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 nonstructural improvements and the acquisition of land. These projects are designed and constructed through the Department of General Services.

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 General Services.

Mass Transportation Assistance Projects — These projects include: (a) the purchase of rolling stock and construction or improvement of facilities operated by mass transportation agencies throughout the Commonwealth, and (b) the acquisition, construction, and equipping of rural and intercity common carrier surface transportation systems or any components thereof as authorized in Act 10 of 1976. The projects are implemented by the Pennsylvania Transportation Assistance Authority.

Highway Projects — This category includes the design, purchase of rights-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:

1978-79 New Project Authorizations — This section itemizes and describes the new capital projects recommended for authorization in 1978-79, and their proposed source of funding. The projects are listed by department and program. The 1978-79 recommendations include not only new project recommendations, but also prior capital recommendations which are still pending legislative approval, and which are still supported by the Administration. The projects that were included in prior budgets are indicated by an asterisk.

Forecast of Future Projects — This section contains a forecast of new capital projects to be initiated during each of the fiscal years 1979-80 through 1982-83. 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 subdivided by projects currently authorized, new projects proposed for 1978-79, and future projects (1979-83).

FORECAST OF DEBT LIMIT AND OUTSTANDING DEBT
1977-78 Through 1982-83

This table includes debt issued under Article 8, Section 7 (a)(4) of the Pennsylvania Constitution for projects included in a capital budget, and debt issued by the General State Authority and the State Highway and Bridge Authority.

	(Dollar Amounts in Thousands)					
	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Average Tax Revenues Previous Five Years . . .	\$5,193,962	\$5,586,655	\$6,028,844	\$6,525,532	\$7,033,757	\$7,575,928
Debt Limit (a)	9,089,434	9,776,646	10,550,477	11,419,681	12,309,075	13,257,874
Outstanding debt—Beginning of fiscal year . . .	4,139,296	4,254,349	4,306,126	4,280,318	4,238,193	4,187,967
Bonds to be issued	260,000	202,950	140,000	133,000	133,000	129,000
Bonds to be retired	-144,947	-151,173	-165,808	-175,125	-183,226	-195,365
Outstanding debt—End of fiscal year	<u>\$4,254,349</u>	<u>\$4,306,126</u>	<u>\$4,280,318</u>	<u>\$4,238,193</u>	<u>\$4,187,967</u>	<u>\$4,121,602</u>
% of debt to debt limit	46.8%	44.0%	40.6%	37.1%	34.0%	31.1%

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

**FORECAST OF OUTSTANDING DEBT BY CATEGORY OF PROJECT
1977-78 Through 1982-83**

This table includes debt issued under Article 8, Section 7 (a)(4) of the Pennsylvania Constitution for projects included in a capital budget, and debt issued by the General State Authority and the State Highway and Bridge Authority.

	(Dollar Amounts in Thousands)					
	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Public Improvement Projects						
Outstanding Debt — Beginning	\$1,729,416	\$1,804,044	\$1,846,791	\$1,872,011	\$1,892,967	\$1,908,139
Bonds to be issued	140,000	110,000	100,000	100,000	100,000	90,000
Bonds to be retired	-65,372	-67,253	-74,780	-79,044	-84,828	-90,158
Outstanding Debt — End	<u>\$1,804,044</u>	<u>\$1,846,791</u>	<u>\$1,872,011</u>	<u>\$1,892,967</u>	<u>\$1,908,139</u>	<u>\$1,907,981</u>
Highway Projects						
Outstanding Debt — Beginning	\$2,291,020	\$2,301,450	\$2,277,140	\$2,198,342	\$2,115,566	\$2,031,348
Bonds to be issued	80,000	47,950	.....	.....	.....	.....
Bonds to be retired	-69,570	-72,260	-78,798	-82,776	-84,218	-88,967
Outstanding Debt — End	<u>\$2,301,450</u>	<u>\$2,277,140</u>	<u>\$2,198,342</u>	<u>\$2,115,566</u>	<u>\$2,031,348</u>	<u>\$1,942,381</u>
Transportation Assistance						
Outstanding Debt — Beginning	\$ 54,205	\$ 81,375	\$ 117,670	\$ 147,305	\$ 170,370	\$ 192,080
Bonds to be issued	30,000	40,000	35,000	30,000	30,000	35,000
Bonds to be retired	-2,830	-3,705	-5,365	-6,935	-8,290	-9,710
Outstanding Debt — End	<u>\$ 81,375</u>	<u>\$ 117,670</u>	<u>\$ 147,305</u>	<u>\$ 170,370</u>	<u>\$ 192,080</u>	<u>\$ 217,370</u>
Community College Projects						
Outstanding Debt — Beginning	\$ 32,805	\$ 32,075	\$ 31,300	\$ 30,480	\$ 29,615	\$ 28,690
Bonds to be issued . . . . .	.....	.....	.....	.....	.....	.....
Bonds to be retired	-730	-775	-820	-865	-925	-975
Outstanding Debt — End	<u>\$ 32,075</u>	<u>\$ 31,300</u>	<u>\$ 30,480</u>	<u>\$ 29,615</u>	<u>\$ 28,690</u>	<u>\$ 27,715</u>
Furnishings and Equipment						
Outstanding Debt — Beginning	\$ 31,850	\$ 35,405	\$ 33,225	\$ 32,180	\$ 29,675	\$ 27,710
Bonds to be issued	10,000	5,000	5,000	3,000	3,000	4,000
Bonds to be retired	-6,445	-7,180	-6,045	-5,505	-4,965	-5,555
Outstanding Debt — End	<u>\$ 35,405</u>	<u>\$ 33,225</u>	<u>\$ 32,180</u>	<u>\$ 29,675</u>	<u>\$ 27,710</u>	<u>\$ 26,155</u>
Total Projects						
Outstanding Debt — Beginning	\$4,139,296	\$4,254,349	\$4,306,126	\$4,280,318	\$4,238,193	\$4,187,967
Bonds to be issued	260,000	202,950	140,000	133,000	133,000	129,000
Bonds to be retired	-144,947	-151,173	-165,808	-175,125	-183,226	-195,365
Outstanding Debt — End	<u>\$4,254,349</u>	<u>\$4,306,126</u>	<u>\$4,280,318</u>	<u>\$4,238,193</u>	<u>\$4,187,967</u>	<u>\$4,121,602</u>

FORECAST OF BOND ISSUES
1977-78 Through 1982-83

This table includes debt issued under Article 8, Section 7 (a)(4) of the Pennsylvania Constitution for projects included in a capital budget, and debt issued by the General State Authority and the State Highway and Bridge Authority.

	(Dollar Amounts in Thousands)					
	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Public Improvement Projects	\$140,000	\$110,000	\$100,000	\$100,000	\$100,000	\$ 90,000
Furnishings and Equipment	10,000	5,000	5,000	3,000	3,000	4,000
Highway Projects	80,000	47,950	.....	.....	.....	.....
Transportation Assistance Projects	30,000	40,000	35,000	30,000	30,000	35,000
TOTAL	<u>\$260,000</u>	<u>\$202,950</u>	<u>\$140,000</u>	<u>\$133,000</u>	<u>\$133,000</u>	<u>\$129,000</u>

FINANCIAL STATEMENT(a)
1978-79 Through 1982-83

	(Dollar Amounts in Thousands)				Total
	Public Improvement Projects	Highway Projects	Transportation Assistance Projects	Furnishings and Equipment	
Balance, July 1, 1978	\$ 40,000	\$ 5,000	\$ 9,000	\$5,000	\$ 59,000
Revenue: Bond Issues	110,000	47,950	40,000	5,000	202,950
Estimated Expenditures	<u>-105,000</u>	<u>-43,800</u>	<u>-36,300</u>	<u>-6,694</u>	<u>-191,794</u>
Balance, July 1, 1979	\$ 45,000	\$ 9,150	\$12,700	\$3,306	\$ 70,156
Revenue: Bond Issues	100,000	. . . . .	35,000	5,000	140,000
Estimated Expenditures	<u>-105,000</u>	<u>-9,150</u>	<u>-34,700</u>	<u>-3,949</u>	<u>-152,799</u>
Balance, July 1, 1980	\$ 40,000	. . . . .	\$13,000	\$4,357	\$ 57,357
Revenue: Bond Issues	100,000	. . . . .	30,000	3,000	133,000
Estimated Expenditures	<u>-105,000</u>	. . . . .	<u>-31,600</u>	<u>-4,355</u>	<u>-140,955</u>
Balance, July 1, 1981	\$ 35,000	. . . . .	\$11,400	\$3,002	\$ 49,402
Revenue: Bond Issues	100,000	. . . . .	30,000	3,000	133,000
Estimated Expenditures	<u>-105,000</u>	. . . . .	<u>-32,500</u>	<u>-4,223</u>	<u>-141,723</u>
Balance, July 1, 1982	\$ 30,000	. . . . .	\$ 8,900	\$1,779	\$ 40,679
Revenue: Bond Issues	90,000	. . . . .	35,000	4,000	129,000
Estimated Expenditures	<u>-95,000</u>	. . . . .	<u>-34,000</u>	<u>-4,223</u>	<u>-133,223</u>
Balance, July 1, 1983	<u>\$ 25,000</u>	. . . . .	<u>\$ 9,900</u>	<u>\$1,556</u>	<u>\$ 36,456</u>

ESTIMATED CAPITAL PROJECT EXPENDITURES
State Funds
1978-79 through 1982-83

	(Dollar Amounts in Thousands)				
	1978-79	1979-80	1980-81	1981-82	1982-83
FROM GENERAL OBLIGATION BONDS					
Public Improvement Projects—Buildings and Structures	\$105,000	\$105,000	\$105,000	\$105,000	\$ 95,000
Public Improvement Projects—Furnishings and Equipment	6,694	3,949	4,355	4,223	4,223
Highway Projects	43,800	9,150	†	†	†
Transportation Assistance Projects	36,300	34,700	31,600	32,500	34,000
Total—Bond Funds	<u>\$191,794</u>	<u>\$152,799</u>	<u>\$140,955</u>	<u>\$141,723</u>	<u>\$133,223</u>
FROM CURRENT REVENUES					
Public Improvement Projects—General Fund	\$ 376	\$ 124	. . . . .	. . . . .	. . . . .
Public Improvement Projects—Game Fund . . . . .	. . . . .	1,500	\$ 1,500	\$ 1,500	\$ 1,500
Public Improvement Projects—Fish Fund . . . . .	. . . . .	400	420	415	415
Public Improvement Projects—Boating Fund . . . . .	. . . . .	552	580	609	640
Transportation Assistance Projects—General Fund	32	. . . . .	. . . . .	. . . . .	. . . . .
Total—Current Revenues	<u>\$ 408</u>	<u>\$ 2,576</u>	<u>\$ 2,500</u>	<u>\$ 2,524</u>	<u>\$ 2,555</u>
TOTAL—ALL STATE FUNDS	<u><u>\$192,202</u></u>	<u><u>\$155,375</u></u>	<u><u>\$143,455</u></u>	<u><u>\$144,247</u></u>	<u><u>\$135,778</u></u>

†Current Motor License Fund tax rates are insufficient to fund additional highway construction programs. Resumption of the highway construction program is dependant upon an increase in Motor License Fund revenues.

**FORECAST OF DEBT SERVICE REQUIREMENTS
1978-79 THROUGH 1982-83**

This table includes debt service on debt issued under Article 8, Section 7 (a)(4) of the Pennsylvania Constitution for projects included in a capital budget, and debt issued by the General State Authority and the State Highway and Bridge Authority. Debt service on anticipated issues is included.

	(Dollar Amounts in Thousands)				
	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND					
Department of General Services					
General State Authority Rentals	\$ 56,283	\$ 54,147	\$ 53,217	\$ 51,531	\$ 47,591
Department of Education					
General State Authority Rentals	4,349	4,349	4,349	4,349	4,349
Treasury Department					
Capital Debt Fund					
—Public Improvement Projects (including GSA)	96,216	106,515	114,798	122,723	131,016
—Transportation Assistance Projects	9,093	13,644	16,729	19,527	22,309
—Community College Projects(a)	2,048	2,034	2,021	2,029	2,013
—Original Capital Equipment and Furniture	9,393	8,200	7,510	6,820	7,325
TOTAL—GENERAL FUND	<u>\$177,382</u>	<u>\$188,889</u>	<u>\$198,624</u>	<u>\$206,979</u>	<u>\$214,603</u>
MOTOR LICENSE FUND					
Department of General Services					
General State Authority Rentals	\$ 1,322	\$ 1,322	\$ 1,322	\$ 1,322	\$ 1,322
Department of Transportation					
Highway and Bridge Authority Rentals	34,307	34,489	34,267	31,290	31,484
Treasury Department					
Capital Debt Fund					
—Highway Projects (including S.H.B.A.)	168,489	171,324	170,679	169,994	169,373
—Public Improvement Projects	293	382	1,074	1,124	1,459
TOTAL—MOTOR LICENSE FUND	<u>\$204,411</u>	<u>\$207,517</u>	<u>\$207,342</u>	<u>\$203,730</u>	<u>\$203,638</u>
FISH FUND					
Department of General Services					
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 General Services					
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	\$ 562	\$ 560	\$ 562	\$ 558	\$ 563
TOTAL—PUBLIC SCHOOL BUILDING AUTHORITY	<u>\$ 562</u>	<u>\$ 560</u>	<u>\$ 562</u>	<u>\$ 558</u>	<u>\$ 563</u>
TOTAL DEBT SERVICE—ALL FUNDS	<u>\$382,420</u>	<u>\$397,031</u>	<u>\$406,593</u>	<u>\$411,332</u>	<u>\$418,869</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 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
	1978-79	1979-80	1980-81	1981-82	1982-83	
Department of Agriculture	\$ 1,083	\$ 800	\$ 700	\$ 900	\$ 1,400	\$ 4,883
Department of Education	77,990	11,800	12,800	14,700	14,600	131,890
Department of Environmental Resources	41,855	3,900	2,800	2,100	1,400	52,055
Fish Commission . . . . .	. . . . .	952	1,000	1,024	1,055	4,031
Game Commission . . . . .	. . . . .	1,500	1,500	1,500	1,500	6,000
Department of General Services	4,665	1,000	600	600	. . . . .	6,865
Historical and Museum Commission	5,267	1,000	1,400	1,300	1,200	10,167
Department of Justice	29,332	7,000	5,400	6,800	7,500	56,032
Department of Labor and Industry	2,282	900	800	900	900	5,782
Department of Military Affairs	4,185	400	500	400	600	6,085
Department of Public Welfare	36,821	22,700	24,600	22,000	21,800	127,921
State Police	1,016	. . . . .	. . . . .	. . . . .	. . . . .	1,016
Department of Transportation	30,502	10,500	12,400	14,300	15,600	83,302
TOTAL	<u><u>\$234,998</u></u>	<u><u>\$62,452</u></u>	<u><u>\$64,500</u></u>	<u><u>\$66,524</u></u>	<u><u>\$67,555</u></u>	<u><u>\$496,029</u></u>

RECOMMENDED 1978-79 NEW PROJECT AUTHORIZATIONS
STATE FUNDS

Summary by Department

(Dollar Amounts in Thousands)

	Bond Funds				Current Revenues		Total All Funds
	Public Improvement Projects	Original Furniture & Equipment	Transportation Assistance Projects	Highway Projects	Public Improvement Projects	Transportation Assistance Projects	
Department of Agriculture	\$ 1,031	. . . .	. . . .	. . . .	\$ 52	. . . .	\$ 1,083
Department of Education	77,056	\$ 789	. . . .	. . . .	145	. . . .	77,990
Department of Environmental Resources	41,791	64	. . . .	. . . .	. . . .	. . . .	41,855
Department of General Services	4,665	. . . .	. . . .	. . . .	. . . .	. . . .	4,665
Historical and Museum Commission	4,935	332	. . . .	. . . .	. . . .	. . . .	5,267
Department of Justice	29,158	. . . .	. . . .	. . . .	174	. . . .	29,332
Department of Labor and Industry	2,282	. . . .	. . . .	. . . .	. . . .	. . . .	2,282
Department of Military Affairs	3,650	535	. . . .	. . . .	. . . .	. . . .	4,185
Department of Public Welfare	36,503	189	. . . .	. . . .	129	. . . .	36,821
State Police	1,016	. . . .	. . . .	. . . .	. . . .	. . . .	1,016
Department of Transportation	561	. . . .	\$29,909	*	. . . .	\$32	30,502
TOTAL	<u>\$202,648</u>	<u>\$1,909</u>	<u>\$29,909</u>	. . . .	<u>\$500</u>	<u>\$32</u>	<u>\$234,998</u>

*Current Motor License Fund tax rates are insufficient to fund a new highway capital program. Resumption of the highway construction program is dependant upon an increase in Motor License Fund revenues.

DEPARTMENT OF AGRICULTURE

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1978-79 PUBLIC IMPROVEMENT PROJECTS				
Animal Health	\$216	....	\$ 61	\$ 277
Farm Show Facility Management	620	....	186	806
	<u> </u>		<u> </u>	<u> </u>
TOTAL PROJECTS	<u>\$836</u>	....	<u>\$247</u>	<u>\$1,083</u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund—Buildings and Structures	\$793	....	\$238	\$1,031
 Current Revenues				
General Fund	\$ 43	....	\$ 9	\$ 52
	<u> </u>		<u> </u>	<u> </u>
TOTAL	<u>\$836</u>	....	<u>\$247</u>	<u>\$1,083</u>

CAPITAL BUDGET

Department of Agriculture 1978-79 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Animal Health				
<i>Summerdale Laboratory</i>				
*AIR-CONDITION LABORATORY BUILDING: This project provides for the installation of air-conditioning in the Summerdale Laboratory to prevent high temperature and humidity from interfering with diagnostic procedures.	\$173	. . . . .	\$52	\$225
PROGRAM TOTAL-BOND FUNDS	<u>\$173</u>	. . . . .	<u>\$52</u>	<u>\$225</u>
Program: Farm Show Facility Management				
<i>Farm Show</i>				
*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.	\$620	. . . . .	\$186	\$806
PROGRAM TOTAL-BOND FUNDS	<u>\$620</u>	. . . . .	<u>\$186</u>	<u>\$806</u>
FROM CURRENT REVENUES				
Program: Animal Health				
<i>Summerdale Laboratory</i>				
*IMPROVEMENTS TO SEWAGE SYSTEM: This project provides for the connection of all toilet, sink and floor drains and lines in the original laboratory building, which presently empty into a septic tank, to the laboratory addition, which empties into a borough sewer.	\$43	. . . . .	\$9	\$52
PROGRAM TOTAL-CURRENT REVENUES	<u>\$43</u>	. . . . .	<u>\$9</u>	<u>\$52</u>

* Recommended in previous Capital Budgets but still pending legislative approval.

Department of Education

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1978-79 PUBLIC IMPROVEMENT PROJECTS				
Higher Education				
State-Owned Colleges and Universities	\$32,321	. . . .	\$ 9,483	\$41,804
State-Related Universities	26,349	. . . .	6,580	32,929
Special and Vocational Education				
Services State-Owned Schools	2,491	. . . .	740	3,231
Community Training Services				
Fireman's Training School	25	. . . .	1	26
TOTAL PROJECTS	<u>\$61,186</u>	. . . .	<u>\$16,804</u>	<u>\$77,990</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund -- Buildings and Structures	\$60,292	. . . .	\$16,764	\$77,056
Capital Facilities Fund -- Furniture and Equipment	773	. . . .	16	789
Subtotal	<u>\$61,065</u>	. . . .	<u>\$16,780</u>	<u>\$77,845</u>
Current Revenues				
General Fund	\$ 121	. . . .	\$ 24	\$ 145
TOTAL	<u>\$61,186</u>	. . . .	<u>\$16,804</u>	<u>\$77,990</u>

Department of Education 1978-79 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>				
* RENOVATION OF ELECTRICAL UTILITIES: This project will provide for the replacement of deteriorated cable, and additional 12 KV circuit breaker to be added to the lower campus substation, and the replacement of old 4.2 KV transformers with new 12 KV transformers at four buildings, and update the high voltage electrical system in the Ben Franklin Classroom Building.	\$ 717	. . . .	\$ 215	\$ 932
* CONVERSION OF SUTLIFF HALL: This project will provide for general renovation and conversion of Sutliff Hall, originally constructed as a physical science laboratory and classroom building, to classroom space for the School of Business.	507	. . . .	152	659
* REHABILITATE UTILITIES: This project will rehabilitate the institutional steam condensate system.	482	. . . .	145	627
HANDICAPPED STANDARDS IMPROVEMENTS: This project will provide for major renovation of facilities access, installation of ramps, elevators, and other modifications to comply with Federal handicapped standards.	200	. . . .	60	260
REHABILITATE CAMPUS FIRE PROTECTION SYSTEM: This project will provide for the installation of a 1.1 million gallon stand pipe, new water mains, laterals and fire hydrants for adequate campus fire protection.	690	. . . .	207	897
RENOVATION OF HARTLINE SCIENCE CENTER: This project will provide for the renovation of six science laboratories to accommodate increased enrollments in the nursing program.	324	. . . .	97	421

* Recommended in previous Capital Budgets but still pending legislative approval.

Department of Education 1978-79 Projects

	(Dollar Amounts in Thousands)			Total Project Cost
	Base Project Cost	Land Cost	Design Admin. & Misc.	
FROM BOND FUNDS				
Program: Higher Education — State-Owned Colleges and University (continued)				
<i>California State College</i>				
*RENOVATE AND CONVERT SCIENCE BUILDING: This project will update an existing facility. Major improvements to be provided are: add air conditioning, overhaul all utility systems, and convert biology labs to physical science labs.	\$ 1,327	. . . . .	\$ 398	\$ 1,725
*REHABILITATE HIGH VOLTAGE DISTRIBUTION SYSTEM: This project will update the institutions high voltage electrical distribution system.	181	. . . . .	54	235
REHABILITATE CAMPUS FIRE PROTECTION SYSTEM: This project will provide for the installation of a 746,000 gallon stand pipe, new water mains, fire hydrants and pumps for adequate campus fire protection.	952	. . . . .	286	1,238
HANDICAPPED STANDARDS IMPROVEMENTS: This project will provide for major renovations of facilities access, installation of campus elevators and other modifications to comply with Federal handicapped standards.	420	. . . . .	126	546
<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.	184	. . . . .	55	239
*RENOVATION OF PENNSYLVANIA HALL: This project will provide for the renovation of Pennsylvania Hall to provide space for a theatre-arts center.	1,629	. . . . .	488	2,117
REHABILITATE CAMPUS FIRE PROTECTION SYSTEM: This project will provide for the replacement of inadequate water lines, extend lines to new facilities and install additional fire hydrants and control valves for adequate campus fire protection.	683	. . . . .	205	888
HANDICAPPED STANDARDS IMPROVEMENTS: This project will provide for major renovations of facilities access, installation of ramps, elevators and other modifications to comply with Federal handicapped standards.	209	. . . . .	63	272

* Recommended in previous Capital Budgets but still pending legislative approval.

Department of Education 1978-79 Projects

	(Dollar Amounts in Thousands)			
FROM BOND FUNDS	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
Program: Higher Education – State-Owned Colleges and University (continued)				
<i>Cheyney State College (continued)</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 403-25: This project will provide funds for original furniture and equipment for the new administration building scheduled for completion in 1978.	\$ 138	.....	\$ 3	\$ 141
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 403-32: This project will provide funds for original furniture and equipment for the recreation areas and bleacher addition project scheduled for completion in 1978.	64	.....	1	65
<i>Clarion State College</i>				
*RENOVATION OF STEVENS CLASSROOM BUILDING: This project will provide for the replacement of the entire electrical system, installation of air conditioning and new lighting and sound equipment.	502	.....	151	653
HANDICAPPED STANDARDS IMPROVEMENTS: This project will provide for major renovation of facilities access, installation of ramps, elevators, and other modification to comply with Federal handicapped standards.	904	.....	271	1,175
<i>East Stroudsburg State College</i>				
*ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 405-40: This project will provide funds for original furniture and equipment for the new fine arts building.	353	.....	7	360
*BOILER REPLACEMENT AND COMPLETION OF STEAM LOOP: This project will replace two inadequate boilers with one new boiler and will also provide for completion of approximately 480 feet of steam loop.	589	.....	177	766
HANDICAPPED STANDARDS IMPROVEMENTS: This project will provide for major renovations of facilities access, installation of ramps, elevators, and other modifications to comply with Federal handicapped standards.	129	.....	39	168

* Recommended in previous Capital Budgets but still pending legislative approval.

Department of Education 1978-79 Projects

FROM BOND FUNDS	(Dollar Amounts in Thousands)			Total Project Cost
	Base Project Cost	Land Cost	Design Admin. & Misc.	
Program: Higher Education – State-Owned Colleges and University (continued)				
<i>Edinboro State College</i>				
*AIR CONDITIONING OF CLASSROOM BUILDING: This project will provide for the air conditioning at Hendricks Hall, which is utilized throughout the year for classroom and office purposes.	\$ 223	.....	\$ 67	\$ 290
*HANDICAPPED STANDARDS IMPROVEMENTS: This project will provide for major renovation of facilities access, installation of ramps, elevators, and other modifications to comply with Federal handicapped standards.	435	.....	131	566
<i>Indiana University of Pennsylvania</i>				
*BOILER PLANT IMPROVEMENTS—PHASE II. This project will provide for miscellaneous improvements in the boiler plant and heating system. It includes such items as new condensate return, emergency generator, additional softener capacity, new pressure reducing station, centrifugal pumps, blowdown valves, revision of all ash handling, installation of covered coal storage area, etc.	681	.....	204	885
*REHABILITATE STEAM DISTRIBUTION SYSTEM: This project will replace approximately 1,200 lineal feet of high pressure steam distribution lines and related control valves.	558	.....	167	725
*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.	540	.....	162	702
REHABILITATE CAMPUS FIRE PROTECTION SYSTEM: This project will provide for the installation of larger water mains and laterals, fifteen new fire hydrants and the replacement of hydrants not having proper connections.	430	.....	129	559

* Recommended in previous Capital Budget but still pending legislative approval.

Department of Education 1978-79 Projects

					(Dollar Amounts in Thousands)				
					Base		Design		Total
					Project	Land	Admin.		Project
					Cost	Cost	& Misc.		Cost
FROM BOND FUNDS									
Program: Higher Education – State-Owned									
Colleges and University (continued)									
<i>Indiana University of Pennsylvania (continued)</i>									
HANDICAPPED STANDARDS IMPROVEMENTS: This project will provide for major renovations of facilities access, installation of ramps, elevators, and other modifications to comply with Federal handicapped standards.					\$ 630	. . . . .	\$ 189		\$ 819
FIRE AND SAFETY IMPROVEMENTS IN CLASSROOM BUILDINGS: This project will provide for the installation of sprinkler and emergency lightning systems in Uhler, Wilson, and McElhanev Halls to comply with Fire and Panic Act Standards.					217	. . . . .	65		282
<i>Kutztown State College</i>									
*EXPANSION OF HEATING PLANT AND UTILITIES: This project will provide for a new coal fired boiler and appurtenances as well as improvements to the electric signal, water, storm and sanitary sewer lines within the building area.					809	. . . . .	243		1,052
HEATING AND VENTILATION IMPROVEMENTS – SCHAEFFER AUDITORIUM: This project will replace in its entirety the heating and ventilation system in Schaeffer Auditorium.					173	. . . . .	52		225
*REPLACE AND EXPAND UTILITY LINES: This project will provide funds to replace approximately 10,200 linear feet of steam and condensate lines on the campus that can no longer be repaired.					683	. . . . .	205		888
HANDICAPPED STANDARDS IMPROVEMENTS: This project will provide for major renovation of facilities access, installation of ramps, elevators, and other modifications to comply with Federal handicapped standards.					150	. . . . .	45		195
<i>Lock Haven State College</i>									
*THEATRE LIGHTING: This project will provide for the installation of all theatre lighting in the music drama building. Areas to be lighted include the theater and stage areas and two multipurpose classrooms.					200	. . . . .	60		260

* Recommended in previous Capital Budget but still pending legislative approval.

CAPITAL BUDGET

Department of Education 1978-79 Projects

	(Dollar Amounts in Thousands)			
FROM BOND FUNDS	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
Program: Higher Education — State-Owned Colleges and University (continued)				
<i>Lock Haven State College (continued)</i>				
*RENOVATION OF THOMAS FIELD HOUSE: This project will provide for a major renovation of this facility. It will renovate activity and locker room areas, heating and lighting systems, replace doors, windows and construct new entrances and install new roofing. Provision of this project will eliminate the need for a new field house at Lock Haven State College. . .	\$ 3,047	. . . .	\$ 914	\$ 3,961
REHABILITATE CAMPUS FIRE PROTECTION SYSTEM: This project will provide for the installation of a ten inch looped water main and eight additional fire hydrants for adequate campus fire protection.	158	. . . .	47	205
<i>Mansfield State College</i>				
*RENOVATION OF STEAM DISTRIBUTION SYSTEM: This project will provide for the renovation of the steam and condensate system located on the oldest part of the campus. The project will include the replacement of all defective sections of the system, enlargement and/or rebuilding of all manholes as required, and thermal expansion as required.	552	. . . .	166	718
*AIR CONDITION DINING FACILITIES IN BUILDING 16: This project is to air condition the dining and kitchen facilities to allow for use during the summer.	253	. . . .	76	329
REHABILITATE FIRE PROTECTION SYSTEM: This project will provide for the installation of a new ten inch looped water main, pressure reducing stations, and additional fire hydrants for adequate campus fire protection.	443	. . . .	133	576
<i>Millersville State College</i>				
*CONVERSION OF BYERLY HALL: This project will provide for the conversion of a demonstration classroom building formerly used to instruct primary grade students, into a multi-purpose classroom building.	673	. . . .	202	875

* Recommended in previous Capital Budget but still pending legislative approval.

CAPITAL BUDGET

Department of Education 1978-79 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 (continued)				
<i>Millersville State College (continued)</i>				
*HEATING AND VENTILATION IMPROVEMENTS—RODDY SCIENCE CENTER: This project will upgrade the heating, ventilating and air conditioning systems in Roddy Science Center.	\$ 681	.....	\$ 204	\$ 885
*CONVERSION TO ELECTRICAL HEATING: This project will provide for the conversion of Bassler, Brooks and Meyers Halls to electrical heat. This will complete the conversion of the entire campus from steam to electrical heat and will result in the closing of the out dated steam heating plant.	656	.....	197	853
REHABILITATE CAMPUS FIRE PROTECTION SYSTEM AND EXPANSION OF WATER SYSTEM: This project will relocate and provide additional fire hydrants, extend the existing water supply system to serve classroom buildings on East Frederick Street and install a 1.1 million gallon stand pipe,	1,288	.....	386	1,674
HANDICAPPED STANDARDS IMPROVEMENTS: This project will provide for major renovations of facilities access, installation of ramps, elevators, and other modifications to comply with Federal handicapped standards.	625	.....	188	813
<i>Shippensburg State College</i>				
*PACKAGE STEAM BOILER AND EMERGENCY GENERATOR: This project will provide for an additional coal fired boiler, complete with controls, coal and ash handling equipment and all required auxiliaries and the installation of an emergency generator.	474	.....	142	616
*AIR CONDITION DINING HALL: This project will provide for air-conditioning of the dining and kitchen facilities to allow for use during the summer terms.	189	.....	57	246
*RENOVATION OF OLD MAIN BUILDING: This project will provide for the modernization of Old Main for use as a central administration building. Included in this project will be the conversion of dormitory space to office space, the upgrading of plumbing and electrical systems, installation of elevators and zoned central air conditioning.	3,070	.....	921	3,991

* Recommended in previous Capital Budget but still pending legislative approval.

CAPITAL BUDGET

Department of Education 1978-79 Projects

	(Dollar Amounts in Thousands)			Total Project Cost
	Base Project Cost	Land Cost	Design Admin. & Misc.	
FROM BOND FUNDS				
Program: Higher Education – State-Owned Colleges and University (continued)				
<i>Shippensburg State College (continued)</i>				
HANDICAPPED STANDARDS IMPROVEMENTS: This project will provide for major renovation of facilities access, installation of ramps, elevators, and other modifications to comply with Federal handicapped standards.	\$ 285	.....	\$ 86	\$ 371
<i>Slippery Rock State College</i>				
*ADDITIONAL FUNDS FOR GSA 413-34, RENOVATION OF BOILER PLANT: This project will provide additional funds to complete the boiler plant improvements that are needed to meet environmental quality regulations.	740	.....	222	962
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 413-27: This project will provide for original furniture and equipment for the fine arts building scheduled to be completed in 1978.	193	.....	4	197
HANDICAPPED STANDARDS IMPROVEMENTS: This project will provide for major renovation of facilities access, installation of ramps, elevators, and other modifications to comply with Federal handicapped standards.	188	.....	56	244
<i>West Chester State College</i>				
*RENOVATION OF HOLLINGER FIELDHOUSE AND EHLINGER GYMNASIUM: This project will provide funds to renovate Hollinger Fieldhouse and Ehlinger Gymnasium including the installation of new roofing, flooring, floors, running track, shower and toilet facilities and improved emergency lighting system.	946	.....	284	1,230
REHABILITATE CAMPUS FIRE PROTECTION SYSTEM: This project will provide for the installation of larger mains and laterals, control valves and fire hydrants for adequate campus fire protection.	771	.....	231	1,002

* Recommended in previous Capital Budget but still pending legislative approval.

CAPITAL BUDGET

Department of Education 1978-79 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 (continued)				
<i>West Chester State College (continued)</i>				
HANDICAPPED STANDARDS IMPROVEMENTS: This project will provide for major renovations of facilities access, installation of ramps, elevators, and other modifications to comply with Federal handicapped standards.				
\$ 122	\$ 37	\$ 159	
PROGRAM TOTAL—BOND FUNDS				
<u>\$32,267</u>	<u>\$9,472</u>	<u>\$41,739</u>	
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 accommodate additional planned facilities and increased enrollments. This addition will occupy 45,000 square feet, including a laboratory for mandatory testing.				
\$ 607	\$ 182	\$ 789	
*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.				
236	71	307	
<i>Pennsylvania State University Univeristy Park</i>				
*SEWAGE PLANT IMPROVEMENT: This project will provide for tertiary treatment of 2,000,000 gallons of sewage per day and all sewage plant effluent. The project will consist of either the construction of a chemical treatment plant or providing additional spray fields at remote areas.				
1,435	431	1,866	
*IMPROVEMENTS TO ELECTRICAL DISTRIBUTION SYSTEM: This project will improve the reliability of the electrical distribution system. It will provide for conversion of the Research Area to 12 KV, add 12 KV feeder cables from central substation to both east and west substations, provide 12 KV service to South Halls, and provide underground service from Home Management Area to Reactor Area.				
538	161	699	

* Recommended in previous Capital Budget but still pending legislative approval.

CAPITAL BUDGET

Department of Education 1978-79 Projects

	(Dollar Amounts in Thousands)			
Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost	
FROM BOND FUNDS				
Program: Higher Education – State-Related Universities (continued)				
<i>Pennsylvania State University</i>				
<i>University Park (continued)</i>				
*EXTENSION OF WATER LINES: This project will provide for water line extensions to construct loops for dual service for emergency use in several campus areas for fire fighting.				
\$ 251	\$ 75	\$ 326	
<i>University of Pittsburgh</i>				
<i>Main Campus</i>				
ANIMAL CARE FACILITY: This project will provide for the construction of a four story, 50,000 square foot addition to Scaife Hall to provide facilities for the care and holding of laboratory animals for the School of Medicine.				
8,194	2,458	10,652	
<i>Temple University</i>				
*RENOVATION AND CONVERSION OF COLLEGE HALL: This project will entail complete mechanical renovations needed to convert this facility for the fine arts, applied arts, and educational media resources programs. The project will made available approximately 35,500 square feet for these programs.				
624	187	811	
*RENOVATION AND CONVERSION OF REBER HALL: This project will provide major mechanical renovations needed to adapt this building to requirements for admissions, student aid and records administration operations. The project will make available approximately 30,000 square feet for these programs.				
1,215	365	1,580	
*CONSTRUCTION FUNDS FOR DGS 1104-32 – Phase II, DENTAL FACILITY: This project will provide construction funds to expand the present dental school facilities by approximately 128,000 sq. ft. for teaching, research and public school services, including clinical units, laboratories, classrooms and offices.				
13,249	2,650	15,899	
PROGRAM TOTAL—BOND FUNDS	_____	_____	_____	
\$26,349	_____	\$6,580	\$32,929	

* Recommended in previous Capital Budget but still pending legislative approval.

CAPITAL BUDGET

Department of Education 1978-79 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Special and Vocational Education Services				
State-Owned Schools				
<i>Scranton State School for the Deaf</i>				
*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.	\$1,350	. . . . .	\$405	\$1,755
* FIRE AND SAFETY IMPROVEMENTS: This project will provide funds to replace antiquated emergency lighting system and install a specially designed fire alarm system utilizing flashing strobe lights and vibrating alarms.	94	. . . . .	28	122
HANDICAPPED STANDARDS IMPROVEMENTS: This project will provide for major renovation of facilities access, installation of ramps, and other modifications to comply with Federal handicapped standards.	250	. . . . .	75	325
<i>Scotland School for Veterans Children</i>				
*RENOVATION OF ELECTRICAL AND STEAM DISTRIBUTION SYSTEMS: This project will provide for the replacement of deteriorated electrical lines, steam pipes, and pressure and zone controls associated with these pipes.	384	. . . . .	115	499
FIRE AND SAFETY IMPROVEMENTS IN CAMPUS BUILDINGS: This project will provide for a sprinkler system in the administration building and install fire and safety modifications in various other buildings to meet Fire and Panic Act standards.	235	. . . . .	71	306
<i>Thaddeus Stevens State School of Technology</i>				
HANDICAPPED STANDARDS IMPROVEMENTS: This project will provide for major renovation of facilities access, installation of ramps, and other modifications to comply with Federal handicapped standards.	111	. . . . .	33	144
PROGRAM TOTAL—BOND FUNDS	<u><u>\$2,424</u></u>	. . . . .	<u><u>\$727</u></u>	<u><u>\$3,151</u></u>

* Recommended in previous Capital Budget but still pending legislative approval.

CAPITAL BUDGET

Department of Education 1978-79 Projects

(Dollar Amounts in Thousands)				
FROM BOND FUNDS	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
Program: Community Training Services				
<i>Fireman's Training School</i>				
*ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 418-3: This project will provide funds for original furniture and equipment for the school's new administration building. . .	\$25	. . . .	\$1	\$26
	<u>—</u>		<u>—</u>	<u>—</u>
PROGRAM TOTAL—BOND FUNDS	<u>\$25</u>	. . . .	<u>\$1</u>	<u>\$26</u>
FROM CURRENT REVENUES				
Program: Higher Education — State-Owned College and University				
<i>Shippensburg State College</i>				
*FIRE AND PANIC IMPROVEMENTS — MEMORIAL AUDITORIUM: This project will provide funds to install automatic sprinkler systems, new water supply lines and roof ventilators in Memorial Auditorium to comply with the Commonwealth Fire and Panic Law.	\$54	. . . .	\$11	\$65
	<u>—</u>		<u>—</u>	<u>—</u>
PROGRAM TOTAL—CURRENT REVENUES	<u>\$54</u>	. . . .	<u>\$11</u>	<u>\$65</u>
Program: Special and Vocation Education Services — State-Owned Schools				
<i>Thaddeus Stevens State School of Technology</i>				
* FIRE AND SAFETY IMPROVEMENTS: This project will provide for the rehabilitation of emergency lighting and fire alarm systems in the administration building, cottages, classrooms and other campus buildings.	\$67	. . . .	\$13	\$80
	<u>—</u>		<u>—</u>	<u>—</u>
PROGRAM TOTAL—CURRENT REVENUES	<u>\$67</u>	. . . .	<u>\$13</u>	<u>\$80</u>

* Recommended in previous Capital Budget but still pending legislative approval.

DEPARTMENT OF ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1978-79 PUBLIC IMPROVEMENT PROJECTS				
Recreation	\$ 7,867	\$5,038	\$2,711	\$15,616
Forestry	771	.....	233	1,004
Flood Control	20,847	.....	6,255	27,102
	<u>29,485</u>	<u>5,038</u>	<u>9,199</u>	<u>43,722</u>
TOTAL PROJECTS	<u>\$29,485</u>	<u>\$5,038</u>	<u>\$9,199</u>	<u>\$43,722</u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund—Buildings and Structures	\$28,721	\$3,871	\$9,199	\$41,791
Capital Facilities Fund—Furniture and Equipment	64	.....	.....	64
	<u>28,785</u>	<u>3,871</u>	<u>9,199</u>	<u>41,855</u>
SUBTOTAL	<u>\$28,785</u>	<u>\$3,871</u>	<u>\$9,199</u>	<u>\$41,855</u>
Federal Funds	\$ 700	\$1,167	.....	\$ 1,867
	<u>700</u>	<u>1,167</u>	<u>.....</u>	<u>1,867</u>
TOTAL	<u>\$29,485</u>	<u>\$5,038</u>	<u>\$9,199</u>	<u>\$43,722</u>

Department of Environmental Resources 1978-79 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Recreation				
<i>Bald Eagle State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 191-35: This will provide for original furnishings and equipment for the beach facilities project.	\$ 17	.....	.....	\$ 17
<i>Benjamin Rush State Park</i>				
*DAY USE DEVELOPMENT: This will provide for the first phase of day use development including picnic areas, trail development with nature interpretation, children's play areas and the reconstruction of the Benjamin Rush House.	2,410	.....	\$ 723	3,133
<i>Chapman State Park</i>				
*PARK RENOVATIONS: This will consist of rehabilitation of the day use area, removal of silt from the lake, repairs to the dam and construction of a two-lane vehicle bridge across the spillway channel.	1,017	.....	305	1,322
<i>Hills Creek State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 191-36: This will provide original furniture and equipment for the park improvement project.	4	.....	.....	4
<i>Keystone State Park</i>				
*DAY USE FACILITIES: This will consist of construction of a park office building, extension of water and sanitary lines, parking area and comfort stations.	656	.....	197	853
<i>Laurel Hill State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 192-39: This will provide original equipment for the water and sanitary facilities project.	9	.....	.....	9

* Recommended in previous Capital Budgets but still pending legislative approval.

Department of Environmental Resources 1978-79 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Recreation (Continued)				
<i>Lehigh Gorge State Park</i>				
ADDITIONAL FUNDS FOR DGS 194-46, LAND ACQUISITION: This project will provide additional funds needed to complete acquisition of the proposed 7,000+ acre park, which will extend along the Lehigh River from the Frances E. Walter Dam to Jim Thorpe and be connected with Hickory Run State Park.				
Bond	.....	\$2,334	\$ 350	\$ 2,684
Fed.	.....	1,167	.....	1,167
<i>Nescopeck State Park</i>				
*ADDITIONAL FUNDS FOR DGS 194-42, LAND ACQUISITION: This project will provide additional funds for completion of the land acquisition for this project. This will increase the base funding for this project to \$3,864,000.				
	.....	1,064	160	1,224
<i>Neshaminy State Park</i>				
*ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 194-48: This will provide original equipment for the marina center expansion project.				
	\$ 5	.....	.....	5
<i>Parker Dam State Park</i>				
*RECONSTRUCT ACCESS ROAD: This project will provide for reconstruction of an existing 2.5 mile access road.				
	434	.....	130	564
<i>Presque Isle State Park</i>				
*BEACH EROSION CONTROL: This will continue measures to replenish and protect the broad sand beaches on Lake Erie.				
Bond	430	.....	129	559
Fed.	700	.....	.....	700
*BOAT AND BICYCLE FACILITIES: This will provide for replacement of the east and west boat liveries and for the development of bicycle rental facilities with parking area and trails.				
	928	.....	278	1,206
*MARINA EXPANSION: This project will consist of approximately 100 boat slips with related facilities to include a boat sanitary dumping station and marina comfort station.				
	747	.....	224	971

* Recommended in previous Capital Budgets but still pending legislative approval.

Department of Environmental Resources 1978-79 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program Recreation (continued)				
<i>Pymatuning State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 192-40: This will provide for original furniture and equipment for the administration/maintenance complex project.	\$ 22	.....	.....	\$ 22
<i>Roosevelt State Park</i>				
*BROCK CREEK AQUEDUCT: This will provide for replacement of the Brock Creek Aqueduct with a hydraulically more efficient structure.	284	.....	\$ 85	369
<i>Shawnee State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 193-32: This will provide for original equipment for the sewer line project.	7	.....	.....	7
<i>Swatara Gap State Park</i>				
*ADDITIONAL FUNDS FOR DGS 194-43, LAND ACQUISITION: This project will provide for completion of land acquisition for this park as well as acquisition of right-of-way for the Appalachian Trail between the park and State game lands. This will increase the base funding for this project up to \$4,923,000. ....	.....	\$ 473	71	544
<i>World's End State Park</i>				
BRIDGE: This project consists of the replacement of a single lane bridge across Loyalsock Creek. The new bridge will be two lane with a pedestrian walkway and will provide access to about two-thirds of the park's buildings.	197	.....	59	256
Total-State Funds	\$7,167	\$3,871	\$2,711	\$13,749
Total-Federal Funds	700	1,167	.....	1,867
PROGRAM TOTAL	<u>\$7,867</u>	<u>\$5,038</u>	<u>\$2,711</u>	<u>\$15,616</u>

* Recommended in previous Capital Budgets but still pending legislative approval.

CAPITAL BUDGET

Department of Environmental Resources 1978-79 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Forestry				
<i>Forestry 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,	\$182	. . . .	\$ 55	\$ 237
<i>Forest District No. 16</i>				
*FM RADIO SYSTEM: This will provide for installation of a new two-way radio communications system. It will replace an outmoded AM system currently in use.	185	. . . .	56	241
<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.	202	. . . .	61	263
<i>Mahonoy 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.	202	. . . .	61	263
PROGRAM TOTAL—BOND FUNDS	\$771	. . . .	\$233	\$1,004
Program: Flood Control				
<i>Johnstown Area — Cambria County</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.	\$ 243	. . . .	\$ 73	\$ 316

* Recommended in previous Capital Budget but still pending legislative approval.

Department of Environmental Resources 1978-79 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Flood Control (Continued)				
<i>Conemaugh and Upper Yoder Townships – Cambria County</i>				
BEN'S CREEK FLOOD PROTECTION: This project will provide for approximately 4,000 feet of flood wall along both banks of Ben's Creek.	\$ 550	. . . . .	\$ 165	\$ 715
<i>City of Johnstown and Lorraine Borough – Cambria County</i>				
SAM'S RUN FLOOD PROTECTION: This project will provide for a new culvert of approximately 1,500 feet between Coleman avenue and Stony Creek.	900	. . . . .	270	1,170
<i>City of Johnstown and Stony Creek Township – Cambria County</i>				
SOLOMON'S RUN FLOOD PROTECTION: This will provide for a concrete channel liner approximately two miles long to provide run off for Solomon's Run.	5,500	. . . . .	1,650	7,150
<i>East Conemaugh Borough and East Taylor Township – Cambria County</i>				
EAST CONEMAUGH FLOOD PROTECTION: This will provide for an adequate culvert under one of Conrail's main lines, channel improvements, and a short section of floodwall along the Little Conemaugh River.	450	. . . . .	135	585
<i>Nanty Glo Borough – Cambria County</i>				
BLACK LICK CREEK FLOOD PROTECTION: This will provide for a concrete channel liner, slope paving and channel improvement along Black Lick Creek.	1,200	. . . . .	360	1,560
<i>Croyle and Adams Townships – Cambria County</i>				
SOUTH FORK AND OTTO RUN FLOOD PROTECTION: This will provide for improved channel capacity for a distance of about one mile along the south fork of the Little Conemaugh River and Otto Run.	900	. . . . .	270	1,170

Department of Environmental Resources 1978-79 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Flood Control (Continued)				
<i>Borough of Vintondale – Cambria and Indiana Counties</i>				
SOUTH BRANCH OF BLACK LICK FLOOD PROTECTION:				
This will provide for an earth levee and 5,000 feet of channel excavation along the South Branch of Black Lick Creek.	\$ 500	. . . . .	\$ 150	\$ 650
<i>Huntingdon Borough – Huntingdon County</i>				
*FLOOD PROTECTION: This project will consist of levees to protect the Legislative Route 46 underpass under the Penn Central Railroad and a gate structure and pumping station to prevent backflow of the Juniata River into Muddy Run.	726	. . . . .	218	944
<i>Borough of Clymer – Indiana County</i>				
TWO LICK CREEK AND DICKSON RUN FLOOD PROTECTION: This project will provide for major channel excavation along Two Lick Creek for approximatley 1 mile. . .	1,700	. . . . .	510	2,210
<i>Borough of Homer City and Center Township – Indiana County</i>				
YELLOW CREEK AND TWO LICK CREEK FLOOD PROTECTION PROJECT: This will provide for slope paving and construction of 2 levees including riprap at the confluence of the Yellow Creek and Two Lick Creek.	2,500	. . . . .	750	3,250
<i>Borough of Cherry Tree – Indiana, Clearfield and Cambria County</i>				
IMPROVEMENTS TO EXISTING FLOOD PROTECTION PROJECT: This will provide for raising the height of existing levees and constructing a new levee along the West Branch of the Susquehanna River.	700	. . . . .	210	910
<i>Glenside Area – Montgomery County</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.	783	. . . . .	235	1,018

* Recommended in previous Capital Budgets but still pending legislative approval.

Department of Environmental Resources 1978-79 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Flood Control (Continued)				
<i>Danville Borough – Montour County</i>				
*PUMPING STATION: This project will consist of a 200,000 gallons per minute pumping station near the mouth of Sechler Run at Route 54. This will prevent overtopping of the Sechler Run protection system when the flood gates are closed.	\$ 1,749	. . . . .	\$ 525	\$ 2,274
<i>Paint Township – Somerset County</i>				
PAINT CREEK FLOOD PROTECTION PROJECT: This will provide for the extension of the Windber flood protection project and the replacement of the Route 601 Bridge.	300	. . . . .	90	390
<i>Borough of Windber – Somerset County</i>				
IMPROVEMENTS TO EXISTING FLOOD PROTECTION PROJECT: This will provide for additional capacity for storm water drainage in the vicinity of the stilling basin and slope protection upstream from the basin.	600	. . . . .	180	780
<i>Meyersdale Borough - Somerset County</i>				
*FLOOD PROTECTION – PHASE II: This will provide levees along Flaugherty Creek and Casselman River, channel improvements between the Broadway Street Bridge and the Railroad Bridge, riprap on the stream side of the levees and sewage lagoons, and a pumping station and ponding basin near Broadway Street.	1,546	. . . . .	464	2,010
PROGRAM TOTAL–BOND FUNDS	\$20,847	. . . . .	\$6,255	\$27,102

* Recommended in previous Capital Budgets but still pending legislative approval.

DEPARTMENT OF GENERAL SERVICES

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1978-79 PUBLIC IMPROVEMENT PROJECTS				
Management and Operation of Facilities	\$3,588	.....	\$1,077	\$4,665
	<u> </u>		<u> </u>	<u> </u>
TOTAL PROJECTS	<u>\$3,588</u>	.....	<u>\$1,077</u>	<u>\$4,665</u>

SOURCE OF FUNDS

General Obligation Bond Issues

Capital Facilities Fund-Buildings and Structures	\$3,588	.....	\$1,077	\$4,665
	<u> </u>		<u> </u>	<u> </u>
TOTAL	<u>\$3,588</u>	.....	<u>\$1,077</u>	<u>\$4,665</u>

CAPITAL BUDGET

Department of General Services 1978-79 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</i>				
RESTORATION OF TRANSPORTATION AND SAFETY BUILDING: This project will involve major corrective work to resolve severe water leakage and repair damages to the building structure.	\$ 365	. . . . .	\$ 110	\$ 475
WATERPROOFING OF UNDERGROUND GARAGE: This project will involve removal of the present waterproofing materials and replacement with new membrane, wearing slab and reinstallation of granite	983	. . . . .	295	1,278
IMPROVEMENTS TO LABOR AND INDUSTRY BUILDING: This project will provide an automatic sprinkler system and interior improvements.	486	. . . . .	146	632
*RENOVATION OF STATE GARAGE BUILDING: This project will consist of complete removal and replacement of roof and upgrading of the electrical, heating, and ventilating systems to accommodate more demanding requirements.	1,000	. . . . .	300	1,300
<i>Pittsburgh</i>				
EMERGENCY LIGHTING—PITTSBURGH STATE OFFICE BUILDING: This project will involve the installation of emergency lighting units in corridors, stairwells and other areas as required to bring the building into compliance with the Fire and Panic Code.	138	. . . . .	41	179
<i>Philadelphia</i>				
RENOVATION OF PHILADELPHIA STATE OFFICE BUILDING: This project will provide for roof replacement, updating of the electrical system and the installation of a new stairwell and wind shields.	616	. . . . .	185	801
PROGRAM TOTAL—BOND FUNDS	\$3,588	. . . . .	\$1,077	\$4,665

* Recommended in previous Capital Budget but still pending legislative approval.

HISTORICAL AND MUSEUM COMMISSION

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1978-79 PUBLIC IMPROVEMENT PROJECTS				
Museums	\$3,823	.....	\$1,057	\$4,880
Sites and Properties	298	.....	89	387
	<u>4,121</u>	.....	<u>1,146</u>	<u>5,267</u>
TOTAL PROJECTS				
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund—Buildings and Structures	\$3,796	.....	\$1,139	\$4,935
Capital Facilities Fund—Furniture and Equipment	325	.....	7	332
	<u>4,121</u>	.....	<u>1,146</u>	<u>5,267</u>
TOTAL				

Historical and Museum Commission 1978-79 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Museums				
<i>Penn's Landing Cultural Center</i>				
*ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 993-2: This project will provide original furniture and equipment for the Penn's Landing orientation building in Philadelphia.	\$ 325	.....	\$ 7	\$ 332
*FIXED EXHIBITS FOR DGS 993-2: This project will provide for fixed exhibits for the new orientation building, i.e. diorama shells, exhibit cases, specimens, graphics, photos and similar displays.	655	.....	197	852
<i>William Penn Memorial Museum</i>				
*PENNSYLVANIA TRICENTENARY EXHIBIT: This project will provide for the design and construction of permanent exhibits for the Hall of History to commemorate the Tercentenary of the founding of Pennsylvania.	613	.....	184	797
FIRE PROTECTION, EMERGENCY LIGHTING, AND SECURITY SYSTEMS: This project will provide for the installation of fire detection and sprinkler systems, and an electronic and visual security system, including related humidity control for the heating and cooling system.	997	.....	299	1,296
<i>Anthracite Museum, Eckley Unit</i>				
*RESTORATION OF ROMAN CATHOLIC CHURCH: This project provides for restoration of a church which was built in the 1860's in Eckley.	394	.....	118	512
*INSTALLATION OF SECURITY SYSTEM: This project will provide for design and installation of an electronic and mechanical security system to protect exhibit buildings in the Village of Eckley. The system will include intrusion and fire detection systems with central monitoring.	434	.....	130	564

* Recommended in previous Capital Budgets but still pending legislative approval.

Historical and Museum Commission 1978-79 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
<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. . .	\$ 405	. . . .	\$ 122	\$ 527
PROGRAM TOTAL—BOND FUNDS	\$3,823	. . . .	\$1,057	\$4,880
 Program: Sites and Properties				
<i>Cashier's House — Old Custom House</i>				
*INSTALLATION OF SECURITY SYSTEM: This project will provide for the design and installation of electronic and mechanical security systems to protect the Cashier's House — Custom House and their contents, which are located in Erie. It will include television monitoring of two major exhibit halls as well as intrusion and fire detection systems.	\$ 121	. . . .	\$ 36	\$ 157
<i>Fort Augusta</i>				
*RESTORATION OF COMMANDANT'S QUARTERS: This project will provide for restoration of the 19th century commandant's quarters at Fort Augusta, including removal of later Victorian additions.	177	. . . .	53	230
PROGRAM TOTAL—BOND FUNDS	\$ 298	. . . .	\$ 89	\$ 387

*Recommended in previous Capital Budgets but still pending legislative approval.

CAPITAL BUDGET

DEPARTMENT OF JUSTICE

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1978-79 PUBLIC IMPROVEMENT PROJECTS				
State Correctional Institutions	\$22,574	.....	\$6,758	\$29,332
	<u> </u>		<u> </u>	<u> </u>
TOTAL PROJECTS	<u>\$22,574</u>	.....	<u>\$6,758</u>	<u>\$29,332</u>
 SOURCE OF FUNDS				
General Obligations Bond Issues				
Capital Facilities Fund—Buildings and Structures	\$22,429	.....	\$6,729	\$29,158
 Current Revenues				
General Fund	\$ 145	.....	\$ 29	\$ 174
	<u> </u>		<u> </u>	<u> </u>
TOTAL	<u>\$22,574</u>	.....	<u>\$6,758</u>	<u>\$29,332</u>

CAPITAL BUDGET

Department of Justice 1978-79 Projects

(Dollar Amounts in Thousands)

Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
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FROM BOND FUNDS

Program: State Correctional Institutions

State Correctional Institution – Camp Hill

*RENOVATE HOSPITAL BUILDING: This project is for the modification and improvement of the wards, treatment rooms, dental office, isolation examination rooms and various storage areas for drugs and miscellaneous hospital supplies. Included in the renovations are changes to the visiting room, reception area for new commitments and modification of several large areas to accommodate treatment and social programs.

	\$ 310	\$ 93	\$ 403
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State Correctional Institution – Dallas

*DEEP WELL: This project includes the drilling of a well and the installation of a deep well pump, construction of a well pump house, and the installation of a water pipe to connect this well to the existing reservoir.

	197	59	256
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*UPDATE SEWAGE TREATMENT PLANT: The present sewage treatment plant does not meet Department of Environmental Resources – Environmental Protection Agency standards for effluent. To bring the plant in line with these standards, it is necessary to add storage tanks, an exchange tank, flow meters, aeration tanks, sand and charcoal filters, and pumps to move the effluent between the various components.

	681	204	885
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State Correctional Institution – Graterford

*FIELD HOUSE AND ATHLETIC FIELD: Construct a field house and athletic field to include a track, football field, and baseball diamond.

	961	288	1,249
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*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.

	3,555	1,067	4,622
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* Recommended in previous Capital Budgets but still pending legislative approval.

Department of Justice 1978-79 Projects

FROM BOND FUNDS

Regional Correctional Institution – Greensburg

(Dollar Amounts in Thousands)

*BOILER PLANT: This project is for the construction of two 2,000 horsepower coal fired boilers. The boilers will be able to produce 6,900 pounds of steam. Included in the project are facilities for coal handling and storage, ash handling and boiler water treatment facilities. Also a 75 K.V.A. electric generator is included to provide emergency electrical power for the plant.

Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
\$ 1,050	\$ 315	\$ 1,365

State Correctional Institution – Huntingdon

*RENOVATE REFRIGERATION AND BUTCHER SHOP: This project provides for expansion and general renovation of the institution's food storage facilities. The existing obsolete refrigeration equipment will be replaced with prefabricated boxes to provide, a frozen food storage area, a meat cooler area, and a perishable food storage area in the refrigeration area. The project also includes refrigeration of the butcher shop, which is presently not refrigerated.

186	56	242
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State Correctional Institution – Pittsburgh

*ADDITIONAL FUNDS FOR PROJECT 570-12, INSTITUTIONAL STORES BUILDING: This project provides for the construction of a 27,000 sq. ft. building. The building will contain freezer and cooling rooms, and space to store clothing, maintenance supplies and raw material for Correctional Industries. The facility will be on institutional land, but outside the security area.

810	243	1,053
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*ADDITIONAL FUNDS FOR PROJECT 570-13, ADMINISTRATION BUILDING: This project provides for the demolition of a building and the construction of an institution administration building in the same area. The proposed building will be approximately 20,000 gross sq. ft. The building will house the superintendents offices, business office, staff conference room, institutional arsenal, staff training room and library, reception area, officer locker room and shower and officer day room.

389	117	506
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*ADDITIONAL FUNDS FOR EXPANSION OF PROJECT 570-16, REMODEL MAIN CELL BLOCKS TO INCLUDE MAJOR RENOVATION OF CELL BLOCKS AND ROTUNDA: This project will provide for the subdivision of both cell blocks, both horizontally and vertically, by means of concrete and masonry. Day room type of recreation, as well as counseling areas will also be provided. The project will also provide for new sliding type doors with modern locking devices, as well as major renovation to windows, and heating system. Also included in the renovation, are major alterations to the rotunda to provide visiting areas, office space and a secure storage area.

7,734	2,320	10,054
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*Recommended in previous Capital Budgets but still pending legislative approval.

Department of Justice 1978-79 Projects

(Dollar Amounts in Thousands)

FROM BOND FUNDS

Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
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State Correctional Institution — Pittsburgh (continued)

*ADDITIONAL FUNDS FOR PROJECT 570-17, RENOVATION OF SECURITY BLOCK: The proposed project will increase the width of the second tier catwalk and install a bar grill at both the first and second tier levels to form separate guard and inmate corridors. Also, the proposed project provides for the installation of mechanically operated cell door locks and control cabinets.

\$ 234	\$ 70	\$ 304
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*EXPANSION OF ELECTRICAL SUPPLY AND DISTRIBUTION SYSTEM: This project will replace the existing low voltage distribution system with a modern higher voltage system, including conductors, step down transformers, switchgear and controls to adequately meet the load demands of the new and remodeled buildings involved in the master plan for the institution. This project will also remove the steam engine driven generators in the power plant and provide for an adequate power supply, including substation and distribution switchgear. The existing diesel engine generator will have to be replaced with a larger unit to handle the load and continue to supply emergency power and be incorporated into the electrical system.

511	153	664
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*SEPARATE STORM AND SANITARY SEWERS: This project will provide new sewers within the compound, using any of the existing lines where practical, to provide separate storm and sanitary systems. The sanitary system will tie to the present pumping station, and the storm sewer will discharge into the river.

234	70	304
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State Correctional Institution — Rockview

*BOILER PLANT IMPROVEMENTS: Install dust collectors, fans, etc. in order to comply with air pollution regulations.

176	53	229
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*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 interlocking sliding ones.

500	150	650
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*RENOVATION OF MAIN CELL BLOCKS AND ROTUNDA: This project is for the resurfacing and the weatherproofing of the concrete exterior walls. Also, the project will replace the existing steel window sashes with modern steel or aluminum windows.

619	186	805
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* Recommended in previous Capital Budgets but still pending legislative approval.

CAPITAL BUDGET

Department of Justice 1978-79 Projects

(Dollar Amounts in Thousands)

FROM BOND FUNDS

State Correctional Institution – Rockview (continued)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
* PHYSICAL EDUCATION BUILDING: This project will provide a 20,000 sq. ft. indoor recreation facility. The building will include a gymnasium, weight room, two locker rooms with shower facilities, and other small rooms for storage and individual activities.	\$ 619	. . . .	\$ 186	\$ 805
* REPLACE AND EXTEND SEWER LINES: This project provides for a closing of the institutional treatment plant and tie into the municipal treatment system. Included in the project is the replacement and rerouting of the lines on the institution grounds and extension of the line to the municipal pick up point.	291	. . . .	87	378
* HOSPITAL—TREATMENT BUILDING: This project provides for construction of a 58,752 gross square foot hospital-treatment facility; including two 8 bed wards, an 8 bed solarium, a psychiatric ward, laboratories and pharmacy. This facility will also include staff offices, conference rooms, visiting rooms and a complete processing unit for all new arrivals.	3,372	. . . .	1,012	4,384
PROGRAM TOTAL—BOND FUNDS	\$22,429	. . . .	\$6,729	\$29,158

* Recommended in previous Capital Budget but still pending legislative approval.

CAPITAL BUDGET

Department of Justice 1978-79 Projects

(Dollar Amounts in Thousands)

Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
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FROM CURRENT REVENUES

Program: State Correctional Institutions

State Correctional Institution – Camp Hill

<p>* RENOVATE BEHAVIOR ADJUSTMENT UNIT: This project is for the construction of a shower area, a recreation area, an interview/ conference room, and a wall to divide the behavior adjustment unit from the administrative custody section. In addition, plumbing, electrical and other improvements will be done to the 48 cells in the unit. Lastly, repairs and renovation will be made to six cells in the hospital area for use by the psychiatric cases.</p>	\$ 80	\$16	\$ 96
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State Correctional Institution – Dallas

<p>* REHABILITATE BEHAVIOR ADJUSTMENT UNIT: This project is for the installation of a barred corridor the full length of the behavior adjustment unit, the conversion of four cells into a storage area, and interview room and a security cell, and the installation of fencing in the exercise yard. Also included in the project are electrical and plumbing improvements to the unit's 29 cells.</p>	65	13	78
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PROGRAM TOTAL—CURRENT REVENUES	\$145	\$29	\$174
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* Recommended in previous Capital Budget but still pending legislative approval.

DEPARTMENT OF LABOR AND INDUSTRY

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1978-79 PUBLIC IMPROVEMENT PROJECTS				
Bureau of Employment Security	\$1,068	\$375	\$377	\$1,820
Bureau of Vocational Rehabilitation	355	. . . .	107	462
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL PROJECTS	<u>\$1,423</u>	<u>\$375</u>	<u>\$484</u>	<u>\$2,282</u>
 SOURCE OF FUNDS				
General Obligations Bond Issues				
Capital Facilities Fund—Buildings and Structures	\$1,423	\$375	\$484	\$2,282
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL	<u>\$1,423</u>	<u>\$375</u>	<u>\$484</u>	<u>\$2,282</u>

CAPITAL BUDGET

Department of Labor and Industry 1978-79 Projects

	(Dollar Amounts in Thousands)			
Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost	
FROM BOND FUNDS				
Program: Bureau of Vocational Rehabilitation				
<i>Pennsylvania Rehabilitation Center—Johnstown</i>				
*BOILER PLANT IMPROVEMENTS: This project will provide for the installation of a modern highdraft loss collector and induced fan in the existing coal-fired power plant in order to enable the Center to meet air pollution standards required by the Department of Environmental Resources.				
\$189	\$57	\$246	
*ELECTRONIC MONITORING SYSTEM: This will provide for the installation of an electronic system to monitor the Center's mechanical system in approximately 244 key stations throughout the center, connected by approximately 12 miles of underground corridors. The system will improve the safety of the facility as well as lower operating costs.				
166	50	\$216	
PROGRAM TOTAL—BOND FUNDS.....	<u>\$107</u>	<u>\$462</u>	
Program: Bureau of Employment Security				
<i>Cambria County</i>				
JOHNSTOWN BUREAU OF EMPLOYMENT SECURITY BUILDING: This will provide a 18,750 gross square foot office building for a Bureau of Employment Security Office. Site acquisition is also included.				
\$1,068	\$375	\$377	\$1,820	
PROGRAM TOTAL—BOND FUNDS	<u>\$377</u>	<u>\$1,820</u>	

* Recommended in previous Capital Budgets but still pending legislative approval.

DEPARTMENT OF MILITARY AFFAIRS

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1978-79 PUBLIC IMPROVEMENT PROJECTS				
Disaster Assistance	\$6,644	. . . .	\$1,225	\$7,869
Long-Term Domiciliary and Nursing Home Maintenance and Care	986	. . . .	11	997
TOTAL PROJECTS	<u>\$7,630</u>	. . . .	<u>\$1,236</u>	<u>\$8,866</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$2,808	. . . .	\$ 842	\$3,650
Capital Facilities Fund — Furniture and Equipment	524	. . . .	11	535
Subtotal	<u>\$3,332</u>	. . . .	<u>\$ 853</u>	<u>\$4,185</u>
Federal Funds	\$4,298	. . . .	\$ 383	\$4,681
TOTAL	<u>\$7,630</u>	. . . .	<u>\$1,236</u>	<u>\$8,866</u>

CAPITAL BUDGET

Department of Military Affairs 1978-79 Projects

		(Dollar Amounts in Thousands)			
		Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS					
Program: Disaster Assistance					
<i>National Guard Armory – Butler</i>					
*NEW NATIONAL GUARD ARMORY: This project is a replacement facility and it will provide space for administration, training, supply and equipment storage and security for two National Guard Units of 207 troops. The building will be approximately 24,344 gross square feet.					
	Bond	\$ 460	. . . . .	\$ 138	\$ 598
	Fed.	854	. . . . .	85	939
<i>National Guard Armory – Connellsville</i>					
*NEW NATIONAL GUARD ARMORY: This project will replace the current armory, which was built in 1908. The new armory will consist of approximately 20,000 sq. ft. and support about 100 troops. It will house: a drill hall, rifle range, classrooms, administrative offices, dining facilities and storage.					
	Bond	358	. . . . .	107	465
	Fed.	665	. . . . .	66	731
<i>National Guard Armory – Everett</i>					
*ADDITION: Addition will provide an additional 5,575 net square feet for the purposes of storage and administration. This will bring the building up to acceptable Federal standards.					
	Bond	181	. . . . .	54	235
	Fed.	148	. . . . .	15	163
<i>National Guard Armory—Indiantown Gap Military Reservation</i>					
*NEW NATIONAL GUARD ARMORY: This project will provide space for housing the computers of the divisional logistical system. It will also provide for a mess hall, classrooms, storage rooms, a munitions vault, and locker facilities for some 988 guardsmen, including the newly assigned Assault Support Helicopter Company. The new facility will have a gross area of 53,000 sq. ft.					
	Bond	1,168	. . . . .	350	1,518
	Fed.	2,169	. . . . .	217	2,386
<i>National Guard Armory—Sellersville</i>					
*REHABILITATION AND ADDITION: Modification of the existing facility to eliminate inadequacies. Addition will provide an additional 4000 square feet for storage, administration and classrooms.					
	Bond	355	. . . . .	107	462

*Recommended in previous Capital Budgets but still pending Legislative approval.

CAPITAL BUDGET

Department of Military Affairs 1978-79 Projects

(Dollar Amounts in Thousands)

		Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS (continued)					
Program: Disaster Assistance (continued)					
<i>National Guard Armory—Williamstown</i>					
*REHABILITATION AND ADDITION: Modify existing facility to eliminate inadequacies in present building. Addition will provide approximately 2600 additional square feet for storage, administration and classrooms. Building will provide facilities for 106 troops.					
	Bond	\$ 286	. . . . .	\$ 86	\$ 372
		Total—Bond Funds . . . . .	. . . . .	\$ 842	\$3,650
		Total—Federal Funds . . . . .	. . . . .	383	4,219
		PROGRAM TOTAL . . . . .	. . . . .	\$1,225	\$7,869
Program: Long Term Domiciliary and Nursing Home Maintenance and Care					
<i>Erie Soldiers and Sailors Home</i>					
ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT DGS 960-15: This project will provide original furnishings for the new nursing wing at the Erie Home, a 75 bed nursing care facility.					
	Bond	\$ 90	. . . . .	\$ 2	\$ 92
	Fed.	167	. . . . .	. . . . .	\$167
<i>Hollidaysburg Veterans Home</i>					
*ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT DGS 969-1: This project will provide original furnishings for Rush Hall, a 200 bed nursing care facility.					
	Bond	240	. . . . .	5	245
	Fed.	162	. . . . .	. . . . .	162
*ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT DGS 969-2: This project will provide original furnishings for Neal Hall, a 150 bed domiciliary facility.					
	Bond	99	. . . . .	2	101
	Fed.	68	. . . . .	. . . . .	68
*ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT DGS 969-3: This project will provide original furnishings for Sommer Hall, a 150 bed domiciliary facility.					
	Bond	95	. . . . .	2	97
	Fed.	65	. . . . .	. . . . .	65
		Total-Bond Funds . . . . .	. . . . .	\$11	\$535
		Total-Federal Funds . . . . .	. . . . .	. . . . .	462
		PROGRAM TOTAL . . . . .	. . . . .	\$11	\$997

* Recommended in previous Capital Budgets but still pending Legislative approval.

DEPARTMENT OF PUBLIC WELFARE

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1978-79 PUBLIC IMPROVEMENT PROJECTS				
Youth Development Centers	\$ 290	.....	\$ 87	\$ 377
State Restoration Centers	588	.....	176	764
State General Hospitals	4,492	.....	1,289	5,781
Institutions for the Mentally Ill	9,074	.....	2,725	11,799
Institutions for the Mentally Retarded	13,926	.....	4,174	18,100
	<u>\$28,370</u>	.....	<u>\$8,451</u>	<u>\$36,821</u>
TOTAL PROJECTS				
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund—Buildings and Structures	\$28,077	.....	\$8,426	\$36,503
Capital Facilities Fund—Furniture and Equipment	185	.....	4	189
	<u>\$28,262</u>	.....	<u>\$8,430</u>	<u>\$36,692</u>
SUBTOTAL				
 Current Revenues				
General Fund	\$ 108	.....	\$ 21	\$ 129
	<u>\$28,370</u>	.....	<u>\$8,451</u>	<u>\$36,821</u>
TOTAL				

CAPITAL BUDGET

Department of Public Welfare 1978-79 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Youth Development Centers				
<i>Loysville Youth Development Center</i>				
SECURE FACILITY FOR JUVENILE OFFENDERS: This project will provide for the renovation of the Jackson Building, on the grounds of Danville State Mental Hospital, to be used as a 24 bed secure facility annex of Loysville Development Center. Renovations include installation of fencing, outside security lighting, partitions, security screens, toilet and shower facilities, plastering and painting.	\$290	. . . . .	\$87	\$377
PROGRAM TOTAL—BOND FUNDS	\$290	. . . . .	\$87	\$377
Program: State Restoration Centers				
<i>South Mountain Restoration Center</i>				
*SEWAGE TREATMENT PLANT IMPROVEMENTS: This project will provide for tertiary treatment improvements to the existing sewage treatment plant to satisfy the Department of Environmental Resources requirements for Biochemical Oxygen Demand (BOD) and nutrient removal.	\$378	. . . . .	\$113	\$491
HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.	210	. . . . .	63	273
PROGRAM TOTAL—BOND FUNDS	\$588	. . . . .	\$176	\$764
Program: State General Hospitals				
<i>Ashland State General Hospital</i>				
*RELOCATE INTENSIVE CARE UNIT: This project consists of the relocation of the intensive and coronary care unit to the fifth floor. This unit will have four cardiac cubicles and five intensive bed areas.	\$ 186	. . . . .	\$ 56	\$ 242

* Recommended in previous Capital Budgets but still pending Legislative approval.

CAPITAL BUDGET

Department of Public Welfare 1978-79 Projects

(Dollar Amounts in Thousands)

Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
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FROM BOND FUNDS (continued)

Program: State General Hospitals (continued)

Ashland State General Hospital (continued)

*ALTERATIONS TO BOILER PLANT: To upgrade boiler plant including condensate tank and pumps replacement, control modification, coal handling system replacement, sanitary sewer connection, retubing of boilers and boiler refractory replacement.

	\$ 386	\$ 116	\$ 502
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HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.

	230	69	299
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Coaldale State General Hospital

*ALTERATIONS TO BOILER PLANT: To upgrade boiler plant including dearator replacement, condensate return pumps and receiving tanks replacement, renovate existing and all new controls on condensate return system, ash hauling system renovation, ash silo repair/replacement, coal delivery area modifications, install O₂ analyzers and recording equipment.

	263	79	342
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HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.

	224	67	291
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* Recommended in Previous Capital Budgets but still pending Legislative approval.

Department of Public Welfare 1978-79 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS (continued)				
Program: State General Hospitals (continued)				
<i>Connellsville State General Hospital</i>				
*INTENSIVE CARE UNIT: This project will provide for conversion of a portion of the existing hospital to an intensive care unit with seven beds.	\$ 254	. . . . .	\$ 76	\$ 330
MODERNIZATION OF PATIENT CARE AREA: This project will provide for the rehabilitation of the second and third floors of the West Wing and the Center Wing of the hospital. The rehabilitation will include new flooring, wall covering and suspended ceilings, handrails, improvements of nursing stations and kitchenettes and miscellaneous utility and mechanical improvements, replace windows that are non-operable and repaint the masonry.	460	. . . . .	138	598
<i>Philipsburg State General Hospital</i>				
*ALTERATIONS TO BOILER PLANT: To upgrade boiler plant to include renovation to or replacement of existing coal fire boilers, ash hauling system replacement, ash silo repair or replacement, complete replacement of coal handling equipment and storage facilities, feed water system replacement, extensive piping renovation, repair, or replacement, and appurtenant equipment renovation.	852	. . . . .	256	1,108
*RELOCATE AND EXPAND INTENSIVE CARE UNIT: This project will provide the relocation and expansion of the intensive care unit. The unit will be expanded from the present five beds to a nine bed unit.	590	. . . . .	177	767
*ESTABLISH NEW PHARMACY: This project will provide for a pharmacy suite in the rehabilitation annex which will contain; (a) administrative functions, (b) quality control area, (c) lock storage for drugs and narcotics, (d) dispensing area, (e) hand washing facilities, (f) drug information area, and (g) sterile products areas.	183	. . . . .	55	238

** Recommended in previous Capital Budgets but still pending Legislative approval.

CAPITAL BUDGET

Department of Public Welfare 1978-79 Projects

	(Dollar Amounts in Thousands)			
Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost	
FROM BOND FUNDS (continued)				
Program: State General Hospitals (continued)				
<i>Scranton State General Hospital</i>				
*ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT 538-12, RENOVATION OF HOSPITAL: This project provides for additional furnishings needed to equip the expansion and/or changes in space due to the renovation of two floors with 88 beds, laboratory, xray and physical therapy areas. . . .				
\$ 185	\$ 4	\$ 189	
HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.				
115	35	150	
<i>Shamokin State General Hospital</i>				
*RENOVATE TWO 20-BED WARDS: The project consists of renovating the two existing 20-bed ward areas (2nd floor male medical ward and 3rd floor female medical ward) into two and four bed semi-private accommodations, complete with bath and toilet facilities.				
348	104	452	
*INCREASE CAPACITY OF STANDBY TRANSFORMERS: This project, which is needed to assure the constant care of patients, would increase the capacity of standby electrical service by bringing the size of the existing standby transformer up to the same capacity of the normal service.				
144	43	187	
PROGRAM TOTAL-BOND FUNDS				
\$4,420	\$1,275	\$5,695	

* Recommended in previous Capital Budgets but still pending Legislative approval.

CAPITAL BUDGET

Department of Public Welfare 1978-79 Projects

(Dollar Amounts in Thousands)

Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
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FROM BOND FUNDS (continued)

Program: Institutions for the Mentally III

Allentown State Hospital

HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.

\$ 361	\$ 108	\$ 469
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Clarks Summit State Hospital

*RENOVATE BOILER PLANT: To upgrade boiler plant to include ash hauling system renovation, boiler interior brickwork repairs or replacement, dearator control replacement, feedwater pump replacement, stack lighting repair or replacement, stoker repairs, sanitary sewer connection, coal handling system renovation, install emergency generator, install O₂ analyzers and recording equipment and construct outside paved coal storage area. . . .

421	126	547
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RENOVATE TOILET AND SHOWER FACILITIES-ADMINISTRATION BUILDING: This project will include major renovations of walls, floors, ceilings and replacement of fixtures, lighting and ventilation. Also toilet and shower partitions will be installed for privacy for the patients.

575	173	748
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Danville State Hospital

*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.

165	50	215
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*Recommended in previous Capital Budgets but still pending Legislative approval.

Department of Public Welfare 1978-79 Projects

(Dollar Amounts in Thousands)

Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
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FROM BOND FUNDS (continued)

Program: Institutions for the Mentally III (continued)

Danville State Hospital (continued)

HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.

\$ 156	\$ 47	\$ 203
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Dixmont State Hospital

*AIR CONDITION HUTCHINSON BUILDING: This project will provide an air-conditioning system for the Hutchinson Building.

306	92	398
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HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.

270	81	351
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Eastern State School and Hospital

FUEL OIL STORAGE FACILITIES: A natural gas curtailment plan places this institution in a low priority classification. This project will insure safe, dependable, continuous operation of the institution if natural gas supply in curtailed.

92	28	120
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Embreeville State Hospital

*BOILER PLANT IMPROVEMENTS: To upgrade boiler plant including installation of emergency generator, stack repairs and renovations, install smoke indicator, install O₂ analyzers and recording equipment, chemical feed system repairs, install sump pump, ventilation modifications, and install steam flow integrator.

140	42	182
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*Recommended in previous Capital Budgets but still pending Legislative approval.

CAPITAL BUDGET

Department of Public Welfare 1978-79 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS (continued)				
Program: Institutions for the Mentally Ill (continued)				
<i>Embreeville State Hospital (continued)</i>				
HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.	\$ 162	. . . . .	\$ 49	\$ 211
<i>Fairview State Hospital</i>				
*ALTERATIONS TO BOILER PLANT: To update boiler plant including ash silo renovations, boiler interior brickwork repair, install second water services to boiler plant, stack repainting and repairs, and install O ₂ analyzers and recording equipment.	157	. . . . .	47	204
*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.	304	. . . . .	91	395
<i>Harrisburg State Hospital</i>				
CONVERSION OF BLDG.NO. 43 TO COMPUTER FACILITY: This project provides for the renovation of the second floor of building 43, to provide the complicated physical, environmental and security facilities required for data processing functions.	258	. . . . .	77	335
HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.	252	. . . . .	76	328

* Recommended in previous Capital Budgets but still pending Legislative approval.

CAPITAL BUDGET

Department of Public Welfare 1978-79 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS (continued)				
Program: Institutions for the Mentally III (continued)				
<i>Mayview State Hospital</i>				
*WATER DISTRIBUTION SYSTEM – PHASE II: This project will provide additional required modifications to the water distribution system including replacement of piping, valves and fire hydrants; and installation of pressure reducing valves; and renovation of hydro-pneumatic booster systems in Hilltop I and II Buildings.	\$ 262	. . . . .	\$ 79	\$ 341
*RENOVATION OF NORTH 2 ANNEX ELECTRICAL SYSTEM: This project will provide necessary renovations of the power and lighting systems to fulfill the increased loads created by additional equipment. The renovations will consist of replacing secondary wiring panels, and receptacles and upgrading the lighting.	183	. . . . .	55	238
HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.	266	. . . . .	80	346
<i>Norristown State Hospital</i>				
*ALTERATIONS TO BOILER PLANT: To upgrade boiler plant including installation of new boiler, sanitary sewer connections, ash silo and exhaustor renovations and install O ₂ analyzers and recording equipment.	760	. . . . .	228	988
HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.	117	. . . . .	35	152

* Recommended in previous Capital Budgets but still pending Legislative approval.

Department of Public Welfare 1978-79 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS (continued)				
Program: Institutions for the Mentally Ill (continued)				
<i>Philadelphia State Hospital</i>				
*RENOVATE HOT WATER DISTRIBUTION SYSTEM: This project will renovate the hot water generating stations and supply piping and valves which are becoming increasingly unreliable.	\$ 353	. . . . .	\$ 106	\$ 459
*RENOVATE MAIN SUB-STATION: This project will replace and expand the main high voltage transformers and the medium voltage switchgears.	310	. . . . .	93	403
ELECTRICAL RENOVATIONS "C" GROUP: This project will upgrade the existing power panel and lighting in "C" Group Buildings and replace main transformers and switchgear.	805	. . . . .	242	1,047
<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.	429	. . . . .	129	558
<i>Somerset State Hospital</i>				
*ALTERATIONS TO BOILER PLANT: To upgrade boiler plant to include control modifications, replacement of water softeners, install emergency generator and sanitary sewer connection.	175	. . . . .	53	228
<i>Torrance State Hospital</i>				
*ALTERATIONS TO BOILER PLANT: To upgrade boiler plant to include replacement of three boilers, sanitary sewer connections and installation of emergency generator.	789	. . . . .	237	1,026

* Recommended in previous Capital Budget but still pending Legislative approval.

CAPITAL BUDGET

Department of Public Welfare 1978-79 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS (continued)				
Program: Institutions for the Mentally Ill (continued)				
<i>Warren State Hospital</i>				
FUEL OIL STORAGE FACILITIES: A natural gas curtailment plan places this institution in a low priority classification. This project will insure safe, dependable continued operation of the institution if natural gas supply is curtailed.	\$ 161	. . . . .	\$ 48	\$ 209
HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.	241	. . . . .	72	313
<i>Wernersville State Hospital</i>				
HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.	129	. . . . .	39	168
<i>Woodville State Hospital</i>				
*IMPROVE COLD STORAGE FACILITIES: This project will replace the existing ammonia refrigeration system in the dietary building and in the storeroom area of the male building, with a direct expansion system.	247	. . . . .	74	321

* Recommended in previous Capital Budgets but still pending Legislative approval.

CAPITAL BUDGET

Department of Public Welfare 1978-79 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS (continued)				
Program: Institutions for the Mentally III (continued)				
<i>Woodville State Hospital (continued)</i>				
HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.	\$ 228	. . . . .	\$ 68	\$ 296
PROGRAM TOTAL—BOND FUNDS	\$9,074	. . . . .	\$2,725	\$11,799
 Program: Institutions for the Mentally Retarded				
<i>Cresson Center</i>				
HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.	\$ 330	. . . . .	\$ 99	\$ 429
<i>Ebensburg Center</i>				
*ALTERATIONS TO BOILER PLANT: To upgrade boiler plant to include recoating coal bunkers, installation of emergency generator and control equipment.	128	. . . . .	38	166
<i>Hamburg Center</i>				
*NEW BOILER PLANT: This project will replace the existing boiler plant which is obsolete and impossible to maintain effectively. The objective is to improve operating efficiency, energy conservation and reliability.	4,305	. . . . .	1,292	5,597

* Recommended in previous Capital Budgets but still pending Legislative approval.

Department of Public Welfare 1978-79 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS (continued)				
Program: Institutions for the Mentally Retarded				
<i>Hamburg Center (continued)</i>				
*ELECTRICAL DISTRIBUTION SYSTEM IMPROVEMENTS: This project will provide for the installation of new three-wire 15 KV shielded cable from the existing utility source to the power house, a new three phase primary transformer adequate to handle present and anticipated loads, a new main distribution panel, the replacement of existing cable with new three-wire 5 KV shielded cable to all transformer vaults, replacement of transformer banks as required, and the replacement of distribution panels in existing buildings.	\$ 1,278	. . . . .	\$ 383	\$ 1,661
HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.	1,358	. . . . .	407	1,765
<i>Laurelton Center</i>				
HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.	890	. . . . .	267	1,157
<i>Pennhurst Center</i>				
*ALTERATIONS TO BOILER PLANT: To upgrade the boiler plant to include water softening system replacement, replacement of three non-return valves, feed pump replacement, replacement of interior brickwork of boilers 2 and 3, install emergency generator, install O ₂ analyzers and recording equipment, provide separate storm and sanitary drainage system, and roof repairs.	292	. . . . .	88	380

* Recommended in previous Capital Budgets but still pending Legislative approval.

Department of Public Welfare 1978-79 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS (continued)				
Program: Institutions for the Mentally Retarded (continued)				
<i>Pennhurst Center (continued)</i>				
BATHROOM AND TOILET RENOVATIONS: This project will eliminate the deteriorating condition and obsolete fixtures in eleven resident buildings and comply with care standards regulations for individual privacy in all resident buildings. The project will: provide major renovations of walls, floors and ceilings; provide replacement of fixtures, lighting and ventilation; and provide toilet and shower stall partitions. . . .	\$ 1,035	. . . .	\$ 311	\$ 1,346
*TUNNEL: This project will replace an unsafe tunnel between the maintenance and dietary buildings which carries steam pipes and utilities.	118	. . . .	35	153
*RENOVATE SEWAGE TREATMENT PLANT: This project will provide for general refurbishing of the existing system including the installation of a comminuter to replace the bar screen, rebuilding the above ground digester, installing new dome on the digester, and installing gas fired boilers to burn off the methane gas.	214	. . . .	64	278
HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.	431	. . . .	129	560

*Recommended in previous Capital Budgets but still pending Legislative approval.

CAPITAL BUDGET

Department of Public Welfare 1978-79 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS (continued)				
Program: Institutions for the Mentally Retarded (continued)				
<i>Polk Center</i>				
*RENOVATION OF RESTROOM AND BATHING AREAS: This project is required to eliminate the gang type toilets and bathing areas in seven patient buildings. The project will provide a toilet count in keeping with the reduced population and applicable care standards. The project will also replace the deteriorated 19th century fixtures in many of the buildings. . .	\$ 1,486	. . . . .	\$ 446	\$ 1,932
HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.	759	. . . . .	228	987
<i>Selinsgrove Center</i>				
*ALTERATIONS TO BOILER PLANT: To upgrade boiler plant to include installation of O ₂ analyzers and recording equipment, new emergency generator, new coal handling and transfer equipment, renovate ash handling equipment, install new dearator controls, and new sump pump.	351	. . . . .	105	456
HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include, but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.	419	. . . . .	126	545

* Recommended in previous Capital Budgets but still pending Legislative approval.

CAPITAL BUDGET

Department of Public Welfare 1978-79 Projects

	(Dollar Amounts in Thousands)			
FROM BOND FUNDS (continued)	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
Program: Institutions for the Mentally Retarded (continued)				
<i>Western Center</i>				
HANDICAPPED STANDARDS IMPROVEMENTS: To assure compliance with Section 504 of the Rehabilitation Act of 1973 (PL 93-112). Provides construction, renovation and modification to existing facilities to include; but not be limited to, such items as; parking stalls, ramps, entrances, doors and doorways, toilet and shower areas, elevators, warning signals, controls and other miscellaneous improvements in order to make these facilities accessible to the physically handicapped.	\$ 496	.....	\$ 149	\$ 645
PROGRAM TOTAL—BOND FUNDS	<u>\$13,890</u>	.....	<u>\$4,167</u>	<u>\$18,057</u>
 FROM CURRENT REVENUES				
Program: State General Hospital				
<i>Ashland State General Hospital</i>				
ELECTRICAL GROUNDING SYSTEM: This project will provide for an isolated electrical system for each operating room and the intensive care unit.	\$72	.....	\$14	\$86
PROGRAM TOTAL—CURRENT REVENUES	<u>\$72</u>	.....	<u>\$14</u>	<u>\$86</u>
 Program: Institutions for the Mentally Retarded				
<i>C. Howard Marcy State Hospital</i>				
*INSTALLATION OF AUTOMATIC SPRINKLERS: This project will provide for automatic sprinklers in the Utility Building and Warehouse in order to conform to City of Pittsburgh fire codes.	\$36	.....	\$7	\$43
PROGRAM TOTAL—CURRENT REVENUES	<u>\$36</u>	.....	<u>\$7</u>	<u>\$43</u>

* Recommended in previous Capital Budgets but still pending Legislative approval.

STATE POLICE

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1978-79 PUBLIC IMPROVEMENT PROJECTS				
Traffic Supervision	\$328		\$ 98	\$ 426
Criminal Law Enforcement	420	\$38	132	590
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL PROJECTS	<u>\$748</u>	<u>\$38</u>	<u>\$230</u>	<u>\$1,016</u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund—Buildings and Structures	\$748	\$38	\$230	\$1,016
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL	<u>\$748</u>	<u>\$38</u>	<u>\$230</u>	<u>\$1,016</u>

CAPITAL BUDGET

State Police 1978-79 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Traffic Supervision				
<i>Hazleton Troop Headquarters</i>				
*GARAGE AND SUPPLY BUILDING: This project will provide for construction of a 5,200 square foot garage-supply building. The facility will include a four bay automotive service area, general and special supplies storage facilities, offices, restrooms and lunch facilities.	\$328	. . . . .	\$98	\$426
PROGRAM TOTAL—BOND FUNDS	<u>\$328</u>	. . . . .	<u>\$98</u>	<u>\$426</u>
Program: Criminal Law Enforcement				
<i>Regional Crime Laboratory — Erie</i>				
*CRIME LABORATORY: This will be a one story brick and steel building, approximately 6,400 sq. ft. in area. It will contain general office space, a documents section, a chemistry section, a ballistics section, and storage area.	\$420	\$38	\$132	\$590
PROGRAM TOTAL—BOND FUNDS	<u>\$420</u>	<u>\$38</u>	<u>\$132</u>	<u>\$590</u>

* Recommended in previous Capital Budgets but still pending Legislative approval.

CAPITAL BUDGET

Department of Transportation

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
1978-79 PUBLIC IMPROVEMENT PROJECTS				
Air Transportation	\$ 650	.....	\$ 130	\$ 780
Sub-Total Public Improvement Projects	<u>\$ 650</u>	.....	<u>\$ 130</u>	<u>\$ 780</u>
1978-79 TRANSPORTATION ASSISTANCE PROJECTS				
Mass Transit	\$182,944	\$ 415	\$ 3,763	\$187,122
Rural and Intercity Rail Service	957	9,361	145	10,463
Sub-Total Transportation Assistance Projects	<u>\$183,901</u>	<u>\$ 9,776</u>	<u>\$ 3,908</u>	<u>\$197,585</u>
TOTAL PROJECTS	<u>\$184,551</u>	<u>\$ 9,776</u>	<u>\$ 4,038</u>	<u>\$198,365</u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund—Buildings and Structures	\$ 431	.....	\$ 130	\$ 561
Capital Facilities Fund—Transportation Assistance	25,302	\$ 702	3,905	29,909
Sub-Total	<u>\$ 25,733</u>	<u>\$ 702</u>	<u>\$ 4,035</u>	<u>\$ 30,470</u>
Current Revenues				
General Fund	\$ 4	\$ 25	\$ 3	\$ 32
Sub-Total	<u>\$ 4</u>	<u>\$ 25</u>	<u>\$ 3</u>	<u>\$ 32</u>
Federal Funds	\$146,931	\$ 8,711	.....	\$155,642
Other Funds	\$ 11,883	\$ 338	.....	\$ 12,221
TOTAL	<u>\$184,551</u>	<u>\$ 9,776</u>	<u>\$ 4,038</u>	<u>\$198,365</u>

CAPITAL BUDGET

Department of Transportation 1978-79 Projects

	(Dollar Amounts in Thousands)			
Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost	
FROM BOND FUNDS				
Program: Air Transportation				
<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.				
	\$112	. . . .	\$ 34	\$146
Bond				
Fed.	219	. . . .	. . . .	219
<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.				
	196	. . . .	59	255
Bond				
<i>Mid-State Airport</i>				
CONSTRUCT MAINTENANCE AND EQUIPMENT BUILDING: This project provides for construction of a 2,000 sq. ft. building with two large bays and accompanying work areas for storage of snow removal equipment and anti-skid and de-icing materials.				
	123	. . . .	37	160
Bond				
Total-Bond Funds	\$431	. . . .	\$130	\$561
Total-Federal Funds	219	. . . .	. . . .	219
PROGRAM TOTAL.	<u>\$650</u>	. . . .	<u>\$130</u>	<u>\$780</u>

* Recommended in previous Capital Budgets but still pending legislative approval.

Department of Transportation 1978-79 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS				
Program: Mass Transit				
<i>Armstrong County – Mid-County Transit Authority</i>				
PURCHASES OF BUSES AND EQUIPMENT: This project provides for the purchase of three 20-passenger buses, three fare boxes, three mobile radios and a base unit, and 12 passenger shelters.				
Bond	\$ 25	....	\$ 4	\$ 29
Fed.	119	....	....	119
Other	5	....	....	5
<i>Berks Area – Reading Transportation Authority</i>				
ADDITIONAL FUNDS FOR PROJECT NO. PT-111-CONSTRUCTION OF A MAINTENANCE FACILITY AND PURCHASE OF RELATED EQUIPMENT: This project provides additional funds for the construction of a new operations-maintenance facility, the purchase of underground fuel storage tanks, office equipment and equipment for servicing the bus fleet.				
Bond	67	....	10	77
Fed.	323	....	....	323
Other	13	....	....	13
<i>Cambria County Transit Authority</i>				
*PURCHASE OF BUSES AND EQUIPMENT: This project consists of the purchase of eight 45-passenger buses; one base and 35 two-way units; 40 passenger shelters; 1,200 bus stop markers; a transit center; and spare equipment.				
Bond	94	....	14	108
Fed.	747	....	....	747
Other	94	....	....	94
<i>Delaware River Port Authority</i>				
ADDITIONAL FUNDS FOR PROJECT NO. PT-68 A - MODERNIZATION OF FACILITIES - LOCUST STREET SUBWAY: This project provides additional funds for the purchase of eight transit cars, modifications to fare collection facilities, power control at Market Street crossover, crossover remote control at 11th Street, station and concourse improvements of the Locust Street subway residuals.				
Bond	358	....	54	412
Fed.	3,052	....	....	3,052
Other	358	....	....	358
<i>Dubois, Falls Creek, Sandy Township Joint Transportation Authority</i>				
PURCHASE OF BUSES, EQUIPMENT AND LAND: This project provides for the purchase of three small buses, four fare boxes, four two-way radios, 50 bus stop signs, two acres of land, maintenance equipment and the construction of a maintenance/office facility.				
Bond	39	\$ 2	6	47
Fed.	187	12	....	199
Other	7	1	....	8

* Recommended in previous Capital Budgets but still pending legislative approval.

CAPITAL BUDGET

Department of Transportation 1978-79 Projects

(Dollar Amounts in Thousands)

		Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS					
<i>Erie Metropolitan Transit Authority</i>					
PURCHASE OF BUSES AND EQUIPMENT: This project provides for the purchase of eight passenger buses, eight two-way radios, eight fare boxes, three service vehicles, two spare engine assemblies, and shop and office equipment.					
	Bond	\$ 147	. . . . .	\$ 22	\$ 169
	Fed.	704	. . . . .	. . . . .	704
	Other	29	. . . . .	. . . . .	29
<i>City of Harrisburg</i>					
RENOVATION OF PENN CENTRAL RAILROAD STATION: This project provides for repairs to the existing Penn Central Railroad Station.					
	Bond	124	. . . . .	19	143
	Fed.	68	. . . . .	. . . . .	68
	Other	132	. . . . .	. . . . .	132
<i>County of Lackawanna Transit System</i>					
ADDITIONAL FUNDS FOR PROJECT NO. PT-97-CONSTRUCTION OF OPERATING FACILITIES AND PURCHASE OF BUSES: This project provides additional funds for an underestimation of the cost of construction of new maintenance and office facilities.					
	Bond	127	. . . . .	19	146
	Fed.	610	. . . . .	. . . . .	610
	Other	25	. . . . .	. . . . .	25
<i>Lancaster City and County Joint Transit Authority</i>					
PURCHASE OF EQUIPMENT: This project provides for the purchase of two service vehicles, two utility trucks, 1,000 bus stop signs, five fare boxes, eight radios, spare bus parts and office furniture.					
	Bond	18	. . . . .	3	21
	Fed.	89	. . . . .	. . . . .	89
	Other	4	. . . . .	. . . . .	4
PURCHASE OF BUSES AND EQUIPMENT: This project provides for the purchase of seven buses, seven two-way radios, and seven registering fare boxes.					
	Bond	96	. . . . .	14	110
	Fed.	460	. . . . .	. . . . .	460
	Other	19	. . . . .	. . . . .	19
*GARAGE — OFFICE FACILITY: This project provides for site acquisition and construction of an administrative and maintenance facility for the Authority.					
	Bond	160	\$ 40	30	230
	Fed.	1,280	320	. . . . .	1,600
	Other	160	40	. . . . .	200
*PURCHASE OF BUSES AND EQUIPMENT: This provides for the purchase of three transit buses; five fare boxes; and eight two-way radios and related equipment.					
	Bond	11	. . . . .	2	13
	Fed.	76	. . . . .	. . . . .	76
	Other	11	. . . . .	. . . . .	11

* Recommended in previous Capital Budgets but still pending legislative approval.

Department of Transportation 1978-79 Projects

(Dollar Amounts in Thousands)

		Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS					
<i>Luzerne County Transportation Authority</i>					
*RENOVATION OF MAINTENANCE – ADMINISTRATIVE FACILITIES AND PURCHASE OF MISCELLANEOUS ITEMS: This project provides for renovation and improvements to the existing maintenance and administrative facilities; and the purchase of one service vehicle, nine passenger shelters, 150 bus stop signs and miscellaneous shop, garage, and office equipment.	Bond	\$ 11	.....	\$ 2	\$ 13
	Fed.	88	.....	.....	88
	Other	11	.....	.....	11
<i>Borough of Middletown</i>					
CONSTRUCTION OF PARKING FACILITY: This project provides for the engineering and construction of a 75 car fringe parking facility at the Old Penn Central Station site. . . .	Bond	17	.....	3	20
	Fed.	82	.....	.....	82
	Other	3	.....	.....	3
<i>New Castle Authority</i>					
EXPANSION OF PROJECT NO. PT-80 - PURCHASE OF BUSES AND TRANSIT SHELTERS: The additional funding will provide for the purchase of 13 registering fare boxes to equip the existing bus fleet as part of project PT-80.	Bond	4	.....	1	5
	Fed.	16	.....	.....	16
	Other	1	.....	.....	1
<i>City of Philadelphia</i>					
*PURCHASE OF RAPID-TRANSIT CARS AND SHOP MODIFICATIONS: This project consists of the purchase of 125 high-performance rapid transit cars which will be operated on the Broad Street Line and Broad-Ridge Spur; modifications to existing maintenance facilities; and purchase of shop equipment.	Bond	12,677	.....	1,902	14,579
	Fed.	60,812	.....	.....	60,812
	Other	2,575	.....	.....	2,575
*AIR-CONDITIONING OF SUBWAY CARS: This project consists of the purchase and installation of a complete air-conditioning system in each of the 266 Market-Frankford Subway Elevated Cars.	Bond	651	.....	98	749
	Fed.	5,204	.....	.....	5,204
	Other	651	.....	.....	651
*FRANKFORD ELEVATED RECONSTRUCTION: This project provides for the first stage of a three stage reconstruction of the rail rapid transit line. The first stage consists of engineering and the purchase of track and switch mechanisms required for the construction work proposed in the second stage (Replacement of the "EL" superstructure) and the third stage (modernization of several stations and parking facilities, and major improvements to the Bridge Street Terminal).	Bond	746	.....	112	858
	Fed.	5,964	.....	.....	5,964
	Other	746	.....	.....	746

*Recommended in previous Capital Budgets but still pending legislative approval.

CAPITAL BUDGET

Department of Transportation 1978-79 Projects

FROM BOND FUNDS	(Dollar Amounts in Thousands)				
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost	
<i>City of Philadelphia (continued)</i>					
RENOVATIONS TO BROAD STREET SUBWAY – COLUMBIA STATION: This project provides for the construction of an open court, high riser stairway, new entrance, additional stairs and escalators.	Bond Fed. Other	\$ 152 1,600 248	. . . . . . . . . . . .	\$ 23	\$ 175 1,600 248
ADDITIONAL FUNDS FOR PROJECT NO. CA-5-CENTER CITY COMMUTER RAIL CONNECTION: This project provides additional funds for constructing a 4-track tunnel from Suburban Station to 12th Street, Race Street to Callowhill Street and Callowhill to viaduct, underpinning the Reading Station and constructing yard and crew facilities at the Powelton and Wayne Junction yards.	Bond Fed. Other	5,970 47,756 5,969	. . . . . . . . . . . .	896	6,866 47,756 5,969
<i>Cities of Sharon and Farrell</i>					
PURCHASE OF BUSES AND EQUIPMENT: This project provides for the purchase of four medium size buses, four fare-boxes, four two-way radios and base station unit, and 100 bus stop signs.	Bond Fed. Other	22 106 4	. . . . . . . . . . . .	3	25 106 4
<i>Southeastern Pennsylvania Transportation Authority</i>					
CONSTRUCTION OF PARKING SPACES: This project provides for the construction of 450 additional parking spaces at the Hatboro terminus (Warminster Station).	Bond Fed. Other	45 216 9	. . . . . . . . . . . .	7	52 216 9
PURCHASE OF BUSES: This project provides for the purchase of 190 new large buses to be used by the City Transit, Red Arrow and Frontier divisions.	Bond Fed. Other	2,946 14,134 587	. . . . . . . . . . . .	442	3,388 14,134 587
PURCHASE OF RAIL PROPERTIES: This project provides for the acquisition of 62.7 miles of rail properties from the Consolidated Railroad Corporation. The rail lines to be acquired include: (1) Lansdale to Fortuna, (2) Glenside to Warminster, (3) Spring Garden Street to Tebir Junction, (4) 16th Street to Manayunk, (5) Jenkintown to Neshaminy Falls, (6) 52nd Street to Manayunk, (7) Arsenal to West Chester and (8) North Philadelphia to Queen Lane.	Bond Fed. Other	514 2,466 103	. . . . . . . . . . . .	77	591 2,466 103
Total-Bond Funds		\$ 25,021	\$ 42	\$ 3,763	\$ 28,826
Total-Federal Funds		146,159	332	. . . .	146,491
Total-Other Funds		11,764	41	. . . .	11,805
PROGRAM TOTAL		\$182,944	\$415	\$3,763	\$187,122

CAPITAL BUDGET

Department of Transportation 1978-79 Projects

(Dollar Amounts in Thousands)

		Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS					
Program: Rural and Intercity Rail Service					
*ADAMS COUNTY, USRA NO. 912, MILE POSTS 7.8-31.2: Part in Cumberland County, from Gettysburg to Mt. Holly Springs: Acquisition of Rail Line Abandoned by ConRail: Length 23.4 Miles.	Bond Fed.. Other	..... ..... .....	\$ 47 632 23	\$ 7	\$ 54 632 23
*ADAMS COUNTY, USRA No. 198, Mile Posts 33.0-41.0: Part in York County, From Hanover to Maryland State Line: Acquisition of Rail Line Abandoned by ConRail: Length 8.0 Miles.	Bond Fed.. Other	..... ..... .....	16 216 8	2	18 216 8
*BERKS COUNTY, USRA No.910, Mile Posts 0.2-4.3: From Topton to Kutztown: Acquisition of Rail Line Abandoned by ConRail: Length 4.1 Miles.	Bond Fed.. Other	..... ..... .....	9 111 4	1	10 111 4
*BERKS COUNTY,USRA No. 197b, Mile Post 61.1-76.9: From Reading to Harrisburg: Acquisition of Rail Line Abandoned by ConRail: Length 15.8 Miles.	Bond Fed.. Other	..... ..... .....	32 427 15	5	37 427 15
BRADFORD COUNTY, USRA No. 1004, Mile Posts 249.0 to 253.2 From Monroeton to Towanda: Acquisition of Rail Line Abandoned by ConRail: Length 4.2 Miles.	Bond Fed.. Other	..... ..... .....	9 116 4	1	10 116 4
CARBON COUNTY, USRA No. 1009, Mile Posts 0.0 to 16.7: Part in Schuylkill County, From Nesquehoning Junction to Tamanend; Acquisition of Rail Line Abandoned by ConRail: Length 16.7 Miles.	Bond Fed.. Other	..... ..... .....	34 451 16	5	39 451 16
*CHESTER COUNTY, USRA No. 177, Mile Posts 0.0-3.5: From Pomeroy to Buck Run: Acquisition of Rail Line Abandoned by ConRail: Length 3.5 Miles.	Bond Fed.. Other	..... ..... .....	7 95 3	1	8 95 3
*CHESTER COUNTY, USRA No's. 907 and 939, Mile Posts 12.7-30.3: From Modena to Delaware State Line: Acquisition of Rail Line Abandoned by ConRail: Length 17.6 Miles.	Bond Fed.. Other	..... ..... .....	35 475 18	5	40 475 18
*CUMBERLAND COUNTY, USRA No 203, Mile Posts 9.5-16.4: From Mechanicsburg to Dillsburg: Acquisition of Rail Line Abandoned by ConRail: Length 6.9 Mile.	Bond Fed.. Other	..... ..... .....	15 186 7	2	17 186 7

* Recommended in previous Capital Budgets but still pending legislative approval.

Department of Transportation 1978-79 Projects

		(Dollar Amounts in Thousands)			
		Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS					
*DAUPHIN COUNTY, USRA No. 184, Mile Posts 0.0-9.9:	Bond	.....	\$ 20	\$ 3	\$ 23
From Millersburg to Elizabethville: Acquisition of Rail Line to	Fed.	.....	267	.....	267
be abandoned by ConRail: Length 9.9 Miles.	Other	.....	10	.....	10
*FRANKLIN COUNTY, USRA No. 206, Mile Posts 59.1-72.7:	Bond	.....	27	4	31
From Marion to Mercersburg: Acquisition of Rail Line to be	Fed.	.....	367	.....	367
Abandoned by ConRail: Length 13.6 Miles.	Other	.....	14	.....	14
*JEFFERSON COUNTY, USRA No. 651, Mile Posts 22.8-27.1:	Bond	.....	9	1	10
From Falls Creek to Minns: Acquisition of Rail Line to be	Fed.	.....	116	.....	116
abandoned by ConRail: Length 4.3 Miles.	Other	.....	4	.....	4
*LEBANON COUNTY, Purchase Land and Construct Rail Spur	Bond	\$ 160	50	32	242
and Bridge to Maintain Service Previously Provided by USRA	Fed.	40	.....	.....	40
No. 180 to General Commodities Warehouse: Length 0.1 Miles.	Other	100	.....	.....	100
*LEBANON COUNTY, USRA No. 915, Mile Posts 0.0-9.0: Part	Bond	.....	18	3	21
in Schuylkill County, From Lebanon to Suedburg: Acquisition	Fed.	.....	243	.....	243
of Rail Line to be Abandoned by ConRail: Length 9.0 Miles. .	Other	.....	9	.....	9
*LEHIGH COUNTY, USRA No. 906, Mile Posts 22.4-38.2:	Bond	.....	32	5	37
Part in Montgomery County, From Emmaus Junction to	Fed.	.....	426	.....	426
Pennsburg: Acquisition of Rail Line to be Abandoned by	Other	.....	16	.....	16
ConRail: Length 15.8 Miles.					
LEHIGH COUNTY, CITY OF ALLENTOWN: Construction of	Bond	71	.....	11	82
a rail station near the intersection of Basin and Auburn	Fed.	18	.....	.....	18
Streets. Includes platforms, shelters, a 50 car parking facility	Other	17	.....	.....	17
and attendant grading, drainage work, lighting, signing, striping					
and landscaping.					
*LUZERNE COUNTY, USRA No. 1228, Mile Posts	Bond	.....	16	2	18
170.0-177.0: Part in Columbia County, From Berwick to	Fed.	.....	216	.....	216
Hicks Ferry: Acquisition of Rail Line to be Abandoned by	Other	.....	8	.....	8
ConRail: Length 7.0 Miles.					
*MERCER COUNTY, USRA No. 1256, Mile Posts 5.0-11.4:	Bond	.....	13	2	15
Part in Lawrence County, From Wheatland to Pulaski:	Fed.	.....	173	.....	173
Acquisition of Rail Line to Be Abandoned by ConRail: Length	Other	.....	6	.....	6
6.4 Miles.					

*Recommended in previous Capital Budgets but still pending legislative approval.

Department of Transportation 1978-79 Projects

		(Dollar Amounts in Thousands)			
		Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS					
*MONTGOMERY COUNTY, USRA No. 906a, Mile Posts 1.5-5.9: From Oaks to Collegeville: Acquisition of Rail Line Abandoned by ConRail: Length 4.4 Miles.	Bond	.....	\$ 9	\$ 1	\$ 10
	Fed.	.....	119	.....	119
	Other	.....	4	.....	4
*MONTGOMERY COUNTY, USRA No. 909, Mile Posts 0.0-8.4: Part in Berks County, From Pottstown to Boyertown: Acquisition of Rail Line Abandoned by ConRail: Length 8.4 Miles.	Bond	.....	18	3	21
	Fed.	.....	227	.....	227
	Other	.....	8	.....	8
*PIKE COUNTY, USRA No. 1238, Mile Posts 110.0-135.0: Part in Wayne County, From Lackawana to Honnesdale: Acquisition of Rail Line Abandoned by ConRail: Length 25.0 Miles.	Bond	.....	50	8	58
	Fed.	.....	675	.....	675
	Other	.....	25	.....	25
*SCHUYLKILL COUNTY, USRA No. 921, Mile Posts 0.0-2.9 and 8.7-9.6. From Bear Run Junction to Frackville: Acquisition of Rail Line Abandoned by ConRail: Length 3.8 Miles.	Bond	.....	10	2	12
	Fed.	.....	131	.....	131
	Other	.....	5	.....	5
*SCHUYLKILL COUNTY, USRA No. 923, Mile Posts 103.6-124.0: From East Mahanoy Junction to Ringtown: Acquisition of Rail Line Abandoned by ConRail: Length 20.4 Miles.	Bond	.....	41	6	47
	Fed.	.....	551	.....	551
	Other	.....	20	.....	20
*SCHUYLKILL COUNTY, USRA No. 925, Mile Posts 23.0-29.6: From Tremont to Pine Grove: Acquisition of Rail Line Abandoned by ConRail: Length 6.6 Miles.	Bond	.....	13	2	15
	Fed.	.....	178	.....	178
	Other	.....	7	.....	7
SCHUYLKILL COUNTY, USRA No. 1007, Mile Posts 157.5-162.7: From Laurel Junction to Newton and Newton to Morea Colliery Bridge: Acquisition of Rail Line Abandoned by ConRail: Length 5.2 Miles.	Bond	.....	21	3	24
	Fed.	.....	278	.....	278
	Other	.....	10	.....	10
*SCHUYLKILL COUNTY, USRA No's 948 and 1030: Part in Carbon County, From Silverbrook Junction to Audenried: Acquisition of Rail Line Abandoned by ConRail: Length 9.0 Miles.	Bond	.....	26	4	30
	Fed.	.....	239	.....	239
*SUSQUEHANNA COUNTY, USRA No. 1005, Mile Posts 207.2-234.2: Part in Wyoming County, From Montrose to Tunkhannock: Acquisition of Rail Line Abandoned by ConRail: Length 26.9 Miles.	Bond	.....	54	8	62
	Fed.	.....	726	.....	726
	Other	.....	27	.....	27

* Recommended in previous Capital Budgets but still pending legislative approval.

CAPITAL BUDGET

Department of Transportation 1978-79 Projects

					(Dollar Amounts in Thousands)			
					Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM BOND FUNDS								
*SUSQUEHANNA COUNTY, USRA No. 1229, Mile Posts 152.1-157.8: Part in Wyoming County, From Foster to Nicholson: Acquisition of Rail Line Abandoned by ConRail: Length 5.7 Miles.								
	Bond	.....	\$ 11	\$ 2	\$ 13			
	Fed.	.....	154	.....	154			
	Other	.....	6	.....	6			
*WARREN COUNTY, USRA No. 252, Mile Posts 66.5-92.5: Part in McKean County, From Warren to Kane: Rehabilitation of Rail Line: Length 26.0 Miles.								
	Bond	\$ 50	.....	8	58			
	Fed.	450	.....	.....	450			
*WESTMORELAND COUNTY, USRA No. 331, Mile Posts 0.0-8.8: Hempfield Industrial Track: Acquisition of Rail Line Abandoned by ConRail: Length 8.8 Miles.								
	Bond	.....	18	3	21			
	Fed.	.....	237	.....	237			
	Other	.....	9	.....	9			
	Total--Bond Funds	.....	\$281	\$ 660	\$ 1,083			
	Total--Federal Funds	.....	508	8,032	8,540			
	Total--Other Funds	.....	117	286	403			
	PROGRAM TOTAL	.....	<u>\$906</u>	<u>\$8,978</u>	<u>\$142</u>	<u>\$10,026</u>		
FROM CURRENT REVENUES								
Program: Rural and Intercity Rail Service								
*CLINTON COUNTY, USRA No. 242a, Mile Posts 5.5-6.2: Mill Hall Industrial Track: Acquisition and Rehabilitation of Rail Line to be Abandoned by ConRail: Length 0.7 Miles.								
	State	\$ 2	\$ 1	.....	\$ 3			
	Fed.	22	19	.....	41			
	Other	1	1	.....	2			
*FAYETTE COUNTY, USRA No. 663, Mile Posts 31.2-31.7: Southwest Secondary Track at Mt. Braddock: Acquisition and Rehabilitation of Rail Line to be Abandoned by ConRail: Length 0.5 Miles.								
	State	2	1	.....	3			
	Fed.	23	14	.....	37			
	Other	1	.....	.....	1			
*JEFFERSON COUNTY, USRA No. 257, Mile Posts 0.0-1.3: Brookville Industrial Track: Acquisition of Rail Line to be Abandoned by ConRail: Length 1.3 Miles.								
	State	.....	3	.....	3			
	Fed.	.....	35	.....	35			
	Other	.....	1	.....	1			
LUZERNE COUNTY, USRA No. 191, Mile Posts 0.0 to 2.0: From D & H Junction to D. J. Flood Industrial Park: Acquisition of Abandoned Rail Line: Length 2.0 Miles.								
	State	.....	4	\$ 1	5			
	Fed.	.....	54	.....	54			
	Other	.....	2	.....	2			

* Recommended in previous Capital Budgets but still pending legislative approval.

CAPITAL BUDGET

Department of Transportation 1978-79 Projects

		(Dollar Amounts in Thousands)			
		Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
FROM CURRENT REVENUES					
*MIFFLIN COUNTY: USRA No. 208, Mile Posts 4.0-5.8:	State	. . . .	\$ 4	\$ 1	\$ 5
From Yeagertown to Reedsville: Acquisition of Rail Line to	Fed.	. . . .	49	. . . .	49
be Abandoned by ConRail: Length 1.8 Miles.	Other	. . . .	2	. . . .	2
*PHILADELPHIA COUNTY, USRA No. 135, Mile Posts					
0.1-1.6: Part in Montgomery County, From Allen Lane to East	State	. . . .	3	. . . .	3
Land: Acquisition of Rail Line to be Abandoned by ConRail:	Fed.	. . . .	41	. . . .	41
Length 1.5 Miles.	Other	. . . .	1	. . . .	1
*SCHUYLKILL COUNTY, USRA No. 196. Mile Posts					
84.5-86.0: Schuylkill Secondary Track at Auburn: Acquisition	State	. . . .	3	. . . .	3
of Rail Lane to be Abandoned by ConRail: Length 1.5 Miles. .	Fed.	. . . .	41	. . . .	41
	Other	. . . .	1	. . . .	1
*WARREN COUNTY, USRA No. 260a, Mile Posts 51.3-54.8:					
From North Warren to Warren: Aquisition of Rail Line to be	State	6	1	7
Abandoned by ConRail: Length 3.5 Miles.	Fed.	94	94
	Other	3	3
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Total—State Funds		\$ 4	\$ 25	\$ 3	\$ 32
Total—Federal Funds		45	347	392
Total—Other Funds		2	11	13
		-----	-----	-----	-----
PROGRAM TOTAL		<u>\$51</u>	<u>\$383</u>	<u>\$ 3</u>	<u>\$437</u>

* Recommended in previous Capital Budgets but still pending legislative approval.

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

	1979-80	(Dollar Amounts in Thousands)		1982-83
		1980-81	1981-82	
Department of Agriculture	\$ 800	\$ 700	\$ 900	\$ 1,400
Department of Education	11,800	12,800	14,700	14,600
Department of Environmental Resources	3,900	2,800	2,100	1,400
Fish Commission	952	1,000	1,024	1,055
Game Commission	1,500	1,500	1,500	1,500
Department of General Services	1,000	600	600	. . . .
Historical and Museum Commission	1,000	1,400	1,300	1,200
Department of Justice	7,000	5,400	6,800	7,500
Department of Labor and Industry	900	800	900	900
Department of Military Affairs	400	500	400	600
Department of Public Welfare	22,700	24,600	22,000	21,800
Department of Transportation	10,500	12,400	14,300	15,600
TOTAL	<u>\$62,452</u>	<u>\$64,500</u>	<u>\$66,524</u>	<u>\$67,555</u>

CAPITAL BUDGET

Forecast of Future Projects

This section contains estimated authorizations (State Funds only) for future capital improvements for the years 1979-80 through 1982-83. 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.

	1979-80	(Dollar Amounts in Thousands)		1982-83
		1980-81	1981-82	
Department of Agriculture				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction of regional offices and improvements at the Farm Show Complex and Summerdale Laboratory.				
	\$ 800	\$ 700	\$ 900	\$ 1,400
 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. Also includes purchase of original furniture and equipment to furnish such facilities.				
	11,800	12,800	14,700	14,600
 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. Also includes purchase of original furniture and equipment to furnish such facilities.				
	3,900	2,800	2,100	1,400
 Fish Commission				
PUBLIC IMPROVEMENT PROJECTS: Provides for acquisition and development of access areas and renovation and improvements to hatchery facilities.				
	952	1,000	1,024	1,055

CAPITAL BUDGET

Forecast of Future Projects

		(Dollar Amounts in Thousands)		
	1979-80	1980-81	1981-82	1982-83
Game Commission				
PUBLIC IMPROVEMENT PROJECTS: Provides for acquisition of additional State game lands.	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
 Department of General Services				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction, renovation and improvements of state office buildings and facilities.	1,000	600	600	. . . .
 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. Also includes the purchase of original furniture and equipment to furnish such facilities.	1,000	1,400	1,300	1,200
 Department of Justice				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of administrative, industrial, educational and housing facilities and utilities at the State correctional institutions. The funds in the first two years are primarily for additional updating of the State Correctional Institution at Pittsburgh.	7,000	5,400	6,800	7,500
 Department of Labor and Industry				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction of Bureau of Employment Security office buildings.	900	800	900	900
 Department of Military Affairs				
PUBLIC IMPROVEMENT PROJECTS: Provides for land acquisition, renovations, additions and construction of state armories and facilities.	400	500	400	600

CAPITAL BUDGET

Forecast of Future Projects

		(Dollar Amounts in Thousands)		
	1979-80	1980-81	1981-82	1982-83
Department of Public Welfare				
PUBLIC IMPROVEMENT PROJECTS: Provides for new construction and renovation of patient buildings, supporting facilities, utilities, and care standard improvements at the State institutions for the mentally ill and mentally retarded, restoration centers, general hospitals, and youth development centers. Also includes the purchase of original furniture and equipment to furnish such facilities.				
	\$22,700	\$24,600	\$22,000	\$21,800
 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.				
	†	†	†	†
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.				
	500	400	300	600
TRANSPORTATION ASSISTANCE PROJECTS: Includes mass transportation projects for local transportation authorities to modernize and extend their facilities and purchase and improvements of rail branch lines to be abandoned by Consolidated Rail Corporation (ConRail). . . .				
	10,000	12,000	14,000	15,000
Total—Public Improvement Projects	\$52,452	\$52,500	\$52,524	\$52,555
Total—Transportation Assistance Projects	\$10,000	\$12,000	\$14,000	\$15,000
Total—Highway Projects	†	†	†	†
TOTAL	\$62,452	\$64,500	\$66,524	\$67,555

† Current Motor License Fund tax rates are insufficient to fund a highway capital program. Resumption of the highway construction program is dependent upon an increase in Motor License Fund revenues.

**SUMMARY OF ESTIMATED CAPITAL PROJECT EXPENDITURES
STATE FUNDS**

Department	(Dollar Amounts in Thousands)				
	1978-79	1979-80	1980-81	1981-82	1982-83
Agriculture	\$ 600	\$ 352	\$ 532	\$ 737	\$ 890
Commerce	16,000	4,182	1,984	1,114	839
Drug and Alcohol Abuse Council	2,074	1,730	821	461	347
Education	30,985	30,648	36,575	37,105	32,493
Environmental Resources	12,014	16,365	18,034	16,964	12,813
Fish Commission . . . . .	. . . . .	952	1,000	1,024	1,055
Game Commission . . . . .	. . . . .	1,500	1,500	1,500	1,500
General Services	6,763	7,600	4,829	3,644	2,877
Health	898	577	274	154	116
Historical and Museum Commission	2,878	2,281	2,449	2,549	2,373
Justice	4,814	7,723	11,469	12,784	11,540
Labor and Industry	1,676	2,003	1,563	1,478	1,423
Military Affairs	1,792	1,729	1,757	1,560	1,277
Public Welfare	28,924	31,098	27,303	29,303	31,067
State Police	733	585	510	420	290
Transportation	82,051	46,050	32,855	33,450	34,878
TOTAL	\$192,202	\$155,375	\$143,455	\$144,247	\$135,778

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
	1978-79	1979-80	1980-81	1981-82	1982-83
BOND FUNDS					
Department of Agriculture					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 509	\$ 144	\$ 68	\$ 38	\$ 29
Projects in 1978-79 Budget					
Buildings and Structures	52	155	309	309	206
Future Projects (1979-83)					
Buildings and Structures . . . . .	. . . . .	40	155	390	655
TOTAL—AGRICULTURE	<u>\$ 561</u>	<u>\$ 339</u>	<u>\$ 532</u>	<u>\$ 737</u>	<u>\$ 890</u>
Department of Commerce					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$16,000	\$ 4,182	\$ 1,984	\$ 1,114	\$ 839
TOTAL—COMMERCE	<u>\$16,000</u>	<u>\$ 4,182</u>	<u>\$ 1,984</u>	<u>\$ 1,114</u>	<u>\$ 839</u>
Council on Drug and Alcohol Abuse					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 2,074	\$ 1,730	\$ 821	\$ 461	\$ 347
TOTAL—DRUG AND ALCOHOL ABUSE	<u>\$ 2,074</u>	<u>\$ 1,730</u>	<u>\$ 821</u>	<u>\$ 461</u>	<u>\$ 347</u>
Department of Education					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$22,485	\$15,648	\$ 7,423	\$ 4,168	\$ 3,142
Furniture and Equipment	4,244	1,415	. . . . .	. . . . .	. . . . .
Projects in 1978-79 Budget					
Buildings and Structures	3,853	11,558	23,117	23,117	15,411
Furniture and Equipment	294	495	. . . . .	. . . . .	. . . . .
Future Projects (1979-83)					
Buildings and Structures . . . . .	. . . . .	590	2,410	6,195	10,315
Furniture and Equipment . . . . .	. . . . .	906	3,625	3,625	3,625
TOTAL—EDUCATION	<u>\$30,876</u>	<u>\$30,612</u>	<u>\$36,575</u>	<u>\$37,105</u>	<u>\$32,493</u>
Department of Environmental Resources					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 10,161	\$ 9,806	\$ 4,652	\$ 2,612	\$ 1,968
Furniture and Equipment	6	. . . . .	. . . . .	. . . . .	. . . . .
Projects in 1978-79 Budget					
Buildings and Structures	1,828	6,310	12,620	12,620	8,413
Furniture and Equipment	19	45	. . . . .	. . . . .	. . . . .
Future Projects (1979-83)					
Buildings and Structures . . . . .	. . . . .	195	725	1,695	2,395
Furniture and Equipment . . . . .	. . . . .	9	37	37	37
TOTAL—ENVIRONMENTAL RESOURCES	<u>\$ 12,014</u>	<u>\$ 16,365</u>	<u>\$ 18,034</u>	<u>\$ 16,964</u>	<u>\$ 12,813</u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
	1978-79	1979-80	1980-81	1981-82	1982-83
BOND FUNDS (continued)					
Department of General Services					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 6,530	\$ 6,850	\$ 3,249	\$ 1,824	\$ 1,375
Projects in 1978-79 Budget					
Buildings and Structures	233	700	1,400	1,400	932
Future Projects (1979-83)					
Buildings and Structures . . . . .	. . . . .	50	180	420	570
TOTAL—GENERAL SERVICES	<u>\$ 6,763</u>	<u>\$ 7,600</u>	<u>\$ 4,829</u>	<u>\$ 3,644</u>	<u>\$ 2,877</u>
Department of Health					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 898	\$ 577	\$ 274	\$ 154	\$ 116
TOTAL—HEALTH	<u>\$ 898</u>	<u>\$ 577</u>	<u>\$ 274</u>	<u>\$ 154</u>	<u>\$ 116</u>
Historical and Museum Commission					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 1,962	\$ 1,226	\$ 582	\$ 327	\$ 246
Furniture and Equipment	420	140	. . . . .	. . . . .	. . . . .
Projects in 1978-79 Budget					
Buildings and Structures	247	740	1,481	1,481	986
Furniture and Equipment	249	83	. . . . .	. . . . .	. . . . .
Future Projects (1979-83)					
Buildings and Structures . . . . .	. . . . .	50	220	575	975
Furniture and Equipment . . . . .	. . . . .	42	166	166	166
TOTAL—HISTORICAL AND MUSEUM	<u>\$ 2,878</u>	<u>\$ 2,281</u>	<u>\$ 2,449</u>	<u>\$ 2,549</u>	<u>\$ 2,373</u>
Department of Justice					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 3,225	\$ 2,956	\$ 1,402	\$ 787	\$ 593
Projects in 1978-79 Budget					
Buildings and Structures	1,458	4,374	8,747	8,747	5,832
Future Projects (1979-83)					
Buildings and Structures . . . . .	. . . . .	350	1,320	3,250	5,115
TOTAL—JUSTICE	<u>\$ 4,683</u>	<u>\$ 7,680</u>	<u>\$ 11,469</u>	<u>\$ 12,784</u>	<u>\$ 11,540</u>
Department of Labor and Industry					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 1,296	\$ 1,658	\$ 787	\$ 442	\$ 333
Projects in 1978-79 Budget					
Buildings and Structures	380	300	601	601	400
Future Projects (1979-83)					
Buildings and Structures . . . . .	. . . . .	45	175	435	690
TOTAL—LABOR AND INDUSTRY	<u>\$ 1,676</u>	<u>\$ 2,003</u>	<u>\$ 1,563</u>	<u>\$ 1,478</u>	<u>\$ 1,423</u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
	1978-79	1979-80	1980-81	1981-82	1982-83
BOND FUNDS (continued)					
Department of Military Affairs					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 1,431	\$ 937	\$ 445	\$ 250	\$ 188
Projects in 1978-79 Budget					
Buildings and Structures	183	548	1,095	1,095	729
Furniture and Equipment	178	224	132		
Future Projects (1979-83)					
Buildings and Structures		20	85	215	360
TOTAL—MILITARY AFFAIRS	\$ 1,792	\$ 1,729	\$ 1,757	\$ 1,560	\$ 1,277
Department of Public Welfare					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 25,718	\$ 23,866	\$ 11,322	\$ 6,357	\$ 4,791
Furniture and Equipment	1,190	396			
Projects in 1978-79 Budget					
Buildings and Structures	1,825	5,475	10,951	10,951	7,301
Furniture and Equipment	94	95			
Future Projects (1979-83)					
Buildings and Structures		1,135	4,635	11,600	18,580
Furniture and Equipment		99	395	395	395
TOTAL—PUBLIC WELFARE	\$ 28,827	\$ 31,066	\$ 27,303	\$ 29,303	\$ 31,067
State Police					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 682	\$ 433	\$ 205	\$ 115	\$ 87
Projects in 1978-79 Budget					
Buildings and Structures	51	152	305	305	203
TOTAL—STATE POLICE	\$ 733	\$ 585	\$ 510	\$ 420	\$ 290
Department of Transportation					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 1,891	\$ 2,091	\$ 992	\$ 557	\$ 420
Projects in 1978-79 Budget					
Buildings and Structures	28	84	168	168	113
Future Projects (1979-83)					
Buildings and Structures		25	95	225	345
Sub-Total	\$ 1,919	\$ 2,200	\$ 1,255	\$ 950	\$ 878
Highway Projects					
Projects Currently Authorized					
Department of Transportation	\$ 43,800	\$ 9,150			
Projects in 1977-78 Budget (Pending Legislation)					
Department of Transportation	†	†	†	†	†
Future Projects (1979-83)					
Department of Transportation		†	†	†	†
Sub-Total	\$ 43,800	\$ 9,150			

† Current Motor License Fund tax rates are insufficient to fund additional highway construction programs. Resumption of the highway construction program is dependant upon an increase in Motor License Fund revenues.

CAPITAL BUDGET

Estimate of Capital Expenditures

BOND FUNDS (continued)

	(Dollar Amounts in Thousands)				
	1978-79	1979-80	1980-81	1981-82	1982-83
Department of Transportation (continued)					
Transportation Assistance Projects					
Projects Currently Authorized					
Transportation Assistance Authority	\$ 22,058	\$ 20,044	\$ 20,070	\$ 20,019	\$ 20,000
Projects in 1978-79 Budget					
Transportation Assistance Authority	14,242	10,656	4,530	481	. . . . .
Future Projects (1979-83)					
Transportation Assistance Authority . . . . .	. . . . .	4,000	7,000	12,000	14,000
Sub-Total	<u>\$ 36,300</u>	<u>\$ 34,700</u>	<u>\$ 31,600</u>	<u>\$ 32,500</u>	<u>\$ 34,000</u>
TOTAL—TRANSPORTATION	<u>\$ 82,019</u>	<u>\$ 46,050</u>	<u>\$ 32,855</u>	<u>\$ 33,450</u>	<u>\$ 34,878</u>
 TOTAL—BOND FUNDS					
Public Improvement Projects					
Buildings and Structures	\$105,000	\$105,000	\$105,000	\$105,000	\$ 95,000
Furniture and Equipment	6,694	3,949	4,355	4,223	4,223
Highway Projects					
Department of Transportation	43,800	9,150	. . . . .	. . . . .	. . . . .
Transportation Assistance Projects					
Transportation Assistance Authority	36,300	34,700	31,600	32,500	34,000
TOTAL	<u>\$191,794</u>	<u>\$152,799</u>	<u>\$140,955</u>	<u>\$141,723</u>	<u>\$133,223</u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
	1978-79	1979-80	1980-81	1981-82	1982-83
CURRENT REVENUES					
Department of Agriculture					
Public Improvement Projects					
Projects in 1978-79 Budget					
General Fund	\$ 39	\$ 13	.....	.....	.....
TOTAL—AGRICULTURE	<u>\$ 39</u>	<u>\$ 13</u>	.....	.....	.....
Department of Education					
Public Improvement Projects					
Projects in 1978-79 Budget					
General Fund	\$ 109	\$ 36	.....	.....	.....
TOTAL—EDUCATION	<u>\$ 109</u>	<u>\$ 36</u>	.....	.....	.....
Fish Commission					
Public Improvement Projects					
Future Projects (1979-83)					
Boating Fund .....	.....	\$ 552	\$ 580	\$ 609	\$ 640
Fish Fund .....	.....	400	420	415	415
TOTAL—FISH COMMISSION .....	.....	<u>\$ 952</u>	<u>\$ 1,000</u>	<u>\$ 1,024</u>	<u>\$ 1,055</u>
Game Commission					
Public Improvement Projects					
Future Projects (1979-83)					
Game Fund .....	.....	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
TOTAL—GAME COMMISSION .....	.....	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ 1,500</u>
Department of Justice					
Public Improvement Projects					
Projects in 1978-79 Budget					
General Fund	\$ 131	\$ 43	.....	.....	.....
TOTAL—JUSTICE	<u>\$ 131</u>	<u>\$ 43</u>	.....	.....	.....
Department of Public Welfare					
Public Improvement Projects					
Projects in 1978-79 Budget					
General Fund	\$ 97	\$ 32	.....	.....	.....
TOTAL—PUBLIC WELFARE	<u>\$ 97</u>	<u>\$ 32</u>	.....	.....	.....
Department of Transportation					
Transportation Assistance Projects					
Projects in 1978-79 Budget					
General Fund	\$ 32	.....	.....	.....	.....
TOTAL—TRANSPORTATION	<u>\$ 32</u>	.....	.....	.....	.....

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
	1978-79	1979-80	1980-81	1981-82	1982-83
CURRENT REVENUES (continued)					
TOTAL—CURRENT REVENUES					
Public Improvement Projects					
Boating Fund . . . . .	. . . . .	\$ 552	\$ 580	\$ 609	\$ 640
Fish Fund . . . . .	. . . . .	400	420	415	415
Game Fund . . . . .	. . . . .	1,500	1,500	1,500	1,500
General Fund	\$ 376	124	. . . . .	. . . . .	. . . . .
Transportation Assistance Projects					
General Fund	32	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL	<u>\$ 408</u>	<u>\$ 2,576</u>	<u>\$ 2,500</u>	<u>\$ 2,524</u>	<u>\$ 2,555</u>
TOTAL—ALL STATE FUNDS	<u><u>\$192,202</u></u>	<u><u>\$155,375</u></u>	<u><u>\$143,455</u></u>	<u><u>\$144,247</u></u>	<u><u>\$135,778</u></u>



SINKING FUNDS AND THE PUBLIC DEBT

BONDS ISSUED AND NET INDEBTEDNESS

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

The following statement reflects the bonded indebtedness of the Commonwealth as of December 31, 1977. 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
Project 70 Land Acquisition*	\$ 70,000	\$ 25,245	\$ 44,755	\$ 372	\$ 44,383
Land and Water Development*	397,000	21,965	375,035	3,668	371,367
Vietnam Veterans' Compensation*	62,000	5,850	56,150	66	56,084
Disaster Relief*	100,000	3,790	96,210	1,673	94,537
Nursing Home Loan Agency*	40,000	1,455	38,545	1,316	37,229
Volunteer Companies' Loan	10,000	. . . . .	10,000	. . . . .	10,000
Matured Loans Unclaimed* . . . . .	. . . . .	. . . . .	141	319	-178
General State Authority	1,165,250	561,211	604,039	. . . . .	604,039
State Highway and Bridge Authority	580,000	282,490	297,510	. . . . .	297,510
State Public School Building Authority	8,150	1,275	6,875	. . . . .	6,875
Capital Facilities	3,446,330	226,125	3,220,205	7,112	3,213,093
Total Outstanding Debt	<u>\$5,878,730</u>	<u>\$1,129,406</u>	<u>\$4,749,465</u>	<u>\$ 14,526</u>	<u>\$4,734,939</u>

*Not applicable to the Constitutional Debt Limit.

**Outstanding Indebtedness of
Pennsylvania Agencies and Authorities**

The indebtedness of the following agencies and authorities is not an obligation of the Commonwealth of Pennsylvania but represents the debt of those agencies and authorities created by the Commonwealth for a public purpose. These obligations are not considered as debt under the State Constitution because they meet at least one of the following conditions: 1) the obligations are to be repaid from charges for the use of the capital project financed, as determined by the Auditor General, or 2) the obligations are to be repaid from lease rentals and other charges payable by a school district or other local taxing authority, or 3) the obligations are to be repaid by agencies or authorities created for the joint benefit of the Commonwealth and one or more other State governments.

As of December 31, 1977
(in thousands)
Notes Bonds

Higher Education Facilities Authority

Acquires, constructs, improves and leases (as lessor) college facilities for colleges and universities within the Commonwealth. Debt service on the bonds is paid from rentals collected for the use of the facilities.

. \$ 168,320

State Public School Building Authority

Constructs, improves and equips public buildings for local school districts. Debt Service on the bonds is paid from rentals collected for the use of the facilities.

. 564,635

Pennsylvania Turnpike Commission

Constructs, maintains and operates the Pennsylvania Turnpike. Debt service on the bonds is paid from tolls and other revenue sources of the Commission.

. 94,878

Pennsylvania Industrial Development Authority

Makes mortgage loans to local nonprofit industrial development agencies for the financing of industrial development projects. Debt service on the bonds is paid from loan interest and repayments and other authority revenues.

. 68,500

Pennsylvania Housing Finance Agency

Makes construction and permanent mortgage loans to qualified borrowers for construction of housing for low and moderate income persons or families. Debt service on the bonds is paid from mortgage loan interest and repayments and backed by the "moral obligation" of the Commonwealth. Debt service on the notes is paid by the issuance of bonds or the sale of the mortgage to a Federal agency.

\$ 119,375* \$ 234,080

* Includes bond anticipation notes and construction mortgage loan notes.

**Outstanding Indebtedness of
Pennsylvania Agencies and Authorities
(continued)**

As of December 31, 1977
(in thousands)
Notes Bonds

Delaware River Port Authority

Created by Pennsylvania and New Jersey to control and operate bridges crossing the Delaware River. It may construct or acquire other bridges or tunnels, projects for port improvement and development and has constructed and operates a rapid transit system. Debt service on the bonds is paid from tolls, fares, rents and other revenue of the Authority.

. . . . \$ 301,780

Delaware River Joint Toll Bridge Commission

Created by Pennsylvania and New Jersey to construct, operate and maintain bridges crossing the upper Delaware River. Debt service on the bonds is paid from tolls and other revenues of the Commission.

. . . . 10,215

TOTAL

\$ 119,375 \$1,442,408

TERMS OF BONDS

The following chart reflects the terms of the Commonwealth's outstanding bonds as of December 31, 1977. 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
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	4.99%	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	5.88%	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%	1974-01	50,000
	U	September 15, 1973	5.48%	1976-03	48,000
	U	October 1, 1974	7.12%	1977-04	50,000
	U	January 15, 1976	6.24%	1977-95	30,000
	U	June 15, 1976	6.28%	1977-95	18,000
	U	December 1, 1976	5.82%	1978-96	18,000
Vietnam Veterans' Compensation	U	August 1, 1977	5.32%	1979-97	30,000
	V	June 15, 1969	5.95%	1971-98	28,000
	V	November 15, 1970	6.11%	1973-00	27,000
Capital Facilities	V	April 1, 1974	5.36%	1976-03	7,000
	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 1, 1971	5.57%	1973-00	50,000
	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
	S	October 1, 1974	7.12%	1977-04	50,000
	S	May 15, 1975	6.44%	1976-94	50,000
	S	November 15, 1975	6.72%	1977-95	20,000
	Capital Facilities—Equipment	S	April 1, 1976	6.32%	1977-95	50,000
S		June 15, 1976	6.28%	1977-95	50,000
S		September 1, 1976	5.95%	1978-96	50,000
S		December 1, 1976	5.82%	1978-96	18,000
S		October 15, 1968	4.15%	1969-78	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
S		June 15, 1974	6.39%	1974-83	10,000
S		June 15, 1976	6.28%	1976-85	4,000
S		December 1, 1976	5.82%	1977-86	4,000

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	S	April 15, 1977	5.30%	1978-96	28,000	
	S	August 1, 1977	5.32%	1978-97	55,000	
	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	
	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	5.28%	1975-02	70,000	
	T	August 1, 1973	5.49%	1976-03	85,000	
	Capital Facilities—Community Colleges	T	April 1, 1974	5.36%	1976-03	93,000
		T	June 15, 1974	6.39%	1976-03	157,000
T		May 15, 1975	6.44%	1976-94	50,000	
T		August 15, 1975	6.78%	1977-95	180,000	
T		November 15, 1975	6.72%	1977-95	80,000	
T		January 15, 1976	6.24%	1977-95	70,000	
T		April 1, 1976	6.32%	1977-95	50,000	
T		June 15, 1976	6.28%	1977-95	65,000	
T		September 1, 1976	5.95%	1978-96	70,000	
T		December 1, 1976	5.82%	1978-96	107,000	
Capital Facilities—Transportation Assistance	T	August 1, 1977	5.32%	1979-97	55,000	
	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	
Disaster Relief	S	September 15, 1973	5.49%	1976-03	2,000	
	S	May 1, 1969	5.62%	1970-98	10,800	
	S	August 1, 1973	5.49%	1974-03	15,000	
	S	May 15, 1975	6.44%	1975-94	15,000	
	S	April 1, 1976	6.32%	1976-95	10,000	
State Public School Building Authority	S	September 1, 1976	5.95%	1977-96	10,000	
	D	February 1, 1973	4.91%	1975-02	25,000	
Nursing Home Loan Agency	D	September 15, 1973	5.48%	1976-03	75,000	
	X	April 1, 1968	5.06%	1970-97	8,150	
Volunteer Companies' Loans	N	May 15, 1975	6.44%	1976-94	25,000	
	N	April 15, 1977	5.30%	1978-96	15,000	
	C	April 15, 1977	5.32%	1978-96	30,000	

ANNUAL DEBT SERVICE ON
OUTSTANDING BONDS AND AUTHORITY RENTALS

Bonds Issued as of December 30, 1977

Fiscal Year	Authority Rentals		Series S	Series X	Series T	Series U
	General State Authority	State Highway and Bridge Authority	Capital Improvements	Public School Building Authority	Transportation	Land & Water
1977-78	\$62,058	\$30,417	\$103,700	\$558	\$162,728	\$28,747
1978-79	62,018	34,306	106,913	562	164,729	30,391
1979-80	59,883	34,489	104,524	560	164,121	30,303
1980-81	58,952	34,266	102,845	562	163,486	30,216
1981-82	57,267	31,290	101,345	558	162,808	30,133
1982-83	53,326	31,483	100,976	563	162,201	30,046
1983-84	51,912	31,544	99,353	558	161,772	29,952
1984-85	50,187	30,229	97,549	560	161,406	29,870
1985-86	48,061	30,110	97,214	561	161,094	29,815
1986-87	46,836	28,608	95,629	561	160,976	29,793
1987-88	44,995	26,894	94,511	560	161,062	29,796
1988-89	40,987	25,055	93,233	559	161,124	29,817
1989-90	38,392	18,868	93,070	557	161,147	29,832
1990-91	32,798	12,823	92,665	554	161,157	29,832
1991-92	28,947	7,183	91,879	550	161,058	29,824
1992-93	22,532		91,759	550	160,945	29,821
1993-94	16,521		91,747	550	160,894	29,829
1994-95	7,319		91,768	543	161,072	29,838
1995-96	7,033		84,671	545	132,139	29,895
1996-97	6,307		69,277	541	100,131	24,045
1997-98			62,684	536	96,092	21,453
1998-99			57,021		96,279	16,910
1999-00			52,965		84,609	16,958
2000-01			41,281		66,464	16,035
2001-02			29,373		46,600	10,449
2002-03			14,826		27,775	7,173
2003-04			7,200		17,469	3,759

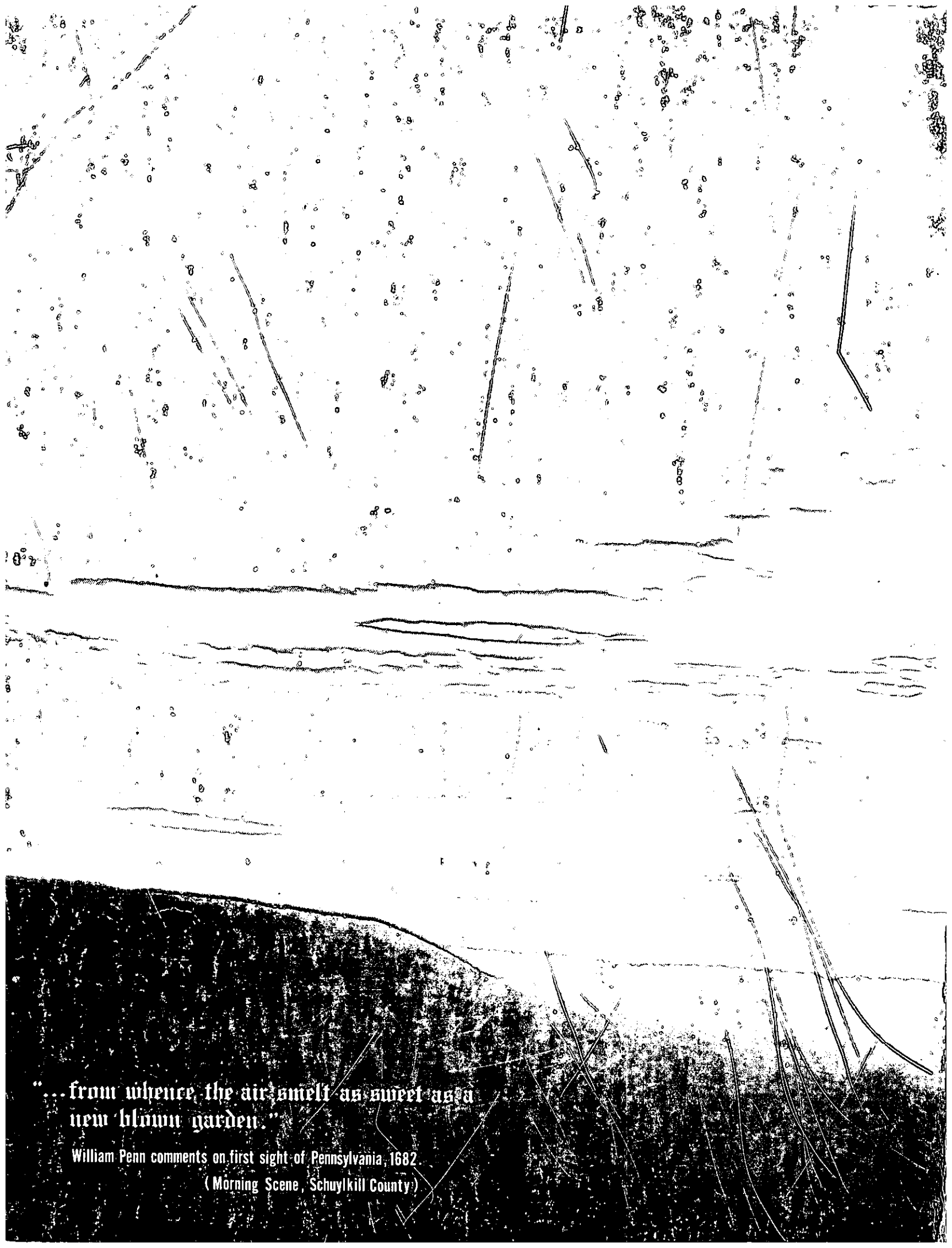
	Series D	Series Q	Series V	Series C	Series N	
	Disaster Relief	Project 70	Vietnam Veterans' Compensation	Volunteer Companies Loan Fund	Nursing Home Loan Agency	Total
1977-78	\$6,986	\$6,134	\$4,644	\$524	\$3,093	\$409,589
1978-79	6,965	6,026	4,633	812	3,516	420,871
1979-80	6,936	5,918	4,631	817	3,505	415,687
1980-81	6,906	5,808	4,620	821	3,502	411,984
1981-82	6,879	5,699	4,612	823	3,489	404,903
1982-83	6,848	5,685	4,607	825	3,474	400,034
1983-84	6,818	5,575	4,597	826	3,468	396,375
1984-85	6,804	4,501	4,595	829	3,463	389,993
1985-86	6,811	4,419	4,583	832	3,470	386,970
1986-87	6,820	2,477	4,574	833	3,471	380,578
1987-88	6,826	761	4,565	837	3,480	374,287
1988-89	6,836	763	4,560	840	3,481	367,255
1989-90	6,841	764	4,562	842	3,488	356,363
1990-91	6,845	762	4,554	846	3,491	346,327
1991-92	6,848	770	4,561	849	3,497	335,966
1992-93	6,850	770	4,559	855	3,511	322,152
1993-94	6,847	769	4,562	859	3,528	316,106
1994-95	6,849	775	4,566	865	3,543	307,138
1995-96	6,842	779	4,575	868	1,297	268,644
1996-97	6,834	780	4,574	868	1,300	214,657
1997-98	6,822	778	4,573			192,938
1998-99	6,811	783	2,592			180,396
1999-00	6,820	785	2,602			164,739
2000-01	6,833		478			131,091
2001-02	6,869		482			93,773
2002-03	6,903		487			59,164
2003-04			491			28,919

PRINCIPAL AND INTEREST REQUIREMENTS

1978-78

The following statement shows the amounts necessary to meet the principal and interest requirements during 1978-79 on currently outstanding bonded debt of the Commonwealth. The self-supporting bonds issued by the Commonwealth for community college projects of the Public School Building Authority are excluded. 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 debt service on anticipated issues.

	(Dollar Amounts in Thousands)		
	Principal	Interest	Total
General Fund			
Project 70 Land Acquisition Bonds	\$ 4,205	\$ 1,821	\$ 6,026
Land Water Development Bonds	8,975	21,416	30,391
Vietnam Veterans' Compensation Bonds	1,300	3,333	4,633
Disaster Relief Bonds	1,895	5,070	6,965
Nursing Home Loan Agency Bonds	1,245	2,271	3,516
Volunteer Companies Loan Bonds	295	517	812
Capital Facilities	27,220	61,746	88,966
Capital Facilities—Equipment	6,800	1,923	8,723
Capital Facilities—Community Colleges	570	1,478	2,048
Capital Facilities—Transportation Assistance	3,245	3,638	6,883
TOTAL REQUIREMENT—BONDS	<u>\$55,750</u>	<u>\$103,213</u>	<u>\$158,963</u>
Authority Rentals			62,018
Requirements for Anticipated Issues			13,030
Estimated Interest on Tax Notes			27,500
TOTAL GENERAL FUND DEBT SERVICE			<u>\$261,511</u>
Motor License Fund			
Capital Facilities—Transportation	\$49,550	\$115,179	\$164,729
Capital Facilities	90	203	293
TOTAL REQUIREMENTS BONDS	<u>\$49,640</u>	<u>\$115,382</u>	<u>\$165,022</u>
Authority Rentals			34,306
Requirements for Anticipated Issues			3,760
TOTAL MOTOR LICENSE FUND DEBT SERVICES			<u>\$203,088</u>
Fish Fund			
Authority Rentals			\$ 63
TOTAL FISH FUND DEBT SERVICE			<u>\$ 63</u>
Boating Fund			
Authority Rentals			\$ 2
TOTAL BOATING FUND DEBT SERVICE			<u>\$ 2</u>



“...from whence the air smelt as sweet as a
new blown garden.”

William Penn comments on first sight of Pennsylvania, 1682

(Morning Scene, Schuylkill County)

COMMONWEALTH OF PENNSYLVANIA
EXECUTIVE BUDGET
1978-79

MILTON J. SHAPP,
GOVERNOR

E. J. Conzane

FOREWORD

This 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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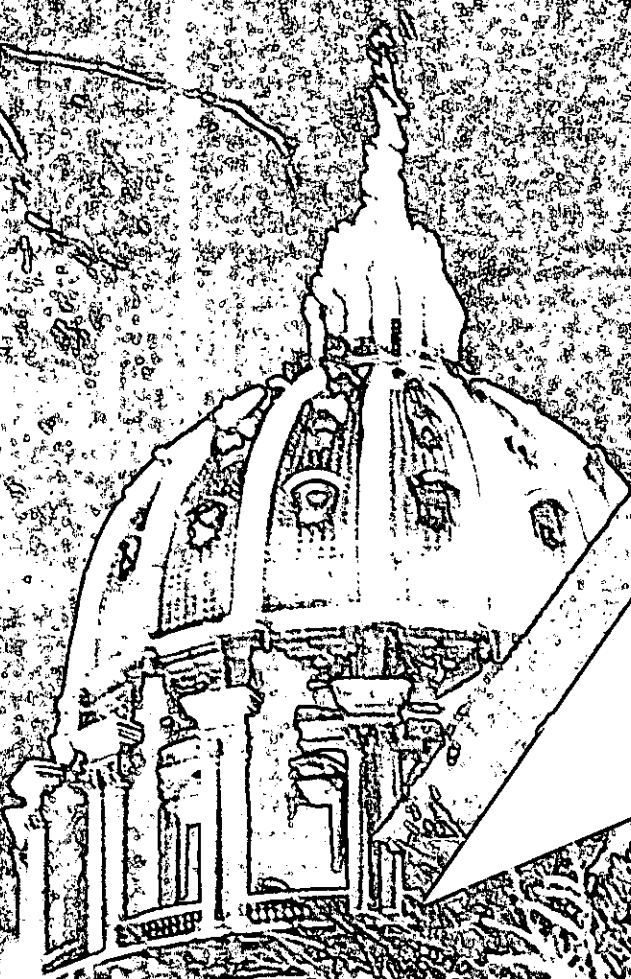
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COMMONWEALTH SUMMARIES



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FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Governor's Office	\$ 1,983	\$ 1,925	\$ 2,075	\$ 2,177	\$ 2,285	\$ 2,398	\$ 2,517
General Fund							
Revenue Sharing Trust Fund		120	120	126	132	139	146
TOTAL	\$ 1,983	\$ 2,045	\$ 2,195	\$ 2,303	\$ 2,417	\$ 2,537	\$ 2,663
Executive Offices	\$ 12,512	\$ 12,396	\$ 13,723	\$ 14,230	\$ 14,937	\$ 15,681	\$ 16,463
General Fund							
Lieutenant Governor's Office	\$ 246	\$ 250	\$ 270	\$ 285	\$ 300	\$ 315	\$ 330
General Fund							
Auditor General	\$ 11,527	\$ 11,527	\$ 12,387	\$ 13,001	\$ 13,650	\$ 14,332	\$ 15,049
General Fund							
Treasury	\$ 155,658	\$ 177,624	\$ 205,686	\$ 227,451	\$ 241,618	\$ 251,819	\$ 263,682
General Fund							
Motor License Fund	154,496	176,246	182,398	185,330	185,385	184,758	184,480
Game Fund	2	2	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	3	4	4	4	4	4	4
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	1	1
Pennsylvania Fair Fund	1	1	1	1	1	1	1
State Lottery Fund	11	20	13	13	13	13	13
TOTAL	\$ 310,177	\$ 353,903	\$ 388,110	\$ 412,807	\$ 427,029	\$ 436,603	\$ 448,188
Agriculture	\$ 14,551	\$ 15,352	\$ 15,906	\$ 16,544	\$ 17,311	\$ 18,076	\$ 18,884
General Fund							
State Farm Products Show Fund	891	896	882	928	959	992	1,027
State Harness Racing Fund	6,096	5,816	6,815	6,508	6,564	6,624	6,684
Pennsylvania Fair Fund	2,819	2,700	2,900	2,975	3,025	3,075	3,100
Sire Stakes Fund	1,045	1,255	1,281	1,309	1,339	1,369	1,400
TOTAL	\$ 25,402	\$ 26,019	\$ 27,784	\$ 28,264	\$ 29,198	\$ 30,136	\$ 31,095
Banking	\$ 4,252	\$ 4,616	\$ 4,776	\$ 5,014	\$ 5,265	\$ 5,528	\$ 5,805
Banking Department Fund							
Civil Defense	\$ 637	\$ 1,382	\$ 695	\$ 728	\$ 762	\$ 798	\$ 836
General Fund							
Civil Service	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
General Fund							

(Dollar Amounts in Thousands)

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(Continued)

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Commerce							
General Fund	\$ 23,994	\$ 14,427	\$ 16,795	\$ 22,019	\$ 22,260	\$ 22,496	\$ 22,753
Community Affairs							
General Fund	\$ 25,318	\$ 9,911	\$ 9,048	\$ 40,597	\$ 25,470	\$ 25,829	\$ 26,190
Council on Drug and Alcohol Abuse							
General Fund	\$ 21,673	\$ 20,225	\$ 20,341	\$ 21,359	\$ 22,426	\$ 23,547	\$ 24,726
Education							
General Fund	\$2,478,324	\$2,677,377	\$2,782,233	\$2,831,731	\$2,884,578	\$2,943,137	\$2,999,783
Motor License Fund	4,351	4,408	4,202	4,193	4,169	4,133	4,100
Revenue Sharing Trust Fund	77,500	80,700	79,700	77,100	77,100	77,100	76,000
TOTAL	\$2,560,175	\$2,762,485	\$2,866,135	\$2,913,024	\$2,965,847	\$3,024,370	\$3,079,883
Environmental Resources							
General Fund	\$ 74,023	\$ 74,469	\$ 80,336	\$ 83,504	\$ 87,439	\$ 91,574	\$ 95,911
Revenue Sharing Trust Fund	11,632	12,250	13,360	14,311	15,027	15,778	16,567
TOTAL	\$ 85,655	\$ 86,719	\$ 93,966	\$ 97,815	\$ 102,466	\$ 107,352	\$ 112,478
Fish Commission							
General Fund	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
Fish Fund	8,654	8,791	8,587	8,899	9,065	9,383	10,234
Boating Fund	1,535	2,224	2,570	2,811	2,898	2,988	3,081
TOTAL	\$ 10,192	\$ 11,018	\$ 11,160	\$ 11,713	\$ 11,966	\$ 12,374	\$ 13,318
Game Commission							
Game Fund	\$ 20,160	\$ 21,509	\$ 20,068	\$ 21,062	\$ 22,906	\$ 24,949	\$ 27,139
General Services							
General Fund	\$ 82,218	\$ 82,072	\$ 94,214	\$ 101,588	\$ 103,084	\$ 104,338	\$ 106,224
Motor License Fund	1,366	1,450	1,450	1,450	1,450	1,450	1,450
Fish Fund	62	76	75	75	75	75	75
Boating Fund	2	2	2	2	2	2	2
State Lottery Fund			472	604	630	656	685
TOTAL	\$ 83,648	\$ 83,600	\$ 96,213	\$ 103,719	\$ 105,241	\$ 106,521	\$ 108,436
Health							
General Fund	\$ 70,027	\$ 66,564	\$ 66,470	\$ 71,598	\$ 73,618	\$ 76,921	\$ 77,314
Revenue Sharing Trust Fund	3,600		6,799	3,378	3,378	3,378	3,378
TOTAL	\$ 73,627	\$ 66,564	\$ 73,269	\$ 74,976	\$ 76,996	\$ 80,299	\$ 80,692

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(Continued)

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
Historical and Museum Commission							
General Fund	\$ 8,025	\$ 7,298	\$ 8,071	\$ 8,780	\$ 9,225	\$ 9,686	\$ 10,077
Horse Racing Commission							
State Horse Racing Fund	\$ 17,378	\$ 17,045	\$ 19,159	\$ 18,340	\$ 18,981	\$ 19,641	\$ 20,326
Insurance							
General Fund	\$ 4,912	\$ 5,255	\$ 5,553	\$ 5,833	\$ 6,122	\$ 6,428	\$ 6,846
Justice							
General Fund	\$ 82,049	\$ 88,991	\$ 97,625	\$ 102,040	\$ 107,469	\$ 113,435	\$ 116,587
Revenue Sharing Trust Fund		80					
TOTAL	\$ 82,049	\$ 89,071	\$ 97,625	\$ 102,040	\$ 107,469	\$ 113,435	\$ 116,587
Labor and Industry							
General Fund	\$ 43,688	\$ 43,905	\$ 43,100	\$ 43,680	\$ 44,315	\$ 44,990	\$ 45,801
Military Affairs							
General Fund	\$ 9,264	\$ 11,677	\$ 12,110	\$ 12,754	\$ 13,244	\$ 13,753	\$ 14,541
Milk Marketing Board							
General Fund	\$ 717	\$ 717	\$ 750	\$ 762	\$ 804	\$ 884	\$ 959
Milk Marketing Fund	651	429	336	388	416	416	416
TOTAL	\$ 1,368	\$ 1,146	\$ 1,086	\$ 1,150	\$ 1,220	\$ 1,300	\$ 1,375
Probation and Parole							
General Fund	\$ 10,694	\$ 11,552	\$ 12,580	\$ 13,209	\$ 13,870	\$ 14,563	\$ 15,290
Public Welfare							
General Fund	\$1,617,177	\$1,715,973	\$1,947,977	\$2,131,359	\$2,286,919	\$2,454,783	\$2,635,996
Revenue Sharing Trust Fund		24,400	17,500				
TOTAL	\$1,617,177	\$1,740,373	\$1,965,477	\$2,131,359	\$2,286,919	\$2,454,783	\$2,635,996
Revenue							
General Fund	\$ 78,069	\$ 87,629	\$ 92,547	\$ 97,174	\$ 102,033	\$ 107,134	\$ 112,491
Motor License Fund	2,883	3,276	3,436	3,856	4,049	4,250	4,463
Boating Fund	255	162					
State Harness Racing Fund	164	174	198	208	218	229	241
State Horse Racing Fund	111	173	197	207	217	228	239
State Lottery Fund	107,392	110,275	109,932	112,452	115,040	117,757	120,608
TOTAL	\$ 188,874	\$ 201,689	\$ 206,310	\$ 213,897	\$ 221,557	\$ 229,598	\$238,042

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(Continued)

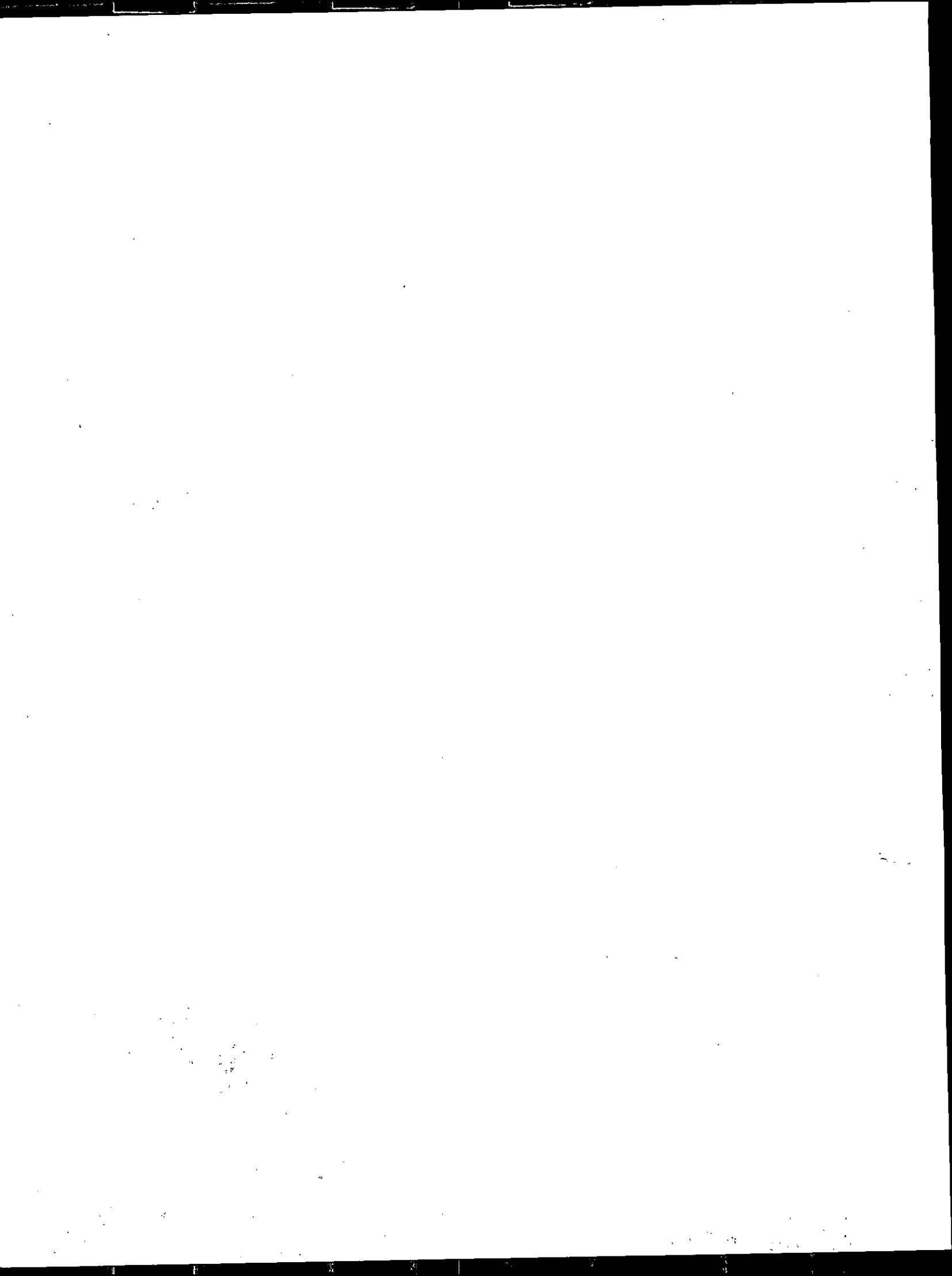
	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
Securities Commission							
General Fund	\$ 855	\$ 890	\$ 950	\$ 997	\$ 1,044	\$ 1,090	\$ 1,138
State							
General Fund	\$ 6,670	\$ 6,091	\$ 6,589	\$ 7,007	\$ 7,345	\$ 7,859	\$ 8,234
Revenue Sharing Trust Fund . . . . .	. . . . .	200	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL	\$ 6,670	\$ 6,291	\$ 6,589	\$ 7,007	\$ 7,345	\$ 7,859	\$ 8,234
State Employees' Retirement System							
General Fund	\$ 4,300	\$ 11,140	\$ 15,347	\$ 17,648	\$ 20,296	\$ 23,340	\$ 26,841
State Police							
General Fund	\$ 28,296	\$ 30,366	\$ 38,989	\$ 41,608	\$ 44,250	\$ 47,032	\$ 49,986
Motor License Fund	84,884	94,994	89,242	93,729	98,769	103,525	108,595
TOTAL	\$ 113,180	\$ 125,360	\$ 128,231	\$ 135,337	\$ 143,019	\$ 150,557	\$ 158,581
Tax Equalization Board							
General Fund	\$ 789	\$ 789	\$ 847	\$ 889	\$ 933	\$ 980	\$ 1,029
Transportation							
General Fund	\$ 76,512	\$ 82,950	\$ 93,691	\$ 104,933	\$ 124,222	\$ 137,337	\$ 145,444
Motor License Fund	640,656	559,651	627,962	651,466	678,593	704,258	734,611
Boating Fund	18	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
State Lottery Fund	12,859	14,939	15,387	15,836	16,298	16,774	17,264
TOTAL	\$ 730,045	\$ 657,540	\$ 737,040	\$ 772,235	\$ 819,113	\$ 858,369	\$ 897,319
Legislature							
General Fund	\$ 41,121	\$ 46,194	\$ 39,628	\$ 41,611	\$ 43,691	\$ 45,874	\$ 48,168
Judiciary							
General Fund	\$ 37,345	\$ 62,428	\$ 40,507	\$ 66,503	\$ 68,597	\$ 70,887	\$ 73,107
Revenue Sharing Trust Fund	24,000	. . . . .	. . . . .	24,000	24,000	24,000	24,000
TOTAL	\$ 61,345	\$ 62,428	\$ 40,507	\$ 90,503	\$ 92,597	\$ 94,887	\$ 97,107
Flood Relief and Recovery							
General Fund . . . . .	. . . . .	\$ 9,244	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .

**FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(Continued)**

	(Dollar Amounts in Thousands)						
	1976-77 Actual	1977-78 Available	1978-79 Budget	1979-80 Estimated	1980-81 Estimated	1981-82 Estimated	1982-83 Estimated
Commonwealth Total							
General Fund	\$5,023,178	\$5,388,594	\$5,777,044	\$6,143,603	\$6,404,121	\$6,691,320	\$6,983,201
Motor License Fund	888,636	840,025	908,690	940,024	972,415	1,002,374	1,037,699
Game Fund	20,162	21,511	20,070	21,064	22,908	24,951	27,141
Fish Fund	8,717	8,868	8,663	8,975	9,141	9,459	10,310
Boating Fund	1,811	2,389	2,573	2,814	2,901	2,991	3,084
Banking Department Fund	4,253	4,617	4,777	5,015	5,266	5,529	5,806
Milk Marketing Fund	654	433	340	392	420	420	420
State Farm Products Show Fund	892	897	883	929	960	993	1,028
State Harness Racing Fund	6,261	5,991	7,014	6,717	6,783	6,854	6,926
State Horse Racing Fund	17,490	17,219	19,357	18,548	19,199	19,870	20,566
Pennsylvania Fair Fund	2,820	2,701	2,901	2,976	3,026	3,076	3,101
Sire Stakes Fund	1,045	1,255	1,281	1,309	1,339	1,369	1,400
State Lottery Fund	120,262	125,234	125,804	128,905	131,981	135,200	138,570
Revenue Sharing Trust Fund	116,732	117,750	117,749	118,915	119,637	120,395	120,091
GRAND TOTAL	<u><u>\$6,212,913</u></u>	<u><u>\$6,537,484</u></u>	<u><u>\$6,997,146</u></u>	<u><u>\$7,400,186</u></u>	<u><u>\$7,700,097</u></u>	<u><u>\$8,024,801</u></u>	<u><u>\$8,359,343</u></u>



DEPARTMENT
PRESENTATIONS



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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
General Government			
Governor's Office	\$1,958	\$1,900	\$2,050
Commonwealth Compensation Commission	25	25	25
GENERAL FUND TOTAL	<u>\$1,983</u>	<u>\$1,925</u>	<u>\$2,075</u>
Revenue Sharing Trust Fund			
General Government			
Auditor General's Audit Cost .....	.....	\$ 120	\$ 120
REVENUE SHARING TRUST FUND TOTAL .....	.....	<u>\$ 120</u>	<u>\$ 120</u>
Department Total -- All Funds			
General Fund	\$1,983	\$1,925	\$2,075
Special Funds .....	.....	120	120
TOTAL ALL FUNDS	<u>\$1,983</u>	<u>\$2,045</u>	<u>\$2,195</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Governor's Office			
State Funds	\$1,958	\$1,900	\$2,050

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

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Governor's Office	<u>\$1,958</u>	<u>\$1,900</u>	<u>\$2,050</u> ✓

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Commonwealth Compensation Commission			
State Funds	\$ 25	\$ 25	\$ 25

Provides for the Governor's pro rata share of the cost of the Commonwealth Compensation Commission. Equal payments are also provided by both the House of Representatives and the Senate.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Commonwealth Compensation Commission	<u>\$ 25</u>	<u>\$ 25</u>	<u>\$ 25</u> ✓

Revenue Sharing Trust Fund

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
General Government			
State Funds		\$120	\$120

Provides funds for the post-audit of the Federal Revenue Sharing Trust Fund in order for the Commonwealth to comply with federal statutory and regulatory requirements.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Auditor General's Audit Cost		\$120	\$120
TOTAL		<u>\$120</u>	<u>\$120</u>

GOVERNOR'S OFFICE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support . . .	\$1,983	\$2,045	\$2,195	\$2,305	\$2,420	\$2,541	\$2,668
Executive Direction	1,983	2,045	2,195	2,305	2,420	2,541	2,668
DEPARTMENT TOTAL	<u>\$1,983</u>	<u>\$2,045</u>	<u>\$2,195</u>	<u>\$2,305</u>	<u>\$2,420</u>	<u>\$2,541</u>	<u>\$2,668</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$1,983	\$1,925	\$2,075	\$2,179	\$2,288	\$2,402	\$2,522
Special Funds		120	120	126	132	139	146
TOTAL	\$1,983	\$2,045	\$2,195	\$2,305	\$2,420	\$2,541	\$2,668

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Governor's Office	\$1,958	\$1,900	\$2,050	\$2,153	\$2,260	\$2,373	\$2,492
Commonwealth Compensation Commission	25	25	25	26	28	29	30
GENERAL FUND TOTAL	\$1,983	\$1,925	\$2,075	\$2,179	\$2,288	\$2,402	\$2,522
REVENUE SHARING TRUST FUND							
Auditor General's Audit Cost		\$ 120	\$ 120	\$ 126	\$ 132	\$ 139	\$ 146

Executive Offices

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 Pennsylvania Commission for 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 Appropriation

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
General Government			
Office for Human Resources	\$ 151	\$ 168	\$ 351
Office of Administration	3,821	3,821	4,100
Emergency Telephone System . . . . .	. . . .	100	. . . .
Governor's Study Commission on Public Relations . . . . .	. . . .	85	. . . .
Governor's Council on the Aging . . . . .	. . . .	. . . .	251
Office of State Planning and Development	1,059	600	650
Office of the Budget	1,456	1,620	1,690
Human Relations Commission	3,658	3,672	4,132
Council on the Arts	1,874	1,900	2,000
Pennsylvania Commission for Women	127	139	154
Governor's Energy Council	291	291	320
Delaware Valley Regional Planning Commission	75	. . . .	75
Total State Funds--General Fund	<u>\$12,512</u>	<u>\$12,396</u>	<u>\$13,723</u>
Federal Funds	\$ 6,670	\$17,235	\$12,484
Other Funds	9,035	9,731	9,644
GENERAL FUND TOTAL	<u>\$28,217</u>	<u>\$39,362</u>	<u>\$35,851</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Office for Human Resources			
State Funds	\$ 151	\$ 168	\$ 351
Federal Funds	2,485	3,696	3,717
Other Funds	327	206	218
TOTAL	<u>\$ 2,963</u>	<u>\$ 4,070</u>	<u>\$ 4,286</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)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Office for Human Resources	\$ 151	\$ 168	\$ 351 ✓
Federal Funds:			
Title XX - Social Services	355	457	502
Appalachian Regional Commission	90	137	103
Vocational Rehabilitation	15	. . . . .	. . . . .
National Conference on the Handicapped	20	. . . . .	. . . . .
Developmental Disabilities Basic Support	1,975	3,000	3,000
Partnership Grant for Services Integration	30	10	. . . . .
Community Services Administration . . . . .	. . . . .	92	23
CETA Title I—Action Center . . . . .	. . . . .	. . . . .	89
Other Funds:			
Nursing Home Ombudsman Project	148	. . . . .	. . . . .
Commonwealth Child Development Committee	154	206	218
Special Projects	25	. . . . .	. . . . .
TOTAL	<u>\$ 2,963</u>	<u>\$ 4,070</u>	<u>\$ 4,286</u>

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Office of Administration			
State Funds	\$ 3,821	\$ 4,006	\$ 4,351
Federal Funds	2,104	5,492	2,735
Other Funds	8,607	9,407	9,362
TOTAL	<u>\$14,532</u>	<u>\$18,905</u>	<u>\$16,448</u>

GENERAL FUND

EXECUTIVE OFFICES

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

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Office of Administration	\$ 3,821	\$ 3,821	\$ 4,100 ✓
Governor's Study Commission on Public Employe Relations . . . . .	. . . . .	85	. . . . .
Emergency Telephone System . . . . .	. . . . .	100	. . . . .
Governor's Council on the Aging . . . . .	. . . . .	. . . . .	251 ✓
Federal Funds:			
Intergovernmental Personnel Act	302	471	350
CETA Summer Employment of Young Adults	630	1,000	1,000
CETA Title II — VI Statewide Administration	360	600	650
CETA Title I State Wide Administration	614	650	675
CETA Title I — Governor's Tension Task Force . . . . .	. . . . .	50	60
CETA Title I — Governor's Action Center . . . . .	. . . . .	350	. . . . .
CETA Title VIII — Statewide Youth Services Grant . . . . .	. . . . .	2,046	. . . . .
Office of Administration — Council for the Aging	29	116	. . . . .
Public Works and Economic Development Act	72	50	. . . . .
LEAA Telecommunications Grant	97	109	. . . . .
IPA — Governor's Study Commission on Public Employe Relations . . . . .	. . . . .	50	. . . . .
Other Funds:			
Reimbursement—Classification and Pay	556	650	676
Reimbursement—C.M.I.C.	5,770	6,452	6,710
Reimbursement—B.M.S.	1,535	1,590	1,650
Reimbursement—H.E.M.I.C.	455	300	. . . . .
Reimbursement—Inter-Departmental Billing	202	300	306
Reimbursement—Labor Relations	75	20	20
Governor's Council on the Aging	14	51	. . . . .
Governor's Study Commission on Public Employe Relations . . . . .	. . . . .	44	. . . . .
TOTAL	<u>\$14,532</u>	<u>\$18,905</u>	<u>\$16,448</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Office of State Planning and Development			
State Funds	\$ 1,134	\$ 600	\$ 725
Federal Funds	797	1,276	736
Other Funds	8	60	. . . . .
TOTAL	<u>\$ 1,939</u>	<u>\$ 1,936</u>	<u>\$ 1,461</u>

Provides for advancing the development of the Commonwealth through comprehensive planning.

GENERAL FUND

EXECUTIVE OFFICES

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Office of State Planning and Development	\$ 1,059	\$ 600	\$ 650 ✓
Delaware Valley Regional Planning Commission	75	. . . . .	75 ✓
Federal Funds:			
Comprehensive Planning Assistance	373	300	400
Economic Development — Planning Assistance	215	195	286
Outdoor Recreation	167	336	. . . . .
Appalachian State Research, Technical Assistance, and Demonstration Projects	42	70	. . . . .
Costal Zone Mangement . . . . .	. . . . .	24	. . . . .
U.S. Steel Project . . . . .	. . . . .	26	25
National Science Foundation . . . . .	. . . . .	25	. . . . .
CETA Title I — OSPD . . . . .	. . . . .	200	25
Marco Model Project — OSPD . . . . .	. . . . .	20	. . . . .
Developmental Disabilities — OSPD . . . . .	. . . . .	50	. . . . .
Development Opportunties Study . . . . .	. . . . .	30	. . . . .
Other Funds:			
Reimbursement for Services	8	60	. . . . .
TOTAL	<u>\$ 1,939</u>	<u>\$ 1,936</u>	<u>\$ 1,461</u>

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Office of the Budget			
State Funds	\$ 1,456	\$ 1,620	\$ 1,690

Provides the Governor with analytical and administrative capability necessary to prepare and oversee the annual Commonwealth budget.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Office of the Budget	<u>\$ 1,456</u>	<u>\$ 1,620</u>	<u>\$ 1,690</u> ✓

GENERAL FUND

EXECUTIVE OFFICES

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Human Relations Commission			
State Funds	\$ 3,658	\$ 3,672	\$ 4,132
Federal Funds	210	759	350
Other Funds	10	. . . .	. . . .
TOTAL	<u>\$ 3,878</u>	<u>\$ 4,431</u>	<u>\$ 4,482</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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Human Relations Commission	\$ 3,658	\$ 3,672	\$ 4,132 ✓
Federal Funds:			
Equal Employment Opportunity Commission —			
Special Project Grant	196	496	350
Public Works Employment Act	10	110	. . . .
HUD — Anti-Discrimination	1	125	. . . .
LEAA — Anti-Discrimination Grant . . . . .	. . . .	25	. . . .
Work Incentive Program	3	3	. . . .
Other Funds:			
Anonymous Bequest	10	. . . .	. . . .
TOTAL	<u>\$ 3,878</u>	<u>\$ 4,431</u>	<u>\$ 4,482</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Council on the Arts			
State Funds	\$ 1,874	\$ 1,900	\$ 2,000
Federal Funds	558	316	366
Other Funds	42	58	64
TOTAL	<u>\$ 2,474</u>	<u>\$ 2,274</u>	<u>\$ 2,430</u>

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

GENERAL FUND

EXECUTIVE OFFICES

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Council on the Arts	\$ 1,874 *	\$ 1,900	\$ 2,000 ✓
Federal Funds:			
Labor Liaison	13	9	. . . .
Artists in the Schools	72	72	91
National Endowment on the Arts	205	215	243
Program Development	14	9	12
Community ARTS Management . . . . .	. . . .	11	20
Emergency School Aid	93	. . . .	. . . .
CETA - Title I	161	. . . .	. . . .
Other Funds:			
Contributions—Local School Districts	\$ 37	\$ 49	\$ 64
ARTS Management — Seminars . . . . .	. . . .	5	. . . .
Contributions—Department of Commerce	5	4	. . . .
TOTAL	<u>\$ 2,474</u>	<u>\$ 2,274</u>	<u>\$ 2,430</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Pennsylvania Commission for Women			
State Funds	\$ 127	\$ 139	\$ 154
Federal Funds	59	189	. . . .
TOTAL	<u>\$ 186</u>	<u>\$ 328</u>	<u>\$ 154</u>

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Pennsylvania Commission for Women	\$ 127	\$ 139	\$ 154 ✓
Federal Funds:			
CETA - Title I Commission for Women	46	3	. . . .
CETA - Title I Energy Conservation . . . . .	. . . .	100	. . . .
Public Works Employment Act	13	7	. . . .
Womens Education Equity Act . . . . .	. . . .	79	. . . .
TOTAL	<u>\$ 186</u>	<u>\$ 328</u>	<u>\$ 154</u>

*This reflects the total amount appropriated to the Council on the Arts. These funds were actually appropriated separately as follows: Council on the Arts \$1,002,000, Arts Council Administration \$162,000, Philadelphia Orchestra \$125,000, Pittsburgh Symphony Orchestra \$205,000, Robin Hood Dell, \$85,000, Ambler Music Festival \$125,000, Carnegie Museum \$50,000, Pennsylvania Ballet \$110,000 and Robin Hood Dell Better Break Program \$10,000.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Governor's Energy Council			
State Funds	\$ 291	\$ 291	\$ 320
Federal Funds	457	5,507	4,580
Other Funds	41	. . . . .	. . . . .
TOTAL	\$ 789	\$ 5,798	\$ 4,900

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)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Governor's Energy Council	\$ 291	\$ 291	\$ 320 ✓
Federal Funds:			
Cooperative Agreement — Energy Management	411	2,377	2,400
Energy Council — Coastal Zone Management	46	22	. . . . .
Energy Research and Development . . . . .	. . . . .	500	. . . . .
Environmental Protection Agency . . . . .	. . . . .	200	650
Solar Heating and Cooling . . . . .	. . . . .	1,308	. . . . .
Methane Development . . . . .	. . . . .	. . . . .	430
Energy Extension Service . . . . .	. . . . .	1,100	1,100
Other Funds:			
Reimbursement—Pennsylvania Science and Engineering Foundation	41	. . . . .	. . . . .
TOTAL	\$ 789	\$ 5,798	\$ 4,900

EXECUTIVE OFFICES

Summary of Agency Program by Category and Subcategory

General Fund and Special Fund

(Dollar Amounts in Thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support . . .	\$ 6,853	\$ 6,685	\$ 7,437	\$ 7,626	\$ 8,001	\$ 8,397	\$ 8,814
Executive Direction	6,853	6,685	7,437	7,626	8,001	8,397	8,814
Reduction of Discriminatory Practices . .	\$ 3,785	\$ 3,811	\$ 4,286	\$ 4,499	\$ 4,726	\$ 4,964	\$ 5,213
Prevention and Elimination of Discriminatory Practices	3,785	3,811	4,286	4,499	4,726	4,964	5,213
Cultural Enrichment	\$ 1,874	\$ 1,900	\$ 2,000	\$ 2,105	\$ 2,210	\$ 2,320	\$ 2,436
Development of Artists and Audiences	1,874	1,900	2,000	2,105	2,210	2,320	2,436
DEPARTMENT TOTAL	<u>\$12,512</u>	<u>\$12,396</u>	<u>\$13,723</u>	<u>\$14,230</u>	<u>\$14,937</u>	<u>\$15,681</u>	<u>\$16,463</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 6,853	\$ 6,685	\$ 7,437	\$ 7,626	\$ 8,001	\$ 8,397	\$ 8,814
Special Funds	5,843	15,971	11,768	12,336	12,953	13,604	14,279
Federal Funds	8,983	9,673	9,580	10,058	10,563	11,090	11,646
Other Funds							
TOTAL	\$21,679	\$32,329	\$28,785	\$30,020	\$31,517	\$33,091	\$34,739

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Office for Human Resources	\$ 151	\$ 168	\$ 351	\$ 189	\$ 199	\$ 208	\$ 218
Office of Administration	3,821	3,821	4,100	4,305	4,520	4,746	4,983
Governor's Study Commission on Public Relations		85					
Governor's Council in the Aging			251	264	277	291	305
Emergency Telephone System		100					
Office of State Planning and Development	1,059	600	650	683	717	752	791
Office of the Budget	1,456	1,620	1,690	1,774	1,863	1,957	2,054
Governor's Energy Council	291	291	320	336	350	368	388
Delaware Valley Regional Planning Commission	75		75	75	75	75	75
GENERAL FUND TOTAL	\$ 6,853	\$ 6,685	\$ 7,437	\$ 7,626	\$ 8,001	\$ 8,397	\$ 8,814

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$3,785	\$3,811	\$4,286	\$4,499	\$4,726	\$4,964	\$5,213
Federal Funds	269	948	350	368	386	405	425
Other Funds	10	.....	.....	.....	.....	.....	.....
TOTAL	<u>\$4,064</u>	<u>\$4,759</u>	<u>\$4,636</u>	<u>\$4,867</u>	<u>\$5,112</u>	<u>\$5,369</u>	<u>\$5,638</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Pattern complaints:							
Backlog	308	226	176	126	76	26	0
New cases	54	50	50	50	50	50	25
Cases closed	136	100	100	100	100	76	25
Individual complaints:							
Backlog	2,971	3,522	3,932	4,307	4,392	4,532	4,769
New cases	2,026	1,990	2,155	2,265	2,380	2,501	2,601
Cases closed	1,475	1,580	1,780	2,180	2,240	2,264	2,315
Informal inquires	2,860	3,182	3,300	3,400	3,500	3,600	3,700

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.

While combating unlawful discrimination by processing formal complaints remains a major part of the Human Relations Commission's effort in support of this program, the Commission is also intensifying its efforts to provide technical assistance to organizations and individuals requesting guidance in avoiding unlawful discriminatory acts.

Recently individuals and organizations have become acutely aware of not only their legal obligations under the Pennsylvania Human Relations Act and Fair Education Opportunities Act, but also of their financial responsibilities for payment of back wages or benefits, for example, under those acts. In order to avoid expensive settlements, individuals and organizations have requested the Commission to review their affirmative action plans, labor agreements, maternity leave policies, contract compliance procedures, personnel policies and general operating procedures. Through this process, barriers to equality under the law have been eliminated without having to resort to the formal complaint process.

Through the use of workshops, seminars and speeches, the Commission initiates a form of technical assistance program by providing the public with information detailing their rights and obligations under the law.

The planned redefining and slowing down of the intake of pattern cases caused the drop in program measures of pattern complaints while, simultaneously, resolving an increased number of individual cases.

Prevention and Elimination of Discriminatory Practices (Continued)

The Pennsylvania Commission for Women also contributes to this program and during the 1978-79 fiscal year will give continued emphasis to implementing the Equal Rights Amendment to the Pennsylvania Constitution. Simply stated, the amendment, which was ratified by the electorate in May of 1971, provides for equal rights under the law irrespective of an individual's sex. To date, the implementation efforts have focused on analyzing all statutes that might be discriminatory.

Once the discriminatory statutes have been identified, the process of amending them will range from simply deleting words that denote sex to complex and substantive changes in laws such as those dealing with marital property, insurance, credit and employment. For the more difficult amendments, State agencies with experience in the specific area involved will

be asked to provide recommendations on how best to amend the bill.

In the area of discrimination in employment, the Commission completed a film designed to alleviate discrimination against women in blue collar and skilled trade jobs. It is felt that the film should help open up better paying jobs for unemployed women, especially those who are heads of households.

Finally the Commission functions as a clearing house for individual complaints about discrimination or questions about women's issues and also publishes a bi-monthly newsletter, informational pamphlets and resource guides to keep women completely informed as to their rights.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Human Relations Commission	\$3,658	\$3,672	\$4,132	\$4,339	\$4,556	\$4,784	\$5,023
Pennsylvania Commission for Women	127	139	154	160	170	180	190
GENERAL FUND TOTAL	<u>\$3,785</u>	<u>\$3,811</u>	<u>\$4,286</u>	<u>\$4,499</u>	<u>\$4,726</u>	<u>\$4,964</u>	<u>\$5,213</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$1,874	\$1,900	\$2,000	\$2,105	\$2,210	\$2,320	\$2,436
Federal Funds	558	316	366	384	404	424	445
Other Funds	42	58	64	67	71	74	78
TOTAL	\$2,474	\$2,274	\$2,430	\$2,556	\$2,685	\$2,818	\$2,959

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Attendance at supported events (in thousands)	7,444	12,407	18,768	19,798	20,985	22,244	23,578
Dollar value of Federal and local support (in thousands)	\$ 5,446	\$ 9,762	\$16,270	\$17,246	\$18,280	\$19,376	\$20,358
Applications for grants	708	725	1,280	1,280	1,356	1,437	1,523
Awards made	436	450	750	795	842	892	975

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 the impact of our inflationary economy and the 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. 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.

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.

Attendance and support figures shown above do not include those organizations which received direct line-item appropriations during 1976-77. These organizations did not submit the information since they did not go through the normal application process.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Council on the Arts	<u>\$1,874</u>	<u>\$1,900</u>	<u>\$2,000</u>	<u>\$2,105</u>	<u>\$2,210</u>	<u>\$2,320</u>	<u>\$2,346</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

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Fund			
General Government			
Lieutenant Governor's Office	\$246	\$250	\$270
	<u> </u>	<u> </u>	<u> </u>
GENERAL FUND TOTAL	<u>\$246</u>	<u>\$250</u>	<u>\$270</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Lieutenant Governor's Office			
State Funds	\$246	\$250	\$270

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)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Lieutenant Governor's Office	<u>\$246</u>	<u>\$250</u>	<u>\$270</u> ✓

LIEUTENANT GOVERNOR

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 246	\$ 250	\$ 270	\$ 285	\$ 300	\$ 315	\$ 330
Executive Direction	246	250	270	285	300	315	330
DEPARTMENT TOTAL	<u>\$ 246</u>	<u>\$ 250</u>	<u>\$ 270</u>	<u>\$ 285</u>	<u>\$ 300</u>	<u>\$ 315</u>	<u>\$ 330</u>

Executive Direction

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$246</u>	<u>\$250</u>	<u>\$270</u>	<u>\$285</u>	<u>\$300</u>	<u>\$315</u>	<u>\$330</u>

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, and the Governor's Energy Council.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Lieutenant Governor's Office	<u>\$246</u>	<u>\$250</u>	<u>\$270</u>	<u>\$285</u>	<u>\$300</u>	<u>\$315</u>	<u>\$330</u>

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

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
General Fund			
General Government			
Auditor General's Office	\$ 8,903	\$ 8,403	\$ 9,438
Public Assistance Audits	2,394	2,394	2,610
Scranton Office .....	.....	500	.....
Board of Arbitration of Claims	230	230	339
Total State Funds	<u>\$11,527</u>	<u>\$11,527</u>	<u>\$12,387</u>
Federal Funds .....	.....	.....	1,339
Other Funds	\$ 2,529	\$ 2,850	\$ 3,161
GENERAL FUND TOTAL	<u>\$14,056</u>	<u>\$14,377</u>	<u>\$16,887</u>

GENERAL FUND

AUDITOR GENERAL

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Auditor General's Office			
State Funds	\$ 8,903	\$ 8,903	\$ 9,438
Federal Funds .....	.....	.....	1,339
Other Funds	2,529	2,850	3,161
TOTAL	<u>\$11,432</u>	<u>\$11,753</u>	<u>\$13,938</u>

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

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Auditor General's Office	\$ 8,903	\$ 8,403	\$ 9,438
Auditor General's Office— Scranton .....	.....	500	.....
Federal Funds:			
Reimbursement for Auditing Services .....	.....	.....	1,339
Other Funds:			
Reimbursement for Auditing Services	2,518	2,850	3,161
Sale of Automobiles	11	.....	.....
TOTAL	<u>\$11,432</u>	<u>\$11,753</u>	<u>\$13,938</u>

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Public Assistance Audits			
State Funds	\$ 2,394	\$ 2,394	\$ 2,610
Other Funds	1	.....	.....
TOTAL	<u>\$ 2,395</u>	<u>\$ 2,394</u>	<u>\$ 2,610</u>

Audits public assistance payments to confirm eligibility of recipients.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Public Assistance Audits	\$ 2,394	\$ 2,394	\$ 2,610
Other Funds:			
Sale of Automobiles	1	.....	.....
TOTAL	<u>\$ 2,395</u>	<u>\$ 2,394</u>	<u>\$ 2,610</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Board of Arbitration of Claims			
State Funds	\$ 230	\$ 230	\$ 339

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

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Board of Arbitration of Claims	<u>\$ 230</u>	<u>\$ 230</u>	<u>\$ 339</u> ✓

RESTRICTED RECEIPTS

AUDITOR GENERAL

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Insurance Premium—Police Retirement	\$25,171	\$30,191	\$33,200
Auditing—Police Retirement	79	80	80
Flood Control Payments—Federal	142	.....	.....
National Forest Allotment—Federal	415	.....	.....
Pennsylvania State University—Federal Aid	395	.....	.....
TOTAL	<u>\$26,202</u>	<u>\$30,271</u>	<u>\$33,280</u>

AUDITOR GENERAL

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Fiscal Management	\$ 9,133	\$ 9,133	\$ 9,777	\$10,264	\$10,776	\$11,314	\$11,880
Auditing	9,133	9,133	9,777	10,264	10,776	11,314	11,880
Economic Development of the Disadvantaged and Handicapped	\$ 2,394	\$ 2,394	\$ 2,610	\$ 2,737	\$ 2,874	\$ 3,018	\$ 3,169
Income Maintenance	2,394	2,394	2,610	2,737	2,874	3,018	3,169
DEPARTMENT TOTAL	<u>\$11,527</u>	<u>\$11,527</u>	<u>\$12,387</u>	<u>\$13,001</u>	<u>\$13,650</u>	<u>\$14,332</u>	<u>\$15,049</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 9,133	\$ 9,133	\$ 9,777	\$ 10,264	\$ 10,776	\$ 11,314	\$ 11,880
Federal Funds			1,339	1,400	1,400	1,400	1,400
Other Funds	2,529	2,850	3,161	3,319	3,484	3,658	3,840
TOTAL	\$11,662	\$ 11,983	\$14,277	\$ 14,983	\$ 15,660	\$ 16,372	\$ 17,120

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 8,903	\$ 8,903	\$ 9,438	\$ 9,909	\$ 10,404	\$ 10,924	\$ 11,470
Board of Arbitration of Claims	230	230	339	355	372	390	410
GENERAL FUND TOTAL	\$ 9,133	\$ 9,133	\$ 9,777	\$ 10,264	\$ 10,776	\$ 11,314	\$ 11,880

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$2,394</u>	<u>\$2,394</u>	<u>\$2,610</u>	<u>\$2,737</u>	<u>\$2,874</u>	<u>\$3,018</u>	<u>\$3,169</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 1976-77 fiscal year, shows that the Auditor General reviewed 17,164 cases. The cases audited covered 5.1 percent of the statewide case load and, of those, 5.8 percent were found to be totally or partially ineligible. Thus, the rate of ineligibility has declined steadily from a rate of 6.8 percent in 1973-74 and 6.1 percent in 1974-75.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Public Assistance Audits	<u>\$2,394</u>	<u>\$2,394</u>	<u>\$2,610</u>	<u>\$2,737</u>	<u>\$2,874</u>	<u>\$3,018</u>	<u>\$3,169</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)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Fund			
General Government			
State Treasurer's Office	\$ 4,400	\$ 4,400	\$ 4,700
Public Assistance Disbursements	2,302	2,302	2,500
Board of Finance and Revenue	438	500	549
Commission on Interstate Cooperation	30	30	30
Council on State Government	74	74	80
Great Lakes Commission	16	20	20
Replacement Checks	70	35	50
National Conference of State Legislature . . . . .	. . . . .	66	73
Subtotal	<u>\$ 7,330</u>	<u>\$ 7,427</u>	<u>\$ 8,002</u>
Debt Service Requirements			
Interest Obligations—Penn State University	\$ 15	\$ 15	\$ 15
Publishing Monthly Statements	17	17	17
Loan and Transfer Agent	80	90	100
Tax Note Expenses	100	100	100
Interest-Tax Notes	116,367	22,617	27,500
Sinking Funds:			
Public Buildings	1,619	. . . . .	. . . . .
Project 70	5,586	5,400	6,026
Land and Water Development	22,343	28,058	32,421
Capital Debt	86,776	105,071	114,309
Vietnam Veterans' Compensation	4,261	. . . . .	4,633
Disaster Relief	8,006	5,496	7,835
Nursing Home Loan	1,718	2,293	3,516
Volunteer Fire and Rescue Loan	340	540	812
Subtotal	<u>\$147,228</u>	<u>\$169,697</u>	<u>\$197,284</u>
Grants and Subsidies			
Capitol Fire Protection	\$ 100	\$ 100	. . . . .
Law Enforcement Officer's Death Benefits	500	400	\$ 400
Crime Victim's Compensation Board	500	. . . . .	. . . . .
Subtotal	<u>\$ 1,100</u>	<u>\$ 500</u>	<u>\$ 400</u>
Total State Funds	<u>\$155,658</u>	<u>\$177,624</u>	<u>\$205,686</u>
Other Funds	<u>\$ 489</u>	<u>\$ 570</u>	<u>\$ 564</u>
GENERAL FUND TOTAL	<u>\$156,147</u>	<u>\$178,194</u>	<u>\$206,250</u>
Motor License Fund			
General Government			
Replacement Checks	\$ 50	\$ 50	\$ 50
Refunding Liquid Fuel Tax—Agricultural Use	4,081	4,500	5,000
Administration of Refunding Liquid			
Fuel Tax—Agricultural Use	60	72	76
Refunding Liquid Fuel Tax—State Share	5,000	5,500	5,500
Refunding Emergency Liquid Fuel Tax . . . . .	. . . . .	1	1

TREASURY DEPARTMENT

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

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Motor License Fund (continued)			
General Government (continued)			
Refunding Liquid Fuel Tax—Political			
Subdivision Use	\$ 680	\$ 900	\$ 1,000
Administration of Refunding Liquid Fuel			
Tax—Political Subdivision Use	46	52	56
Refunding Liquid Fuel Tax—Volunteer Fire Companies, Ambulance Services and Rescue Squads	30	100	100
Administration of Refunding Liquid Fuels Tax— Volunteer Fire Companies, Ambulance and Rescue Squads	31	29	33
Refunding Marine Liquid Fuel Tax—Boating Fund	1,400	1,500	1,700
Subtotal	<u>\$ 11,378</u>	<u>\$ 12,704</u>	<u>\$ 13,516</u>
Debt Service Requirements			
Capital Debt—Transportation Projects	\$142,839	\$163,262	\$168,489
Capital Debt—General State Authority			
Projects	179	180	293
Loan and Transfer Agent	100	100	100
Subtotal	<u>\$143,118</u>	<u>\$163,542</u>	<u>\$168,882</u>
MOTOR LICENSE FUND TOTAL	<u>\$154,496</u>	<u>\$176,246</u>	<u>\$182,398</u>
Game Fund			
General Government			
Replacement Checks	\$ 2	\$ 2	\$ 2
GAME FUND TOTAL	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>
Fish Fund			
General Government			
Replacement Checks	\$ 1	\$ 1	\$ 1
FISH FUND TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
Boating Fund			
General Government			
Replacement Checks	\$ 1	\$ 1	\$ 1
BOATING FUND TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
Banking Department Fund			
General Government			
Replacement Checks	\$ 1	\$ 1	\$ 1
BANKING DEPARTMENT FUND TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

TREASURY DEPARTMENT

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

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Milk Marketing Fund			
General Government			
Replacement Checks	\$ 1	\$ 1	\$ 1
Refund Milk Marketing Licenses and Fees	2	3	3
MILK MARKETING FUND TOTAL	<u>\$ 3</u>	<u>\$ 4</u>	<u>\$ 4</u>
State Farm Products Show Fund			
General Government			
Replacement Checks	\$ 1	\$ 1	\$ 1
STATE FARM PRODUCTS SHOW FUND TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
State Harness Racing Fund			
General Government			
Replacement Checks	\$ 1	\$ 1	\$ 1
STATE HARNESS RACING FUND TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
State Horse Racing Fund			
General Government			
Replacement Checks	\$ 1	\$ 1	\$ 1
STATE HORSE RACING FUND TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
State Lottery Fund			
General Government			
Replacement Checks	\$ 10	\$ 10	\$ 1
Refunding State Lottery Monies	1	10	12
STATE LOTTERY FUND TOTAL	<u>\$ 11</u>	<u>\$ 20</u>	<u>\$ 13</u>
Pennsylvania Fair Fund			
General Government			
Replacement Checks	\$ 1	\$ 1	\$ 1
PENNSYLVANIA FAIR FUND TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
Department Total - All Funds			
General Fund	\$155,658	\$177,624	\$205,686
Special Funds	154,519	176,279	182,424
Other Funds	489	570	564
TOTAL ALL FUNDS	<u>\$310,666</u>	<u>\$354,473</u>	<u>\$388,674</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Treasurer's Office			
State Funds	\$ 4,400	\$ 4,400	\$ 4,700
Other Funds	489	570	564
TOTAL	<u>\$ 4,889</u>	<u>\$ 4,970</u>	<u>\$ 5,264</u>

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

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
State Treasurer's Office	\$ 4,400	\$ 4,400	\$ 4,700
Other Funds:			
Expenses—Unemployment Compensation Disbursements	489	570	564
TOTAL	<u>\$ 4,889</u>	<u>\$ 4,970</u>	<u>\$ 5,264</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Income Maintenance—Public Assistance Disbursements			
State Funds	\$ 2,302	\$ 2,302	\$ 2,500

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Public Assistance Disbursements	<u>\$ 2,302</u>	<u>\$ 2,302</u>	<u>\$ 2,500</u>

GENERAL FUND

TREASURY

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Board of Finance and Revenue			
State Funds	\$ 438	\$ 500	\$ 549

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Board of Finance and Revenue	<u>\$ 438</u>	<u>\$ 500</u>	<u>\$ 549</u> ✓

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Commission on Interstate Cooperation	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ 30</u> ✓

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Council on State Government			
State Funds	\$ 74	\$ 74	\$ 80

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

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Council on State Government	<u>\$ 74</u>	<u>\$ 74</u>	<u>\$ 80</u>



	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Development, Utilization and Regulation of Water Resources			
State Funds	\$ 16	\$ 20	\$ 20

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.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Great Lakes Commission	<u>\$ 16</u>	<u>\$ 20</u>	<u>\$ 20</u>



	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Replacement Checks			
State Funds	\$ 70	\$ 35	\$ 50

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

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 70</u>	<u>\$ 35</u>	<u>\$ 50</u>



	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
National Conference of State Legislatures			
State Funds	\$ 66	\$ 73

Assists in the promotion of interstate progress and cooperation through the National Conference of State legislatures.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
National Conference of State Legislatures	<u>\$ 66</u>	<u>\$ 73</u>



Debt Service Requirements

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Financing Commonwealth Obligations			
State Funds	\$147,228	\$169,697	\$197,284

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Interest Obligations—Penn State University	\$ 15	\$ 15	\$ 15
Publishing Monthly Statements	17	17	17
Loan and Transfer Agents	80	90	100
Tax Note Expenses	100	100	100
Sinking Funds :			
Public Buildings	1,619	.....	.....
Project 70	5,586	5,400	6,026 ✓
Land and Water Development	22,343	28,058	32,421 ✓
Capital Debt	86,776	105,071	114,309 ✓
Vietnam Veterans' Compensation	4,261	.....	4,633 ✓
Disaster Relief	8,006	5,496	7,835 ✓
Nursing Home Loan	1,718	2,293	3,516 ✓
Volunteer Fire and Rescue Loan	340	540	812 ✓
Executive Authorizations:			
Interest—Tax Notes	\$ 16,367	\$ 22,617	\$ 27,500 ✓
TOTAL	<u>\$147,228</u>	<u>\$169,697</u>	<u>\$197,284</u> EX.

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Capitol Fire Protection			
State Funds	\$ 100	\$ 100	.....

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

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Capitol Fire Protection	<u>\$ 100</u>	<u>\$ 100</u>	.....

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Law Enforcement Officers Death Benefits			
State Funds	\$ 500	\$ 400	\$ 400

Provides payments for death benefits to the surviving spouse or children of fireman or law enforcement officers killed while on duty.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Law Enforcement Officers Death Benefits	<u>\$ 500</u>	<u>\$ 400</u>	<u>\$ 400</u> ✓

		(Dollar Amounts in Thousands)		
	1976-77	1977-78		1978-79
	Actual	Available		Budget
Crime Victims Compensation				
State Funds	\$ 500	.....		.....

Provides for the compensation of victims of violent crime. Funds for 1977-78 are included in the Department of Justice's budget.

		(Dollar Amounts in Thousands)		
	1976-77	1977-78		1978-79
	Actual	Available		Budget
Source of Funds				
Appropriation:				
Crime Victim's Compensation Board	<u>\$ 500</u>	.....		.....

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Board of Finance and Revenue Administration			
State Funds	\$11,378	\$12,704	\$13,516

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Replacement Checks	\$ 50	\$ 50	\$ 50
Refunding Liquid Fuel Tax—Agricultural Use	4,081	4,500	5,000
Administration of Refunding Liquid Fuel Tax—Agricultural Use	60	72	76
Refunding Liquid Fuel Tax—State Share	5,000	5,500	5,500
Refunding Emergency Liquid Fuel Tax .....	.....	1	1
Refunding Liquid Fuel Tax—Political Subdivision Use	680	900	1,000
Administration of Refunding Liquid Fuel Tax—Political Subdivision Use	46	52	56
Refunding Marine Liquid Fuel Tax—Boating Fund	1,400	1,500	1,700
Refunding Liquid Fuel Tax—Volunteer Services	30	100	100
Administration Refunding Liquid Fuel Tax—Volunteer Services	31	29	33
TOTAL	<u>\$ 11,378</u>	<u>\$ 12,704</u>	<u>\$13,516</u>

Debt Service Requirements

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Financing Commonwealth Obligations			
State Funds	\$143,118	\$163,542	\$168,882

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Capital Debt--Transportation Projects	\$142,839	\$163,262	\$168,489
Capital Debt--General State Authority			
Projects	179	180	293
Loan and Transfer Agent	100	100	100
 TOTAL	 <u>\$143,118</u>	 <u>\$163,542</u>	 <u>\$168,882</u>

**Game Fund
General Government**

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Replacement Checks			
State Funds	\$ 2	\$ 2	\$ 2

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

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>

**Fish Fund
General Government**

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

**Boating Fund
General Government**

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

**Banking Department Fund
General Government**

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

**Milk Marketing Fund
General Government**

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Replacement and Refund Checks			
State Funds	\$ 3	\$ 4	\$ 4

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.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Fund			
Appropriation:			
Replacement Checks	\$ 1	\$ 1	\$ 1
Executive Authorization:			
Refund Milk Marketing Licenses and Fees	2	3	3
TOTAL	<u>\$ 3</u>	<u>\$ 4</u>	<u>\$ 4</u>

**State Farm Products Show Fund
General Government**

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Replacement Checks			
State Funds	\$ 1	\$ 1	\$ 1

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

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

**State Harness Racing Fund
General Government**

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Replacement Checks			
State Funds	\$ 1	\$ 1	\$ 1

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

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

**State Horse Racing Fund
General Government**

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Replacement Checks			
State Funds	\$ 1	\$ 1	\$ 1

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

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

**State Lottery Fund
General Government**

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Replacement and Refund Checks			
State Funds	\$11	\$20	\$13

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.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Replacement Checks	\$10	\$10	\$1
Executive Authorization:			
Refunding State Lottery Monies	1	10	12
TOTAL	<u>\$11</u>	<u>\$20</u>	<u>\$13</u>

**Pennsylvania Fair Fund
General Government**

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Replacement Checks			
State Funds	\$1	\$1	\$1

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

	1976-77 Actual	(Dollar Amounts in thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Replacement Checks	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>

TREASURY

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Fiscal Management	\$ 16,309	\$ 17,672	\$ 18,841	\$ 19,111	\$ 19,394	\$ 19,691	\$ 20,003
Disbursement	16,309	17,672	18,841	19,111	19,394	19,691	20,003
Economic Development of the Disadvantaged and Handicapped	\$ 3,302	\$ 2,702	\$ 2,900	\$ 3,025	\$ 3,156	\$ 3,294	\$ 3,439
Income Maintenance	3,302	2,702	2,900	3,025	3,156	3,294	3,439
Financing Commonwealth Obligations	\$290,346	333,239	366,166	390,468	404,276	413,415	424,543
Debt Service	290,346	333,239	366,166	390,468	404,276	413,415	424,543
Improving Interstate Cooperation	\$ 104	\$ 170	\$ 183	\$ 183	\$ 183	\$ 183	\$ 183
Interstate Relations	104	170	183	183	183	183	183
Natural Resource Development and Management	\$ 16	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20
Development, Utilization and Regulation of Water Resources	16	20	20	20	20	20	20
Physical Facilities Management	\$ 100	\$ 100	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Provision and Operation of Facilities	100	100	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
DEPARTMENT TOTAL	<u>\$310,177</u>	<u>\$353,903</u>	<u>\$388,110</u>	<u>\$412,807</u>	<u>\$427,029</u>	<u>\$436,603</u>	<u>\$448,188</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 4,908	\$ 4,935	\$ 5,299	\$ 5,561	\$ 5,836	\$ 6,125	\$ 6,429
Special Funds	11,401	12,737	13,542	13,550	13,558	13,566	13,574
Other Funds	489	570	564	592	622	653	685
TOTAL	\$16,798	\$18,242	\$19,405	\$19,703	\$20,016	\$20,344	\$20,688

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Checks issued	8,671,363	8,900,000	9,200,000	N/A	N/A	N/A	N/A
Interest earned on investments:							
General Fund	\$22,357	\$28,099	\$25,250	N/A	N/A	N/A	N/A
Motor Fund	\$ 2,936	\$ 3,400	\$ 3,000	N/A	N/A	N/A	N/A

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.

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.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 4,400	\$ 4,400	\$ 4,700	\$ 4,935	\$ 5,181	\$ 5,440	\$ 5,712
Board of Finance and Revenue	438	500	549	576	605	635	667
Replacement Checks	70	35	50	50	50	50	50
GENERAL FUND TOTAL	\$ 4,908	\$ 4,935	\$ 5,299	\$ 5,561	\$ 5,836	\$ 6,125	\$ 6,429

Disbursement (continued)

Program Cost by Appropriation (continued)

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
MOTOR LICENSE FUND							
Replacement Checks	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Refunding Liquid Fuels Tax-Agricultural Use	4,081	4,500	5,000	5,000	5,000	5,000	5,000
Administration of Refunding Liquid Fuels Tax-Agricultural Use	60	72	76	81	86	91	96
Refunding Liquid Fuels Tax-State Share	5,000	5,500	5,500	5,500	5,500	5,500	5,500
Refunding Emergency Liquid Fuels Tax	1	1	1	1	1	1	1
Refunding Liquid Fuel Tax-Political Subdivisions	680	900	1,000	1,000	1,000	1,000	1,000
Administration of Refunding Liquid Fuel Tax-Political Subdivision Use	46	52	56	59	62	65	68
Refunding Liquid Fuel Tax-Volunteer Services	30	100	100	100	100	100	100
Administration Refunding Fuel Tax-Volunteer Services	31	29	33	33	33	33	33
Refunding Marine Liquid Fuel Tax-Boating Fund	1,400	1,500	1,700	1,700	1,700	1,700	1,700
MOTOR LICENSE FUND TOTAL	<u>\$11,378</u>	<u>\$12,704</u>	<u>\$13,516</u>	<u>\$13,524</u>	<u>\$13,532</u>	<u>\$13,540</u>	<u>\$13,548</u>
GAME FUND							
Replacement Checks	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>
FISH FUND							
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
BOATING FUND							
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
BANKING DEPARTMENT FUND							
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
MILK MARKETING FUND							
Replacement Checks	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Refunding Milk Marketing Licenses and Fees	2	3	3	3	3	3	3
MILK MARKETING FUND TOTAL	<u>\$ 3</u>	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 4</u>

Disbursement (continued)

Program Analysis: (continued)

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
STATE FARM PRODUCTS SHOW FUND							
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
STATE HARNESS RACING FUND							
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
STATE HORSE RACING FUND							
Replacement Checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
STATE LOTTERY FUND							
Replacement Checks	\$ 10	\$ 10	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Refunding State Lottery Monies	1	10	12	12	12	12	12
STATE LOTTERY FUND							
TOTAL	<u>\$ 11</u>	<u>\$ 20</u>	<u>\$ 13</u>	<u>\$ 13</u>	<u>\$ 13</u>	<u>\$ 13</u>	<u>\$ 13</u>
PENNSYLVANIA FAIR FUND							
Replacement checks	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$3,302</u>	<u>\$2,702</u>	<u>\$2,900</u>	<u>\$3,025</u>	<u>\$3,156</u>	<u>\$3,294</u>	<u>\$3,439</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Persons receiving cash grants	793,422	799,200	797,600	797,600	797,600	797,600	797,600

Program Analysis:

The Treasury Department audits the disbursement records, maintains accounting controls, and disburses all checks to recipients of Public Assistance. Approximately 33,500 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, distributes checks through participating banks. There are presently 270 banks which distribute approximately 13,000 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 shows that since the program began there has been over a fifty percent reduction of replacement checks in Philadelphia, Allegheny, Dauphin and Delaware counties and a reduction of ten percent in the remaining counties covered by the Direct Delivery system.

Two new programs were begun in 1976-77 to provide cash assistance for victims of violent crime and the surviving spouse or children of law enforcement and fire officers killed in the line of duty.

Under the provisions of Act 101 of 1976 the Treasury Department is required to pay \$25,000 in death benefits to the surviving spouse or children of firemen or law enforcement officers of the Commonwealth killed in the performance of their duties and to reimburse political subdivisions for such payment made to survivors of their firemen or law enforcement officers.

The Crime Victims Compensation Board is authorized to make payments not to exceed \$25,000 to victims of violent crimes or their survivors as reimbursement for expenses, medical bills and other loss of income not covered by insurance or other income protection plans.

Funds for the program are provided in the Department of Justice's budget beginning in 1977-78.

Program Costs by Appropriations:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Public Assistance Disbursements	\$2,302	\$2,302	\$2,500	\$2,625	\$2,756	\$2,894	\$3,039
Law Enforcement Officers' Death Benefits	500	400	400	400	400	400	400
Crime Victim's Compensation Board	500	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$3,302</u>	<u>\$2,702</u>	<u>\$2,900</u>	<u>\$3,025</u>	<u>\$3,156</u>	<u>\$3,294</u>	<u>\$3,439</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$147,228	\$169,697	\$197,284	\$218,662	\$232,423	\$242,197	\$253,611
Special Funds	143,118	163,542	168,882	171,806	171,853	171,218	170,932
TOTAL	\$290,346	\$333,239	\$366,166	\$390,468	\$404,276	\$413,415	\$424,543

Program Analysis:

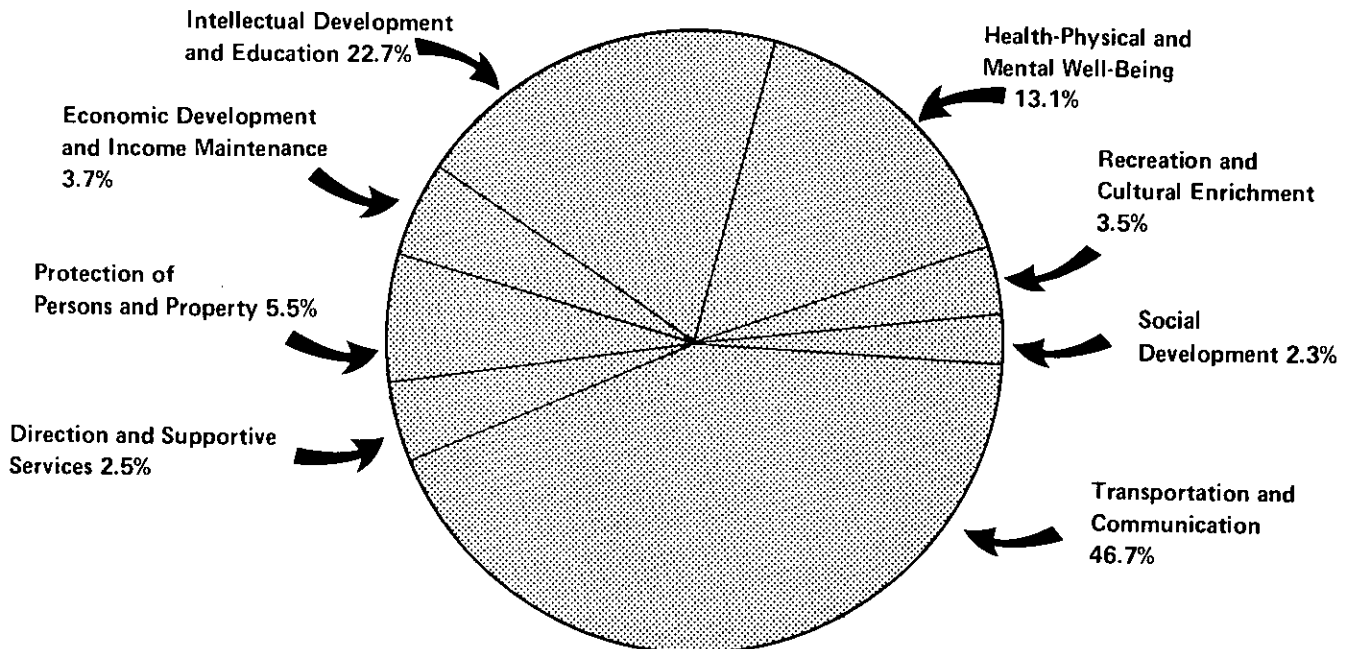
The Commonwealth, through the Treasury Department, is obligated to meet the principal and interest requirements and other expenses related to debt service.

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 also provides funds to bring nursing homes up to the standards of the State Life Safety Code.

The following chart reflects the major programs which have benefited from Commonwealth bond expenditures.

**1978-79
DISTRIBUTION OF DEBT SERVICE BY MAJOR PROGRAM
GENERAL FUND AND MOTOR FUND**



Debt Service (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Interest Obligations—Penn State							
University	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
Publishing Monthly Statements	17	17	17	20	20	20	23
Loan and Transfer Agents	80	90	100	100	100	105	105
Tax Note Expenses	100	100	100	100	100	100	100
Interest-Tax Notes	16,367	22,617	27,500	27,500	27,500	27,500	27,500
Sinking Funds :							
Public Buildings	1,619						
Project 70	5,586	5,400	6,026	5,918	5,808	5,699	5,685
Land and Water Development	22,343	28,058	32,421	36,527	39,346	39,249	39,161
Capital Debt	86,776	105,071	114,309	130,363	141,058	151,099	162,663
Vietnam Veterans' Compensation	4,261		4,633	4,631	4,620	4,612	4,607
Disaster Relief	8,006	5,496	7,835	9,166	9,533	9,504	9,472
Nursing Home Loan	1,718	2,293	3,516	3,505	3,502	3,489	3,474
Volunteer Fire and Rescue Loan	340	540	812	817	821	805	806
GENERAL FUND TOTAL	<u>\$147,228</u>	<u>\$169,697</u>	<u>\$197,284</u>	<u>\$218,662</u>	<u>\$232,423</u>	<u>\$242,197</u>	<u>\$253,611</u>
MOTOR LICENSE FUND							
Loan and Transfer Agent	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Capital Debt-Transportation Projects	142,839	163,262	168,489	171,324	170,679	169,994	169,373
Capital Debt-General State Authority	179	180	293	382	1,074	1,124	1,459
MOTOR LICENSE FUND TOTAL	<u>\$143,118</u>	<u>\$163,542</u>	<u>\$168,882</u>	<u>\$171,806</u>	<u>\$171,853</u>	<u>\$171,218</u>	<u>\$170,932</u>

Interstate Relations

OBJECTIVE: To promote interstate cooperation and progress.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$104</u>	<u>\$170</u>	<u>\$183</u>	<u>\$183</u>	<u>\$183</u>	<u>\$183</u>	<u>\$183</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Commission on Interstate Cooperation	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30
Council on State Governments	74	74	80	80	80	80	80
National Conference of State Legislature . . . . .	. . . . .	66	73	73	73	73	73
GENERAL FUND TOTAL	<u><u>\$104</u></u>	<u><u>\$170</u></u>	<u><u>\$183</u></u>	<u><u>\$183</u></u>	<u><u>\$183</u></u>	<u><u>\$183</u></u>	<u><u>\$183</u></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)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$16</u>	<u>\$20</u>	<u>\$20</u>	<u>\$20</u>	<u>\$20</u>	<u>\$20</u>	<u>\$20</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)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Great Lakes Commission	<u>\$16</u>	<u>\$20</u>	<u>\$20</u>	<u>\$20</u>	<u>\$20</u>	<u>\$20</u>	<u>\$20</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$100</u>	<u>\$100</u>	.....	.....	.....	.....	.....

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
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 employes. Beginning in 1978-79 Capitol Fire Protection will be shown in the General Services Budget under Grants and Subsidies.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Capitol Fire Protection	<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.

DEPARTMENT OF AGRICULTURE

Summary by Fund and Appropriations

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
General Government			
General Government Operations	\$13,459	\$14,052	\$14,364
Flood Relief — Johnstown . . . . .	. . . . .	125	. . . . .
Subtotal	<u>\$13,459</u>	<u>\$14,177</u>	<u>\$14,364</u>
Grants and Subsidies			
Animal Indemnities	\$ 170	\$ 200	\$ 370
Reimbursement for Kennel Construction	47	. . . . .	50
Control of Stem Rust . . . . .	. . . . .	. . . . .	20
Transfer to State Farm Products Show Fund	700	800	875
Livestock Show	60	60	60
Open Dairy Show	60	60	60
Junior Dairy Show	25	25	25
4-H Club Shows	30	30	30
Subtotal	<u>\$ 1,092</u>	<u>\$ 1,175</u>	<u>\$ 1,490</u>
Capital Improvements			
Capital Improvements . . . . .	. . . . .	. . . . .	\$ 52
Subtotal	<u>.</u>	<u>.</u>	<u>\$ 52</u>
Total State Funds	<u>\$14,551</u>	<u>\$15,352</u>	<u>\$15,906</u>
Federal Funds	\$ 1,371	\$ 4,064	\$ 3,612
Other Funds	443	464	406
GENERAL FUND TOTAL	<u>\$16,365</u>	<u>\$19,880</u>	<u>\$19,924</u>
State Farm Products Show Fund			
General Government			
General Operations	\$ 891	\$ 896	\$ 882
STATE FARM PRODUCTS SHOW FUND—TOTAL	<u>\$ 891</u>	<u>\$ 896</u>	<u>\$ 882</u>
State Harness Racing Fund			
General Government			
Harness Racing Commission	\$ 1,208	\$ 1,900	\$ 1,643
Pennsylvania Fair Fund Administration	213	250	250
Transfer to Pennsylvania Fair Fund	608	477	640
Transfer to General Fund	4,067	3,189	4,282
Total State Funds	<u>\$ 6,096</u>	<u>\$ 5,816</u>	<u>\$ 6,815</u>
Other Funds	\$ 1	. . . . .	. . . . .
STATE HARNESS RACING FUND—TOTAL	<u>\$ 6,097</u>	<u>\$ 5,816</u>	<u>\$ 6,815</u>

DEPARTMENT OF AGRICULTURE

Summary by Fund and Appropriations
(continued)

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Pennsylvania Fair Fund			
General Government			
General Operations	\$ 2,819	\$ 2,700	\$ 2,900
PENNSYLVANIA FAIR FUND—TOTAL . . .	<u>\$ 2,819</u>	<u>\$ 2,700</u>	<u>\$ 2,900</u>
Sire Stakes Fund			
General Government			
Harness Racing Commission, General Operations	\$ 1,045	\$ 1,255	\$ 1,281
SIRE STAKES FUND—TOTAL	<u>\$ 1,045</u>	<u>\$ 1,255</u>	<u>\$ 1,281</u>
Department Total — All Funds			
General Fund	\$14,551	\$15,352	\$15,906
Special Funds	10,851	10,667	11,878
Federal Funds	1,371	4,064	3,612
Other Funds	444	464	406
TOTAL ALL FUNDS	<u>\$27,217</u>	<u>\$30,547</u>	<u>\$31,802</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Government Operations			
State Funds	\$13,459	\$14,177	\$14,364
Federal Funds	1,371	4,064	3,612
Other Funds	443	464	406
TOTAL	\$15,273	\$18,705	\$18,382

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
General Government Operations	\$13,459	\$14,052	\$14,364 ✓
Flood Relief — Johnstown		125	
Federal Funds:			
Diagnostic Laboratory Services	55	101	85
Food and Drug Administration — Food Sanitation			
Inspections	290	463	390
Poultry Grading Service	98	130	125
Marketing Services	7	10	10
Medicated Feed Mill Inspection	15	32	
CETA Rural Housing Rehabilitation	277	114	
Public Assistance-Social Services-			
Rural Services	257		
Public Assistance-Social Services-			
Rural Transportation	204		
Fruit Tree Survey		5	
Pesticide Incident Reporting	8		
Ornamental Crop Reporting	21	25	22
Pesticide Enforcement, Certification			
and Training	139	123	
Title XX Social Services — Consumer			
Education Services		479	480
CSA — Community Food Nutrition Program		400	
CETA — Title VI		2,000	2,500
Energy Management		60	
Reimbursement — Sanitation Inspections		35	
CETA — Title I — Administration		35	
CETA — Title I — Unemployment Compensation		52	

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds (continued)			
Other Funds:			
Pesticide Training and Registration Fees	64	65	. . . .
Fertilizer Inspection, Registration, Licenses and Fees	87	87	86
Commercial Feed Facilities and Feed Inspection Fees	135	131	133
Lime Registration and Control Fees	24	32	24
Feed, Lime and Pesticide Fines and Penalties	28	30	30
Data Processing Services	5	6	6
Milk Plant Inspections	10	10	10
Comptroller Services	80	95	103
Apple Marketing Transfer . . . . .	. . . .	2	3
Special Conferences and Projects	10	. . . .	. . . .
Milk Marketing Reimbursement . . . . .	. . . .	6	6
Fruit Tree Improvement . . . . .	. . . .	. . . .	5
TOTAL	<u>\$15,273</u>	<u>\$18,705</u>	<u>\$18,382</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Animal Health			
State Funds	\$ 217	\$ 200	\$ 420

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Animal Indemnities	\$ 170	\$ 200	\$ 370 ✓
Reimbursement for Kennel Construction	47	. . . .	50 ✓
TOTAL	<u>\$ 217</u>	<u>\$ 200</u>	<u>\$ 420</u>

GENERAL FUND

AGRICULTURE

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Control of Stem Rust			
State Funds	\$ 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)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Control of Stem Rust	<u>\$ 20</u> ✓

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Agribusiness Development			
State Funds	\$ 875	\$ 975	\$ 1,050

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.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Transfer to State Farm Products Show Fund	\$ 700	\$ 800	\$ 875 ✓
Livestock Show	60	60	60 ✓
Open Dairy Show	60	60	60 ✓
Junior Dairy Show	25	25	25 ✓
4-H Club Shows	30	30	30 ✓
TOTAL	<u>\$ 875</u>	<u>\$ 975</u>	<u>\$ 1,050</u>

Capital Improvements

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Animal Health			
State Funds	\$ 52

Funds are requested to correct a malfunction in the sewerage system at the Summerdale laboratory.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Capital Improvements	<u>\$ 52</u>

State Farm Products Show Fund

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Operations			
State Funds	\$ 891	\$ 896	\$ 882
Other Funds	700*	800*	875*
TOTAL	\$ 1,591	\$ 1,696	\$ 1,757

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.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
General Operations	\$ 891	\$ 896	\$ 882
Other Funds:			
Transfer from General Fund	700*	800*	875*
TOTAL	\$ 1,591	\$ 1,696	\$ 1,757

*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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Harness Racing Commission			
State Funds	\$ 1,208	\$ 1,900	\$ 1,643
Other Funds	1	.....	.....
TOTAL	<u>\$ 1,209</u>	<u>\$ 1,900</u>	<u>\$ 1,643</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 Sire Stakes Fund.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Executive Authorization:			
Harness Racing Commission	\$ 1,208	\$ 1,900	\$ 1,643
Other Funds:			
Sale of Automobiles	1	.....	.....
TOTAL	<u>\$ 1,209</u>	<u>\$ 1,900</u>	<u>\$ 1,643</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Pennsylvania Fair Fund Administration			
State Funds	\$ 213	\$ 250	\$ 250

Provides for the expenses incurred by the Secretary and the Department of Agriculture in administering the Pennsylvania Fair Fund.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Executive Authorization:			
Pennsylvania Fair Fund Administration	<u>\$ 213</u>	<u>\$ 250</u>	<u>\$ 250</u>

OTHER SPECIAL FUNDS

AGRICULTURE

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Transfer to Other Funds			
State Funds	\$ 4,675	\$ 3,666	\$ 4,922

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.

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 specific programs.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Executive Authorizations:			
Transfer to Pennsylvania Fair Fund	\$ 608	\$ 477	\$ 640
Transfer to General Fund	4,067	3,189	4,282
TOTAL	<u>\$ 4,675</u>	<u>\$ 3,666</u>	<u>\$ 4,922</u>

Fair Fund

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Funds			
State Funds	\$ 2,819	\$ 2,700	\$ 2,900

Reimburses local organizations for operating expenses incurred in conducting annual agricultural fairs. Conducts marketing, consumer service and agricultural research programs. If funds are available, provides grants to fairs for capital improvements.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Executive Authorization:			
General Operations	<u>\$ 2,819</u>	<u>\$ 2,700</u>	<u>\$ 2,900</u>

Sire Stakes Fund

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
General Operations			
State Funds	\$ 1,045	\$ 1,255	\$ 1,281

Provides additional purse money for races at regular harness racing meets and agriculture fairs run by two and three-year-old horses bred or foaled in Pennsylvania.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Executive Authorization:			
Harness Racing Commission, General Operations	<u>\$ 1,045</u>	<u>\$ 1,255</u>	<u>\$ 1,281</u>

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
Apple Marketing Program	\$ 55	\$ 60	\$ 63
Red Cherry Marketing Program	7	8	9
Weighmasters Liquid Fuels Licenses	4	5	5
Weighmasters Solid Fuels Licenses	4	5	5
Potato Marketing Program	17	20	22
TOTAL	<u>\$ 87</u>	<u>\$ 98</u>	<u>\$ 104</u>

DEPARTMENT OF AGRICULTURE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 2,592	\$ 2,693	\$ 2,677	\$ 2,797	\$ 2,925	\$ 3,055	\$ 3,195
Consumer Protection	\$12,166	\$12,428	\$13,655	\$13,626	\$13,975	\$14,333	\$14,711
Consumable Agricultural Products	5,238	5,607	5,809	6,070	6,345	6,625	6,925
Regulation of Horse Racing	6,928	6,821	7,846	7,556	7,630	7,708	7,786
Property Protection	\$ 4,765	\$ 5,221	\$ 5,514	\$ 5,700	\$ 5,970	\$ 6,230	\$ 6,500
Animal Health	4,765	5,221	5,514	5,700	5,970	6,230	6,500
Agribusiness Development	\$ 5,352	\$ 5,407	\$ 5,681	\$ 5,871	\$ 6,048	\$ 6,225	\$ 6,383
Development of Agricultural Industries	5,352	5,407	5,681	5,871	6,048	6,225	6,383
Development of Rural Areas	\$ 527	\$ 270	\$ 257	\$ 270	\$ 280	\$ 293	\$ 306
Maintaining Family and Individual Self-Sufficiency	527	270	257	270	280	293	306
DEPARTMENT TOTAL	<u>\$25,402</u>	<u>\$26,019</u>	<u>\$27,784</u>	<u>\$28,264</u>	<u>\$29,198</u>	<u>\$30,136</u>	<u>\$31,095</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 2,592	\$ 2,693	\$ 2,677	\$ 2,797	\$ 2,925	\$ 3,055	\$ 3,195
Federal Funds . . . . .	.....	65	.....	.....	.....	.....	.....
Other Funds	90	107	115	115	115	115	115
TOTAL	<u>\$ 2,682</u>	<u>\$ 2,865</u>	<u>\$ 2,792</u>	<u>\$ 2,912</u>	<u>\$ 3,040</u>	<u>\$ 3,170</u>	<u>\$ 3,310</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.

The 1977-78 amount includes funds for removal and disposal of contaminated food products, assessment of agricultural damage and staffing of disaster assistance centers relating to the Johnstown flood.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 2,592	\$ 2,568	\$ 2,677	\$ 2,797	\$ 2,925	\$ 3,055	\$ 3,195
Flood Relief - Johnstown . . . . .	.....	125	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 2,592</u>	<u>\$ 2,693</u>	<u>\$ 2,677</u>	<u>\$ 2,797</u>	<u>\$ 2,925</u>	<u>\$ 3,055</u>	<u>\$ 3,195</u>

Consumable Agricultural Products

OBJECTIVE: To protect and assure the high quality of consumable agricultural products through reduction of the incidence of plant pests and misused, misrepresented, substandard or adulterated products.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$5,238	\$5,607	\$5,809	\$6,070	\$6,345	\$6,625	\$6,925
Federal Funds	571	808	537	537	537	537	537
Other Funds	348	355	288	288	288	288	288
TOTAL	\$6,157	\$6,770	\$6,634	\$6,895	\$7,170	\$7,450	\$7,750

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Food establishments requiring inspection	128,300	128,500	128,500	128,500	128,500	128,500	129,000
Incidence of consumer complaints	2,429	2,525	2,640	2,700	2,766	2,776	2,786
Incidence of food products showing major discrepancies	25,977	23,495	23,515	23,525	23,625	23,625	23,625
Dollar value of products removed from the market	\$1,690,644	\$9,958,750	\$1,657,000	\$1,661,000	\$1,665,000	\$1,668,500	\$1,672,000
Weight and measure inspections performed	35,600	37,000	37,400	37,800	38,200	38,200	38,200
Incidence of shortweight	42,464	44,100	45,900	47,800	47,900	47,900	47,900
Plant samples processed	3,168	3,200	3,200	3,200	3,200	3,200	3,200
Plant pests of economic or regulatory importance as a percent of the processed samples	7%	7%	7%	7%	7%	7%	7%
Crops surveyed for plant pests	14	14	14	14	14	14	14

Program Analysis:

The Department of Agriculture is vitally interested in the continued strengthening and well-being of the agriculture industry in Pennsylvania, but through its regulatory efforts it also makes a substantial contribution toward protecting the health and safety of the consumer and assuring the consumer of a quality product. This program encompasses a number of activities which contribute to consumer protection.

Among the most significant of its protection activities, is the Department's efforts in 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 128,500 in 1978-79. These data now include poultry and egg establishments which accounts for the increase from previous estimates. Included in these data, are surveillance activities in the retail milk industry. Approximately 80 percent of all milk producers within the Commonwealth are selling products interstate and are, therefore, subject to compliance with Federal regulations governing the interstate shipment of these products. Additional activities guarantee the quality of animal feeds, fertilizers, liming materials and pesticides.

As the data indicate the incidence of consumer complaints,

Consumable Agricultural Products (continued)

Program Analysis: (continued)

which represents those received from all sources including other agencies and State institutions, is expected to increase largely due to increased consumer awareness. In 1976-77 these complaints coupled with ongoing inspection activities accounted for 25,977 incidences of major product discrepancies. These discrepancies represent significant violations of laws, regulations or production practices observed by inspection, product analysis or label review. An incidence includes all products removed at a given location; it is not a count of each individual product removed. The large increase in the dollar value of products removed from the market in 1977-78 is due to the Johnstown flood which greatly increased the amount of food destroyed. 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 37,000 weight and measure inspections performed in 1977-78 accounting for 44,100 incidences of shortweight. In last year's budget, it was estimated that 100,000 inspections would be performed annually due to the Bicentennial Celebration. These

data have decreased significantly due to the smaller than anticipated number of new products which were introduced as a result of the Bicentennial Celebration.

In addition to inspection of food, the Department regulates the sale of feed, fertilizer, lime and seeds by requiring certain label information to insure that consumers receive quality seeds; and inspects plant samples to detect new plant pests or diseases and to monitor known plant pests and diseases. The ultimate goal of the latter effort is to develop pest and disease free propagation stock. It is estimated that 3,200 plant samples will be processed through the Department's laboratories in 1978-79 and 14 crops will be surveyed for plant pests.

This program also includes funding for continued implementation of the Pesticide Control Law. This law provides for the regulation of the use, handling, storage and transportation of pesticides. Regulation will be achieved through the requirement of essential label information and through the certification of pesticide applicators, dealers and manufacturers. This program attempts to provide for the optimum use of pesticides while minimizing their adverse effects on human life and the environment.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$5,238	\$5,607	\$5,789	\$6,050	\$6,325	\$6,605	\$6,905
Control of Stem Rust . . . . .	.....	.....	20	20	20	20	20
GENERAL FUND TOTAL	<u>\$5,238</u>	<u>\$5,607</u>	<u>\$5,809</u>	<u>\$6,070</u>	<u>\$6,345</u>	<u>\$6,625</u>	<u>\$6,925</u>

Regulation of Horse Racing

OBJECTIVE: To prevent consumer fraud in harness racing.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Special Funds	\$6,928	\$6,821	\$7,846	\$7,556	\$7,630	\$7,708	\$7,786
Other Funds	1	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
TOTAL	<u>\$6,929</u>	<u>\$6,821</u>	<u>\$7,846</u>	<u>\$7,556</u>	<u>\$7,630</u>	<u>\$7,708</u>	<u>\$7,786</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Incidence of patron complaints	12	15	15	15	15	15	15
Incidence of noncompliance with established rules and regulations	575	575	575	575	575	575	575
Investigations to insure compliance with established rules and regulations	425	430	445	455	460	465	465
Participants to be licensed	11,700	12,000	12,000	12,000	12,000	12,000	12,000
Races to be conducted	5,000	5,000	5,000	5,000	5,000	5,000	5,000

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 1978-79 with 12,000 participants to be licensed. Act 374 of 1973 increased racing days from 62 to 100 per association. Racing days are expected to remain at that level.

The data indicate that the number of investigations to insure compliance with established rules and regulations will total approximately 445 in 1978-79 with 575 anticipated incidences of noncompliance which is anticipated to remain

constant in future years due to increased awareness of regulatory activities. The establishment of a system of pre-licensing screening is expected to instill additional confidence in the wagering public. Additionally, the upgrading 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.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
STATE HARNESS RACING FUND							
Harness Racing Commission	\$1,208	\$1,900	\$1,643	\$1,720	\$1,795	\$1,875	\$1,960
Transfer to the General Fund	4,067	3,189	4,282	3,938	3,912	3,884	3,851
Transfer to the Pennsylvania Fair Fund	608	477	640	589	584	580	575
STATE HARNESS RACING FUND TOTAL	<u>\$5,883</u>	<u>\$5,566</u>	<u>\$6,565</u>	<u>\$6,247</u>	<u>\$6,291</u>	<u>\$6,339</u>	<u>\$6,386</u>
SIRE STAKES FUND							
Harness Racing Commission							
General Operations	\$1,045	\$1,255	\$1,281	\$1,309	\$1,339	\$1,369	\$1,400

Animal Health

OBJECTIVE: To improve the health and reduce the incidence of damage to and by animals.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$4,765	\$5,221	\$5,514	\$5,700	\$5,970	\$6,230	\$6,500
Federal Funds	55	101	85	85	85	85	85
TOTAL	\$4,820	\$5,322	\$5,599	\$5,785	\$6,055	\$6,315	\$6,585

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Animals examined to determine disease . .	6,150,000	6,200,000	6,250,000	6,300,000	6,400,000	6,500,000	6,600,000
Animals certified disease free	2,870,000	3,000,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000
Incidence of disease among livestock and poultry	737,000	750,000	740,000	720,000	700,000	700,000	700,000
Quarantines imposed	737,000	725,000	725,000	700,000	700,000	700,000	700,000
Animals destroyed to eradicate or prevent disease	93,000	95,000	95,000	85,000	80,000	75,000	70,000
Dogs licensed	980,000	980,000	980,000	975,000	970,000	965,000	965,000
Unlicensed dogs	328,000	327,000	326,000	325,000	323,000	322,000	320,000
Incidence of complaints concerning dogs	26,250	25,800	25,500	25,200	24,700	24,100	24,100
Dogs destroyed	72,000	68,000	65,000	63,500	63,500	63,000	63,000
Local enforcement and shelter activities supported	1,600	1,600	1,600	1,600	1,600	1,600	1,600

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 1976-77 there were 737,000 incidences of disease among livestock. Individual outbreaks of disease in turn led to the imposition of a total of 737,000 quarantines consisting of entire herds or individual animals with the eventual destruction of 93,000 animals in an attempt to eradicate the infection or disease. Program data indicate the incidence of disease among livestock has increased sharply over

previous estimates because the Poultry Health Division has initiated new programs for laryngotrocheitis and mycoplasma gallisepticum. Consequently, more quarantines were imposed and more animals were destroyed to prevent the spread of disease, except for mycoplasma gallisepticum which does not require destruction of infected animals. Additionally, data now being used are more accurate due to increased surveillance and traceback techniques. This use of increased surveillance and traceback techniques along with more accurate testing methods and laboratory procedures, should reduce the

Animal Health (continued)

Program Analysis: (continued)

incidence of disease in future years. However, because of the Commonwealth's large livestock population and the volume of livestock being transported interstate and internationally, the potential for emergency disease outbreaks is constantly present.

The ongoing surveillance and certification programs accounted for the testing of 6,150,000 animals in 1976-77 with 2,870,000 being certified disease free. The number of animals tested in 1976-77 is higher than previous estimates because of the above mentioned poultry program. In future years, this figure is expected to rise slightly due to the increased surveillance.

Also included in this program is dog law enforcement. The primary functions of this program are to regulate the sale and transportation of dogs, to inspect kennels in insuring humane and sanitary conditions, to reimburse law enforcement agencies for the detention and disposition of stray dogs, to

subsidize qualified agencies for building or expanding shelters, and to reimburse owners of livestock and poultry for damage caused by dogs. Based upon a survey conducted by various municipalities of the State, it is estimated that there were 328,000 unlicensed dogs in 1976-77. 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 decrease 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 Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$4,548	\$5,021	\$5,042	\$5,270	\$5,505	\$5,755	\$6,015
Animal Indemnities	170	200	370	380	390	400	410
Reimbursement for Kennel							
Construction	47	.....	50	50	75	75	75
Capital Improvement . . . . .	.....	.....	52	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$4,765</u>	<u>\$5,221</u>	<u>\$5,514</u>	<u>\$5,700</u>	<u>\$5,970</u>	<u>\$6,230</u>	<u>\$6,500</u>

Development of Agricultural Industries

OBJECTIVE: To strengthen the agricultural economy and related enterprises.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$1,429	\$1,561	\$1,649	\$1,707	\$1,791	\$1,873	\$1,958
Special Funds	3,923	3,846	4,032	4,164	4,257	4,352	4,425
Federal Funds	7	410	10	10	10	10	10
Other Funds	5	2	3	2	2	2	2
TOTAL	\$5,364	\$5,819	\$5,694	\$5,883	\$6,060	\$6,237	\$6,395

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Farm population	229,000	228,000	227,000	226,000	225,000	224,000	223,000
Farms	68,000	67,000	66,000	65,000	64,000	63,000	62,000
Average farm family net income	\$5,330	\$5,440	\$5,550	\$5,660	\$5,770	\$5,880	\$5,990
Cash receipts from sale of farm products (thousands)	\$1,639,500	\$1,688,000	\$1,739,200	\$1,791,300	\$1,845,000	\$1,900,000	\$1,957,000
Increase in market contacts	283	297	311	326	342	359	377
New market areas opened to State products	5	5	5	5	5	5	5
Event days at Farm Show complex	280	270	325	350	400	400	400
Promotional activities for Pennsylvania products	175	175	175	175	175	175	175

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. 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 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's Product Information Exchange Line matches commodity buyer with commodity seller. The livestock industry relies 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 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

Development of Agricultural Industries (continued)

Program Analysis: (continued)

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.

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. An additional activity in the marketing area is the stimulation of public interest in "open air markets." Organized consumer cooperatives or buying clubs have also proliferated during the period of rising food prices and offer excellent marketing opportunities for Pennsylvania farmers.

This mutually beneficial arrangement leads to better prices for farmers and lower prices and more wholesome products for consumers.

While the data indicate that the number of farms continues to decline, a growth rate of approximately three 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 contribute significantly to a growth in cash receipts.

The new market areas which represent newly discovered consuming areas for Pennsylvania's farm products are expected to remain constant at five while market contacts are expected to increase by approximately five percent due to the increased demand for agricultural commodities. Promotional activities for Pennsylvania products are expected to remain constant at 175. These activities include the Farm Show Complex 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. The decrease in the event days at the Farm Show Complex in 1976-77 and 1977-78 is due to the renovation of the Farm Show Complex.

Program Costs by Appropriation:

	1976-77	1977-78	(Dollar Amounts in Thousands)				
			1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 554	\$ 586	\$ 599	\$ 625	\$ 655	\$ 685	\$ 715
Transfer to State Farm Products							
Show Fund	700	800	875	907	961	1,013	1,068
Livestock Show	60	60	60	60	60	60	60
Open Dairy Show	60	60	60	60	60	60	60
Junior Dairy Show	25	25	25	25	25	25	25
4-H Club Shows	30	30	30	30	30	30	30
GENERAL FUND TOTAL	\$1,429	\$1,561	\$1,649	\$1,707	\$1,791	\$1,873	\$1,958
STATE FARM PRODUCTS SHOW FUND							
General Operations	\$ 891	\$ 896	\$ 882	\$ 928	\$ 959	\$ 992	\$1,027
STATE HARNESS RACING FUND							
Fair Fund Administration	\$ 213	\$ 250	\$ 250	\$ 261	\$ 273	\$ 285	\$ 298
PENNSYLVANIA FAIR FUND							
General Operations	\$2,819	\$2,700	\$2,900	\$2,975	\$3,025	\$3,075	\$3,100

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 527	\$ 270	\$ 257	\$ 270	\$ 280	\$ 293	\$ 306
Federal Funds	738	2,680	2,980	.....	.....	.....	.....
TOTAL	\$ 1,265	\$ 2,950	\$ 3,237	\$ 270	\$ 280	\$ 293	\$ 306

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Pennsylvania rural families	904,700	908,600	912,500	916,000	930,100	944,000	959,000
Families below poverty level in rural Pennsylvania	82,500	84,100	85,700	87,200	88,800	90,400	92,000
Social service agencies visited	2,500	2,750	3,000	3,000	3,000	3,000	3,000
Job sites rehabilitated	238	992	2,500	3,000	3,000	3,000	3,000
Rural citizens provided employment	34	195	284	284	284	284	284

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 85,700 families below the poverty level in rural Pennsylvania in 1978-79. (The first two measures have been revised from last year to reflect families rather than persons since this is more accurate data.) 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.

The Department of Agriculture was involved in a statewide Rural Transportation System; however, the program was transferred to the Pennsylvania Department of Transportation in 1977-78.

Another program receiving departmental assistance is the Rural and Consumer Assistance and Education Program which is designed to provide technical assistance to the rural and farm communities. Essentially, this program has sought to combat the problems apparent in rural Pennsylvania through a number of activities which include the development of statewide educational programs dealing with food nutrition, budgeting and consumer protection. Additionally, it has been instrumental in acquiring financial assistance from public and private sources for the rural citizenry. An innovative element of this program is a computer link-up with the U.S. Department of Agriculture for the acquisition of information concerning various programs being funded by the Federal Government.

Maintaining Family and Individual Self-sufficiency (continued)

Program Analysis: (continued)

Another area of departmental concern is rural housing. The Rural Housing Rehabilitation program serves rural home owners particularly the handicapped, welfare recipients and senior citizens. Also receiving a high priority are farm houses and generally the isolated rural and small town rural resident. The program is also utilized as work training, providing work

for the unemployed and the underemployed inasmuch as the bulk of funds came from the Federal Comprehensive Employment and Training Act (CETA). This influx of Federal dollars is responsible for the dramatic increases in the job sites rehabilitated and rural citizens provided employment.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$ 527</u>	<u>\$ 270</u>	<u>\$ 257</u>	<u>\$ 270</u>	<u>\$ 280</u>	<u>\$ 293</u>	<u>\$ 306</u>

Department of Banking

The Department of Banking protects the public through the examination of records, accounts and policies of State-chartered financial institutions.

DEPARTMENT OF BANKING
Summary by Fund and Appropriation

	1976-77	(Dollar Amounts in Thousands) 1977-78	1978-79
	Actual	Available	Budget
Banking Department Fund			
General Government			
General Operations	\$4,252	\$4,616	\$4,776
 BANKING DEPARTMENT FUND			
TOTAL	<u>\$4,252</u>	<u>\$4,616</u>	<u>\$4,776</u>

Banking Department Fund

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Operations			
State Funds	\$4,252	\$4,616	\$4,776

Supervises and examines the records, accounts, and policies of State-chartered banking institutions, State-chartered savings associations, sales finance companies, installment sellers, money transmitters, consumer discount companies, collector-repossessors, pawnbrokers, and State-chartered credit unions. Examines business development credit corporations and conducts special investigations when warranted.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Executive Authorization:			
General Operations	<u>\$4,252</u>	<u>\$4,616</u>	<u>\$4,776</u>

BANKING

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Consumer Protection	\$4,252	\$4,616	\$4,776	\$5,014	\$5,265	\$5,528	\$5,805
Regulation of Financial Institutions . .	4,252	4,616	4,776	5,014	5,265	5,528	5,805
DEPARTMENT TOTAL	<u>\$4,252</u>	<u>\$4,616</u>	<u>\$4,776</u>	<u>\$5,014</u>	<u>\$5,265</u>	<u>\$5,528</u>	<u>\$5,805</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Special Funds	<u>\$4,252</u>	<u>\$4,616</u>	<u>\$4,776</u>	<u>\$5,014</u>	<u>\$5,265</u>	<u>\$5,528</u>	<u>\$5,805</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Total loans from consumer credit agencies (in millions)	\$2,321	\$2,421	\$2,521	\$2,621	\$2,721	\$2,821	\$2,921
Total resources of State-chartered banks (in millions)	\$31,400	\$32,000	\$33,000	\$34,000	\$35,000	\$36,000	\$37,000
Assets in State-chartered credit unions (in millions)	\$165	\$175	\$185	\$195	\$205	\$215	\$225
Assets in State-chartered savings and loans institutions (in millions)	\$6,833	\$7,653	\$8,571	\$9,600	\$10,752	\$12,042	\$13,487

Program Analysis:

The program data indicate that State-chartered financial institutions are undergoing change.

The most notable change occurred in the State-chartered banks. These banks are experiencing an upswing in asset growth and earnings. The most recent figures for total assets for commercial banks reflect a growth of nine percent, up from five percent for the previous period. During this time, the eight savings banks experienced a 16 percent growth in total assets, up from 13 percent in the previous period. The eight savings banks now have 36 percent of total deposits of all State-chartered banking institutions, 42 percent of the total growth in assets for all State-chartered banking institutions — this is down from 56 percent for the previous period. This decline indicates that the commercial banks are experiencing an increased rate of growth and are recovering from the difficult years of 1974 and 1975. The savings banks continue to attract deposits, and commercial banks are attracting more time and savings deposits; however, the growth in demand deposits for commercial banks is negligible. The failure of commercial banks to attract more demand deposits will still curtail the ability of these banks to provide funds for short-term business loans. Large banks continue to move away from financing resources by borrowing and this is reflected by a decrease in borrowed money. The banks are still charging off bad loans and are concentrating on liquidity. Until the bad

loans are eliminated and money borrowed by the banks is repaid, accelerated growth will not be a possibility for commercial banks. Total loans and discounts which remained at sixteen billion in 1975 and 1976 now total seventeen billion and reflect a six percent growth. This loan total includes the eight savings banks, 56 banks, 94 bank and trust companies, five private banks and two trust companies. This loan growth is encouraging but until large real estate investment loans which are nonaccruing as to interest, and others making partial payment become full earning assets, restrictive lending policies will prevail.

The savings and loan associations continue their steady growth. It is important to note that savings have started to slow down, while the volume of lending by savings and loan associations continues at a record pace on both a statewide and nationwide basis. For the first ten months of the year 1977, loans totaled an estimated 36 percent above the first ten months of 1976, on a nationwide basis. This trend also prevails in Pennsylvania.

The savings and loan industry is clearly acknowledging the need to seek permission to offer a range of alternative mortgage instruments so as to make it easier for low-income and minority families to qualify for home loans and make lower monthly mortgage payments during the early years of home ownership. At the same time the industry is recognizing

Regulation of Financial Institutions (continued)

Program Analysis: (continued)

the need to increase the effective return on future mortgage investments whereby mortgages would be written for a shorter term and would be more sensitive to current market rates. In this connection, it is suggested that alternative mortgage instruments are vital to meet the public need and at the same time maintain competitive interest rates on savings accounts.

Among the alternative types of savings instruments are: the Statement Savings Accounts, the Transmatic-Type Savings Accounts, and the need to obtain authority to issue Negotiable Order of Withdrawal (NOW) Accounts. These would generate additional working capital to meet both the savings needs, as well as the mortgage needs, for the savings and loan association industry. The overall purpose of the alternative mortgage-type loan would be to afford the consumer the ability to "shop" at various lenders, thereby increasing competition and assuring that the customer reaps the benefits of open competition by obtaining the most favorable loan terms. Already, in certain states, including California, variable rate mortgages have been granted on a wide-spread basis for several years and recently legislation has been enacted in California authorizing the State Savings and Loan Commissioner to conduct a four-year experiment to cover additional alternative-type mortgage instruments. The mutual overall objective on the part of the savings and loan industry and the supervisory agency shall continue to be to ensure the maintenance of an economically sound and competitive system of State-chartered savings and loan associations.

Likewise State-chartered credit unions for a period of time have experienced an average growth of 14.5 percent in total assets. Future growth in assets is predicted to be five percent annually even though new credit unions are being chartered, and the number of shareholders increase. Since credit union membership is limited, the total assets should have a direct relationship with the overall economic condition and the growth of the respective industry or service in which the credit union is established.

In March 1976, the small loan companies were terminated by legislation. Consumer discount companies can now lend each customer \$5,000, up from \$3,500. This increased lending limit for consumer discount companies is expected to permit more competition and thereby attract more borrowers. The money that is loaned is raised from the sale of bonds that are purchased by the public. These bonds must have prior approval of the Pennsylvania Securities Commission before they can be sold to the public.

Sales finance companies, which primarily provide automobile financing, are on the decrease. Many banks previously licensed are now engaged in direct lending and, therefore, are not required to be licensed by the Department.

Through legislation and regulation, the Department will continue to protect the public from unscrupulous consumer credit lenders.

It will continue to review and upgrade program areas to insure an economically sound and competitive system of State-chartered financial institutions.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
BANKING DEPARTMENT FUND							
General Operations	<u>\$4,252</u>	<u>\$4,616</u>	<u>\$4,776</u>	<u>\$5,014</u>	<u>\$5,265</u>	<u>\$5,528</u>	<u>\$5,805</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

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
General Fund			
General Government			
General Government Operations	\$ 456	\$ 504	\$ 695
Grants and Subsidies			
Emergency Flood Relief — 1976	\$ 100	.....	.....
Emergency Energy Crisis	81	.....	.....
Flood Relief — Johnstown .....	.....	\$ 78	.....
Emergency Flood Relief — July, 1977 .....	.....	800	.....
Subtotal	<u>\$ 181</u>	<u>\$ 878</u>	<u>.....</u>
Total State Funds	<u>\$ 637</u>	<u>\$1,382</u>	<u>\$ 695</u>
Federal Funds	\$ 561	\$ 950	\$ 823
GENERAL FUND TOTAL	<u>\$1,198</u>	<u>\$2,332</u>	<u>\$1,518</u>

General Government

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
General Government Operations			
State Funds	\$ 456	\$ 504	\$ 695
Federal Funds	561	950	823
TOTAL	<u>\$1,017</u>	<u>\$1,454</u>	<u>\$1,518</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.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
General Government Operations	\$ 456	\$ 504	\$ 695
Federal Funds:			
Civil Defense Program Support	561	950	823
TOTAL	<u>\$1,017</u>	<u>\$1,454</u>	<u>\$1,518</u>

Grants and Subsidies

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Emergency Flood Relief			
State Funds	\$ 181	\$ 878	.....

Funds are made available by the Governor, to provide relief in time of natural disaster or civil disturbance. These funds are transferred from specific appropriations made to the Governor's Office for emergency and disaster relief and, under emergency powers, from unused portions of other appropriations.

GENERAL FUND

CIVIL DEFENSE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Emergency Flood Relief — 1976	\$ 100	. . . .	. . . .
Emergency Energy Crisis	81	. . . .	. . . .
Flood Relief — Johnstown . . . . .	. . . .	\$ 78	. . . .
Emergency Flood Relief — July, 1977 . . . . .	. . . .	800	. . . .
TOTAL	<u>\$ 181</u>	<u>\$ 878</u>	<u>. . . .</u>

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
Disaster Relief Assistance	\$ 4,517	\$35,000	\$10,000
Planning and Study Projects	144	. . . . .	. . . . .
Personnel and Administrative Expenses	563	653	700
National Radiation Detection Equipment			
Maintenance Program	71	. . . . .	. . . . .
Equipment, Supplies and Facilities	413	450	470
TOTAL	<u>\$ 5,708</u>	<u>\$36,103</u>	<u>\$11,170</u>

CIVIL DEFENSE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Maintenance of Public Order	\$ 637	\$1,382	\$ 695	\$ 728	\$ 762	\$ 798	\$ 836
Civil Defense Operational Capabilities	637	1,382	695	728	762	798	836
DEPARTMENT TOTAL	<u>\$ 637</u>	<u>\$1,382</u>	<u>\$ 695</u>	<u>\$ 728</u>	<u>\$ 762</u>	<u>\$ 798</u>	<u>\$ 836</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 637	\$1,382	\$ 695	\$ 728	\$ 762	\$ 798	\$ 836
Federal Funds	561	950	823	850	850	850	850
TOTAL	<u>\$1,198</u>	<u>\$2,332</u>	<u>\$1,518</u>	<u>\$1,578</u>	<u>\$1,612</u>	<u>\$1,648</u>	<u>\$1,686</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Counties having effective civil defense organizations	46	60	65	67	67	67	67
Counties having an approved annual program plan	67	67	67	67	67	67	67
Percent of population in counties having approved emergency plans	100%	100%	100%	100%	100%	100%	100%
Persons trained under State directed training programs	115,000	120,000	130,000	120,000	120,000	120,000	130,000

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 measures show a substantial drop in the effectiveness of many of the counties. For example, last year, the Governor's Budget Request showed that in 1976-77 a total of 60 counties had an effective organization. This year the Council is reporting that for the 1976-77 fiscal year, only 46 counties could be rated as having an effective organization. This reduction is due to an upward revision of the standards by which county civil defense organizations are rated.

Consequently 14 county organizations which previously had an acceptable rating lost it because they failed to meet the tougher standards. As the projections show, it is hoped that the Council can assist these counties in improving their degree of effectiveness.

It should be pointed out that the role and mission of the State Civil Defense Council has changed since its inception in 1951. In the first twenty years of its life, the primary responsibility of the Council was to coordinate the activities of the local civil defense agencies, and to cooperate with the Federal Government in the development of disaster plans. The primary focus of these efforts was related to nuclear disasters. As such, during this twenty year period, there were only five declarations of major disaster.

Civil Defense Operational Capabilities (continued)

Program Analysis: (continued)

Since 1971, the Council has shifted its focus from nuclear disaster to natural disasters. This has brought about several noticeable changes in the operation of the Council. First the Council has become more actively involved in natural disaster planning. Secondly, it has undertaken a role of providing direct assistance. Instead of coordinating the activities of many different agencies, the Council has now developed the capability of providing equipment and emergency supplies. This has become quite important because there have been 25 proclamations of extreme emergency since 1971.

To improve the natural disaster readiness capability of the Council, the budget includes funds in General Government Operations to maintain additional staff capability currently supported by funds appropriated for flood relief.

In addition to major disasters, the Council also responds to smaller emergencies whenever local governments request assistance. As a result it is repeatedly asked to provide

equipment and assistance to municipalities that face problems such as water main breaks and electrical failures.

The Council also continues to conduct an extensive training program. Last fiscal year 115,000 people received some training in civil defense. It is hoped that this fiscal year, the Council will reach 120,000 individuals. For fiscal year 1978-79, the Council will hold its quadrennial training session for elected local government officials. So it expects to reach 130,000 individuals.

As always, the financial projections do not anticipate emergency operations or relief activities. Additional Federal and State funds are made available when this occurs. Most recently, emergency funds were provided to meet the crisis created by flooding associated with Tropical Storm Eloise, the severe rains in October, 1976, the energy crisis in February, 1977 and the Johnstown Flood in July, 1977.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 456	\$ 504	\$ 695	\$ 728	\$ 762	\$ 798	\$ 836
Emergency Flood Relief - 1976	100	.....	.....	.....	.....	.....	.....
Emergency Energy Crisis	81	.....	.....	.....	.....	.....	.....
Flood Relief - Johnstown . . . . .	.....	78	.....	.....	.....	.....	.....
Emergency Flood Relief - July, 1977 . . . . .	.....	800	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 637	\$1,382	\$ 695	\$ 728	\$ 762	\$ 798	\$ 836

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; development and administration of examinations; and certification of eligibles to the appointing agencies.

CIVIL SERVICE COMMISSION
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
General Government			
General Government Operations	\$ 1	\$ 1	\$ 1
Total State Funds	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
Federal Funds	\$ 67	\$ 98	\$ 93
Other Funds	4,552	4,731	4,965
GENERAL FUND TOTAL	<u>\$4,620</u>	<u>\$4,830</u>	<u>\$5,059</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Government Operations			
State Funds	\$ 1	\$ 1	\$ 1
Federal Funds	67	98	93
Other Funds	4,552	4,731	4,965
TOTAL	<u>\$4,620</u>	<u>\$4,830</u>	<u>\$5,059</u>

Recruits qualified persons for Commonwealth employment and administers the merit system in agencies operating under Civil Service.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
General Government Operations	\$ 1	\$ 1	\$ 1 ✓
Federal Funds:			
Community Outreach Recruitment	4	.....	.....
Patient and Child Care Selection Research	48	15	.....
Sharing with a Purpose	6	8	7
Mid-Atlantic Personnel Assessment Consortium	9	8	25
Handicapped Hispanic Program Coordinators .....	.....	20	32
Digest of Adjudications .....	.....	.....	2
Test Transportability .....	.....	40	27
Test Coaching .....	.....	7	.....
Other Funds:			
Fees From Agencies	4,220	4,347	4,555
Special Merit System Services .....	.....	.....	50
Reimbursement—Central Mail Room Cost	332	384	360
TOTAL	<u>\$4,620</u>	<u>\$4,830</u>	<u>\$5,059</u>

CIVIL SERVICE COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Federal Funds		35	34				
Other Funds	2,175	2,279	2,371	2,489	2,613	2,744	2,881
TOTAL	<u>\$2,176</u>	<u>\$2,315</u>	<u>\$2,406</u>	<u>\$2,490</u>	<u>\$2,614</u>	<u>\$2,745</u>	<u>\$2,882</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Federal Funds	\$ 67	\$ 63	\$ 59				
Other Funds	2,377	2,452	2,594	2,723	2,859	3,002	3,152
TOTAL	\$ 2,444	\$ 2,515	\$ 2,653	\$ 2,723	\$ 2,859	\$ 3,002	\$ 3,152

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Available eligible candidates on appropriate lists	143,306	143,000	150,000	165,000	165,000	165,000	165,000
Persons scheduled for exams	207,264	207,000	215,000	225,000	225,000	225,000	225,000
Classes for which exams are available	1,100	1,100	1,100	1,500	1,600	1,700	1,800

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 207,264 persons scheduled in 1976-77, 34,292 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 1977-78 figure of 1,100 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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
General Government			
General Government Operations	\$ 4,758	\$ 4,609	\$ 4,864
Navigation Commission for the Delaware River	49	77	81
Subtotal	<u>\$ 4,807</u>	<u>\$ 4,686</u>	<u>\$ 4,945</u>
Grants and Subsidies			
Industrial Development Assistance	\$ 500	\$ 500	\$ 500
Pennsylvania Industrial Development Authority	10,000	3,000	5,000
Site Development	1,000	1,000	1,000
Local Development District Grants	100	100	100
Appalachian Regional Commission	372	313	397
Minority Business Development Authority	2,000	1,500	1,500
Minority Business Technical Assistance . . . . .	. . . .	250	250
Community Facilities	1,000	1,000	. . . .
Tourist Promotion Assistance	1,500	2,000	2,000
Pennsylvania Bicentennial Commission	945	. . . .	. . . .
Distinguished Daughters	2	3	3
Pennsylvania Science and Engineering Foundation	950	. . . .	950
Technical Assistance	150	75	150
Bicentennial Municipal Grants	468	. . . .	. . . .
Mummers Museum	200	. . . .	. . . .
Subtotal	<u>\$19,187</u>	<u>\$ 9,741</u>	<u>\$11,850</u>
Total State Funds	<u>\$23,994</u>	<u>\$14,427</u>	<u>\$16,795</u>
Federal Funds	\$ 398	\$ 2,119	\$ 1,816
Other Funds	1,131	731	661
GENERAL FUND TOTAL	<u>\$25,523</u>	<u>\$17,277</u>	<u>\$19,272</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Government Operations			
State Funds	\$ 4,807	\$ 4,686	\$ 4,945
Federal Funds	96	386	110
Other Funds	564	731	661
	<hr/>	<hr/>	<hr/>
TOTAL	\$ 5,467	\$ 5,803	\$ 5,716

Provides for 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.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
General Government Operations	\$ 4,758	\$ 4,609	\$ 4,864
Navigation Commission for the Delaware River	49	77	81
Federal Funds:			
Appalachian Regional Commission—Child Development Grant	17	26	. . . .
Minority Business Development Grant	75	110	110
Travel Advertising	4	. . . .	. . . .
CETA — Manpower Coordination Unit . . . . .	. . . .	250	. . . .
Other Funds:			
Reimbursement for Minority Business Development Authority Administration	59	146	144
Reimbursement for Nursing Home Loan Administration	363	212	208
Reimbursement for Copy Center Services	73	90	94
Reimbursement for Pennsylvania Industrial Development Authority	69	283	215
	<hr/>	<hr/>	<hr/>
TOTAL	\$ 5,467	\$ 5,803	\$ 5,716



Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Industrial Development			
State Funds	\$14,972	\$ 7,663	\$ 8,747
Federal Funds .....	.....	1,606	1,606
TOTAL	<u>\$14,972</u>	<u>\$ 9,269</u>	<u>\$10,353</u>

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Industrial Development Assistance	\$ 500	\$ 500	\$ 500 ✓
Pennsylvania Industrial Development Authority	10,000	3,000	5,000 ✓
Site Development	1,000	1,000	1,000 ✓
Local Development District Grants	100	100	100 ✓
Appalachian Regional Commission	372	313	397 ✓
Minority Business Development Authority	2,000	1,500	1,500 ✓
Minority Business Technical Assistance .....	.....	250	250 ✓
Community Facilities	1,000	1,000	.....
Federal Funds:			
Public Works and Economic Development Act .....	.....	1,606	1,606
TOTAL	<u>\$14,972</u>	<u>\$ 9,269</u>	<u>\$10,353</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Scientific and Technological Development			
State Funds	\$ 1,100	\$ 75	\$ 1,100
Federal Funds	65	127	100
Other Funds	96	. . . . .	. . . . .
TOTAL	<u>\$ 1,261</u>	<u>\$ 202</u>	<u>\$ 1,200</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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Pennsylvania Science and Engineering Foundation	\$ 950	. . . . .	\$ 950 ✓
Technical Assistance	150	\$ 75	150 ✓
Federal Funds:			
Appalachian Regional Commission, Coal Energy Research	65	107	100
Appalachian Regional Commission, Natural Gas Research . . . . .	. . . . .	20	. . . . .
Other Funds:			
National Science Foundation	96	. . . . .	. . . . .
TOTAL	<u>\$ 1,261</u>	<u>\$ 202</u>	<u>\$ 1,200</u>

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Tourism and Travel Development			
State Funds	\$ 3,115	\$ 2,003	\$ 2,003
Federal Funds	237	.....	.....
Other Funds	471	.....	.....
TOTAL	<u>\$ 3,823</u>	<u>\$ 2,003</u>	<u>\$ 2,003</u>

Provides matching grants to county agencies for promoting tourism in Pennsylvania. Also funds the Pennsylvania Bicentennial Commission which prepared for the 1976 American Bicentennial celebration in Philadelphia and throughout the Commonwealth and ceremonies in recognition of the distinguished Daughters of Pennsylvania.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Tourist Promotion Assistance	\$ 1,500	\$ 2,000	\$ 2,000
Pennsylvania Bicentennial Commission	945	.....	.....
Distinguished Daughters	2	3	3
Bicentennial Municipal Grants	468	.....	.....
Mummers Museum	200	.....	.....
Federal Funds:			
Bicentennial Direct Grants	25	.....	.....
Bicentennial Matching Grants	170	.....	.....
Mobile Day Care Service	42	.....	.....
Other Funds:			
Bicentennial Commission Gifts, Donations and Contributions	471	.....	.....
TOTAL	<u>\$ 3,823</u>	<u>\$ 2,003</u>	<u>\$ 2,003</u>

DEPARTMENT OF COMMERCE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)					1981-82	1982-83
	1976-77	1977-78	1978-79	1979-80	1980-81		
General Administration and Support . . .	\$ 1,076	\$ 1,118	\$ 1,142	\$ 1,194	\$ 1,246	\$ 1,302	\$ 1,362
Development of Business and Industry . .	\$22,918	\$13,309	\$15,653	\$20,825	\$21,014	\$21,194	\$21,391
Industrial Development	17,103	9,809	11,015	16,117	16,227	16,337	16,452
Tourism and Travel Development . . .	4,056	2,970	3,059	3,107	3,160	3,210	3,265
Scientific and Technological Development	1,251	231	1,262	1,270	1,277	1,285	1,294
International Trade	508	299	317	331	350	362	380
DEPARTMENT TOTAL	<u>\$23,994</u>	<u>\$14,427</u>	<u>\$16,795</u>	<u>\$22,019</u>	<u>\$22,260</u>	<u>\$22,496</u>	<u>\$22,753</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$1,076	\$1,118	\$1,142	\$1,194	\$1,246	\$1,302	\$1,362
Other Funds	104	202	187	197	207	217	227
TOTAL	<u>\$1,180</u>	<u>\$1,320</u>	<u>\$1,329</u>	<u>\$1,391</u>	<u>\$1,453</u>	<u>\$1,519</u>	<u>\$1,589</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".

Also included is the operation of the Navigation Commission for the Delaware River. Responsibility for all commercial aspects of the Commission was transferred by Act 197 of July 9, 1976 to the Department. The Commission has two primary responsibilities: licensing of pilots and issuing construction permits for buildings along the tidal portions of the Delaware River excluding Philadelphia. The Commission also operates a snag boat in the river to remove materials hazardous to navigation.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government	\$1,025	\$1,038	\$1,058	\$1,106	\$1,155	\$1,207	\$1,262
Navigation Commission for the Delaware River	49	77	81	85	88	92	97
Distinguished Daughters	2	3	3	3	3	3	3
GENERAL FUND TOTAL	<u>\$1,076</u>	<u>\$1,118</u>	<u>\$1,142</u>	<u>\$1,194</u>	<u>\$1,246</u>	<u>\$1,302</u>	<u>\$1,362</u>

Industrial Development

OBJECTIVE: To expand industrial employment opportunities through the location or expansion of industrial facilities within Pennsylvania.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$17,103	\$ 9,809	\$11,015	\$16,117	\$16,227	\$16,337	\$16,452
Federal Funds	92	1,992	1,716	1,610	1,610	1,610	1,610
Other Funds	460	529	474	499	524	550	577
TOTAL	\$17,655	\$12,330	\$13,205	\$18,226	\$18,361	\$18,497	\$18,639

Program Measures:	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
PIDA loan commitments (thousands)	\$31,119	\$20,630	\$20,000	\$30,000	\$30,000	\$30,000	\$30,000
Community facilities grants (thousands)	\$ 416	\$ 4,512	\$ 2,279	\$ 2,299	\$ 2,319	\$ 2,340	\$ 2,362
Minority business loan Commitments (thousands)	\$ 1,795	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250
New or expanded industrial projects	596	600	600	600	600	600	600
PIDA financed plant locations and expansions	76	54	54	60	55	50	45
Community facility projects funded	61	102	80	75	75	70	70
Site development projects funded	21	20	19	18	17	16	15
New employment opportunities	16,000	13,000	13,000	13,000	13,000	13,000	13,000
PIDA financed employment opportunities	6,205	4,428	4,430	4,920	4,510	4,100	3,690
Business establishments surveyed	25,000	32,000	32,000	32,000	32,000	32,000	32,000

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 ten 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. The most recent economic downturn hit Pennsylvania particularly hard. For 1976, Pennsylvania's unemployment rate was higher than the

nation's for the first time since 1965. However, 1977 has shown the State once again dropping below the national average.

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 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,

Industrial Development (continued)

Program Analysis: (continued)

however, incumbent upon PIDA to support employment development in those areas of the Commonwealth identified by substantial and persistent unemployment rates and to develop new investment methods to insure that these pockets of unemployment are ameliorated. This is particularly true since there is a negative correlation between the level of PIDA activity from 1970 to 1975 by labor market area and the average unemployment rate by labor market area for 1970 to 1975. That is, PIDA activity has had a tendency to be concentrated in areas with lower unemployment rates. Additionally, in order to assure the long range success of the State's industrial development programs PIDA should begin considering factors, other than the level of unemployment, in the letting of loans. This would involve analyzing potential loans in terms of the location of the loan within the Commonwealth, and the type of firm which receives the loan. The location analysis would of course include the level of unemployment in the area receiving the loan, but it should also include additional measures of socioeconomic well-being such as the level of personal income in the area and the level of the poverty population in the area. The need for additional considerations in determining an area's eligibility for PIDA financed projects is indicated by the fact that the level of PIDA activity by county tends towards counties which illustrate a higher level of economic development. Analyzing the type of firm which receives the PIDA loan, in terms of potential employe earning and employe productivity, in connection with the location analysis would enable a determination of the project's level of impact on the socioeconomic well-being of the area receiving the project. Historically, PIDA has concentrated in industries characterized by low wages and low productivity. Such additional criteria when coupled with existing standards, can aid PIDA in selecting the best candidates from the competitors for its limited resources. This is useful both for achieving long-term success and for making short run allocative decisions.

Self-imposed limitations on General Fund loan amounts, caused by cash flow problems, and uncertainties surrounding loans of current and future bond funds, caused by recent Internal Revenue Service rulings, are reflected in substantially reduced estimates of the program measures relating to PIDA activity in the first three years shown. Following the increase in 1979-80 possible from increased appropriations, the number of PIDA financed projects falls off significantly due to two factors — increases in the cost of the average project and an absence of bond funds. The trend, of course, impacts directly on the number of PIDA financed employment opportunities.

While economic development is an essential effort statewide, the Commonwealth's cities are also particularly in

need of special efforts to attempt to reverse economic stagnation and decline. In 1970 the thirteen urban cities with 28 percent of the State's population and 29 percent of the State labor force had a disproportionate 35 percent of the State's unemployment. Between 1970 and 1974 urban employment decreased by 1.8 percent while during the same period statewide employment gained 5.7 percent.

It is apparent from the above data that new techniques must be developed on behalf of these cities. One such technique is the Pennsylvania Council for Urban Economic Development which was created by the Department in 1974 and consists of representatives of the State's 13 major cities, the Departments of Commerce and Community Affairs, the Office of State Planning and Development, the Federal Economic Development Administration and the North East Pennsylvania Development Council.

An additional \$1.5 million appropriation for the Minority Business Development Authority is recommended in the budget year for loans, technical assistance and program liason to minority businesses.

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 21 projects in 1976-77.

Other areas which contribute to the Commonwealth's overall economic development effort are 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. The number of projects funded fluctuates from year to year depending upon the number of projects for which funding is requested and the magnitude of the individual projects. Also reflected is the lack of General Funds from 1978-79 forward.

The Department administers the Revenue Bond and Mortgage Program which, it is estimated, will provide 1,000 loans totalling \$994 million in 1977-78. This program which

Industrial Development (continued)

Program Analysis: (continued)

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 \$6 billion in loans have been approved since the program's inception in 1968.

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.

Finally, to be of additional assistance to industry, the Department surveys and publishes an industrial directory. The data include a sample survey of retail and wholesale establishments beginning in 1977-78 which drives estimates up from last year's projections.

Program Costs by Appropriation:

	(Dollar amounts in thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 2,131	\$ 2,146	\$ 2,268	\$ 2,370	\$ 2,480	\$ 2,590	\$ 2,705
Industrial Development Assistance . . .	500	500	500	500	500	500	500
Pennsylvania Industrial Development Authority							
Site Development	10,000	3,000	5,000	10,000	10,000	10,000	10,000
Local Development District Grants . . .	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Appalachia Regional Commission	100	100	100	100	100	100	100
Minority Business Development Authority	372	313	397	397	397	397	397
Minority Business Technical Assistance	2,000	1,500	1,500	1,500	1,500	1,500	1,500
Community Facilities . . . . .	. . . .	250	250	250	250	250	250
	1,000	1,000	. . . .	. . . .	. . . .	. . . .	. . . .
GENERAL FUND TOTAL	<u>\$17,103</u>	<u>\$ 9,809</u>	<u>\$11,015</u>	<u>\$16,117</u>	<u>\$16,227</u>	<u>\$16,337</u>	<u>\$16,452</u>

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$4,056	\$2,970	\$3,059	\$3,107	\$3,160	\$3,210	\$3,265
Federal Funds	241	.....	.....	.....	.....	.....	.....
Other Funds	471	.....	.....	.....	.....	.....	.....
TOTAL	\$4,768	\$2,970	\$3,059	\$3,107	\$3,160	\$3,210	\$3,265

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Employment derived from tourism activities (in thousands)	180	180	180	180	180	180	180
Wages derived from tourism activities (in thousands)	\$1,076,614	\$1,070,000	\$1,070,000	\$1,070,000	\$1,070,000	\$1,070,000	\$1,070,000
Commonwealth revenues derived from tourism activities (in thousands)	\$301,300	\$301,000	\$301,000	\$301,000	\$301,000	\$301,000	\$301,000
Tourist contacts through information centers	1,223,000	1,350,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Tourist promotion agencies receiving assistance	61	62	62	62	62	62	62

Program Analysis:

The Commonwealth is among the five top ranking states in the nation in terms of total traveler expenditures realized. This position is the product of extensive and successful programs designed to promote travel into Pennsylvania and increase visibility to sustain Pennsylvania as a tourist destination. This visibility is manifested through paid media and trade industry advertising campaigns, public relations efforts, presence at travel shows, and visibility through brochures returned to potential travelers upon request, or distributed to the traveler at roadside welcome centers.

In the area of general promotional programs, the Department participated in four travel shows in Cleveland, Boston, Cincinnati and Toronto in 1976-77. For the current fiscal year, the Department is planning one exhibit at the Cleveland travel show and will sponsor minimum participation at the Toronto show. It is anticipated that 500,000 visitors will be contacted through these exhibitions. The severity of the winter and other energy-related problems reduced attendance at the four shows last year to 3.4 million tourists, as well as forcing cancellation of two shows.

Another point of contact with the traveler entering Pennsylvania is the welcome centers. Operated in cooperation

with the Pennsylvania Department of Transportation, these centers are located on major interstate routes into the Commonwealth. These centers are established to aid the traveler with directions to tourist attractions and lodging. With the decreasing availability of service station highway maps the importance of these centers cannot be underestimated as indicated by the estimated 1,350,000 travelers that will stop at these centers this current year.

Also administered under this subcategory is the Tourist Promotion Assistance Grant program, which provides matching funds for advertising, promotion and administrative expenses to 62 nonprofit organizations. The number of Tourist Promotion Agencies has increased by one with the addition of Westmoreland County as a separate agency. Last year Westmoreland was combined with Somerset County in a multi-county Tourist Promotion Agency.

The severe deviation from prior estimates for the employment and Commonwealth's revenues derived from tourism activities reflect a change in data source. The U.S. Travel Data Center, using U.S. Census information as a base, is now used as the source for the above data.

Tourism and Travel Development (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 943	\$ 970	\$1,059	\$1,107	\$1,160	\$1,210	\$1,265
Tourist Promotion Assistance	1,500	2,000	2,000	2,000	2,000	2,000	2,000
Pennsylvania Bicentennial							
Commission	945	.....	.....	.....	.....	.....	.....
Bicentennial Municipal Grants	468	.....	.....	.....	.....	.....	.....
Mummer's Museum	200	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$4,056</u>	<u>\$2,970</u>	<u>\$3,059</u>	<u>\$3,107</u>	<u>\$3,160</u>	<u>\$3,210</u>	<u>\$3,265</u>

Scientific and Technological Development

OBJECTIVE: To increase the scientific and technological resources of the Commonwealth.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 1,251	\$ 231	\$ 1,262	\$ 1,270	\$ 1,277	\$ 1,285	\$ 1,294
Federal Funds	65	127	100	100	100	100	100
Other Funds	96	.....	.....	.....	.....	.....	.....
TOTAL	\$ 1,412	\$ 358	\$ 1,362	\$ 1,370	\$ 1,377	\$ 1,385	\$ 1,394

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Direct value of scientific-technical research	\$3,500,000	.....	\$3,100,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000
Projects undertaken	35	.....	27	27	26	26	25
Energy research projects undertaken	9	.....	8	8	6	6	6
Inquiries received for technical information	1,948	2,435	3,000	3,700	3,700	3,700	3,700

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 create new sources of employment. Concurrently, there is an ongoing development of State science policy and State oriented programs in science and technology which will focus Commonwealth resources on projects aimed at solving urgent problems.

In pursuit of 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. However, due to increased costs associated with research projects, the Pennsylvania Science and Engineering Foundation (PSEF) estimates that the number of projects undertaken will decrease without increased funding.

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. 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 guarantees for the long-term purchase of the coal.

The Pennsylvania Science and Engineering Foundation attempts 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. As the data reflects, this effort was stymied in 1977-78 by the absence of funding. It should also be noted that the number of energy projects undertaken can fluctuate substantially based on what projects are available and their size.

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.

Through the Pennsylvania Technical Assistance Program (PENNTAP) it is estimated that \$1.3 million in savings was realized by Pennsylvania businesses and organizations last year by the transfer of scientific and technical information. The number of inquiries is up substantially from last year's estimate due to the increasing awareness of the program.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 151	\$ 156	\$ 162	\$ 170	\$ 177	\$ 185	\$ 194
Pennsylvania Science and Engineering Foundation	950	. . . . .	950	950	950	950	950
Technical Assistance	150	75	150	150	150	150	150
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
GENERAL FUND TOTAL	<u>\$ 1,251</u>	<u>\$ 231</u>	<u>\$ 1,262</u>	<u>\$ 1,270</u>	<u>\$ 1,277</u>	<u>\$ 1,285</u>	<u>\$ 1,294</u>

International Trade

OBJECTIVE: To expand Pennsylvania's exports and attract foreign investment.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$ 508</u>	<u>\$ 299</u>	<u>\$ 317</u>	<u>\$ 331</u>	<u>\$ 350</u>	<u>\$ 362</u>	<u>\$ 380</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Value of exports (in millions)	\$4,200	\$4,400	\$4,900	\$5,500	\$5,500	\$5,500	\$5,500
State jobs attributable to:							
Foreign investments in							
Pennsylvania	48,000	50,000	55,000	57,000	57,000	57,000	57,000
Exports	168,000	176,000	196,000	220,000	235,000	235,000	235,000
Foreign companies located in							
Pennsylvania	125	135	138	153	153	153	153

Program Analysis:

The international economic development efforts of the Commonwealth have the specific objective of increasing employment and income through expanded Pennsylvania exports to foreign countries and through the attraction of foreign-owned firms to establish manufacturing or other facilities in Pennsylvania.

After four years of effort, these international efforts of the Commonwealth have now established a successful track record. This success is demonstrated by the fact that approximately 2,500 Pennsylvania companies are involved in international trade. A recent Bureau of Labor Statistics unpublished report concerning jobs created resulting from exports indicates that approximately 200,000 jobs have been created by these Pennsylvania firms.

The Department's efforts are supported and complemented by the participation of Pennsylvania industry at trade fairs and exhibitions in Poland, Colombia, West Germany, and East Germany; and at trade missions to the Middle East, Canada, Iran, and Latin America. These activities have resulted in an annual level of \$30 million in exports and the creation of 1,700 jobs.

Currently, there are some 135 foreign-owned companies in Pennsylvania and these employ around 50,000 persons. These figures were increased significantly in the past year as a

federally-funded study, under U.S. Commerce Department auspices, was completed and divulged a large number of companies not previously well-known for their foreign-ownership.

During the prior two years, 1975-77, 14 foreign-owned firms located in Pennsylvania resulting in the creation of 800 jobs. This impact will be significantly reduced during the current fiscal year, however, due to the closing of the Department's European Office.

Specifically, the number of trade exhibitions which can be supported will be cut by three this fiscal year and reverse investment activity in Europe will be severely restricted. The direct assistance which Pennsylvania companies visiting in Europe received from the European office will no longer be possible. Nevertheless, the department is now planning participation in the current fiscal year in trade missions or fairs to the Middle East, the USSR, the Netherlands, and Colombia.

The estimation of the value of exports dropped slightly from \$4.5 to \$4.2 billion due to changes in Federal level activity during prior years. This drop in exports results in a corresponding drop in total state jobs attributable to exports and investments.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$ 508</u>	<u>\$ 299</u>	<u>\$ 317</u>	<u>\$ 331</u>	<u>\$ 350</u>	<u>\$ 362</u>	<u>\$ 380</u>

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; grants for housing, redevelopment, planning and manpower training; and loans to volunteer fire, ambulance and rescue companies.

DEPARTMENT OF COMMUNITY AFFAIRS

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
General Government			
General Government Operations	\$ 5,673	\$ 5,900	\$ 5,965
Volunteer Company Loan Fund—Administration	80	100	108
Flood Relief — Johnstown Temporary			
Housing		1,000	
Flood Relief — Johnstown General			
Government		11	
Subtotal	<u>\$ 5,753</u>	<u>\$ 7,011</u>	<u>\$ 6,073</u>
Grants and Subsidies			
Employment Assistance	\$ 1,740	\$ 1,500	\$ 1,500
Economic Opportunity Assistance	1,300	1,300	1,300
Redevelopment Assistance	15,650		
Regional Councils	75		75
Planning Assistance	200	100	100
Transfer to Volunteer Company Loan Fund	500		
Bicentennial Community Park—Allentown	25		
Penn Hills Water Supply Project	75		
Subtotal	<u>\$19,565</u>	<u>\$ 2,900</u>	<u>\$ 2,975</u>
Total State Funds	<u>\$25,318</u>	<u>\$ 9,911</u>	<u>\$ 9,048</u>
Federal Funds	\$ 3,779	\$30,658	\$40,005
Other Funds	1,692	1,212	1,211
GENERAL FUND TOTAL	<u>\$30,789</u>	<u>\$41,781</u>	<u>\$50,264</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Government Operations			
State Funds	\$ 5,753	\$ 7,011	\$ 6,073
Federal Funds	1,117	10,462	22,705
Other Funds	1,692	1,212	1,211
TOTAL	\$ 8,562	\$18,685	\$29,989

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; 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. Also provides for the administration and operation of the Volunteer Loan Company Program which provides low interest loans to rescue and fire companies and units.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
General Government Operations	\$ 5,673	\$ 5,900	\$ 5,965
Volunteer Company Loan Fund - Administration ..	80	100	108
Flood Relief - Johnstown Temporary Housing .....	.....	1,000	.....
Flood Relief - Johnstown General Government .....	.....	11	.....
Federal Funds:			
BOR - Administrative Cost	142	275	275
State Wide Comprehensive Outdoor Recreational Plan	43	40	30
IPA Programs	310	430	400
Water Pollution Control Training	32	35	25
EPA - Water Plant Operator Training .....	.....	25	.....
Economic Opportunity Act	250	250	250
Comprehensive Planning Assistance	244	263	220
Environmental Laws and Program Training Manual	19	.....	.....
LEAA - Police Administration	75	44	.....
ARC - Innovative Housing Program	2	1,160	1,300
ARC - Administrative Costs of 201A-11 Planning Program .....	.....	14	4

GENERAL FUND

COMMUNITY AFFAIRS

Source of Funds (continued)	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Federal Funds: (continued)			
ARC — Pennsylvania Housing Policy		\$ 50	
ARC — Improved Dwellings For Altoona		2	
ARC — Erie and Crawford County U.S. Steel Plant Study		200	
HUD — Erie and Crawford County U.S. Steel Plant Study		200	
EDA — Erie and Crawford County U.S. Steel Plant Study		225	\$ 155
Energy Research and Development		90	46
FEA — Weatherization		6,500	20,000
HUD — Community Development Technical Assistance		659	
Other Funds:			
Land and Water Development Act	\$ 984	790	762
Urban Redevelopment Law	313		
Mobile and Industrialized Housing Act	131	125	135
Reimbursement for Comptroller Services	190	232	249
Training Course Registration	74	65	65
TOTAL	<u>\$ 8,562</u>	<u>\$18,685</u>	<u>\$29,989</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Employment Assistance			
State Funds	\$ 1,740	\$ 1,500	\$ 1,500
Federal Funds	137	2,911	2,000
TOTAL	<u>\$ 1,877</u>	<u>\$ 4,411</u>	<u>\$ 3,500</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.

Source of Funds	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Appropriation:			
Employment Assistance	\$ 1,740	\$ 1,500	\$ 1,500 ✓
Federal Funds:			
CETA — Building Trades Training	44		
CETA — Second Language	93	9	
DOL — Energy Conservation Activities — Labor Costs		2,000	2,000
ARC — Housing Coordinators — Winterization		32	
HEW — Title XX Labor Costs of Winterizing Homes		800	
CETA — Hispanic Improvement in Job Opportunities		70	
TOTAL	<u>\$ 1,877</u>	<u>\$ 4,411</u>	<u>\$ 3,500</u>

GENERAL FUND

COMMUNITY AFFAIRS

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Economic Opportunity Assistance			
State Funds	\$ 1,300	\$ 1,300	\$ 1,300
Federal Funds	2,525	17,285	15,300
TOTAL	<u>\$ 3,825</u>	<u>\$18,585</u>	<u>\$16,600</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)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Economic Opportunity Assistance	\$ 1,300	\$ 1,300	\$ 1,300
Federal Funds:			
Neighborhood Preservation	231	285	300
Residential Insulation Assistance .....	.....	10,000	.....
Emergency Energy Conservation Program	2,294	7,000	15,000
TOTAL	<u>\$ 3,825</u>	<u>\$18,585</u>	<u>\$16,600</u>

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Redevelopment Assistance			
State Funds	\$15,650	.....	.....

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)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Redevelopment Assistance	<u>\$15,650</u>	.....	.....

GENERAL FUND

COMMUNITY AFFAIRS

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Regional Councils			
State Funds	\$ 75	.....	\$ 75

Provides financial assistance to regional councils of elected officials to promote efforts to overcome the effects of local government fragmentation.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Regional Councils	<u>\$ 75</u>	.....	<u>\$ 75</u> ✓

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Planning Assistance			
State Funds	\$ 200	\$ 100	\$ 100

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Planning Assistance	<u>\$ 200</u>	<u>\$ 100</u>	<u>\$ 100</u> ✓

GENERAL FUND

COMMUNITY AFFAIRS

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Volunteer Company Loan Program			
State Funds	\$ 500	.....	.....

To provide loans to volunteer fire companies, ambulance services and rescue squads to assist them in maintaining proper fire protection and emergency services at the local level.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Transfer to Volunteer Company Loan Fund	<u>\$ 500</u>	.....	.....

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Bicentennial Community Park – Allentown			
State Funds	\$ 25	.....	.....

Provides funds for the development of a Bicentennial Park located in Allentown.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Bicentennial Community Park – Allentown	<u>\$ 25</u>	.....	.....

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Penn Hills Water Supply Project			
State Funds	\$ 75	.....	.....

Provides funds to correct problem in Penn Hills Water Supply which has caused substandard conditions hazardous to public health.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Penn Hills Water Supply Project	<u>\$ 75</u>	.....	.....

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Urban Planning Account	\$1,868	\$1,750	\$1,750
Appalachian Regional Commission — Planning Grant	41	50	50
TOTAL	<u>\$1,909</u>	<u>\$1,800</u>	<u>\$1,800</u>

DEPARTMENT OF COMMUNITY AFFAIRS

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 2,815	\$ 2,613	\$ 2,706	\$ 2,841	\$ 2,900	\$ 3,048	\$ 3,200
Community Physical Development	\$15,866	\$ 1,509	\$ 315	\$31,575	\$16,237	\$16,273	\$16,315
Housing and Redevelopment	15,841	1,509	315	31,575	15,962	15,998	16,040
Community Park and Recreation Development	25	.....	.....	.....	275	275	275
Economic Opportunity	\$ 3,443	\$ 3,246	\$ 3,272	\$ 3,298	\$ 3,323	\$ 3,350	\$ 3,375
Employability Development—Socially and Economically Handicapped	1,740	1,500	1,500	1,500	1,500	1,500	1,500
Community Action Assistance	1,703	1,746	1,772	1,798	1,823	1,850	1,875
Local Government Management	\$ 3,194	\$ 2,543	\$ 2,755	\$ 2,883	\$ 3,010	\$ 3,158	\$ 3,300
Area-Wide Intermunicipal Services	75	.....	75	75	75	75	75
Municipal Administrative Support Capability	2,292	1,734	1,837	1,928	2,020	2,123	2,225
Community Development Planning	827	809	843	880	915	960	1,000
DEPARTMENT TOTAL	<u>\$25,318</u>	<u>\$ 9,911</u>	<u>\$ 9,048</u>	<u>\$40,597</u>	<u>\$25,470</u>	<u>\$25,829</u>	<u>\$26,190</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)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$2,815	\$2,613	\$2,706	\$2,841	\$2,900	\$3,048	\$3,200
Federal Funds	34	83	40	40	40	40	40
Other Funds	190	232	249	264	280	297	315
TOTAL	\$3,039	\$2,928	\$2,995	\$3,145	\$3,220	\$3,385	\$3,555

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 files 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.

Costs connected with flood relief and recovery for Johnstown are also a component of this subcategory for the fiscal year 1977-78.

Program Costs by Appropriation:

(Dollar Amounts in Thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$2,815	\$2,602	\$2,706	\$2,841	\$2,900	\$3,048	\$3,200
Flood Relief-Johnstown							
General Government		11					
GENERAL FUND TOTAL	\$2,815	\$2,613	\$2,706	\$2,841	\$2,900	\$3,048	\$3,200

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$15,841	\$ 1,509	\$ 315	\$31,575	\$15,962	\$15,998	\$16,040
Federal Funds	2,527	27,919	38,646	35,800	32,800	29,800	26,800
Other Funds	444	125	135	448	448	448	448
TOTAL	\$18,812	\$29,553	\$39,096	\$67,823	\$49,210	\$46,246	\$43,288

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Substandard dwelling units	359,000	374,000	389,000	404,000	419,000	434,000	449,000
Construction of planned new dwelling units through State efforts	1,000	2,500	1,660	995	930	2,216	3,370
Dwelling units rehabilitated through State efforts	175	425	350	275	350	575	600
Redevelopment projects receiving State assistance	30	15	10	35	20	25	30
Demolition projects funded	20	3	0	30	22	23	23
Vacant, vandalized and substandard units eliminated through demolition	2,000	554	380	1,378	1,035	1,040	1,020
Industrial and mobile homes requiring inspection	2,726	2,200	2,300	2,400	2,600	2,800	2,990

Program Analysis:

The housing and redevelopment program activities administered by the Department of Community Affairs are carried out by means of capital grants to agencies such as local government units, housing or redevelopment authorities or nonprofit organizations.

The condition of Pennsylvania's housing stock is being severely affected by current economic conditions. The impact is most significant on low and moderate income families and individuals. Housing costs for both rental and homeownership have risen beyond the means of many Pennsylvanians. Inflation is pushing up the cost of new housing at a faster rate than incomes, forcing middle income families to postpone plans for new housing. For low income families, the number not able to afford standard housing is increasing annually. The end result is a potential decrease in demand for new units.

The constant impact of rising costs on the availability of

decent, safe and sanitary housing has become evident in two ways. First, the effects of the economy have resulted in a transition from single family housing to multi-family housing. Second, the increase in housing construction costs has caused a reduction in single family housing starts. This makes standard housing more difficult to obtain and rehabilitation more attractive. Rehabilitation programs have become a vital link in the housing delivery process. It is anticipated that due to higher construction costs and financing charges, homeowners and investment property owners will take a more serious look at rehabilitating their currently owned properties rather than moving into or investing in new structures. By having these structures maintained at a quality level, we can also assure their availability for the future families desiring to reside in an urban environment.

The decision not to fund this program for fiscal years

Housing and Redevelopment (continued)

Program Analysis: (continued)

1977-78 and 1978-79 is not reflective of its merits but of an extremely tight fiscal situation.

There are several available sources of Federal funding for housing programs in Pennsylvania. Included in these are Farmers Home Administration (FmHA); Department of Housing and Urban Development (HUD), Federal Housing Administration (FHA), Appalachian Regional Commission (ARC) and the 1977 Urban Development Block Grant (UDBG). The State housing program would normally utilize some of its funding to provide technical assistance, write-down grants and seed money to facilitate rural, private and nonprofit housing corporations in competing for available Federal funding.

Financial assistance was provided to thirteen county housing authorities to assist them with FmHA projects. Seed money and write-down grants are also provided under FmHA's subsidy program (Section 515) for multi-family occupancy in municipalities with less than 20,000 population.

The Housing and Community Development Act of 1974 signalled a new approach to the administration of Federal funds for housing and community development programs. In the first year of activity in Pennsylvania, the allocation formulas mandated by the Act drastically reduced the amounts that both metropolitan and rural areas were eligible for under the community development programming compared to the previously existing categorical grant programs. The Federal funding levels in the second year of community development allocated at similar levels to the first year funding.

For most of Pennsylvania's small to medium-sized Commonwealth communities, Community Development Block Grants are the major sources of Federal funds. In 1978-79, eighty-nine Commonwealth communities, which have been held harmless since enactment of CDBG in 1974, will begin to be phased out. As these communities seek to offset their losses, the already stiff competition for CDBG funds will increase. The primary housing component of this Act, Section 8, will once again be looked upon to provide Federal rent subsidies to low-income families. Under this program the Federal Government provides subsidies equal to the difference between the fair market rents of comparable standard units in each housing market area and the amount of rent paid by eligible families. Both State seed money and write-down grants have been utilized to assist Section 8 developments as well as Federal Section 202, mortgage financing for the elderly and housing and handicapped, and housing rehabilitation activities of nonprofit corporations.

With the enactment of the Housing and Community Development Act of 1977, a new Federal commitment to

distressed urban areas was made. This Act renews the Community Development Block Grant (CDBG) begun in 1974 and introduces a new grant program, Urban Development Block Grant (UDBG).

While the rating system for approving CDBG applications is biased towards larger population areas, the new UDBG is specifically for distressed cities and urban counties. The purpose of these new grants is to revitalize local economies and reclaim deteriorated neighborhoods. In making awards to distressed metropolitan areas, HUD will be weighing its decreases in favor of State participation and demonstrated competence. Since few other States support their communities by providing State funding to local housing and redevelopment projects, it is hoped Pennsylvania will be competitive based on past commitments and future commitments to its housing program and its demonstrated competence. Grants will be made on a one time only basis and the tendency will be towards larger metropolitan areas.

The redevelopment process is a tool for economic improvement which can be effective in municipalities of all sizes throughout the Commonwealth. Although the redevelopment program is primarily oriented towards the reuse of urban land for more desirable purposes, its applicability can also be realized in rural areas.

Activities include the acquisition of land and structures and the demolition of the structures, relocation of the families and individuals and the disposition of land to public or private developers. Improvements to the project area sites are often carried out. In some projects, rehabilitation activities are also included. Redevelopment funds may also be used for demolition projects under which vacant, vandalized and dilapidated homes are removed. The land is held for future use by the community. Funds can also be used for code enforcement programs under which a community attempts to upgrade its existing housing stock.

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, increasing housing opportunities for low and moderate income families and in improving the overall vitality of a community.

The Neighborhood Preservation Program deals with revitalization of existing neighborhoods. The increase in building costs and the realization that the structures presently found in our cities can neither be replicated in costs nor design has provided the impetus to establish this program. This proposal developed by the Department under a grant from the Federal Department of Housing and Urban Development will attack many problems that contribute to the deterioration of

Housing and Redevelopment (continued)

Program Analysis: (continued)

the neighborhood but one of the major "spin-offs" will be upgrading the standard of housing involved. It will generally focus upon neighborhoods in communities with a population of 10,000 or more. Redevelopment funds, Federal Community Development funds, local funds, etc. will join together to attack the problems of a small specific area in order to prevent further deterioration. Neighborhood preservation occurs before an entire area is determined blighted.

In June 1977 five prototype projects were selected out of 43 applications received. The five selected neighborhoods have just begun on their projects and results will not be available for at least another year. Housing rehabilitation efforts to improve the housing stock can also curb housing abandonment. Abandonment is a major characteristic of urban housing. Thousands of units are abandoned annually throughout the State.

Under blight prevention the demolition program is made available to communities statewide to clear unsafe and substandard structures. Through this demolition, potential housing sites are opened up in areas where no vacant land can be found. Thus a double effect is realized; the clearance of substandard structures and the availability of potential housing sites. Traditional clearance projects have been deemphasized, while emphasis on rehabilitation increased. Because of this deemphasis and the fact there is a trend towards fewer units per project, there is a marked decrease in units demolished. Building Code enforcement grants have been made available to communities to establish administrative capabilities to enforce building regulatory codes.

The weatherization program run by the Department also upgrades existing housing stock by providing State and Federal funds to install weatherstripping, insulation and storm doors and windows in the homes of persons who meet income standards developed by the Federal Community Service Agency.

With an initial allocation of State redevelopment funds in 1974, the weatherization program has grown into a completely Federally-funded program at an anticipated level of \$20,000,000 for 1978-79. Labor is secured through a number of different programs including Federal CETA trainees and TEAM trainees. As of October, 1977 over 18,000 homes have been weatherized at an average cost of \$250 per home. However, almost 900 of these homes have not been insulated due to a nationwide insulation shortage. While funds to complete an additional 32,000 homes by October 1979 are expected, progress will be hindered by the lack of available

insulation. Fuel bills of the home owner are reduced by as much as 25 percent.

Another program protecting the quality of housing in Pennsylvania is the inspection of industrialized housing function performed by the Department. Under the Industrialized Housing Act of 1972, factory made homes and units are inspected at the factory. If approved, manufacturers pay for insignias indicating approval to be attached to the unit. Fees paid for the insignias support the administrative costs of the program.

The Department also administers a flood housing program for Johnstown from funds appropriated to the Governor for that purpose. The Governor has allocated \$1,000,000 in 1977-78 for maintenance and management of temporary housing sites erected for the flood victims, and for the operating costs of the program. The Cambria County Redevelopment Authority is being utilized as a management agency at the local level, and the State responsibilities under the program include activities such as road repair and maintenance, police and fire protection and sewage plant operations. The U. S. Department of Housing and Urban Development took on the responsibility for initial establishment of the sites, including the provision of mobile homes, and upon termination of the program will reimburse the State's cost for site restoration.

All measures in this subcategory reflect the effects of no funding for the Housing and Redevelopment program in 1977-78 and 1978-79. However, because of the time lapse between contracting and completion the impact will not be felt immediately but in future years. In the construction of new dwelling units and units rehabilitated the figures for 1977-78 are unaffected by the lack of funding from 1977 through 1979. Figures for 1977-78 and 1978-79 reflect the performance of previously funded projects. Some of the Federal programs to which the State had committed funds in previous years are starting to produce results and those results are reflected in the number of new units for 1977-78. There is also an increase in the number of units rehabilitated for 1977-78 due to a greater utilization by communities of Community Development funds. Future years are projected to drop due to the funding decisions made in fiscal 1977-78 and 1978-79 and then pick up again as funding is restored.

Redevelopment projects, however, will respond immediately to the zero funding level in 1977-78 and 1978-79 as this measure reflects the initial State commitment to participate in funding new projects.

Housing and Redevelopment (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 191	\$ 509	\$ 315	\$ 275	\$ 312	\$ 348	\$ 390
Redevelopment Assistance	15,650	.....	.....	31,300	15,650	15,650	15,650
Flood Relief - Johnstown							
Temporary Housing . . . . .	.....	1,000	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$15,841</u>	<u>\$ 1,509</u>	<u>\$ 315</u>	<u>\$31,575</u>	<u>\$15,962</u>	<u>\$15,998</u>	<u>\$16,040</u>

Community Park and Recreation Development

OBJECTIVE: To develop recreational facilities accessible to urban areas.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
State Funds	\$ 25	.....	.....	.....	\$ 275	\$ 275	\$ 275
Federal Funds	185	\$ 315	\$ 305	\$ 305	305	305	305
Other Funds	984	790	762	821	.....	.....	.....
TOTAL	\$1,194	\$1,105	\$1,067	\$1,126	\$ 580	\$ 580	\$ 580

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Communities with updated comprehensive plans in recreation	71	71	71	71	71	71	71
Urban projects completed	92	105	116	93	50	50	50
Suburban projects completed	55	60	69	57	25	25	20
Rural projects completed	27	31	35	30	25	25	8
Communities receiving technical assistance for recreation	743	730	730	730	730	730	730

Program Analysis:

The Commonwealth embarked on a new and nationally innovative partnership program a decade ago, joining its local governments in the preservation of open space (Project 70) and the development of park and recreation facilities (Project 500). The funding for these programs came from bonds. Although the bond funding for Project 500 continues until 1981, final allocations from the fund have already been made. It is anticipated that at the current completion rate, all projects involving land and water funding will be completed by the fiscal year 1980-81. The projects shown in 1981-82 reflect only Federal - local projects anticipated by the Commonwealth. The funds shown as State and Federal are administration funds. Project funds are not reflected. Most recreation funds are already committed. The benefits of this investment are illustrated by the fact that more than 70 percent of recreation activity days occur at local facilities. The high price of gasoline and the burden of continued inflation on family budgets has made recreation near home more and more popular. The fact that citizens have access to an expanding system of local parks is due in large part to programs like Project 70 and Project 500. Also, with the objective in mind of reaching the maximum number of Commonwealth citizens with local facilities, an emphasis was placed on urban projects as reflected in the above measures. Smaller grants also allowed

for available funds to be spread over a wider area.

Throughout this period, Pennsylvania has been a leading state in attracting Federal recreation funds. The Commonwealth's bond programs have enabled the State to make maximum use of these funds, and more importantly to enable the communities of greatest need to participate, by using State funds to reduce the local matching requirements.

The State through Project 500 bond funds has been providing to poor communities as much as 30 percent of the necessary 50 percent local match requirement under the Federal Bureau of Outdoor Recreation (BOR) Program. In 1976-77 the locals were able to draw down \$4,087,000 in Federal funds with State assistance. It is anticipated that approximately \$6,700,000 is available to them in 1977-78 and each fiscal year through 1982-83. However, with loss of Project 500 funds after 1978-79 there will be diminished ability to draw these funds and only those communities which can meet the matching requirement will be able to participate.

The Bureau of Recreation and Conservation functions in several areas of recreation in addition to administering the land and water development program, i.e., technical assistance to local governments, technical assistance in developing the statewide recreation plan, and administration of the Federal Bureau of Outdoor Recreation (BOR) Program. All of these

Community Park and Recreation Development (continued)

Program Analysis: (continued)

functions, with the exception of the statewide recreation plan, have in the past been supported through land and water bond funds. As bond funds will soon be exhausted and continued high draw downs for administration will diminish bond project funds, alternative sources of funding have been sought. The Bureau has applied for Federal Bureau of Recreation administrative funds. The maximum amount it can anticipate is fifty percent of the cost of administering BOR projects. Estimates are \$275,000 for 1977-78 and for fiscal year 1978-79. These funds are shown as Federal funds and will be available on a matching basis. For this reason State General Funds for administrative cost matching purposes are provided for the fiscal year 1980-81 after Project 500 funds run out and anticipated to continue through the Federal program's expiration date of 1990. While the decision to provide State

funds to match Federal administrative money when Project 500 moneys run out cannot be made at this time, the State funds are shown here to give an indication of what will happen if the State decides to continue its participation in the Federal (BOR) program. The Federal BOR program must be administered by the State as the Federal Government does not permit direct application from the local governments. The expenditure of State funds from 1980-81 forward only provides for administration of the Federal (BOR) program and does not provide any project funds. Thus, as the bond programs draw to a close and projects are completed, it will be necessary to assess the changing role of the Bureau of Recreation and Conservation and its program needs as related to administration of the BOR program and necessary State matching funds.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Bicentennial Community							
Park-Allentown	\$ 25	.....	.....	.....	.....	.....	.....
General Government Operations . . . . .	.....	.....	.....	.....	\$275	\$275	\$275
GENERAL FUND TOTAL	<u>\$ 25</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>\$275</u>	<u>\$275</u>	<u>\$275</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$1,740	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Federal Funds	137	79	.....	.....	.....	.....	.....
TOTAL	<u>\$1,877</u>	<u>\$1,579</u>	<u>\$1,500</u>	<u>\$1,500</u>	<u>\$1,500</u>	<u>\$1,500</u>	<u>\$1,500</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
TEAM Program:							
People eligible	1,550,000	1,588,100	1,646,859	1,707,793	1,770,981	1,836,508	1,904,458
Trainees enrolled	5,034	4,285	3,428	3,256	3,095	2,939	2,792
Trainees completing instruction during the year	1,107	1,179	800	760	722	686	652
Trainees placed in jobs	597	519	500	475	451	428	407

Program Analysis:

The categorical approach to Federal manpower programs has for the most part been replaced by the Comprehensive Employment and 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. The primary intent of TEAM is to reach those unemployable individuals whose opportunities for personal development have been stultified by social and environmental conditions beyond their control. 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. This program is designed to alleviate some of the inadequacies the hard-core unemployed suffer due to lack of training. TEAM attempts to provide training, education and placement in jobs with advancement potential. The hard-core unemployed are not expected to become economically independent without intense specialized assistance. This is not usually available in conventional employment assistance programs.

According to the latest Bureau of Employment Security (BES) statistics approximately 1,550,000 people were in need of manpower service. Of the 1,550,000 eligible people, 378,000 were poor or disadvantaged persons who fall within the primary target group of the TEAM program.

During fiscal year 1976-77, approximately 5,000 persons were enrolled in TEAM training programs with approximately 1,000 individuals actually completing their course of training. In all, 597 persons were placed in jobs with an average starting

Employability Development -- Socially and Economically Handicapped (continued)

Program Analysis:

wage of \$3.10 hour, thus potentially generating \$300,267 in Federal and State income tax revenues during the first year following placement. Other sources of tax revenue such as sales taxes, wage school taxes, etc. and savings on welfare costs are realized and help offset the costs of this program.

The uncertain economy is reflected in the increase in persons eligible for training and reduced number of placements. However, the major change compared to last year's budget in the measure "trainees placed" is not due to the economy but refinement of the data. In the past, this measure included both trainees completing TEAM instructional courses, as well as individuals already trained who

are placed through TEAM efforts. The measure now only reflects TEAM trainees who are placed.

High inflation and unemployment rates automatically place more emphasis on manpower programs. However, as unemployment rates fall, it cannot be assumed that the number of trainees will drop correspondingly since in a slow economy these are the first people fired and usually the last group hired back. These disadvantaged are forced to compete for limited employment opportunities with unemployed skilled workers. For this reason the number of trainees enrolled decreases at a gradual rate even though improvement in the economy has begun.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Employment Assistance	<u>\$1,740</u>	<u>\$1,500</u>	<u>\$1,500</u>	<u>\$1,500</u>	<u>\$1,500</u>	<u>\$1,500</u>	<u>\$1,500</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$1,703	\$1,746	\$1,772	\$1,798	\$1,823	\$1,850	\$1,875
Federal Funds	250	250	250	250	250	250	250
TOTAL	\$1,953	\$1,996	\$2,022	\$2,048	\$2,073	\$2,100	\$2,125

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Persons with income below poverty level	1,200,000	1,212,000	1,224,000	1,237,100	1,249,700	1,262,500	1,275,300
Persons served by all community action programs	334,409	339,000	345,000	352,000	360,000	368,000	376,000
Percent of persons with income below poverty level served by program	25%	25%	25%	25%	25%	25%	25%
Tax credits approved for business firms with neighborhood assistance programs	\$6,154,000	\$7,500,000	\$8,500,000	\$8,750,000	\$8,750,000	\$8,750,000	\$8,750,000

Program Analysis:

This program has many facets which blend together to provide the economically disadvantaged with services and assistance. The cash grants program administered by the Bureau of Human Resources is the primary tool utilized to achieve this objective. These monies are programmatically versatile in order to afford communities, through the local community action agencies (CAAs), the opportunity to draw up proposals and budgets which will best serve the locally perceived priorities and needs. These community action assistance agencies whose memberships include locally elected officials, other local agency officials and low-income people are the organizational vehicles for these programs. The target group i.e. 'persons with income below poverty level' increased as unemployment surged in July, 1977 to the highest ever recorded since World War II.

The versatility of the cash grants program makes it one of the most strategically important programs for effective utilization of all Federal antipoverty programs. The bulk of the cash grants contracts are written to provide the local share for Federal programs operated by the Departments of Health, Education and Welfare, Transportation, Labor and the Law

Enforcement Assistance Administration, Community Services Administration, Legal Services Corporation, Appalachian Regional Commission and others.

Another effective tool of this subcategory is the Neighborhood Assistance Program. This program, established by the Neighborhood Assistance Act of 1967, is not a grant program but merely allows certain tax credits to business firms which participate or contribute directly to projects undertaken by CAAs or nonprofit agencies designed to alleviate poverty conditions in impoverished neighborhoods. Up to fifty percent of the amount invested by the business is allowable for a tax credit, but no credit can exceed \$250,000 per firm. Recent legislation provides for a 70 percent credit to business firms which contribute to special priority programs as defined by the Department. The Department is limited by law to granting no more than \$8,750,000 in tax credits in any one tax year. However, this limit has never been fully utilized. In 1977-78 it is estimated \$7,500,000 in tax credits will be granted. As the Neighborhood Assistance Program is utilized by business corporations and nonprofit organizations, the net drain on the Commonwealth's resources potentially decreases by

Community Action Assistance (continued)

Program Analysis: (continued)

corporations directly placing resources into nonprofit agencies. Millions of dollars were contributed through the program last year. This reduced tax payments to the Commonwealth, but put 100 percent of the business contributions into use by neighborhood organizations. If these revenues had been received by the Commonwealth, a portion of these monies would have been used to offset administrative costs before they were returned to these agencies as grant funds.

The unique blending of grants with tax credits provides for a much greater impact than the State dollars alone could accomplish, and these two factors working together can maximize the available Federal dollars. The thirty-four CAAs in Pennsylvania, serving forty-seven counties, will receive an estimated \$34,778,000 in Federal funds in 1977-78 from the Community Services Administration. A portion of the Community Service Administration (CSA) funds is for a winterization program which marries manpower training with improvement of poverty housing through insulation. These funds are reflected under the Housing Program. However, community action agencies provide the delivery mechanism to train local manpower; local business firms provide some of the

materials needed and the Federal Government funds the remainder. This program with its double pronged effect benefits a community in two areas: diminishing unemployment and alleviating some of the hardships of high fuel costs on the poor.

The measure depicting the number of persons served by the community action agencies, as well as the other measures, have been drastically revised. The significant revision is the result of better data collection made possible by more stringent conditions placed on community action agencies in the grant contracts. The Department now requires submission of monthly reports and takes serious action against noncomplying agencies such as withholding payments, denying project renewals, etc. This reporting system has resulted in data that are more reliable. In the past, data were collected irregularly and may have included figures, not only for persons served directly by the program, but also persons served indirectly such as family members.

Since investment in this program has proven to be beneficial to disadvantaged Commonwealth residents, the current funding level of \$1,300,000 is recommended for 1978-79.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 403	\$ 446	\$ 472	\$ 498	\$ 523	\$ 550	\$ 575
Economic Opportunity Assistance	1,300	1,300	1,300	1,300	1,300	1,300	1,300
GENERAL FUND TOTAL	<u>\$1,703</u>	<u>\$1,746</u>	<u>\$1,772</u>	<u>\$1,798</u>	<u>\$1,823</u>	<u>\$1,850</u>	<u>\$1,875</u>

Areawide Intermunicipal Services

OBJECTIVE: To provide effective and economical municipal services through the development of regionally coordinated activities.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$75</u>	. . . . .	<u>\$75</u>	<u>\$75</u>	<u>\$75</u>	<u>\$75</u>	<u>\$75</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Councils of government	53	65	76	85	95	100	100
Political subdivisions participating in councils of government	537	650	750	850	950	1,000	1,000
Councils of government having action projects assisted by the Department	27	. . . . .	27	27	27	27	27

Program Analysis:

In Pennsylvania there are 2,632 political subdivisions; more units of local government than almost any other state. 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 58 municipalities with home rule charters or optional plans in the formulation stage.

The Councils of Governments (COGs) Assistance program established under the provisions of Act 78 of 1970, provides for a voluntary association of local government units joined together for undertaking cooperative municipal activities authorized under that Act. COGs have shown themselves to be viable organizations for alleviating the mutual problems of several contiguous municipalities. They undertake joint municipal services for their member governments when

individual jurisdictions are unable to perform these functions separately as economically or efficiently. The average COG contains ten political subdivisions and encompasses eight to ten program service areas.

Recognition of COGs as a viable source at the state and Federal level has been indicated by the fact the Social Security Administration will now recognize COGs as an official entity to withhold social security contributions.

Until 1969 only six councils were in existence and activities of these units remained limited. Currently, there are 53 COGs encompassing 537 municipalities. Ten additional COGs are in the formation stage.

Most COG efforts center on improving communications among local officials, elementary forms of cooperation and consideration of regional studies. 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.

There are, however, shortcomings to a council of government. It has no independent legal authority. The success

Areawide Intermunicipal Services (continued)

Program Analysis: (continued)

of any plan is contingent upon the cooperation of the participating municipalities. Any member of a 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 provide a means for ongoing 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.

In 1975-76 the number of COGs reaching a sophistication

level sufficient enough to run action projects assisted by the department more than doubled from 12 to 26. This level was maintained in 1976-77. However, due to the absence of funding in 1977-78, no projects are anticipated. With the return of funding in 1978-79 it is anticipated 27 action projects will be possible. The emphasis of the Councils of Governments Assistance Program will continue to be active support of fully operational COG programs, while at the same time, still encouraging the formation of new councils of governments.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Regional Councils	<u>\$75</u>	. . . . .	<u>\$75</u>	<u>\$75</u>	<u>\$75</u>	<u>\$75</u>	<u>\$75</u>

Municipal Administrative Support Capability

OBJECTIVE: To improve the administrative capability of local government.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$2,292	\$1,734	\$1,837	\$1,928	\$2,020	\$2,123	\$2,225
Federal Funds	483	1,264	495	495	495	495	495
Other Funds	74	65	65	65	65	65	65
TOTAL	\$2,849	\$3,063	\$2,397	\$2,488	\$2,580	\$2,683	\$2,785

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Technical assistance requests responded to on:							
Public works development	212	230	230	230	230	230	230
Personnel	437	450	450	450	450	450	450
Financial management	573	575	575	575	575	575	575
Local structure	495	500	500	500	500	500	500
Police administration	615	700	700	700	700	700	700
Management	184	185	185	185	185	185	185
Building code enforcement	255	300	300	300	300	300	300
Municipal employes trained	17,018	18,000	18,000	18,000	18,000	18,000	18,000
Applications for volunteer company loans:							
Received	169	200	200	200	200	200	200
Approved	39	180	200	200	200	200	200
Actuarial pension reports received		2,000	2,500	175	200	2,000	2,500

Program Analysis:

Local government must provide basic municipal services to the citizens of Pennsylvania and at the same time serve as the implementing tool for many important Commonwealth programs: housing, recreation, human services and law enforcement. Strengthening the administrative capability of the 2,632 local governments helps to insure the success of all programs carried out at the local level. This program pursues this objective through the provision to local governments of consulting services, training, information services and statistical services.

Pennsylvania's local governments are facing a range of management challenges. Rooted in all of them is the specter of possible fiscal crisis. Shrinking tax bases and multiplying responsibilities have combined to confront some of the State's local governments with concern for their continued viability. Encouragement and development of strengthened local government management through the four major service areas

this program offers is one way the State can assist its local governments. Consulting services are provided in such areas as personnel administration, financial management, public works, police services, labor relations, data processing and other local government functions.

While ongoing consulting services will continue to be important in all functional areas, the area of fiscal management has become particularly significant. The Department responded to 573 such requests, over half of them from municipalities in rural areas. Examination and approval of municipal debt obligations (under Act 185 of 1972) as well as assistance to local government officials and other State agencies on questions relating to debt and borrowing are all ongoing functions of the program. While duties under Act 185 are regulatory in nature, technical assistance is also rendered. It is expected that municipal borrowing will increase over the next few years. Another regulatory function in the area of

Municipal Administrative Support Capability (continued)

Program Analysis: (continued)

financial management is performed under the authority of Act 293 of 1972, the Municipal Pension Act, which requires all municipal pension systems to file a completed actuarial report with the State. For pension systems having less than fifty members, the report must be filed every four years; for pension systems having fifty or more members, the report must be made every two years. The updated actuarial reports measure reflects no change in the number of pension funds reporting, but instead, a more accurate representation of when the reports actually are filed. The reports are submitted on a calendar year basis. This filing schedule is reflected in the fluctuation of the measure. Technical assistance requests in the area of "local structure" have diminished substantially due to the impact of home rule. Interest in home rule was very high in the years 1972-1975 and, therefore, technical assistance requests on local structure ran high during this time period. As activity in the area lessens the measure is affected accordingly.

A new program which provides direct financial assistance, rather than technical assistance, in the area of volunteer emergency services is the Volunteer Loan Program created by Act 208 of 1976. Its purpose is to improve the capabilities of volunteer fire companies, ambulance services and rescue squads through the provision of low interest loans for the purpose of establishing or modernizing facilities to house fire fighting apparatus, purchasing new apparatus or equipment (protective and communication as well as fire fighting) and purchasing any other accessory equipment for this purpose. Priority is given to replacement of outmoded or unsafe equipment and provision of additional equipment needed to meet unusual demand. Interest on each loan is at two percent per annum for a maximum of ten years. In addition to the \$10,000,000 in bond funds approved by voter referendum, \$500,000 was appropriated in 1976-77 from the General Fund for this purpose. The bonds sold in 1977, make an appropriation for this purpose no longer necessary. Administration of the program, however, continues to be funded through the General Fund.

While consulting hones in on specific functional management problems, training deals on a direct basis with the

managers who must solve those problems. Training services are provided in four major areas: local government structure and operations, community development, local government management and environmental protection.

Also included in the training area is management of the Federal Intergovernmental Personnel Act grants which has resulted in the creation of a series of regional personnel service centers throughout the State to provide training and personnel improvement services for local governments and the 2,550 different authorities within these local units of government.

Information services provides five types of assistance to municipalities: information inquiries, research, publications, legislative reporting and the clearinghouse function. As well as providing a broad range of information to local governments, materials developed through this program are disseminated to officials at all levels of government, businesses and the general public. It also serves as a resource for other information dispensing agencies, such as the Governor's Action Center and the General Assembly. The legislative reporting system involves the preparation of a monthly report for local government officials. Since almost half of all State legislation affects local government, it is important that local officials be kept informed of legislative activity in the General Assembly.

Statistical services is the fourth major program tool the Department utilizes to strengthen local government. This program gathers and publishes statistics concerning the operations of Pennsylvania's local governments. There are currently 58 different publications relating to local government functions which are periodically updated and reissued. Handbooks provide basic information on the duties of the local offices and serve as a source of ready reference to answer questions that arise pertaining to those duties. To a limited extent, it provides technical assistance to local governments in the development of fiscal reporting systems. One of the most important impacts of this program is the encouragement it provides local governments in pursuing sound financial practices. There were 2,273 requests for financial statistical information in fiscal year 1976-77.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)					1981-82	1982-83
	1976-77	1977-78	1978-79	1979-80	1980-81		
GENERAL FUND							
General Government Operations	\$1,637	\$1,634	\$1,729	\$1,815	\$1,900	\$1,998	\$2,095
Volunteer County Loan Fund—							
Administration	80	100	108	113	120	125	130
Transfer to Volunteer County Loan							
Fund	500						
Penn Hills Water Supply Project	75						
GENERAL FUND TOTAL	<u>\$2,292</u>	<u>\$1,734</u>	<u>\$1,837</u>	<u>\$1,928</u>	<u>\$2,020</u>	<u>\$2,123</u>	<u>\$2,225</u>

Community Development Planning

OBJECTIVE: To provide technical planning assistance and guidance to enable development of regionally coordinated activities.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 827	\$ 809	\$ 843	\$ 880	\$ 915	\$ 960	\$ 1,000
Federal Funds	163	748	269	110	110	110	110
TOTAL	<u>\$990</u>	<u>\$1,557</u>	<u>\$1,112</u>	<u>\$990</u>	<u>\$1,025</u>	<u>\$1,070</u>	<u>\$1,110</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Total projects funded	41	22	22	22	22	22	22
Projects which have resulted in comprehensive development plans	39	25	25	25	25	25	25
Communities which have adopted comprehensive plans	34	36	36	28	31	33	42
Communities receiving technical assistance in planning	260	290	290	290	290	290	290

Program Analysis:

The Comprehensive Development Planning Program provides direct grant funds, as well as technical assistance, to local governments to assist them in preparing or updating comprehensive plans. This program supplements support provided for comprehensive planning by the Federal Department of Housing and Urban Development (HUD) 701 planning program and is directed primarily to communities which are ineligible for Federal planning assistance. The comprehensive plan becomes the policy guide for decisions about the social, economic and physical development for the community. Communities aided tend to be relatively small and poor. The most recent available statistics show that municipalities receiving aid have a relatively low median family income (below \$8,999). This is a matching grant program in which the municipality must carry responsibility for at least 50 percent of the cost. This ensures that the municipality

takes an active and continuing interest in planning.

Two basic types of communities are being assisted through the Comprehensive Development Program: those seeking to stimulate growth and those seeking to control growth. The majority of those communities funded are in the first category, seeking to stimulate growth.

As the measures indicate a high degree of success has been experienced in this program as 39 out of 41 projects resulted in comprehensive plans. The decline from last year's estimate in total projects funded is due to the reduction of the Planning Assistance appropriation by 50 percent from \$200,000 to \$100,000. Since this funding level is assumed in future years, the measure is projected at a constant level.

Open space and recreation studies are another facet of comprehensive planning that has been widely used throughout the Commonwealth. Planning can play a significant role in guiding the development of Pennsylvania's communities.

Community Development Planning (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$627	\$709	\$743	\$780	\$815	\$860	\$900
Planning Assistance	200	100	100	100	100	100	100
GENERAL FUND TOTAL	<u>\$827</u>	<u>\$809</u>	<u>\$843</u>	<u>\$880</u>	<u>\$915</u>	<u>\$960</u>	<u>\$1,000</u>

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; and develops preventive measures to lessen the possibility of future drug and alcohol misuse.

COUNCIL ON DRUG AND ALCOHOL ABUSE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
General Government			
Council on Drug and Alcohol Abuse	\$ 2,365	\$ 2,225	\$ 2,341
Grants and Subsidies			
Assistance to Drug and Alcohol Programs	\$19,308	\$18,000	\$18,000
Total State Funds	<u>\$21,673</u>	<u>\$20,225</u>	<u>\$20,341</u>
Federal Funds	\$ 9,535	\$14,589	\$12,123
Other Funds .....	.....	25	37
GENERAL FUND TOTAL	<u>\$31,208</u>	<u>\$34,839</u>	<u>\$32,501</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Government Operations			
State Funds	\$ 2,365	\$ 2,225	\$ 2,341
Federal Funds	1,116	1,384	1,313
Other Funds . . . . .	. . . .	25	37
TOTAL	<u>\$ 3,481</u>	<u>\$ 3,634</u>	<u>\$ 3,691</u>

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
General Government Operations	\$ 2,365	\$ 2,225	\$ 2,341 ✓
Federal Funds:			
NIDA — Drug Formula Grant for various programs	535	594	604
NIAAA — Alcohol Formula Grant for various programs	397	594	603
NIAAA — State Prevention Co-ordinator	26	5	. . . .
FHWA — Driving Under Influence . . . . .	. . . .	20	20
NIAAA — Occupational Alcohol Grant	20	. . . .	. . . .
NIDA — State Training Systems Project	41	49	30
NIDA — Integrated Drug Abuse Reporting Process	83	18	. . . .
FHWA — SOBER	12	48	. . . .
NIDA — Statewide Treatment Services to Drug Abusers . . . . .	. . . .	20	20
SRS — Title XX . . . . .	. . . .	36	36
FHWA — Do Something	2	. . . .	. . . .
Other Funds:			
Drug Law Enforcement Administrator . . . . .	. . . .	25	37
TOTAL	<u>\$ 3,481</u>	<u>\$ 3,634</u>	<u>\$ 3,691</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Assistance to Drug and Alcohol Abuse Programs			
State Funds	\$19,308	\$18,000	\$18,000
Federal Funds	8,419	13,205	10,810
TOTAL	<u>\$27,727</u>	<u>\$31,205</u>	<u>\$28,810</u>

Provides grants to counties and to private facilities to finance drug and alcohol abuse treatment and prevention programs.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Assistance to Drug and Alcohol Abuse Programs	\$19,308	\$18,000	\$18,000 ✓
Federal Funds:			
SRS — Title XX	2,197	4,128	2,064
NIAAA — Alcohol Formula Grant	2,260	2,591	2,517
NIDA — Statewide Treatment Services Contract for Drug Abuses	2,752	4,778	4,739
NIDA — Drug Formula Grant	1,144	1,146	1,337
LEAA — Northeast Regional Juvenile Justice Treatment Center	53	210	. . . .
NIAAA — Public Inebriate Grant	13	352	153
TOTAL	<u>\$27,727</u>	<u>\$31,205</u>	<u>\$28,810</u>

COUNCIL ON DRUG AND ALCOHOL ABUSE
Summary of Agency Program by Category and Subcategory
General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 1,905	\$ 1,820	\$ 1,831	\$ 1,923	\$ 2,018	\$ 2,119	\$ 2,226
Physical Health Treatment	\$19,768	\$18,405	\$18,510	\$19,436	\$20,408	\$21,428	\$22,500
Prevention of Drug and Alcohol Abuse	3,239	3,034	3,051	3,204	3,364	3,532	3,709
Treatment of Drug and Alcohol Abuse	16,529	15,371	15,459	16,232	17,044	17,896	18,791
DEPARTMENT TOTAL	<u>\$21,673</u>	<u>\$20,225</u>	<u>\$20,341</u>	<u>\$21,359</u>	<u>\$22,426</u>	<u>\$23,547</u>	<u>\$24,726</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$1,905	\$1,820	\$1,831	\$1,923	\$2,018	\$2,119	\$2,226
Federal Funds	185	291	242	254	267	280	294
Other Funds .....	.....	25	37	40	43	46	49
TOTAL	<u>\$2,090</u>	<u>\$2,136</u>	<u>\$2,110</u>	<u>\$2,217</u>	<u>\$2,328</u>	<u>\$2,445</u>	<u>\$2,569</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.

General Administration and Support provides not only for the normal administration activities such as procurement and

budgeting, but it is also responsible for the attainment of the Council objective relating to the development, maintaining, coordinating and evaluating of a comprehensive Commonwealth drug and alcohol abuse prevention and treatment program. It is further responsible for the collection and correlation of data from service providers in the State system; and lastly, directs and controls service delivery systems by providing assistance, standards and guidance to the counties through the central and regional offices and the operation of a statewide system of distribution of information.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Council on Drug and Alcohol							
Abuse Control	<u>\$1,905</u>	<u>\$1,820</u>	<u>\$1,831</u>	<u>\$1,923</u>	<u>\$2,018</u>	<u>\$2,119</u>	<u>\$2,226</u>

Prevention of Drug and Alcohol Abuse

OBJECTIVE: To provide community and school educational services to the citizens of Pennsylvania alerting them to the varied dangers of drug and/or alcohol abuse.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$3,239	\$3,034	\$3,051	\$3,204	\$3,364	\$3,532	\$3,709
Federal Funds	1,873	1,907	2,400	2,520	2,646	2,778	2,917
TOTAL	\$5,112	\$4,941	\$5,451	\$5,724	\$6,010	\$6,310	\$6,626

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Persons viewing films	250,626	250,600	250,600	250,600	250,600	250,600	250,600
General information requests answered . .	2,358	2,400	2,400	2,400	2,400	2,400	2,400
Teachers trained	446	1,200	1,200	1,200	1,200	1,200	1,200
Information Contacts:							
Schools	N/A	250,400	250,400	250,400	250,400	250,400	250,400
Community	N/A	374,200	374,200	374,200	374,200	374,200	374,200

Program Analysis:

Inasmuch as the incidence of drug and alcohol abuse is encountered at all levels of society, the general population of the Commonwealth is the object of prevention activities. These activities are composed of two elements: school services and community services. School services programs are aimed at preventing the beginning of drug and alcohol abuse by providing alternatives for school children by continuing the development and improvement of primary prevention teaching techniques. School services offer a variety of prevention programs aimed at the school population including teacher workshops, improvement of communication skills, education techniques, value clarification strategies, consultative services to school administrators, para-professional training sessions and student rap groups.

Community services are geared to the general public at large, providing the most accurate and reliable information regarding drug and alcohol abuse, its prevention and treatment and the availability of services in these fields. These services include the involvement of medical, law enforcement and health officials in the community in an effort to provide the training of personnel, youth information programs, sensitivity and awareness workshops, human development training workshops, information literature distributions and media presentations.

Most preventive services are offered by facilities or other organizations coordinated at the local levels by the single county authorities (SCA), thus affording the best local planning effort suited for local needs. The estimates which appear in the program measures were extracted from the county plans submitted by the single county authorities to the Council on Drug and Alcohol Abuse.

"Information contacts" includes both persons present at lecture presentations and requests for information which were serviced. The school services programs are projected to reach 250,400 persons in this manner in 1977-78, while community services programs are projected to reach 374,200 persons.

These projections are significantly larger than those given in the 1977-78 Budget because the guidelines for planning given to the SCAs contained more explicit directions with regard to the communication of this information. Secondly, the data presented last year included only lecture audiences and not information requests.

Other prevention activities involving educational services are provided directly by the Council and are not related to single county authority activities. ENCORE, a Division within the Council, provides a statewide system of distribution of information relating to drug and alcohol services and is responsible for the dissemination of pamphlets, films, books,

Prevention of Drug and Alcohol Abuse (continued)

Program Analysis: (continued)

research reports and replies to any other information requests made by the general public. During 1976-77, there were replies to 2,358 such requests for information. As stated, ENCORE also is responsible for the distribution of films and these films reached an audience during 1976-77 of 250,626 viewers.

At the present time, the Council has a contractual relationship with the Addictions Prevention Laboratory at the Pennsylvania State University. The purpose of this contract is to train teachers in prevention strategies relating to drug and alcohol abuse. The low number of teachers trained in 1976-77 was due to a reorientation of the program. The Addictions Prevention Laboratory's task under the contract has been shifted from direct teacher training to training locally-based

trainers of teachers. It is expected in subsequent years that a corps of sixty trainers will be able to train 1,200 teachers per year.

Since the ultimate objective of prevention activities is to instill the values of non-abuse in persons who would otherwise be engaged in substance abuse, the impact of these activities is difficult to measure. The large number of constantly changing factors affecting the incidence and prevalence of substance abuse, and society's inability to control or even identify them, renders most trends useless as measures of success. However, the heavy demand for prevention services would seem to indicate that these services continue to be needed and desirable programs within the Commonwealth.

Program Costs by Appropriation:

	1976-77	1977-78	1978-79	(Dollar Amounts in Thousands)			
				1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Council on Drug and Alcohol Abuse	\$ 421	\$ 394	\$ 397	\$ 417	\$ 438	\$ 460	\$ 483
Assistance to Drug and Alcohol Abuse Programs	2,818	2,640	2,654	2,787	2,926	3,072	3,226
GENERAL FUND TOTAL	<u>\$3,239</u>	<u>\$3,034</u>	<u>\$3,051</u>	<u>\$3,204</u>	<u>\$3,364</u>	<u>\$3,532</u>	<u>\$3,709</u>

COUNCIL ON DRUG AND ALCOHOL ABUSE

Treatment of Drug and Alcohol Abuse

OBJECTIVE: To provide treatment and rehabilitative programs for those who have reached a dysfunctional level of drug and/or alcohol abuse.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$16,529	\$15,371	\$15,459	\$16,232	\$17,044	\$17,896	\$18,791
Federal Funds	7,477	12,391	9,481	9,955	10,453	10,975	11,524
TOTAL	<u>\$24,006</u>	<u>\$27,762</u>	<u>\$24,940</u>	<u>\$26,187</u>	<u>\$27,497</u>	<u>\$28,871</u>	<u>\$30,315</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Persons experimenting with drugs	899,000	900,000	900,000	900,000	900,000	900,000	900,000
Heavy users of drugs	230,021	230,000	230,000	230,000	230,000	230,000	230,000
Heavy users of alcohol	1,070,237	1,070,200	1,070,200	1,070,200	1,070,200	1,070,200	1,070,200
Drop-in center contracts	88,700	142,300	142,300	142,300	142,300	142,300	142,300
Calls received on hotlines	46,600	165,000	165,000	165,000	165,000	165,000	165,000
Opiates							
Short-term treatments:							
Treated and discharged	3,146	3,146	3,146	3,146	3,146	3,146	3,146
Percentage completing full treatment	39%	39%	39%	39%	39%	39%	39%
Long-term treatments:							
Treated and discharged	5,490	5,490	5,490	5,490	5,490	5,490	5,490
Percentage completing full treatment	26%	26%	26%	26%	26%	26%	26%
Methadone maintenance treatments:							
Treated and discharged	2,607	2,607	2,607	2,607	2,607	2,607	2,607
Percentage completing full treatment	12%	12%	12%	12%	12%	12%	12%
Percentage maintained 6 months or longer	51%	51%	51%	51%	51%	51%	51%
NonOpiates							
Short-term treatments:							
Treated and discharged	600	600	600	600	600	600	600
Percentage completing full treatment	71%	71%	71%	71%	71%	71%	71%
Long-term treatments:							
Treated and discharged	5,014	5,014	5,014	5,014	5,014	5,014	5,014
Percentage completing full treatment	30%	30%	30%	30%	30%	30%	30%
Alcohol							
Short-term treatments:							
Treated and discharged	20,734	20,734	20,734	20,734	20,734	20,734	20,734
Percentage completing full treatment	63%	63%	63%	63%	63%	63%	63%
Long-term treatments:							
Treated and discharged	16,371	16,371	16,371	16,371	16,371	16,371	16,371
Percentage completing full treatment	36%	36%	36%	36%	36%	36%	36%

Treatment of Drug and Alcohol Abuse

Program Analysis:

For the purpose of this program analysis, it is important to note that the Council on Drug and Alcohol Abuse distinguishes between the "secondary" level of activity aimed at keeping the experimenting and/or using populations from becoming chronic substance users, and "tertiary" activities which are aimed at dealing with individuals having a chronic pattern of drug and/or alcohol abuse.

Secondary services, because their objective is the prevention of increased substance abuse, tend to overlap to some degree the prevention measures previously discussed. Experience has demonstrated that audiences for films and other presentations, inside and outside of the school setting, typically consist of a mix of experimenters and nonexperimenters.

In 1976, the Institute for Survey Research of Temple University conducted a household survey which determined that approximately 899,000 Pennsylvania residents between the ages of 14 and 65 were experimental users of illegal drugs. "Illegal drugs" include opiates, sedatives, stimulants, marijuana, inhalants, psychedelics and cocaine. "Experimenters" are defined as persons who use any of the substances fewer than three times a week.

The survey also revealed the presence of over 1,000,000 heavy drinkers in the Commonwealth, as well as over 200,000 heavy users of illegal substances. "Heavy drinkers" are persons so classified by the widely used Cahalan quantity-frequency-variability scale, which takes into account the number of drinks a person usually has, the highest number of drinks a person ever has, and the frequency with which the person drinks. "Heavy Users" are persons using an illegal substance three or more times a week.

Although all heavy drinkers and heavy users are not in immediate need of treatment, they are persons at a high state of risk. The clientele of the Drug Council's "tertiary" programs are drawn from these populations as well as from groups not effectively measured by the household survey, such as transients and inmates of correctional institutions.

The Council funds drop-in centers which provide comfortable settings within which take place group discussions, individual counseling and crisis intervention conferences for persons at some turning point in their lives. Numerous telephone hotline services throughout the Commonwealth are provided in telephone conversations: advice, crisis interventions and referral services to emergency and special care facilities that deal with acute drug and alcohol reactions. In fiscal year 1976-77, approximately 46,600 calls were received on the Commonwealth's hotlines and 88,700 contacts were made at drop-in centers throughout Pennsylvania. More counties have now installed hotlines and

expanded their drop-in centers resulting in higher program measure figures for the available and future year projections.

Treatment programs for chronic abusers are provided in several settings including hospitals, prisons, shelters, residential units, day care and outpatient programs. Treatment for an individual often consists of a combination of short-term treatment, or detoxification, and long-term treatment, or rehabilitation. A typical sequence would include detoxification, intensive therapy in a residential modality, and re-entry into day-to-day living through outpatient treatment. Some facilities have developed aftercare procedures to extend support to the individual after formal treatment has ended.

Short-term treatment consists primarily of detoxification, which may take from four to seven days or longer for alcohol abusers, up to 21 days for some opiate abusers and even longer for some complex dependency cases. All detoxification programs establish as their goal the physical elimination of the addictive substance in a safe manner and the subsequent placement of the client in a long-term rehabilitation program.

During the course of fiscal year 1976-77, 20,734 short-term alcohol treatment experiences, 3,146 short-term opiate treatment experiences and 600 short-term nonopiate treatment experiences took place in Council-funded facilities. A treatment experience is a client's experience in a single facility. Where a client is treated in more than one facility or more than once in a single facility, multiple treatment experiences are counted for the same client. "Opiates" include heroin and illegal methadone. "Nonopiates" include stimulants, sedatives, marijuana, inhalants, psychedelics and cocaine.

The rates of completion of short-term treatment, which includes both transfers and referrals to long-term treatment, were 63 percent for alcohol users, 39 percent for opiate users and 71 percent for nonopiate users. Although the rates of completion of treatment for short-term treatment seem high, the establishment of goals of detoxification and referral can be accomplished quickly and with minimal effort on the part of the client.

Long-term treatment has as its goal the rehabilitation of the chronic substance abuser. Over 16,000 long-term treatment episodes took place in Council supported facilities in 1976-77 for alcohol abusers, 3,146 for abusers of opiates, and 5,014 for nonopiate abusers. If a client is discharged from a facility as having completed treatment, the accomplishment of the rehabilitative objective of long-term treatment has been met. Such persons are not being transferred or referred for further treatment and are judged free of substance abuse at time of discharge. For alcohol abusers, 36 percent of long-term

Treatment of Drug and Alcohol Abuse (continued)

Program Analysis: (continued)

treatment experiences ended with treatment complete and the client judged free from a substance abuse pattern. The corresponding figures for opiate abusers were 26 percent and for nonopiate abusers 30 percent.

As stated above, long-term treatment experiences produce lower rates of completion of treatment than short-term experiences. First transfers and referrals given as the reason for discharge mark the accomplishment of short-term treatment objectives, and are so considered in the program measures. Long-term treatment, in contrast, typically involves treatment in more than one setting. Thus, transfers and referrals may be an integral part of rehabilitation but cannot be counted as a completed treatment experience. Second, the goals of long-term treatment relate both to the reduction or elimination of substance consumption and the rehabilitation process of changing long established behavioral patterns such as criminal involvement, nonproductivity, and interpersonal and family instability. The successful accomplishment of goals of this nature, in contrast to those of short-term treatment, is directly dependent upon the effort of the client.

A form of long-term treatment which is given separate consideration in this analysis is methadone maintenance. Persons who are generally long-term heroin addicts often are unable to perform successfully in a drug-free treatment environment. Such persons may be given treatment which includes the administration of methadone—a heroin substitute. Unfortunately, while 51 percent of the clients admitted to methadone maintenance were treated for a period of six months or longer, only 12 percent were successfully treated to the point of being able to make progress toward reintegrating themselves into society by holding a job, avoiding criminal activity and reassuming family responsibilities. Measures

clarifying these assumptions have been added to this year's presentation because of the interest exhibited by the Legislature at past Appropriation Committee hearings.

While information on the post-treatment of clients, as well as other information necessary to translate this into cost/benefit estimates, is lacking at this time, it is clear that even under the most pessimistic of assumptions, the benefits and cost of treatment heavily outweigh the costs of nontreatment.

Nontreatment costs to society include a substantial portion of the expenses of maintaining a law enforcement system, courts, prisons and hospitals. These costs also include the loss of life and property through alcohol and drug related automobile accidents. Areas lose potential workers, property values are lowered and tax revenues are lowered, all as a result of substance abusers failing to become a viable member of the community.

Inasmuch as the cost of treatment is high, a number of efforts to improve the efficiency and effectiveness of the program are now being undertaken. Regulations promulgated in fiscal year 1977-78 should centralize client evaluation, insure continuity of care for a client and make possible more effective use of both treatment and community resources in the rehabilitation process.

Another effort is the development of a system of following up clients after discharge. Procedures now being tested should improve the effectiveness of treatment, making possible the early identification of clients experiencing difficulties after discharge from treatment. When fully implemented, they should also provide information which will give a better picture of the cost/effectiveness of the drug and alcohol treatment system in the Commonwealth.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Council on Drug and Alcohol Abuse Control	\$ 331	\$ 307	\$ 309	\$ 324	\$ 341	\$ 358	\$ 376
Assistance to Drug and Alcohol Programs	16,198	15,064	15,150	15,908	16,703	17,538	18,415
GENERAL FUND TOTAL	<u>\$16,529</u>	<u>\$15,371</u>	<u>\$15,459</u>	<u>\$16,232</u>	<u>\$17,044</u>	<u>\$17,896</u>	<u>\$18,791</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 Appropriation

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
General Government			
General Government Operations	\$ 12,653	\$ 14,290	\$ 15,379
State Library	1,485	1,586	1,800
Pennsylvania Public Television			
Network—Operations	4,305	4,317	4,580
Pennsylvania Public Television			
Network—Program Services	1,700	1,700	2,000
Oversight of Special Education	13	120	. . . .
	<hr/>	<hr/>	<hr/>
Total—General Government	\$ 20,156	\$ 22,013	\$ 23,759
Debt Service Requirements			
General State Authority Rentals—State-Aided			
Institutions	<hr/> \$ 4,204	<hr/> \$ 4,300	<hr/> \$ 4,024
Institutional			
State Colleges and University	\$ 168,993	\$ 172,700	\$ 172,700
Scranton State School for the Deaf	1,637	1,695	1,638
Scotland School for Veterans' Children	3,834	3,867	3,924
Thaddeus Stevens State School of Technology	1,748	1,800	1,891
	<hr/>	<hr/>	<hr/>
Total—Institutional	\$ 176,212	\$ 180,062	\$ 180,153
Grants and Subsidies			
Support of Public Schools			
Basic Instruction Subsidy and Vocational			
Education	\$1,253,226	\$1,293,500	\$1,243,602
Increase in School Subsidy . . . . .	. . . .	100,000	100,000
Authority Rentals and Sinking Fund			
Requirements	142,000	147,000	170,200
Pupil Transportation	66,712	78,000	106,680
Special Education	85,550	98,528	109,379
Homebound Instruction	475	500	500
Tuition for Orphans and Children Placed			
in Private Homes	8,250	8,250	9,250
Payments in Lieu of Taxes	36	. . . .	80
Education of Migrant Laborers' Children	72	100	162
Education of the Disadvantaged	1,000	1,000	1,000
Special Education—Approved Private			
Schools	27,815	29,760	29,500
Higher Education of Blind or Deaf			
Students	35	100	100
Intermediate Units	7,193	7,193	7,193
School Food Services	6,240	8,450	9,054
School Employees' Social Security	64,650	67,000	78,500
School Employees' Retirement Fund:			
Contingent Reserve and Supplemental			
Accounts	152,000	158,760	227,495
Former Teachers' Account	6	6	8
Youth Development Centers—Education	3,070	3,149	3,149
State Schools and Hospitals—Education	5,830	9,500	16,400
	<hr/>	<hr/>	<hr/>
Subtotal—Support of Public Schools	\$1,824,160	\$2,010,796	\$2,112,252

DEPARTMENT OF EDUCATION

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

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Grants and Subsidies (continued)			
Other Grants and Subsidies			
Services to Nonpublic Schools	\$ 18,959	\$ 22,758	\$ 25,543
Textbooks for Nonpublic Schools	8,324	8,218	8,318
Student Supplies for Nonpublic Schools	1,939	2,843	2,839
Improvement of Library Services	8,896	8,896	9,428
Library Services for Blind and			
Handicapped	858	898	931
Educational Radio and Television Grants	772	430	430
Regional Educational Broadcasting			
Councils	175	. . . . .	. . . . .
Correctional Institutions—Education	2,069	2,199	2,244
Community Colleges—Capital and			
Operating	44,892	46,651	47,998
Higher Education of the Disadvantaged	3,345	3,895	4,090
Fifth Pathway . . . . .	. . . . .	200	120
Ethnic Heritage Studies	50	50	50
Transfers to Higher Education Assistance Agency:			
Scholarships	68,440	68,440	68,440
Reserve for Losses on Guaranteed Loans	3,200	2,500	1,000
Student Aid Funds—Matching	1,500	1,800	. . . . .
Administration—Loans and Scholarships	3,916	3,916	3,916
Institutional Assistance Grants	12,000	12,000	12,000
Subtotal—Other Grants and Subsidies	<u>\$ 179,335</u>	<u>\$ 185,694</u>	<u>\$ 187,347</u>
State-Related Universities			
Pennsylvania State University—			
Educational and General	\$ 74,457	\$ 79,522	\$ 79,522
Pennsylvania State University			
Student Aid	1,760	1,760	1,760
Pennsylvania State University			
Research	17,747	7,381	7,381
Pennsylvania State University			
Extension and Public Services	10,011	. . . . .	. . . . .
Agricultural Research and Extension . . . . .	. . . . .	15,312	15,312
Pennsylvania State University—			
Medical Programs	2,784	2,784	2,784
Subtotal Penn State University	<u>\$ 106,759</u>	<u>\$ 106,759</u>	<u>\$ 106,759</u>
University of Pittsburgh—Educational and			
General	\$ 52,858	\$ 52,858	\$ 52,858
University of Pittsburgh—Student Aid	2,960	2,960	2,960
University of Pittsburgh—Medical Programs	4,068	4,031	4,031
University of Pittsburgh—Dental Clinics	600	600	600
Subtotal University of Pittsburgh	<u>\$ 60,486</u>	<u>\$ 60,449</u>	<u>\$ 60,449</u>

DEPARTMENT OF EDUCATION

Summary by Fund and Appropriation
(continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Grants and Subsidies (continued)			
Temple University—Educational and General	\$ 56,987	\$ 56,987	\$ 56,987
Temple University—Student Aid	3,018	3,018	3,018
Temple University—Medical Programs	5,412	5,412	5,412
Temple University—Dental Clinics	600	600	600
Temple University—Hospital . . . . .	. . . . .	2,500	2,500
Subtotal Temple University	<u>\$ 66,017</u>	<u>\$ 68,517</u>	<u>\$ 68,517</u>
Lincoln University—Educational and General	\$ 2,525	\$ 3,025	\$ 3,025
Lincoln University—Student Aid	150	150	150
Lincoln University—Advanced Institution Development	250	. . . . .	. . . . .
Lincoln University—Accreditation Improvement	250	. . . . .	. . . . .
Subtotal Lincoln University	<u>\$ 3,175</u>	<u>\$ 3,175</u>	<u>\$ 3,175</u>
Non-State-Related Universities and Colleges			
Delaware Valley College of Science and Agriculture	\$ 185	\$ 185	\$ 185
Dickinson Law School	99	. . . . .	. . . . .
Drexel University	3,018	3,018	3,018
Hahnemann Medical College—Medical Programs	3,067	3,057	3,057
Hahnemann Medical College—Allied Health Programs	209	105	. . . . .
Thomas Jefferson University—Medical Program	3,969	3,969	3,969
Thomas Jefferson University—Allied Health Programs	1,500	750	. . . . .
The Medical College of Pennsylvania	1,795	1,795	1,795
University of Pennsylvania—Instruction	7,063	7,063	7,063
University of Pennsylvania—Dental Clinics	600	500	500
University of Pennsylvania Medical Programs	2,882	2,882	2,882
University of Pennsylvania—School of Veterinary Medicine	3,772	2,572	2,572
University of Pennsylvania—Student Aid	3,374	3,374	3,374
Pennsylvania College of Podiatric Medicine	660	660	660
Pennsylvania College of Optometry	220	220	220
Philadelphia College of Art—Instruction	352	352	352
Philadelphia College of Osteopathic Medicine	3,626	3,577	3,577
Philadelphia College of Textiles and Science	250	250	250
Philadelphia Musical Academy	75	75	75
Subtotal Non-State-Related Universities and Colleges	<u>\$ 36,716</u>	<u>\$ 34,404</u>	<u>\$ 33,549</u>

DEPARTMENT OF EDUCATION

Summary by Fund and Appropriation
(continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Grants and Subsidies (continued)			
Non-State-Related Institutions			
Berean Training and Industrial School—			
Maintenance	\$ 434	\$ 394	\$ 434
Berean Training and Industrial School—			
Rental Payments . . . . .	. . . . .	40	. . . . .
Downingtown Industrial and Agricultural			
School—Maintenance	544	544	544
Downingtown Industrial and Agricultural			
School—Accumulated Debts . . . . .	. . . . .	104	. . . . .
Johnson School of Technology	74	74	74
Williamson Free School of Mechanical			
Trades	52	52	52
Subtotal Non-State-Related Institutions	<u>\$ 1,104</u>	<u>\$ 1,208</u>	<u>\$ 1,104</u>
Total—Grants and Subsidies	<u>\$2,277,752</u>	<u>\$2,471,002</u>	<u>\$2,573,152</u>
Capital Improvements			
Capital Improvements . . . . .	. . . . .	. . . . .	\$ 145
Handicapped Standards Improvements . . . . .	. . . . .	. . . . .	1,000
Subtotal—Capital Improvements . . . . .	. . . . .	. . . . .	<u>1,145</u>
Total State Funds—General Fund	<u>\$2,478,324</u>	<u>\$2,677,377</u>	<u>\$2,782,233</u>
Federal Funds	\$ 35,160	\$ 29,416	\$ 25,348
Other Funds	105,605	117,943	120,904
GENERAL FUND TOTAL	<u>\$2,619,089</u>	<u>\$2,824,736</u>	<u>\$2,928,485</u>
Motor License Fund			
Grants and Subsidies			
Safe Driving Course	\$ 4,351	\$ 4,408	\$ 4,202
Total State Funds—Motor License Fund	<u>\$ 4,351</u>	<u>\$ 4,408</u>	<u>\$ 4,202</u>
Federal Funds	\$ 53	\$ 71	\$ 72
MOTOR LICENSE FUND TOTAL	<u>\$ 4,404</u>	<u>\$ 4,479</u>	<u>\$ 4,274</u>
Revenue Sharing Trust Fund			
Pupil Transportation	\$ 23,600	\$ 23,600	\$ 23,600
Special Education	51,400	53,600	53,600
Special Education—Approved Private			
Schools	2,500	2,500	2,500
School Building Authority . . . . .	. . . . .	1,000	. . . . .
REVENUE SHARING FUND TOTAL	<u>\$ 77,500</u>	<u>\$ 80,700</u>	<u>\$ 79,700</u>
Department Total — All Funds			
General Fund	\$2,478,324	\$2,677,377	\$2,782,233
Special Funds	81,851	85,108	83,902
Federal Funds	35,213	29,487	25,420
Other Funds	105,605	117,943	120,904
TOTAL ALL FUNDS	<u>\$2,700,993</u>	<u>\$2,909,915</u>	<u>\$3,012,459</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Government Operations			
State Funds	\$ 12,666	\$ 14,410	\$ 15,379
Federal Funds	10,626	14,532	11,081
Other Funds	922	949	899
TOTAL	\$ 24,214	\$ 29,891	\$ 27,359

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, including monitoring and evaluation of special education. Administers and distributes Support of Public Schools, Support of Nonpublic Schools, and 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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
General Government Operations	\$ 12,653	\$ 14,290	\$ 15,379 ✓
Oversight of Special Education	13	120	20
<i>Parent Home Fund</i>			
Federal Funds:			
Strengthening State and Local Education			
Agencies	2,584	2,266	2,269
Educational Innovations and Support	644	469	374
ESEA Title IVB - Administration	465	509	457
ESEA Title I Programs - Administration	961	1,022	1,091
Education of Exceptional Children	312	998	842
Educationally Deprived Children - Migrant	51	56	50
Vocational Education	2,701	3,700	2,551
Food and Nutrition Service	510	1,305	1,126

GENERAL FUND

EDUCATION

Source of Funds (continued)	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Federal Funds: (continued)			
Right to Read	\$ 291	\$ 202	\$ 200
State Approving Agency (VA)	625	722	764
Adult Basic Education — Administration	120	170	163
NEA — NIE Cooperative In-Service Project	3	9	.....
Follow Through	29	30	28
Preparation of Teachers of Handicapped			
Children	45	53	60
LEAA — Train Campus Law Enforcement Officers	24	2	.....
LEAA — The Law Enforcement Education Program	17	15	.....
University Community Services	38	46	50
Desegregation of Public Education	105	260	200
Comprehensive Planning	136	130	130
CETA — Training Opportunities	232	402	450
Alliance For the Arts	10	13	10
National Center for Educational Statistics	2	2	2
Research and Development Utilization	354	368	210
Justice Education and Community Action	23	4	.....
New Jersey — Pennsylvania Common Market	8	.....	.....
National Science Foundation Grant	3	.....	.....
Atomic Energy Commission Grant	2	4	.....
Operation Alert — Environmental			
Education	.....	3	.....
Community Outreach	2	.....	.....
University City	2	1	.....
NIE Grant	1	.....	.....
Consortium of States	14	.....	.....
Performance Based Teacher Education	3	.....	.....
Higher Education Instruction	17	17	.....
Institute for Educational Leadership —			
Study of Compensatory Education	6	.....	.....
Regional Interstate Collective Bargaining			
Project	15	1	.....
Governor's Council on Drug and Alcohol			
Abuse	7	1	.....
Indochinese Children Refugee Program	3	33	.....
ESEA Bilingual Education	7	47	54
Career Education	45	51	.....
Community Education	.....	110	.....
The Pennsylvania State Equalization			
Project	189	416	.....
Drug Prevention Training at State Colleges	20	.....	.....
Nutrition Education	.....	191	.....
Common Core Data I	.....	3	.....
Common Core Data Survey	.....	13	.....
Right to Read — National Impact Project	.....	85	.....
CETA — Technical Assistance	.....	88	.....
CETA — Vietnam Veteran Outreach	.....	25	.....
USDA — Training Food Service Employees	.....	69	.....
Strengthening Guidance Services	.....	152	.....
Energy Research and Development	.....	10	.....
Teacher Centers	.....	30	.....
National Commission on Library Science	.....	25	.....
LEAA — School Disruption Prevention	.....	396	.....
Older Americans Act, Title IVA — Training			
Conference	.....	8	.....

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds (continued)			
Other Funds:			
Reimbursement for EDP Services	\$ 89	.....	.....
Reimbursement for Services Rendered by Comptroller's Office	281	\$ 332	\$ 318
Reimbursement of Central Mailroom Costs	26	42	.....
Funds Received from Bicentennial Commission of Pennsylvania	7	.....	.....
Law Enforcement Academy Tuition	47	27	.....
Reimbursement for Auditing Expenses — Student Loan Accounts	23	24	31
Reimbursement for Administration — Special Education — Approved Private Schools	46	43	40
Reimbursement for Administration — Youth Development Centers — Education	36	83	78
Reimbursement for Administration — Correctional Institutions — Education	95	75	87
Reimbursement from PHEAA for Administration — Student Intern Program	31	.....	.....
Reimbursement for Services Rendered by the Department of Education Processing Center	217	255	273
Funds Received from Member States — Consortium for Educational Technology	6	.....	.....
Reimbursement for Administration — Services to Nonpublic Schools	10	48	52
Funds Received From Programs in Non-Collegiate Instruction	8	20	20
TOTAL	\$ 24,214	\$ 29,891	\$ 27,359

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Library			
State Funds	\$ 1,485	\$ 1,586	\$ 1,800
Federal Funds	838	875	800
Other Funds	3	4	4
TOTAL	<u>\$ 2,326</u>	<u>\$ 2,465</u>	<u>\$ 2,604</u>

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
State Library	\$ 1,485	\$ 1,586	\$ 1,800 ✓
Federal Funds:			
Library Services — Administration	838	875	800
Other Funds:			
Book Penalties and Reimbursement for Lost Books	3	4	4
TOTAL	<u>\$ 2,326</u>	<u>\$ 2,465</u>	<u>\$ 2,604</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Pennsylvania Public Television Network			
State Funds	\$ 6,005	\$ 6,017	\$ 6,580
Federal Funds .....	.....	42	.....
TOTAL	<u>\$ 6,005</u>	<u>\$ 6,059</u>	<u>\$ 6,580</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 broadcast simultaneously or separately. Administers a program of grants to support stations' operations.

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Pennsylvania Public Television Network –			
Operations	\$ 4,305	\$ 4,317	\$ 4,580 ✓
Pennsylvania Public Television Network –			
Program Services	1,700	1,700	2,000 ✓
Federal Funds:			
Television Program Production . . . . .	. . . . .	42	. . . . .
TOTAL	<u>\$ 6,005</u>	<u>\$ 6,059</u>	<u>\$ 6,580</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Public School Building Authority			
Federal Funds	\$ 1,200	. . . . .	. . . . .

Assists in the construction, improvement, maintenance, operation and equipment of public school buildings and higher education facilities. The State Public School Building Authority issues bonds to fund projects undertaken and repays the obligations by collecting annual rentals from school districts and institutions. Funding for the 1977-78 fiscal year was provided from Revenue Sharing Trust Funds.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Federal Funds:			
Public Works Employment Act	<u>\$ 1,200</u>	. . . . .	. . . . .

Debt Service Requirements

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General State Authority Rentals – State-aided Institutions			
State Funds	\$ 4,204	\$ 4,300	\$ 4,024
Other Funds	507	450	456
TOTAL	\$ 4,711	\$ 4,750	\$ 4,480

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
General State Authority Rentals— State-aided Institutions	\$ 4,204	\$ 4,300	\$ 4,024
Other Funds:			
Sublease Rentals	507	450	456
TOTAL	\$ 4,711	\$ 4,750	\$ 4,480



Institutional

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Colleges and University			
State Funds	\$ 168,993	\$ 172,700	\$ 172,700
Federal Funds	19,082	10,588	10,588
Other Funds	103,428	116,375	119,386
TOTAL	\$ 291,503	\$ 299,663	\$ 302,674

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			
	1976-77	1977-78	1978-79
Institutions			
Bloomsburg	6,114	6,056	6,078
California	4,937	4,914	4,941
Cheyney	2,716	2,800	3,085
Clarion	5,286	5,086	4,986
East Stroudsburg	4,363	4,360	4,360
Edinboro	6,200	6,000	6,000
Indiana University	11,895	11,906	11,915
Kutztown	4,801	4,800	4,900
Lock Haven	2,443	2,448	2,462
Mansfield	2,996	2,778	2,935
Millersville	5,713	5,720	5,720
Shippensburg	5,622	5,625	5,623
Slippery Rock	6,189	5,971	5,971
West Chester	8,432	8,432	8,516
Total - State Colleges and University	<u>77,707</u>	<u>76,896</u>	<u>77,492</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State College and University Funds by Institution*			
Bloomsburg			
State Funds	\$ 11,557	\$ 11,926	\$ 11,926
Federal Funds	1,250	336	336
Other Funds	7,803	8,913	9,129
TOTAL	\$ 20,610	\$ 21,175	\$ 21,391

* State funds by institution for 1977-78 are shown as they were distributed by the Department of Education. Final distribution of 1978-79 State funds will also be made by the Department of Education.

GENERAL FUND

EDUCATION

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
State College and University Funds by Institution (continued)			
California			
State Funds	\$ 13,019	\$ 13,230	\$ 13,230
Federal Funds	1,702	940	940
Other Funds	5,510	5,920	6,212
TOTAL	\$ 20,231	\$ 20,090	\$ 20,382
Cheyney			
State Funds	\$ 7,815	\$ 7,956	\$ 7,956
Federal Funds	2,558	880	880
Other Funds	4,092	4,876	4,900
TOTAL	\$ 14,465	\$ 13,712	\$ 13,736
Clarion			
State Funds	\$ 11,974	\$ 12,191	\$ 12,191
Federal Funds	1,090	204	204
Other Funds	7,037	7,642	7,582
TOTAL	\$ 20,101	\$ 20,037	\$ 19,977
East Stroudsburg			
State Funds	\$ 8,882	\$ 9,187	\$ 9,187
Federal Funds	958	278	278
Other Funds	6,004	6,671	6,965
TOTAL	\$ 15,844	\$ 16,136	\$ 16,430
Edinboro			
State Funds	\$ 13,970	\$ 14,100	\$ 14,100
Federal Funds	686	463	463
Other Funds	7,366	8,908	8,786
TOTAL	\$ 22,022	\$ 23,471	\$ 23,349
Indiana University			
State Funds	\$ 20,321	\$ 21,004	\$ 21,004
Federal Funds	3,065	2,016	2,016
Other Funds	14,927	17,625	18,553
TOTAL	\$ 38,313	\$ 40,645	\$ 41,573
Kutztown			
State Funds	\$ 11,029	\$ 11,241	\$ 11,241
Federal Funds	666	13	13
Other Funds	6,258	6,923	7,227
TOTAL	\$ 17,953	\$ 18,177	\$ 18,481

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State College and University Funds by Institution (continued)			
Lock Haven			
State Funds	\$ 6,791	\$ 6,901	\$ 6,901
Federal Funds	847	311	311
Other Funds	3,854	4,256	4,494
TOTAL	\$ 11,492	\$ 11,468	\$ 11,706
Mansfield			
State Funds	\$ 8,985	\$ 9,012	\$ 9,012
Federal Funds	974	168	168
Other Funds	4,848	5,115	5,012
TOTAL	\$ 14,807	\$ 14,295	\$ 14,192
Millersville			
State Funds	\$ 12,487	\$ 12,781	\$ 12,781
Federal Funds	1,476	2,812	2,812
Other Funds	8,858	9,580	9,800
TOTAL	\$ 22,821	\$ 25,173	\$ 25,393
Shippensburg			
State Funds	\$ 11,663	\$ 11,969	\$ 11,969
Federal Funds	1,174	760	760
Other Funds	7,495	8,207	8,343
TOTAL	\$ 20,332	\$ 20,936	\$ 21,072
Slippery Rock			
State Funds	\$ 13,366	\$ 13,644	\$ 13,644
Federal Funds	1,543	186	186
Other Funds	8,958	10,034	10,443
TOTAL	\$ 23,867	\$ 23,864	\$ 24,273
West Chester			
State Funds	\$ 17,134	\$ 17,558	\$ 17,558
Federal Funds	1,093	1,221	1,221
Other Funds	10,418	11,705	11,940
TOTAL	\$ 28,645	\$ 30,484	\$ 30,719

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
State Colleges and University	\$ 168,993	\$ 172,700	\$ 172,700 ✓
Federal Funds:			
Grants to State Colleges and University			
Basic Educational Opportunity Grants	11,004		
Supplemental Educational Opportunity Grants	814		
College Work Study	2,613		
National Direct Student Loan Program	1,042		
Head Start Program — California	330	415	415
Basic Institutional Development Program — Cheyney	375	400	400
Law Enforcement Education — Indiana	40	184	184
Upward Bound Project — Lock Haven	124	165	165
Vocational Educational Information Network — Millersville	130	360	360
Migrant Project — Millersville	260	674	674
Migrant Project — Shippensburg	109	243	243
Upward Bound — Bloomsburg		127	127
Upward Bound — East Stroudsburg		113	113
Cooperative Education — Shippensburg		125	125
Child Care — California		150	150
Mine Safety and Health — Indiana		108	108
NSF — Undergraduate Science Education — Indiana		159	159
NSF — Research Initiation and Support — Indiana		180	180
Nursing Continuing Education — Indiana		124	124
Heavy Metal Analysis — Indiana		140	140
Vocational Home Economics — Indiana		114	114
Adult Education Resource Center — Millersville		125	125
Indo-Chinese Refugee Grant — Millersville		997	997
Vocational Skill Training — Millersville		157	157
Library Equipment — Edinboro		118	118
CETA — West Chester		332	332
Minor Federal Grants	2,241	5,078	5,078
Other Funds:			
Tuition and Fees	103,428	113,318	116,311
College Work Study		3,057	3,075
TOTAL	<u>\$ 291,503</u>	<u>\$ 299,663</u>	<u>\$ 302,674</u>

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Special and Vocational Education Services			
State Funds	\$ 7,219	\$ 7,362	\$ 7,453
Federal Funds	253	731	439
Other Funds	137	165	159
TOTAL	\$ 7,609	\$ 8,258	\$ 8,051

The Scranton State School for the Deaf provides instruction for 145 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 300 sons and daughters of soldiers, sailors and marines who served in World Wars I and II and the Korean and Vietnam conflicts.

Thaddeus Stevens State School of Technology provides residence and vocational instruction for 400 students, often orphaned or disadvantaged, ranging from 16 to 18 years of age.

	1976-77	1977-78	1978-79
Institutional Enrollments are:			
Scranton State School for the Deaf	186	145	145
Scotland School for Veterans' Children	420	360	425
Thaddeus Stevens State School of Technology	380	400	425
TOTAL	986	905	995

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Special and Vocational Educational Institutions Funds by Institution			
Scranton State School for the Deaf			
State Funds	\$ 1,637	\$ 1,695	\$ 1,638
Federal Funds	103	132	95
Other Funds	6	24	18
TOTAL	\$ 1,746	\$ 1,851	\$ 1,751
Scotland School for Veterans' Children			
State Funds	\$ 3,834	\$ 3,867	\$ 3,924
Federal Funds	150	599	344
Other Funds	10	6	6
TOTAL	\$ 3,994	\$ 4,472	\$ 4,274
Thaddeus Stevens State School of Technology			
State Funds	\$ 1,748	\$ 1,800	\$ 1,891
Other Funds	121	135	135
TOTAL	\$ 1,869	\$ 1,935	\$ 2,026

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Scranton State School for the Deaf	\$ 1,637	\$ 1,695	\$ 1,638 ✓
Scotland School for Veterans' Children	3,834	3,867	3,924 ✓
Thaddeus Stevens State School of Technology	1,748	1,800	1,891 ✓
Federal Funds:			
ESEA Title I - Education of Children from Low-Income Families	150	339	314
ESEA Title IV - Education Innovation and Support	40	3	. . . .
Education for the Handicapped - Deaf	63	74	. . . .
National School Milk Lunch . . . . .	. . . .	315	125
Other Funds:			
Tuition and Fees (Thaddeus Stevens)	121	135	135
Cafeteria Reimbursement (Scotland)	10	6	6
Cafeteria Reimbursement and Rentals (Scranton)	6	24	18
TOTAL	<u>\$ 7,609</u>	<u>\$ 8,258</u>	<u>\$ 8,051</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Support of Public Schools			
State Funds	\$1,824,160	\$2,010,796	\$2,112,252
Federal Funds	1,237	. . . . .	. . . . .
Other Funds	608	. . . . .	. . . . .
TOTAL	\$1,826,005	\$2,010,796	\$2,112,252

Provides State support to school districts. Subsidy payments are made for basic instruction; vocational education, 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, school employe benefits, school food programs, and education of schol-age individuals in State institutions for the handicapped and juvenile correctional facilities.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Basic Instruction Subsidy and Vocational Education	\$1,253,226	\$1,293,500	\$1,243,602 ✓
Increase in School Subsidy . . . . .	. . . . .	100,000	100,000 ✓
Authority Rentals and Sinking Fund Requirements	142,000	147,000	170,200 ✓
Pupil Transportation	66,712	78,000	106,680 ✓
Special Education	85,550	98,528	109,379 ✓
Homebound Instruction	475	500	500 ✓
Tuition for Orphans and Children Placed in Private Homes	8,250	8,250	9,250 ✓
Payments in Lieu of Taxes	36	. . . . .	80 ✓
Education of Migrant Laborers' Children	72	100	162 ✓
Education of the Disadvantaged	1,000	1,000	1,000 ✓
Special Education—Approved Private Schools	27,815	29,760	29,500 ✓
Higher Education of Blind or Deaf Students	35	100	100 ✓
Intermediate Units	7,193	7,193	7,193 ✓
School Food Services	6,240	8,450	9,054 ✓
School Employes' Social Security	64,650	67,000	78,500 ✓
School Employes' Retirement Fund:			
Contingent Reserve Account and Supplemental Accounts	152,000	158,760	227,495 ✓
Former Teachers' Account	6	6	8 ✓
Youth Development Centers—Education	3,070	3,149	3,149 ✓
State Schools and Hospitals—Education	5,830	9,500	16,400 ✓
Federal Funds:			
Vocational Education — Financial Support	1,237	. . . . .	. . . . .
Other Funds:			
Youth Development Centers — Reimbursements	608	. . . . .	. . . . .
TOTAL	\$1,826,005	\$2,010,796	\$2,112,252

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Support of Nonpublic Schools			
State Funds	\$ 29,222	\$ 33,819	\$ 36,700

Provides, through the intermediate units, services such as guidance counseling, psychological services, and other auxiliary services to nonpublic schools. Also lends textbooks and instructional supplies to children who are attending nonpublic schools in the Commonwealth.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Services to Nonpublic Schools	\$ 18,959	\$ 22,758	\$ 25,543 ✓✓✓
Textbooks for Nonpublic Schools	8,324	8,218	8,318 ✓✓✓
Student Supplies for Nonpublic Schools	1,939	2,843	2,839 ✓✓✓
TOTAL	<u>\$ 29,222</u>	<u>\$ 33,819</u>	<u>\$ 36,700</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Library Services			
State Funds	\$ 9,754	\$ 9,794	\$ 10,359
Federal Funds	1,924	2,648	2,440
TOTAL	<u>\$ 11,678</u>	<u>\$ 12,442</u>	<u>\$ 12,799</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.

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Improvement of Library Services	\$ 8,896	\$ 8,896	\$ 9,428 ✓
Library Services for the Blind and the Handicapped	858	898	931 ✓
Federal Funds:			
Library Services — Extension, Development, and Improvement	1,806	2,515	2,315
Library Services — Interlibrary Cooperation	118	133	125
TOTAL	<u>\$ 11,678</u>	<u>\$ 12,442</u>	<u>\$ 12,799</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Educational Radio and Television			
State Funds	\$ 947	\$ 430	\$ 430

Purchases, produces, records, and distributes programming, and provides and procures auxiliary services for educational broadcasting. Services provided by this activity are for the support of daytime educational broadcasting for instructional purposes.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Educational Radio and Television Grants	\$ 772	\$ 430	\$ 430 ✓
Regional Educational Broadcasting Councils	175	. . . . .	. . . . .
TOTAL	<u>\$ 947</u>	<u>\$ 430</u>	<u>\$ 430</u>

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Correctional Institutions—Education			
State Funds	\$ 2,069	\$ 2,199	\$ 2,244

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Correctional Institutions—Education	<u>\$ 2,069</u>	<u>\$ 2,199</u>	<u>\$ 2,244</u> ✓

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Aid to Community Colleges and Technical Institutes			
State Funds	\$ 44,892	\$ 46,651	\$ 47,998

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 \$500 per full-time equivalent student and to a maximum of \$250 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 enrollment estimates follow. The aggregate enrollment estimates used to determine the appropriation amount are slightly lower than the total of the individual figures submitted by the institutions.

Fall Enrollments

	1976-77	1977-78	1978-79
Community Colleges			
Allegheny County	5,080	5,667	6,000
Beaver County	1,336	1,385	1,367
Bucks County	14,256	18,159	18,871
Butler County	1,774	1,774	1,831
Delaware County	8,510	9,176	9,247
Harrisburg Area	3,434	3,935	4,002
Lehigh County	3,427	3,441	3,460
Luzerne County	1,817	2,140	2,183
Montgomery County	2,343	2,500	2,500
Northampton County	4,329	4,630	4,836
Philadelphia	2,737	2,823	2,905
Reading	3,162	3,646	3,905
Westmoreland County	1,760	2,140	2,247
Williamsport Area	3,098	2,894	3,362
TOTAL	<u>57,063</u>	<u>64,310</u>	<u>66,716</u>

(Dollar Amounts in Thousands)

1976-77	1977-78	1978-79
Actual	Available	Budget

Source of Funds

Appropriations:

Community Colleges—Capital and Operating	<u>\$ 44,892</u>	<u>\$ 46,651</u>	<u>\$ 47,998</u> ✓
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(Dollar Amounts in Thousands)

1976-77	1977-78	1978-79
Actual	Available	Budget

Higher Education of the Disadvantaged

State Funds	\$ 3,345	\$ 3,895	\$ 4,090
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Provides grants to institutions of higher education for special programs for disadvantaged students.

(Dollar Amounts in Thousands)

1976-77	1977-78	1978-79
Actual	Available	Budget

Source of Funds

Appropriation:

Higher Education of the Disadvantaged	<u>\$ 3,345</u>	<u>\$ 3,895</u>	<u>\$ 4,090</u> ✓
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GENERAL FUND

EDUCATION

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Fifth Pathway			
State Funds		\$ 200	\$ 120

Provides training for Pennsylvania residents, who graduate from foreign medical schools and enter approved programs of clinical training in Commonwealth teaching hospitals.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Fifth Pathway		<u>\$ 200</u>	<u>\$ 120</u> ✓

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Ethnic Heritage Studies			
State Funds	\$ 50	\$ 50	\$ 50

Provides a grant for support of an ethnic heritage studies center at the University of Pittsburgh.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Ethnic Heritage Studies	<u>\$ 50</u>	<u>\$ 50</u>	<u>\$ 50</u> ✓

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
State Aid to Students—Higher Education Assistance			
State Funds	\$ 89,056	\$ 88,656	\$ 85,356

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 postsecondary 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)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Transfers to Higher Education Assistance Agency:			
Scholarships	\$ 68,440	\$ 68,440	\$ 68,440 ✓
Reserve for Losses on Guaranteed Loans	3,200	2,500	1,000 ✓
Student Aid Funds—Matching	1,500	1,800 ✓
Administration—Loans and Scholarships	3,916	3,916	3,916 ✓
Institutional Assistance Grants	12,000	12,000	12,000 ✓
TOTAL	\$ 89,056	\$ 88,656	\$ 85,356

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
State Aid to Universities, Colleges and Other Institutions			
State Funds	\$ 274,257	\$ 274,512	\$ 274,698

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

Thirteen 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.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
State-Related Universities			
Pennsylvania State University	\$ 106,759	\$ 106,759	\$ 106,759
University of Pittsburgh	60,486	60,449	60,449
Temple University	66,017	68,517	68,517
Lincoln University	3,175	3,175	3,175
Total-State-Related Universities	\$ 236,437	\$ 238,900	\$ 238,900

	(Dollar Amounts in Thousands)		
	1975-76	1976-77	1977-78
	Actual	Available	Budget
Non-State-Related Universities and Colleges			
Delaware Valley College of Science and Agriculture	\$ 185	\$ 185	\$ 185
Dickinson Law School	99	. . . . .	. . . . .
Drexel University	3,018	3,018	3,018
Hahnemann Medical College	3,276	3,162	3,057
Thomas Jefferson University	5,469	4,719	3,969
The Medical College of Pennsylvania	1,795	1,795	1,795
University of Pennsylvania	17,691	16,391	16,391
Pennsylvania College of Podiatric Medicine	660	660	660
Pennsylvania College of Optometry	220	220	220
Philadelphia College of Art	352	352	352
Philadelphia College of Osteopathic Medicine	3,626	3,577	3,577
Philadelphia College of Textiles and Science	250	250	250
Philadelphia Musical Academy	75	75	75
Total - Non-State-Related Universities and Colleges	\$ 36,716	\$ 34,404	\$ 33,549

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Non-State-Related Institutions			
Berean Training and Industrial School	\$ 434	\$ 394	\$ 434
Berean Training and Industrial School — Rental Payments . . . . .	. . . . .	40	. . . . .
Downingtown Industrial and Agricultural School	544	544	544
Downingtown Industrial and Agricultural School — Accumulated Debts . . . . .	. . . . .	104	. . . . .
Johnson School of Technology	74	74	74
Williamson Free School of Mechanical Trades	52	52	52
Total - Non-State-Related Institutions	\$ 1,104	\$ 1,208	\$ 1,104

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
State-Related Universities			
Pennsylvania State University— Educational and General	\$ 74,457	\$ 79,522	\$ 79,522
Pennsylvania State University— Student Aid	1,760	1,760	1,760
Pennsylvania State University— Research	17,747	7,381	7,381
Pennsylvania State University— Extension and Public Services	10,011	. . . . .	. . . . .
Agricultural Research and Extension . . . . .	. . . . .	15,312	15,312
Pennsylvania State University— Medical Programs	2,784	2,784	2,784
Subtotal	\$ 106,759	\$ 106,759	\$ 106,759
University of Pittsburgh—Educational and General	\$ 52,858	\$ 52,858	\$ 52,858
University of Pittsburgh—Student Aid	2,960	2,960	2,960
University of Pittsburgh—Medical Programs	4,068	4,031	4,031
University of Pittsburgh—Dental Clinic	600	600	600
Subtotal	\$ 60,486	\$ 60,449	\$ 60,449
Temple University—Educational and General	\$ 56,987	\$ 56,987	\$ 56,987
Temple University—Student Aid	3,018	3,018	3,018
Temple University—Medical Programs	5,412	5,412	5,412
Temple University—Dental Clinics	600	600	600
Temple University — Hospital . . . . .	. . . . .	2,500	2,500
Subtotal	\$ 66,017	\$ 68,517	\$ 68,517
Lincoln University—Educational and General	\$ 2,525	\$ 3,025	\$ 3,025
Lincoln University—Student Aid	150	150	150
Lincoln University—Advanced Institution Development	250	. . . . .	. . . . .
Lincoln University—Accreditation Improvement	250	. . . . .	. . . . .
Subtotal	\$ 3,175	\$ 3,175	\$ 3,175

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds (continued)			
Appropriations: (continued)			
Non-State-Related Universities and Colleges			
Delaware Valley College of Science and Agriculture	\$ 185	\$ 185	\$ 185
Dickinson Law School	99	. . . . .	. . . . .
Drexel University	3,018	3,018	3,018
Hahnemann Medical College—Medical Programs	3,067	3,057	3,057
Hahnemann Medical College—Allied Health Programs	209	105	. . . . .
Thomas Jefferson University—Medical Programs	3,969	3,969	3,969
Thomas Jefferson University—Allied Health Programs	1,500	750	. . . . .
The Medical College of Pennsylvania	1,795	1,795	1,795
University of Pennsylvania—Instruction	7,063	7,063	7,063
University of Pennsylvania—Dental Clinics	600	500	500
University of Pennsylvania—Medical Programs	2,882	2,882	2,882
University of Pennsylvania—School of Veterinary Medicine	3,772	2,572	2,572
University of Pennsylvania—Student Aid	3,374	3,374	3,374
Pennsylvania College of Podiatric Medicine	660	660	660
Pennsylvania College of Optometry	220	220	220
Philadelphia College of Art—Instruction	352	352	352
Philadelphia College of Osteopathic Medicine	3,626	3,577	3,577
Philadelphia College of Textiles Science	250	250	250
Philadelphia Musical Academy	75	75	75
Subtotal	<u>\$ 36,716</u>	<u>\$ 34,404</u>	<u>\$ 33,549</u>
Non-State-Related Institutions			
Berean Training and Industrial School — Maintenance	\$ 434	\$ 394	\$ 434
Berean Training and Industrial School — Rental Payments . . . . .	. . . . .	40	. . . . .
Downingtown Industrial and Agricultural School — Maintenance	544	544	544
Downingtown Industrial and Agricultural School — Accumulated Debts . . . . .	. . . . .	104	. . . . .
Johnson School of Technology	74	74	74
Williamson Free School of Mechanical Trades	52	52	52
Subtotal	<u>\$ 1,104</u>	<u>\$ 1,208</u>	<u>\$ 1,104</u>
TOTAL	<u><u>\$ 274,257</u></u>	<u><u>\$ 274,512</u></u>	<u><u>\$ 273,553</u></u>

Capital Improvements

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Capital Improvements			
State Funds	\$ 145

This will provide for minor renovation and construction projects at the State-owned colleges and university, and the State-owned schools.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Capital Improvements	<u>\$ 145</u>

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Handicapped Standards Improvements			
State Funds	\$1,000

This will provide for minor renovation and construction projects at the State-owned colleges and university and the State-owned schools to meet facility standards for the handicapped.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Handicapped Standards Improvements	<u>\$1,000</u>

Grants and Subsidies

	1976-77	(Dollar Amounts in Thousands) 1977-78	1978-79
	Actual	Available	Budget
Safe Driving Course			
State Funds	\$ 4,351	\$ 4,408	\$ 4,202
Federal Funds	53	71	72
TOTAL	<u>\$ 4,404</u>	<u>\$ 4,479</u>	<u>\$ 4,274</u>

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.

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. Also analyses and improves driver education courses of study for secondary school pupils and adults.

	1976-77	(Dollar Amount in Thousands) 1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Safe Driving Course	\$ 4,351	\$ 4,408	\$ 4,202
Federal Funds:			
Highway Safety Education	53	35	36
FHWA — Pedalcycle Education Program . . . . .	. . . . .	36	36
TOTAL	<u>\$ 4,404</u>	<u>\$ 4,479</u>	<u>\$ 4,274</u>

Revenue Sharing Trust Fund

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Public School Building Authority			
State Funds	\$ 1,000	. . . . .

Assists in the construction, improvement, maintenance, operation and equipment of public school buildings and higher education facilities. The State Public School Building Authority issues bonds to fund projects undertaken and repays the obligations by collecting annual rentals from school districts and institutions. Funding for the 1976-77 fiscal year was provided from Federal Public Works Employment Act funds.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Federal Funds:			
Transfer to State Public School Building Authority	<u>\$ 1,000</u>	. . . . .

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Support of Public Schools			
State Funds	\$77,500	\$79,700	\$79,700

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Pupil Transportation	\$23,600	\$23,600	\$23,600
Special Education	51,400	53,600	53,600
Special Education—Approved Private Schools	2,500	2,500	2,500
TOTAL	<u>\$77,500</u>	<u>\$79,700</u>	<u>\$79,700</u>

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
Higher Education Project Grants	\$ 47	. . . . .	. . . . .
Higher Education Act of 1965:			
Community Services Program — Title I	776	\$ 720	\$ 725
Teachers Programs — Title V	63	. . . . .	. . . . .
Non-Federal Grants	5	. . . . .	. . . . .
Regional Resource Centers	782	450	450
Elementary and Secondary Education Act:			
Education of Children of Low Income			
Families—Title I	87,758	101,369	120,000
School Library Resources—Title II	1,033	. . . . .	. . . . .
Supplementary Education Centers and Services—Title III	573	. . . . .	. . . . .
Consolidation of Certain Educational Programs—Title IV	15,290	14,869	15,000
Aid to Local Educational Agencies— Title V	27	. . . . .	. . . . .
Education of the Handicapped—Title VI	5,641	13,100	26,000
Adult Basic Education	5,222	4,400	4,400
Library Construction	148	. . . . .	. . . . .
Development Disability Services Act	33	. . . . .	. . . . .
Additional Dormitory Rental Fees:			
Reserve for Furniture and Equipment	554	550	550
National Defense Education Act:			
Reimbursement for Equipment	541	. . . . .	. . . . .
Preparation of Teachers of Handicapped Children	92	130	378
Vocational Education Act	25,954	26,700	27,000
Additional Dormitory Rental Fees	3,308	3,450	3,550
Additional Dormitory Rental Fees—Reserve for Contingencies and Capital			
Replacement	1,115	1,100	1,120
Food Nutrition Services	86,009	95,000	100,000
Comprehensive Employment and Training Act	4,183	4,000	4,000
TOTAL	<u>\$239,154</u>	<u>\$265,838</u>	<u>\$303,173</u>

DEPARTMENT OF EDUCATION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 7,168	\$ 8,828	\$ 8,166	\$ 8,525	\$ 8,880	\$ 9,260	\$ 9,650
General Instruction	\$1,046,974	\$1,145,591	\$1,166,457	\$1,118,923	\$1,080,712	\$1,035,799	\$ 999,066
General Preschool Education	\$ 63,262	\$ 64,678	\$ 70,365	\$ 69,901	\$ 71,639	\$ 74,826	\$ 78,938
General Elementary and Secondary Education	983,712	1,080,913	1,096,092	1,049,022	1,009,073	960,973	920,128
Special Education	\$ 330,970	\$ 390,226	\$ 432,963	\$ 468,689	\$ 497,800	\$ 529,956	\$ 560,891
Mentally Handicapped Education	125,128	144,763	160,400	170,324	178,182	184,533	192,307
Physically Handicapped Education	173,127	203,076	221,775	239,707	253,959	270,727	284,991
Gifted and Talented Education	32,715	42,387	50,788	58,658	65,659	74,696	83,593
Compensatory Programs	\$ 199,050	\$ 245,386	\$ 285,548	\$ 296,078	\$ 308,418	\$ 323,246	\$ 333,666
Compensatory Preschool Education	13,877	15,687	16,625	18,545	18,678	20,750	20,876
Compensatory Elementary and Secondary Education	185,173	229,699	268,923	277,533	289,740	302,496	312,790
Vocational Education	\$ 378,567	\$ 368,258	\$ 369,654	\$ 391,767	\$ 413,062	\$ 439,440	\$ 458,136
Vocational Secondary Education	355,238	344,193	345,440	366,487	386,478	411,592	428,965
Postsecondary Vocational Education	21,166	21,766	21,825	22,891	23,966	25,107	26,301
Community Education	2,163	2,299	2,389	2,389	2,618	2,741	2,870
Higher Education	\$ 572,103	\$ 577,959	\$ 575,909	\$ 600,557	\$ 627,458	\$ 656,191	\$ 686,876
Agriculture and Natural Resources	3,318	3,505	3,479	3,549	3,620	3,693	3,767
Arts, Humanities and Letters	28,677	29,285	29,081	29,630	30,187	30,758	31,341
Business Management, Commerce and Data Processing	26,323	28,375	28,693	30,700	32,850	35,149	37,607
Education	44,263	44,452	44,316	43,873	43,435	42,999	42,568
Engineering and Architecture	14,832	15,470	15,527	16,437	17,405	18,431	19,519
Health Sciences, Health Professions and Biological Sciences	53,069	51,735	50,776	53,314	56,032	58,939	62,049
Human Services and Public Affairs	13,864	14,434	14,468	15,192	15,950	16,749	17,587
Physical Sciences, Earth Sciences, Mathematics and Military Science	12,088	12,465	12,584	12,964	13,355	13,758	14,172
Social Sciences and Area Studies	26,720	26,483	26,520	27,317	28,137	28,982	29,852
Interdisciplinary Studies	4,748	4,861	4,868	5,014	5,165	5,320	5,477
Research	8,855	8,353	8,455	8,961	9,502	10,069	10,674
Public and Community Services	12,285	11,726	11,743	12,445	13,193	13,983	14,824
Institutional Support Services	230,374	234,403	236,226	251,138	268,246	286,608	306,293
Professional Support Services	2,604	2,725	2,786	2,940	3,092	3,248	3,414
Financial Assistance to Students	90,083	89,687	86,387	87,083	87,289	87,505	87,732

DEPARTMENT OF EDUCATION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

(continued)

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Protection of Persons and Property	\$ 4,671	\$ 4,858	\$ 4,716	\$ 4,733	\$ 4,734	\$ 4,728	\$ 4,725
Highway Safety Education	4,351	4,408	4,202	4,193	4,169	4,133	4,100
Community Training Services	320	450	514	540	565	595	625
Economic Development and Income							
Maintenance	\$ 2,199	\$ 2,750	\$ 2,750	\$ 2,850	\$ 2,850	\$ 2,850	\$ 2,850
Adult Employment Training Services	2,199	2,750	2,750	2,850	2,850	2,850	2,850
Recreation and Cultural Enrichment	\$ 18,473	\$ 18,629	\$ 19,972	\$ 20,902	\$ 21,933	\$ 22,900	\$ 24,023
Recreation Services	1,229	1,232	1,233	1,137	1,141	1,044	1,049
State Library Services	11,239	11,380	12,159	12,856	13,543	14,255	15,008
Public Television Services	6,005	6,017	6,580	6,909	7,249	7,601	7,966
DEPARTMENT TOTAL	<u>\$2,560,175</u>	<u>\$2,762,485</u>	<u>\$2,866,135</u>	<u>\$2,913,024</u>	<u>\$2,965,847</u>	<u>\$3,024,370</u>	<u>\$3,079,883</u>

**Summary of Enrollments in Pennsylvania
Elementary and Secondary and Vocational Education
1975-76 to 1981-82**

Program Category	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Instruction							
General Preschool Education	152,464	137,300	128,600	127,300	125,100	124,400	125,700
General Elementary and Secondary Education	1,708,044	1,618,900	1,544,000	1,411,800	1,321,500	1,232,500	1,147,400
PROGRAM CATEGORY TOTAL	1,860,508	1,756,200	1,672,600	1,539,100	1,446,600	1,356,900	1,273,100
Special Education							
Mentally Handicapped Education . . .	61,640	61,000	60,500	60,000	59,500	59,000	58,500
Physically Handicapped Education . .	134,403	140,000	145,000	148,000	148,000	143,000	138,000
Gifted and Talented Education	27,526	32,000	37,000	42,000	47,000	52,000	57,000
PROGRAM CATEGORY TOTAL	223,569	233,000	242,500	250,000	254,500	254,000	253,500
Compensatory Programs							
Compensatory Preschool Education . .	20,000	19,800	19,800	19,800	19,800	19,800	19,800
Compensatory Elementary and Secondary Education	265,500	283,500	304,000	304,000	304,000	304,000	304,000
PROGRAM CATEGORY TOTAL	285,500	303,300	323,800	323,800	323,800	323,800	323,800
Vocational Education							
Vocational Secondary Education . . .	257,077	265,250	273,400	281,600	289,800	297,900	306,100
Postsecondary Education	46,854	48,600	50,400	52,300	54,300	56,300	58,500
Community Education	176,759	175,650	177,250	176,850	176,400	175,450	174,500
PROGRAM CATEGORY TOTAL	480,690	489,500	501,050	510,750	520,500	529,650	539,100

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)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 7,168	\$ 7,828	\$ 8,166	\$ 8,525	\$ 8,880	\$ 9,260	\$ 9,650
Special Funds		1,000					
Federal Funds	3,250	2,104	1,593	1,709	1,854	2,008	2,173
Other Funds	637	653	622	666	710	748	798
TOTAL	<u>\$11,055</u>	<u>\$11,585</u>	<u>\$10,381</u>	<u>\$10,900</u>	<u>\$11,444</u>	<u>\$12,016</u>	<u>\$12,621</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.

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. In addition, the State Public School Building Authority issues bonds to fund public school and higher education facilities construction.

Program Costs by Appropriation:

(Dollar Amounts in Thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$ 7,168</u>	<u>\$ 7,828</u>	<u>\$ 8,166</u>	<u>\$ 8,525</u>	<u>\$ 8,880</u>	<u>\$ 9,260</u>	<u>\$ 9,560</u>
REVENUE SHARING TRUST FUND							
Transfer to State Public School Building Authority		<u>\$ 1,000</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$61,799	\$63,333	\$69,065	\$68,581	\$70,294	\$73,456	\$77,498
Special Funds	1,463	1,345	1,300	1,320	1,345	1,370	1,440
Federal Funds	295	347	296	272	312	357	408
TOTAL	\$63,557	\$65,025	\$70,661	\$70,173	\$71,951	\$75,183	\$79,346

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Total population of five year olds	176,920	159,490	149,900	148,100	145,650	144,700	146,100
Enrollments	152,464	137,300	128,600	127,300	125,100	124,400	125,700
Transition class enrollment	1,810	1,720	1,540	1,450	1,430	1,400	1,390

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 86 percent of Pennsylvania's five year olds are in this program. An additional twelve percent of the five year olds are in the subcategory Compensatory Preschool Education, leaving about two percent, or 3,000, of the eligible children not enrolled in either program. Both potential and actual enrollments are currently declining because of falling birth rates, but will stabilize somewhat toward the end of the projection period because of a stabilizing number of births. 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 .66. 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, 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, six percent of all first graders are not promoted, while the overall failure rate for those children who have had kindergarten is three percent. Several districts also reported an approximate doubling of first grade reading achievement after preschool

General Preschool Education (continued)

Program Analysis: (continued)

education was implemented.

Another positive indicator is that even under the generally unfavorable financial circumstances statewide, four school districts added kindergarten in September 1977. This lowers to seven the number of districts without preschool programs (two of these have indicated plans to begin offering kindergarten in the next three years), and implies that local decision makers are sufficiently impressed with kindergarten's potential that they are willing to incur the expense of adding it to their instructional programs.

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.

Results from recent studies done at the State University of New York and at Cornell University re-emphasize the importance of early educational experiences for young children in increasing their potential for learning, especially when these early learning experiences take place both in the

home and in a school program. Increasing recognition is being given to the fact that parents play a very important role in the early years of their children's development. Projects developed by educational personnel, including information sharing with parents as well as programs for their children, suggest that this sort of effort is extremely helpful to both children and parents. The Department of Education supports these programs, and is developing material and resources for districts that are planning parent training programs.

The revised School Code proposal currently before the Legislature includes a provision making the offering of kindergarten mandatory (but not attendance by children). If enacted, the proposal would require that the seven districts mentioned above, with about 1,500 eligible children, initiate programs. This would add about \$1 million to the State's budget, but probably not until 1979-80 or later (depending on when legislative action occurs), since these payments are a reimbursement for the previous year's costs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 63	\$ 68	\$ 70	\$ 75	\$ 75	\$ 75	\$ 75
Basic Instruction Subsidy and Vocational Education	34,918	34,361	33,745	33,300	32,735	33,380	34,000
Increase in School Subsidy		2,800	2,800	4,200	4,200	4,350	4,500
Authority Rentals and Sinking Fund Requirements	8,804	8,379	9,360	8,896	9,434	9,976	10,828
Pupil Transportation	4,136	4,446	5,867	5,500	5,950	6,425	7,085
Intermediate Units	446	410	396	400	410	420	440
School Employees' Social Security	4,008	3,819	4,315	4,550	5,050	5,570	5,950
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	9,424	9,050	12,512	11,660	12,440	13,260	14,620
GENERAL FUND TOTAL	\$61,799	\$63,333	\$69,065	\$68,581	\$70,294	\$73,456	\$77,498
REVENUE SHARING TRUST FUND							
Pupil Transportation	\$ 1,463	\$ 1,345	\$ 1,300	\$ 1,320	\$ 1,345	\$ 1,370	\$ 1,440

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 969,363	\$1,067,036	\$1,082,817	\$1,036,247	\$ 996,858	\$ 949,348	\$ 909,063
Special Funds	14,349	13,877	13,275	12,775	12,215	11,625	11,065
Federal Funds	3,537	4,490	3,053	2,876	2,956	2,740	2,936
Other Funds	17,497	14,923	15,058	15,560	16,062	16,565	17,067
TOTAL	\$1,004,746	\$1,100,326	\$1,114,203	\$1,067,458	\$1,028,091	\$ 980,278	\$ 940,131

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Public school enrollments in this program	1,329,973	1,252,400	1,192,500	1,073,100	994,500	916,800	841,600
Nonpublic school enrollments in this program	378,071	366,500	351,500	338,700	327,000	315,700	305,800
Average instructional cost per public school pupil	\$1,320	\$1,439	\$1,625	\$1,770	\$1,811	\$2,044	\$2,165
High school graduates	122,230	118,730	116,800	106,900	101,750	97,000	88,300
Graduates enrolling in business, technical or college programs	70,385	68,660	66,750	62,500	59,950	57,750	52,000

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.

The two most important issues that confront this program are the financing of general education and concerns about whether pupils are learning enough to justify their time in the classroom.

The issue of school finance should, at first glance, be less of a dilemma than it is. School enrollments — especially in general education, as shown in the measures above — are declining and will continue to do so. This would lead to the conclusion that

the need for expenditures would be steadily declining as well. In reality, however, the declining population of school-age children is not producing the expected results. Total school budgets are predicted to increase by 30 percent between 1976-77 and 1982-83, and when this increase is adjusted for declines in pupils, school budgets show a 58 percent increase over the period.

A portion of the apparently contradictory situation of increasing costs for decreasing enrollments is due to unavoidable factors — enrollment declines do not occur uniformly across the State, for example (enrollments are

General Elementary and Secondary Education (continued)**Program Analysis: (continued)**

actually increasing in some suburban areas, where per pupil costs are high). It must also be assumed, however, that some of the disparity between enrollment and cost trends is due to failure of local school decision-makers to deal with the need to reduce expenditures. Evidence for this assumption is the trend in the pupil-staff ratio. This ratio, which includes administrative personnel, has been declining, and is projected to continue to decline from the present 16.2 pupils to each staff member to 14.9 to one by 1982-83. At present pay rates, each one pupil decline in the ratio costs approximately \$114 million annually statewide. There is no evidence that such staffing changes will affect the quality of education; in fact, research information currently available indicates only a limited relationship between pupil achievement and numbers of teachers or other staff members.

The quality of instruction received by the State's pupils is the subject of considerable questioning. Nationwide data, particularly Scholastic Aptitude Test (SAT) scores, appear to indicate a steady decline in pupils' knowledge over the past decade.

Pennsylvania's SAT scores nearly match those at the national level. However, SAT scores are not the only measure of achievement, even for college-bound pupils. Many pupils take achievement tests along with the SAT as part of the

college entrance process. The trend of achievement test scores is not consistent with SAT scores: nationally, scores for basic mathematics, chemistry, and biology are higher than they were five years ago; in Pennsylvania, scores in English composition, mathematics, American history/social studies, and biology are higher than five years ago, and with the exception of biology, are higher than the national average. These tests share a limitation with the SAT in that they are indicative only of the abilities of college-bound high school pupils. The Educational Quality Assessment project, currently operating at a reduced level pending refinement of its methods and objectives, will give further information in the future about the achievement of all pupils.

Whatever the level of pupil attainment, there are undoubtedly improvements to be made in students' mastery of basic skills. The Department of Education is overseeing a project in twelve school districts that is defining basic skills and revising school programs to better provide those skills. Part of the process of defining skills involves soliciting opinions from the community as to what a high school graduate should be able to do. The results of the redesigned school programs in the pilot districts will be evaluated and will form the basis for minimum competency standards, graduation requirements and guidelines for school programs.

General Elementary and Secondary Education (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 1,441	\$ 1,869	\$ 2,053	\$ 2,228	\$ 2,382	\$ 2,595	\$ 2,649
Scotland School for Veterans							
Children	3,834	3,867	3,924	4,120	4,326	4,542	4,769
Basic Instruction Subsidy							
and Vocational Education	671,254	700,741	653,226	616,250	578,145	534,650	501,150
Increase in School Subsidy		57,200	54,300	77,850	74,250	70,050	66,300
Authority Rentals and Sinking Fund							
Requirements	86,336	86,436	95,782	85,938	85,729	84,796	83,247
Pupil Transportation	40,561	45,864	60,063	53,185	54,090	54,630	54,480
Payments in Lieu of Taxes	36		80	41	42	43	44
Intermediate Units	4,373	4,230	4,051	3,893	3,726	3,552	3,379
School Employees' Social Security	39,311	39,396	44,185	43,990	45,950	47,300	45,850
School Employees' Retirement Fund:							
Contingent Reserve and Supplemental							
Accounts	92,420	93,350	128,178	112,648	113,025	112,760	112,340
Former Teachers' Account	6	6	8	8	7	6	6
Services to Nonpublic							
Schools	18,959	22,758	25,543	24,990	24,400	23,900	24,200
Textbooks for Nonpublic							
Schools	8,324	8,218	8,318	8,072	7,812	7,606	7,706
Student Supplies for Nonpublic							
Schools	1,939	2,843	2,839	2,776	2,716	2,660	2,685
Education Radio and Television							
Grants	464	258	258	258	258	258	258
Regional Educational Broadcasting							
Councils	105						
Handicapped Standards Improvements			9				
GENERAL FUND TOTAL	\$ 969,363	\$1,067,036	\$1,082,817	\$1,036,247	\$ 996,858	\$ 949,348	\$ 909,063
REVENUE SHARING TRUST FUND							
Pupil Transportation	\$ 14,349	\$ 13,877	\$ 13,275	\$ 12,775	\$ 12,215	\$ 11,625	\$ 11,065

SPECIAL EDUCATION CATEGORY ANALYSIS

Special education has become the single basic education program that causes the most budgetary concern. There is no end in sight to substantial annual increases under the present funding method, which allows local officials to make most of the spending decisions while the State provides all the funds beyond regular instructional costs.

In addition to the funding formula, questions are being raised about various factors that influence costs of special education. These questions deal with such issues as whether pupils are being properly diagnosed and placed in appropriate programs, whether all pupils in special education belong there, whether the public and private sectors are being used as intended and whether costs are associated with effectiveness of schooling. Two major Commonwealth studies have been conducted that represent the most extensive effort to evaluate special education on a large-scale basis that has been made to date.

One study, conducted by the Office of the Budget, examined the costs associated with the provision of special education, placements into special education, and the administrative structure supporting the delivery of special education. Also reviewed were the implications for the education of exceptional children of the 1972 consent decree entered into between the Commonwealth and the Pennsylvania Association for Retarded Citizens (PARC). The decree obligated the Commonwealth to end the practice of excluding severely retarded children from school and to assure appropriate educational programs for all retarded children. This concept has since been extended by State regulations to apply to all exceptional children. Information concerning the Pennsylvania Department of Education, intermediate units, school districts and private educational facilities was used in this study since these are all components of the special education delivery system of the Commonwealth.

The cost section of the Office of the Budget study focuses on two major areas: increases in total costs of the special education program over the past decade, and the variations in costs among intermediate units with the same types of programs and services. The study found that the most important factor responsible for the increase in aggregate special education costs over the ten-year period 1964-65 to 1974-75 was increased enrollments. Increased special education enrollments were the result of several factors: the general increase in all school enrollments; the addition of the socially and emotionally disturbed and the brain injured/learning disabled as exceptionalities eligible for special education; improved means of identification of exceptional children; and an increased acceptance of the usefulness of special education by both educators and parents. Another major factor responsible for increased special education costs was inflation in general and increased personnel costs in particular.

The Office of the Budget study as well as the Department of Education study (discussed more fully later in this analysis), found that none of the factors that are commonly thought to be responsible for the pronounced cost variation among the intermediate units special education programs (students per teacher, program quality and student achievement) could satisfactorily explain such variation. A number of factors were examined to determine their strength in accounting for the cost difference among intermediate unit programs. Included were full-time students per teacher (full-time class size), the presence or absence of quality program indicators and student achievement levels. With respect to student per teacher ratios among full-time programs, one would expect per capita costs to be less for the larger programs than for those with fewer persons. The analysis revealed only a limited tendency for costs to behave in this manner. While the Office of the Budget's analysis did not include an indicator of program quality (quality should have a very strong influence on costs), it was considered in an analysis done by the Department of Education. That study found that program quality did not account for the variation in costs. It seems that a high cost program may have either high quality or low quality characteristics. Similarly, student achievement levels were found to be largely independent of program cost.

The Office of the Budget study found that gains in academic achievement can be expected among special education students. The results of this study, as well as other evidence, suggest that the bulk of achievement gains would be confined to the grades below the secondary level. Gains can also be expected, and to some degree were documented, in the life skills area, i.e., social competency, acquiring skills directly related to some form of employment and so on.

According to the PARC Consent Decree as well as Department of Education regulations, mainstreaming, the process of reintegrating exceptional children into regular education, is supposed to be a guiding principle for special education in Pennsylvania. Based on the consistently low percentage of students who were mainstreamed and returned to regular education on a full-time basis, it must be concluded that once full-time special education occurs students tend to remain in special education.

Data on the extent of mainstreaming were obtained through a survey of all intermediate units. Respondents were asked to supply the percentage of students within a given exceptionality who were mainstreamed in each of four school years, 1972-73 through 1975-76. While the response rate was not always one hundred percent, a sufficient number did reply to show a

SPECIAL EDUCATION CATEGORY ANALYSIS (continued)

general trend. For the educable mentally retarded exceptionalities, less than one percent of the children were mainstreamed. None of the trainable mentally retarded returned to regular class. Of the physically handicapped, between two and three percent were mainstreamed. The percentage of socially and emotionally disturbed children placed in regular classes declined over the reporting period from 3.6 percent in 1972-73 to 2.9 percent in 1975-76. Similarly, the percentage of brain injured and learning disabled students returned to regular classes was 3.2 percent in 1972-73 but fell to 2.3 percent in 1975-76.

Prevalency rates for handicapping conditions (a measure of the incidence of handicapping conditions within a population) define the need for special education programs. The Office of the Budget study noted, however, that no comprehensive study has been made to determine the actual prevalency of the several exceptionalities eligible for special education. Therefore, the Commonwealth as well as other interested parties such as the State and Federal courts have no precise knowledge of the extent to which special education programs are or are not meeting actual needs.

The Office of the Budget study has shown that the large differences in the per student cost among the exceptionalities into which children are placed could have a large impact on program cost. There is evidence which indicates that the placement of children into certain exceptionalities may have taken place and still be taking place for reasons other than an objective assessment of their mental, emotional and physical status. For instance, systematic association between economic status (per capita income) and the number of educable mentally retarded (EMR) placements was found in the Commonwealth. That is, increasing wealth was associated with decreasing EMR placements. In addition, the recent decline in EMR enrollments may be partially due to parental opposition to the stigmatizing nature of this exceptionality. At the same time brain injured/learning disabled (BI/LD) placements have been increasing in Pennsylvania and studies done elsewhere indicate that such increases have been associated with race and economic status. Sources, both within and outside the Department of Education, have indicated that parental wishes play a large part in classifying children into certain exceptionalities, particularly out of EMR and into BI/LD. There may be many explanations for these findings, ranging from unintended artifacts of placement testing procedures to deliberate biases on the part of parents or program officials, but the effects of misclassification can be both expensive in fiscal terms and in terms of child development.

The Office of the Budget study noted that private school placements have become increasingly popular. While private placement has been thought of as a method of education for the most severely impaired children and for those which public services were deemed infeasible, evidence indicated that private schools were being used for the moderately impaired as well as for more severely impaired students who comprised sufficient numbers in some districts to warrant public services. As with misclassification, over-utilization of private school facilities can be relatively expensive and can restrict the child's opportunity to pursue the development goal of entering regular classes.

The Department of Education has conducted a separate study that is somewhat similar but has different emphases and is more extensive in its sample size and time span than the Office of the Budget study. The Department's study emphasizes cost relationships among jurisdictions and the relationships, if any, between costs and quality of education.

The Department's special education study was concerned with costs, quality (in terms of inputs), and achievement gains of a sample of special education students. Cost data were obtained by means of two questionnaires sent to school personnel. Quality was measured by on-site visits to special education classrooms, where a previously developed 54-item quality rating instrument was used. Achievement gains were obtained by comparing several standardized tests given at the beginning and end of the study (which covered slightly less than a school year). Cost data were from the 1974-75 school year and achievement data were from the 1975-76 school year.

All five exceptionalities gained in social age during the study period. They all gained more months than the span of the study, indicating that the progress was not simply a result of maturation. Academic gains were mixed, although there were gains in all cases. However, reading gains (in months) were uniformly below the number of months the study covered. Also, all gains for educable mentally retarded pupils were below the number of months the study covered.

The exceptional students in the study benefited from special education, with social age development the area of greatest gain. Academically, their development would always be expected to be below that of their chronological ages; they cannot be expected to do as well academically as their regular education peers. Achievement improvement was linked with changes in chronological age; little evidence was reported linking achievement gains to length of time in special education.

On a quality rating scale of one to five special education programs in Pennsylvania received an overall rating of 3.6. However, in the area of integration, or "mainstreaming" (participation of exceptional students in the regular education environment), a score of 2.94 was reported. The importance of this somewhat low rating is underscored by the realization that integration is supposed to be an important objective of special education. No mention was made of any attempt to link achievement to quality.

Cost in relation to both quality and achievement was examined, with the result that no consistent relationships were found between costs and quality. There were only a few close relationships found between costs and achievement, mostly in the case of educable mentally retarded pupils.

SPECIAL EDUCATION CATEGORY ANALYSIS (continued)

Delivery system costs (full-time special education, resource room, etc.) were reported for all types of handicapped children. Among intermediate units wide cost ranges were found for what was defined as the same delivery system (resource room in one intermediate unit versus resource room in another, for example). Depending on the type of handicap, systems were found to be the most or least expensive (full-time self-contained was the most expensive for one handicap, while resource room was the most expensive for another handicap). It was not determined why the cost ranges observed were found, although possible reasons, such as geographic variation, were discussed.

As expected, it was found that special education was more expensive than regular education. The costs of educating a pupil in special education varied from nearly twice as much to just over six times as much as for one in regular education. The study reported that it was not possible to determine minimum costs for a specific program level in any of the exceptionalities studied.

An issue that is crucial to the future of special education is the implementation of the Federal Education for All Handicapped Act. This legislation, many of whose provisions took effect October 1, 1977, was intended to guarantee appropriate instruction for all exceptional children nationwide.

The most important feature of the act is the requirement that an individual education plan be developed for each exceptional pupil. The individual education plan is a statement, prepared in cooperation with parents, of the pupil's educational needs and the method to be used to meet those needs. The act also requires that due process procedures be established to allow parents to insure that their children are given the education to which they are entitled.

Pennsylvania already had a guaranteed education system for exceptional pupils in place when the Federal act was passed. However, the details of the State's system differ sufficiently from the Federal requirements that considerable administrative problems are arising, and in the resultant confusion it is likely that services to children will be adversely affected for a time. It is hoped that eventually handicapped children can benefit from a uniform system of dealing with their special needs.

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 98,291	\$116,802	\$132,440	\$143,639	\$151,472	\$157,823	\$166,127
Special Funds	26,837	27,961	27,960	26,685	26,710	26,710	26,180
Federal Funds	173	587	431	475	521	575	632
Other Funds	6,656	10,639	17,215	32,219	41,431	54,444	54,648
TOTAL	\$131,957	\$155,989	\$178,046	\$203,018	\$220,134	\$239,552	\$247,587

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Population of mentally handicapped children	122,000	119,000	115,000	111,000	108,000	104,000	101,000
Pupils enrolled in mentally handicapped programs	61,640	61,000	60,500	60,000	59,500	59,000	58,500
Pupils in full-time programs	55,475	54,900	54,500	54,000	53,600	53,100	52,650
Pupils in part-time programs	6,165	6,100	6,000	6,000	5,900	5,900	5,850
Pupils returned to full-time regular classes	480	500	500	500	490	490	480

Program Analysis:

This program consists of instruction for pupils who are mentally retarded, socially and emotionally disturbed or residents of detention homes.

Several issues have emerged that will affect the immediate and long-range planning of this program as well as the rest of special education. The most important is the extension of the Right to Education concept to all exceptionalities. The 1972 consent decree for the retarded, which resulted in the placing of about 2,500 previously unserved children in special education programs, encouraged legal action on behalf of other exceptional children. There were similar actions for socially and emotionally disturbed children. The situation has resulted in the adoption of State regulations that guarantee children an appropriate education regardless of exceptional conditions. Third party hearing officers are provided to decide contested placements and local task forces are established to monitor compliance. Another major issue, which was influenced by the Right to Education decision, is the new

Federal Education for All Handicapped Act, discussed in the Special Education Category Analysis.

These developments focus increased attention on the eligible population figures for determination of the magnitude of enrollment increases that might result from increased State and Federal attention to the educational needs of the handicapped. The chart presents the estimated eligible population and the enrollments for each exceptionality that are used to compile the program measures (some changes in enrollments from last year occur because enrollments were estimates at that time and have been updated). The estimated population figures are percentages from a variety of sources (public health estimates or estimates provided by special interest groups) and are not supported by reliable studies or other information that would testify to their reliability. In some cases, estimated enrollments actually exceed the population figure, adding more doubt as to the validity of the percentages.

Mentally Handicapped Education (continued)

Program Analysis: (continued)

Because of the lack of strong evidence that there is a substantial unserved population of mentally handicapped children, a slight decline in overall enrollments is projected, as can be seen in the program measures. These minor declines will occur at the same time as the total school population declines by about three percent a year. As a result, this program's share of the total population is expected to actually increase. The overall subject of placement of pupils is another issue that is gaining importance as more information is obtained. Findings differ among the various handicap classifications:

Educable mentally retarded (EMR) enrollments are declining, while all other groups have shown increases. Three reasons for this trend may be suggested: (1) a decline in the number of children in the 55-80 IQ range, (2) reintegration of EMR pupils into regular programs, (also known as "mainstreaming"), or (3) classification of pupils who would normally be labeled as EMR into other categories.

The first reason can be neither proven nor disproven. The population of EMR children is essentially unknown since the estimate is based on a questionable percentage as mentioned above. It could be theorized that improving health measures have lowered the retardation rate, but this would be purely speculative and, furthermore, must be considered with skepticism in the light of increases in all other handicaps.

The second reason, reintegration, is not a significant factor in EMR programs. The statewide survey recently completed by the Office of the Budget shows that from 1972-73 to 1975-76 the proportion of pupils who had been in EMR classes and were subsequently placed in full-time regular programs remained stable at less than one percent.

The third reason is the one most likely to be responsible for the trend. The incorrect classification of EMR pupils is discussed in detail in the Special Education Category Analysis.

Little change is apparent in the placement or education of trainable and severely mentally retarded pupils. A category of pupils causing increasing concern, however, is socially and emotionally disturbed (SED). This category has shown a rapid growth rate, increasing by two and a half times in the past five

years. The extent of the unserved population, as mentioned earlier, is uncertain. It has been found, however, that severely handicapped SED children are often removed from educational opportunities by placement in institutions or by drug-induced behavior modification, both of which restrict educational efforts. Reassignment of some of these children to community-based living arrangements has begun in some areas and will result in some increased need for education.

More questionable reasons for SED enrollment increases could be those involving reclassification. The SED category is, in addition to the learning disabled group, the recipient of some of the EMR pupils who are diagnosed otherwise. Also, there is some pressure, thus far successfully resisted at the State level, to include pupils who present discipline problems without exhibiting the pathological antisocial behavior of genuine SED cases. Either of these practices, if they occur to a significant degree, could result in additional enrollments and cost.

A trend that modifies somewhat the effect of enrollment increases is the increasing use of "mainstreaming" (the practice of maintaining handicapped pupils in regular education programs, with part-time special education when necessary) of SED pupils. The Office of the Budget survey found that the percentage of SED pupils in full-time programs dropped from 95 percent in 1972-73 to 83 percent in 1975-76. Pupils in part-time programs increased from 5 percent to 17 percent, and SED pupils from the prior year who were returned to entirely regular education programs increased from 4 percent to 6 percent over the period.

Another placement issue, the question of public versus private placement, is a question that affects SED pupils the most in this program, since they comprise virtually all the mentally handicapped private school enrollment. Recently enacted legislation increased the tuition payments to private schools for SED pupils, providing an incentive for private placement. This may cause an increase in the level of SED pupils in these schools beyond the present enrollment of approximately 2,000. More extensive discussions of the

Mentally Handicapped Education (continued)

Program Analysis: (continued)

private-public sector issue can be found in the subcategory Physically Handicapped Education and the Special Education Category Analysis.

The Department of Education's special education study described in the Special Education Category Analysis reported results for three classifications of mentally handicapped pupils. The results, in the categories studied, appear encouraging. SED pupils, in the course of somewhat less than a school year, gained 1.4 years in social age (measured by a test that compares social maturity with chronological age), and seven-tenths of a grade in achievement (reading, spelling and arithmetic). EMR pupils also gained 1.4 years in social age and progressed three-tenths of a year in achievement. Trainable mentally retarded pupils gained a year in social age and their profile scores (on a test to measure skills necessary for independence) increased by 15 percent from beginning to end of the study period.

In addition to public and private schools, programs for the mentally handicapped are conducted in nine State schools and

hospitals. Approximately 2,000 children currently receive instruction at a cost of about \$4,700 each per year. These children are, in most cases, severely mentally retarded, and there are no standardized criteria for determination of educational effectiveness for them; thus, it is not possible to report on the value of these programs at this time.

Estimated Eligible Population and 1977-78
Enrollments by Type of Handicap

Handicap	Estimated Population	Enrollments
Educable mentally retarded	51,000	36,700
Trainable mentally retarded	7,700	8,400
Severely mentally retarded	5,100	3,500
Socially and emotionally disturbed . .	51,000	8,300
Detention	4,200	4,100
TOTAL	119,000	61,000

Program Costs by Appropriation:

(Dollar Amounts in Thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 184	\$ 189	\$ 267	\$ 270	\$ 270	\$ 270	\$ 270
Oversight of Special Education	9	69	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Basic Instruction Subsidy and Vocational Education	30,412	34,361	33,745	34,500	35,100	34,530	35,160
Increase in School Subsidy . . . . .	. . . . .	2,800	2,800	4,350	4,500	4,500	4,650
Authority Rentals and Sinking Fund Requirements	3,834	4,116	4,815	4,607	4,965	5,160	5,503
Pupil Transportation	1,801	2,184	2,987	2,850	3,130	3,325	3,600
Special Education	42,775	49,264	54,690	66,265	71,100	76,175	81,475
Homebound Instruction	29	30	30	42	42	42	42
Tuition for Orphans and Children Placed in Private Homes	1,815	1,815	2,035	2,145	2,255	2,365	2,475
Special Education—Approved							
Private Schools	5,563	5,952	5,900	5,900	5,900	5,900	5,900
Intermediate Units	194	201	201	210	215	216	222
School Employees' Social Security	1,745	1,876	2,200	2,360	2,650	2,880	3,000
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	4,100	4,445	6,370	6,040	6,545	6,860	7,430
State Schools and Hospitals—Education	5,830	9,500	16,400	14,100	14,800	15,600	16,400
GENERAL FUND TOTAL	\$ 98,291	\$116,802	\$132,440	\$143,639	\$151,472	\$157,823	\$166,127
REVENUE SHARING TRUST FUND							
Pupil Transportation	\$ 637	\$ 661	\$ 660	\$ 685	\$ 710	\$ 710	\$ 730
Special Education	25,700	26,800	26,800	25,500	25,500	25,500	24,950
Special Education—Approved							
Private Schools	500	500	500	500	500	500	500
REVENUE SHARING TRUST FUND TOTAL	\$ 26,837	\$ 27,961	\$ 27,960	\$ 26,685	\$ 26,710	\$ 26,710	\$ 26,180

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$149,198	\$178,149	\$196,755	\$215,607	\$229,739	\$246,367	\$260,951
Special Funds	23,929	24,927	25,020	24,100	24,220	24,360	24,040
Federal Funds	267	721	526	568	618	668	726
Other Funds	7,427	11,094	17,667	32,669	41,880	54,891	55,092
TOTAL	\$180,821	\$214,891	\$239,968	\$272,944	\$296,457	\$326,286	\$340,809

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Physically handicapped population	167,500	163,000	157,500	152,000	148,000	143,000	138,000
Pupils enrolled in physically handicapped programs	134,403	140,000	145,000	148,000	148,000	143,000	138,000

Program Analysis:

Pupils included as physically handicapped are those with orthopedic disabilities, brain injuries and learning disabilities, or impairments in speech, hearing or vision.

Much of the analysis of the subcategory Mentally Handicapped Education applies to this program as well. The establishment of State regulations requiring appropriate education of all exceptional pupils and the recent Federal legislation for the handicapped may have an effect on the physically handicapped enrollments. Uncertainties affecting determination of the extent of this effect make budgetary projections difficult. Estimates of the unserved population are, as noted in the preceding subcategory, based on figures of questionable validity. In addition, the number of challenges to the appropriateness of educational placement that will be filed on behalf of children is unknown. The projections in the program measures assume that the effect of the regulation will be relatively small and gradual, resulting in a modest year-to-year enrollment increase overall until the enrollments reach the level of the eligible population.

The category of pupils that is likely to cause a large part of the increase and at the same time causes concern for budgeting is the learning disabled. This classification includes at present the brain injured, but learning disabled and brain injured will be treated as separate groups for administrative and data collection purposes in the future. The learning disabled category is the fastest growing of all exceptionalities, and the chart shows that the supposed unserved population is the largest of the physically handicapped groups. This apparently large growth potential is based on questionable figures, but a factor that is a genuine source of concern is the phenomenon noted in the Mentally Handicapped Education Subcategory and in the Special Education Category Analysis regarding educable mentally retarded (EMR) pupils. It was shown there that misclassification of EMR pupils as learning disabled has been found. Depending on the extent of this misclassification, pupils may be adversely affected by incorrect treatment. Overall planning can be ineffective because placement could be based on factors other than actual handicaps and extra

Physically Handicapped Education (continued)

Program Analysis: (continued)

expense to the State can occur because learning disabled instruction is more expensive than that for EMR pupils.

A trend that tends to keep learning disabled costs from being higher than they are is the increasing use of "mainstreaming". This practice of placing pupils in less than full-time special education programs is mandated by State regulations as a priority placement for this handicap. The State Office of the Budget survey on types of placement found that the proportion of learning disabled pupils in part-time programs increased from 28 percent in 1972-73 to 41 percent in 1975-76. In addition, roughly five percent of each year's learning disabled pupils have been reintegrated into full-time regular classes the following year.

These placement statistics are not shown in the program measures because the survey did not request information on the visually impaired, hearing impaired, or speech and language impaired groups.

Another increasingly significant issue concerning this program is the public-private placement situation, which is mentioned in the Special Education Category Analysis. Approved private schools (most are for the physically handicapped, although socially and emotionally disturbed and retarded pupils are also served) are intended to supplement the public school system by serving as options for placement of pupils whose education is infeasible in public schools. It is presumed that these pupils will generally be severely handicapped and require specialized care and instruction. State regulations require that other forms of placement be considered before pupils are sent to private schools.

There had been indications that the relationship between the public and private sectors was not functioning as intended. Contacts with local administrators revealed that the private schools were reluctant to accept those pupils with more severe handicaps, preferring instead to deal with those who are less difficult to educate. Furthermore, it was reported that some private schools had actively recruited these pupils, thereby decreasing the chances for objective decisions by local administrators regarding placements.

Revised standards that took effect last year may have helped correct the problems encountered in private school

placements. One particularly important feature of the regulations is the elimination of direct placements by parents into private schools. In the past, children could be enrolled in a private school before public school officials were required to approve the placements, and the public administrators, therefore had little choice but to approve the accomplished fact of the private placements. Under the new standards, prior approval by public officials of all private enrollments is required. Another noteworthy provision calls for approval by the Department of Education for all placements in private schools. The effects of these changes are already being felt, since private school enrollments have stopped increasing.

The findings of the Department of Education's cost-effectiveness study for the physically handicapped portion of its sample show that these pupils are making some progress in educational terms. Brain-injured children gained 1.7 years in social age and six-tenths of a grade level in basic skills in the five-to-seven-month time span of the study. Physically disabled pupils gained six-tenths of a year in social age and half a year in basic skills. What will be needed in the future is some interpretation of these results and a similar sort of uniform evaluation of the effectiveness of education in private schools.

ESTIMATED ELIGIBLE POPULATION AND ENROLLMENTS FOR 1977-78 IN PHYSICALLY HANDICAPPED PROGRAMS

Type of Handicap	Estimated Eligible Population	Enrollment
Physically disabled	5,000	3,300
Brain injured and learning disabled	51,000	29,200
Hearing impaired	15,300	5,000
Visually impaired	2,600	3,300
Speech and language impaired	89,100	97,300
Multihandicapped	Unavailable	1,900
TOTAL	163,000	140,000

EDUCATION

Physically Handicapped Education (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 139	\$ 146	\$ 173	\$ 175	\$ 175	\$ 175	\$ 175
Oversight of Special Education	3	36	.....	.....	.....	.....	.....
Scranton State School for the Deaf . . .	1,637	1,695	1,638	1,720	1,806	1,896	1,991
Basic Instruction Subsidy and Vocational Education	65,331	77,312	80,748	85,635	90,000	95,500	99,850
Increase in School Subsidy . . . . .	.....	6,300	6,700	10,800	11,550	12,450	13,200
Authority Rentals and Sinking Fund Requirements	8,236	9,261	11,400	11,437	12,743	14,276	15,620
Pupil Transportation	3,869	4,914	7,147	7,080	8,035	9,200	10,225
Special Education	34,220	39,411	43,750	53,010	56,880	60,940	65,180
Homebound Instruction	446	470	470	658	658	658	658
Special Education—Approved Private Schools	22,252	23,808	23,600	23,600	23,600	23,600	23,600
Higher Education of Blind or Deaf Students	35	100	100	100	100	100	100
Intermediate Units	417	453	480	520	550	600	630
School Employees' Social Security . . .	3,749	4,221	5,260	5,850	6,820	7,970	8,600
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	8,816	10,000	15,240	15,000	16,800	18,980	21,100
Educational Radio and Television Grants	39	22	22	22	22	22	22
Regional Educational Broadcasting Councils	9	.....	.....	.....	.....	.....	.....
Handicapped Standards Improvements . . . . .	.....	.....	27	.....	.....	.....	.....
GENERAL FUND TOTAL	\$149,198	\$178,149	\$196,755	\$215,607	\$229,739	\$246,367	\$260,951
REVENUE SHARING TRUST FUND							
Pupil Transportation	\$ 1,369	\$ 1,487	\$ 1,580	\$ 1,700	\$ 1,820	\$ 1,960	\$ 2,080
Special Education	20,560	21,440	21,440	20,400	20,400	20,400	19,960
Special Education—Approved Private Schools	2,000	2,000	2,000	2,000	2,000	2,000	2,000
REVENUE SHARING TRUST FUND TOTAL	\$23,929	\$24,927	\$25,020	\$24,100	\$24,220	\$24,360	\$24,040

Gifted and Talented Education

OBJECTIVE: To provide quality educational programs to exceptional pupils to develop their fullest potential.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 27,292	\$ 36,673	\$ 45,003	\$ 53,058	\$ 59,989	\$ 68,936	\$ 77,853
Special Funds	5,423	5,714	5,785	5,600	5,670	5,760	5,740
Other Funds	5	4	4	4	5	6	6
TOTAL	\$ 32,720	\$ 42,391	\$ 50,792	\$ 58,662	\$ 65,664	\$ 74,702	\$ 83,599

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Pupils enrolled in gifted programs	27,526	32,000	37,000	42,000	47,000	52,000	57,000

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. Programs for the gifted are offered at 27 of the State's 29 intermediate units and 150 of the 505 school districts.

Current State regulations define gifted pupils as those with IQs over 130 or with other indications of outstanding achievement. Classes for these pupils may include independent study, tutoring, seminars, instruction by itinerant teachers and advanced courses at outside institutions.

The major issue concerning this program continues to be the substantial growth potential for gifted education programs. This issue is further complicated by a State requirement that gifted pupils be given the same legal right to special education as handicapped pupils. Since July 1, 1976, parents or guardians of gifted children have had the authority, under State regulations, to negotiate with school officials for appropriate special programs. Now, in keeping with recent Federal legislation, each identified gifted pupil must have an individual education plan developed. The first such plans were to be made by October 1, 1977 and are to be reviewed biennially.

As in other areas of special education, the number of eligible pupils is open to question. This program, however, is more committed to a percentage figure than others. Commonwealth standards currently refer to those pupils

ranking in the top three percent nationally in ability as being eligible. Three percent of the Commonwealth's total school enrollment is almost 80,000 pupils, and it can be seen from the program measures that the enrollment in gifted programs, although increasing, falls far short of that figure.

Parental interest in gifted education is apparent from requests for information directed to State and local authorities, from the growth in the number of parent organizations for the gifted, and from the number of due process hearings initiated on behalf of gifted children, which are expected to be twice the number initiated in 1976-77. A major obstacle to more rapid enrollment growth is the continuing shortage of teachers qualified to conduct gifted classes. Some continued growth, especially in view of the legal mechanism now established, is likely and is reflected in the program measures. The program measure "pupils at advanced training and degree levels" has been eliminated. In the past, this measure has been based on estimates; it is felt that the estimates are no longer valid, and the measure will be dropped until a data collection system is developed that can supply accurate information regarding these pupils.

An overall assessment of this program must consider the soundness of the assumptions underlying education of the gifted and their effect on expected trends. Present eligibility guidelines are fairly broad and arbitrary. The percentile and IQ limits that are used may have been sufficient in the past, but

Gifted and Talented Education (continued)

Program Analysis: (continued)

now that this program is gaining significance, a more justifiable definition of the pupils to be served is needed. The basic question is, with the Commonwealth committed at present to fund the entire cost of special education for gifted pupils, how restrictive should eligibility standards be? It is possible that there is no other way to determine eligibility than to apply arbitrary qualifications, although the "team" method of pupil evaluation under the current standards for the gifted may be an improvement. The "team" involves psychologists and other evaluators as well as school personnel in the identification process.

It may be pointed out, with some validity, that guidelines for other programs are just as arbitrary (an IQ of 80 or below is used as a qualification for educable mentally retarded pupils, for instance.) This brings to light the contention that has been detected between advocates and opponents of gifted education. Opponents argue that it is unfair to equate the needs of fortunate children who are superior achievers with those who are handicapped and need help to simply lead

normal lives. Advocates perceive the abilities of the gifted as a resource that must not be wasted. The extension to the gifted of the legal right to an appropriate education indicates a sanction of the latter view, but it is doubtful that the contention will soon end.

Limited information is available that in some cases current programs for the gifted enable pupils to achieve better scores on College Board examinations and other tests than nonparticipating gifted pupils. More comprehensive data may be available in the future on the effectiveness of this program when the individual education plans are evaluated.

About 250 pupils who possess exceptional artistic talents are also included in this program. Most of these pupils attend the Governor's School for the Arts at Bucknell University, an ongoing program that brings artistically talented pupils together for workshop experience. At present, talented pupils are identified largely on the basis of subjective judgements by local educators, there being no uniform standards for eligibility.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 28	\$ 30	\$ 48	\$ 50	\$ 52	\$ 55	\$ 58
Oversight of Special Education	1	15	.....	.....	.....	.....	.....
Basic Instruction Subsidy and Vocational Education	13,517	18,407	21,693	24,980	28,100	32,230	36,300
Increase in School Subsidy . . . . .	.....	1,500	1,800	3,150	3,600	4,200	4,800
Authority Rentals and Sinking Fund Requirements	1,704	2,205	3,063	3,336	3,972	4,816	5,680
Pupil Transportation	801	1,170	1,920	2,065	2,500	3,100	3,720
Special Education	8,555	9,853	10,939	13,255	14,220	15,235	16,295
Intermediate Units	86	108	130	150	175	200	230
School Employees' Social Security	776	1,005	1,410	1,700	2,130	2,700	3,100
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	1,824	2,380	4,000	4,372	5,240	6,400	7,670
GENERAL FUND TOTAL	<u>\$27,292</u>	<u>\$36,673</u>	<u>\$45,003</u>	<u>\$53,058</u>	<u>\$59,989</u>	<u>\$68,936</u>	<u>\$77,853</u>
REVENUE SHARING TRUST FUND							
Pupil Transportation	\$ 283	\$ 354	\$ 425	\$ 500	\$ 570	\$ 660	\$ 750
Special Education	5,140	5,360	5,360	5,100	5,100	5,100	4,990
REVENUE SHARING TRUST FUND TOTAL	<u>\$ 5,423</u>	<u>\$ 5,714</u>	<u>\$ 5,785</u>	<u>\$ 5,600</u>	<u>\$ 5,670</u>	<u>\$ 5,760</u>	<u>\$ 5,740</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$13,688	\$15,498	\$16,435	\$18,335	\$18,468	\$20,515	\$20,641
Special Funds	189	189	190	210	210	235	235
Other Funds	5,000	5,000	5,000	5,000	5,000	5,000	5,000
TOTAL	\$18,877	\$20,687	\$21,625	\$23,545	\$23,678	\$25,750	\$25,876

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Eligible disadvantaged children	25,000	27,000	32,000	32,000	32,000	32,000	32,000
Enrollments	20,000	19,800	19,800	19,800	19,800	19,800	19,800

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.

Where evaluation has been done, compensatory preschool education appears to have positive results. One program, designated COPE, has become a model compensatory preschool program and has been adopted by 60 school districts in Pennsylvania. Results of its three year operation as a demonstration project have shown that participating children progress at between two and three times the normal growth rate in mental age, language skills and social development while in the program. One school district that recently began a COPE program reported an average increase in IQ of eleven points during the regular school term.

Another evaluation, of Philadelphia's Follow Through program, compared test results of about 6,000 compensatory pupils and a like number of non-program children. Pupils in Follow Through performed better than the other children in kindergarten and first grade, but the program did not produce positive effects in grades two and three. However, the portion of Follow Through children who were instructed using two

methods (seven different types of Follow Through models were used overall) performed better in all four grades. The methods consisted of using tangible reinforcements (tokens exchangeable for rewards) and involving parents closely in all decisions made about the programs.

The problem is that although the data from these and other individual programs show promising results for some compensatory preschool education projects in Pennsylvania, no comprehensive picture of the State's progress as a whole exists at the present time. This is chiefly due to the fact that most such programs do not test at all, or if they do, they do not test all the critical variables, or the kinds of tests used across all programs differ so radically that comparisons as well as overall aggregations of data are not possible.

The Department of Education is attempting to evaluate all compensatory preschool programs using a uniform instrument. This instrument, the Pennsylvania Preschool Inventory, was developed five years ago as a test of educational progress for children three to six years old. It measures the child's level of understanding of words, concepts and the basic relationships among things in his environment. Current work on standardization of this inventory will result in a means for comparing progress within individual compensatory programs to average progress of compensatory children on a statewide basis.

Compensatory Preschool Education (continued)

Program Analysis: (continued)

During the 1975-76 school year the instrument underwent a preliminary standardization study, with 3,000 children from 31 school districts being tested. Additional testing done in the fall of 1976 of over 4,000 disadvantaged children from 35 more school districts will produce criteria for a cross-section of Pennsylvania disadvantaged children that will become available for use on a statewide basis in the spring of 1978.

The Pennsylvania Preschool Inventory has already been used successfully with a number of compensatory programs. Post-test data on a sample of over 120 preschool children attending a full-year compensatory program showed a significant average gain over pretest performance on the inventory. Complete post-test data on two four-week summer

compensatory programs, involving over 80 preschool children, yielded a significant gain over pretest performance for one of the participating districts and a small gain for the other. Another school district reported an average gain of 39 percent in inventory results during its school year.

The higher number of eligible children and increased enrollments shown in this year's program measures, compared to those in last year's budget are due to two factors. A substantial actual and projected increase in Federal funds for preschool programs is increasing participation, and incorrect reporting of preschool pupils as elementary enrollments has been corrected.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Basic Instruction Subsidy and Vocational Education	\$ 9,011	\$ 9,817	\$ 9,641	\$10,700	\$10,530	\$11,500	\$11,350
Increase in School Subsidy	800	800	800	1,350	1,350	1,500	1,500
Authority Rentals and Sinking Fund Requirements	1,136	1,176	1,360	1,430	1,490	1,720	1,775
Pupil Transportation	534	624	853	885	940	1,110	1,160
Tuition for Orphans and Children Placed in Private Homes	412	412	463	488	513	538	563
Education of Migrant Laborers' Children	4	5	8	12	18	27	41
Education of the Disadvantaged	800	800	800	800	800	800	800
Intermediate Units	58	58	60	65	67	70	72
School Employees' Social Security	517	536	630	730	800	960	980
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	1,216	1,270	1,820	1,875	1,960	2,290	2,400
GENERAL FUND TOTAL	\$13,688	\$15,498	\$16,435	\$18,335	\$18,468	\$20,515	\$20,641
REVENUE SHARING TRUST FUND							
Pupil Transportation	\$ 189	\$ 189	\$ 190	\$ 210	\$ 210	\$ 235	\$ 235

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)						1982-83
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	
General Fund	\$182,648	\$226,938	\$265,853	\$274,373	\$286,460	\$299,096	\$309,290
Special Funds	2,525	2,761	3,070	3,160	3,280	3,400	3,500
Federal Funds	1,154	1,887	1,840	1,947	2,117	2,307	2,518
Other Funds	161,890	183,461	207,078	211,086	214,695	218,704	222,314
TOTAL	\$348,217	\$415,047	\$477,841	\$490,566	\$506,552	\$523,507	\$537,622

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Pupils eligible for program services	331,000	351,000	429,000	429,000	429,000	429,000	429,000
Pupils enrolled in programs offered	265,500	283,500	304,000	304,000	304,000	304,000	304,000

Program Analysis:

This program consists of remedial instruction for disadvantaged children in public and nonpublic schools, education of migrant laborers' children, and instructional programs in youth development centers and youth forestry camps.

Remedial instruction, conducted in 500 of the State's 505 school districts, is funded primarily by the Federal Elementary and Secondary Education Act. Children who are not doing well in school are given supplementary instruction three to five times a week in small groups to try to improve their educational performance, with emphasis on the basic skills. Psychological guidance, medical and dental care, and counseling are also offered. Two-thirds of the participating pupils are from low income families.

Evaluation in terms of progress on standardized tests continues. Approximately 244,000 pupils in grades 1 through 12 have now been tested for reading achievement and 117,000 for mathematics progress. The results from this evaluation indicate that the majority of pupils are achieving at a rate faster than that expected of an average child not in the program. Average children are expected to gain eight months for eight months in school. The majority of compensatory pupils are now gaining almost twelve months for eight months

in the program. In 1975-76 compensatory pupils progressed roughly the same as the national average, while these new results indicate gains at a rate close to one and a half times the national average.

This success must still be viewed in the light of the fact that even though compensatory instruction appears to help children learn at a faster rate, they generally enter the program so far behind average children that the gains achieved do not allow them to catch up with their peers. The achievement reported in the most recent evaluation has improved somewhat over previous evaluations, so there is a possibility that the disparity between compensatory children's and regular children's educational levels is being lessened. This is also suggested by a reported decline, in many school districts, in underachieving pupils in grades one through three.

The most recent evaluation suggests, additionally, that particular teaching methods, materials and ages at which children are placed in programs may be of particular significance. The Commonwealth continues to make efforts to pinpoint these characteristics and make them known. Even though the funding originates at the Federal level and the programs are carried out at the local level, the Commonwealth is attempting to increase its role in program improvement by

Compensatory Elementary and Secondary Education (continued)

Program Analysis: (continued)

disseminating data regarding progress of children and characteristics of particularly successful programs.

Overall enrollments and eligible pupils in this program show increases over last year's presentation, which are due to the effects of recent increases and expected growth next year in Federal funding of remedial programs.

The migrant children's education portion of this program is undergoing several changes. The number of children served is increasing, from 1,263 in 1975-76 to an estimated 2,600 in 1977-78. The increase is due to improved identification procedures and to the inclusion in the program of children whose parents are no longer migrants. Such children can continue to participate in migrant programs for five years after their parents cease to be migrants. The majority of migrants are of Hispanic origin, adding language difficulties to the problem of underachievement. Migrant children are found to be two to three years behind their peers in learning. This is not surprising considering the continually mobile state of migrant living that results in the children attending school a total of two to five months during the school year in a number of different schools.

The summer educational program for migrant children is based upon upgrading their basic skills and providing them with survival skills such as personal hygiene, nutrition and first aid. Evaluation of the effects of this program is under way; results from tests given to migrant children show an average gain of eleven percent in verbal ability and seven percent in mathematics skill during the time the pupils spend in educational programs. Programs for migrant children for the regular school year are presently being developed, based upon the needs of the individual students.

The National Migrant Student Record Transfer System has become an important aspect of the program, providing the educational and medical history of each child. Early in 1978, reading and math skills mastered by the child will be incorporated into the system to improve the communication from one teacher to another.

In the third component of this program, education in youth development centers and youth forestry camps, the population of the facilities has leveled off to an average total of 900. Of this number, 160 are in maximum security units that have replaced the State Correctional Institution at Camp Hill as a juvenile facility. The Department of Public Welfare is continuing to develop a range of alternatives to residential placement. For example, the Youth Development Center at Warrendale is changing from a resident institution of 100 beds to an intake and diagnostic unit for 30 youths. The Youth Development Center at Waynesburg has become

co-educational to provide placement for male juveniles who would have been sent to Warrendale, and day treatment facilities are being developed in Allegheny County to provide services to juveniles after diagnosis.

The student population in the Commonwealth's facilities for youthful offenders has an age range from 9 to 19; the average age has increased from 15.5 to over 16 with the exclusion of juveniles from the State Correctional Institution at Camp Hill. The reading and mathematics comprehension levels of these students are far lower than normal for their chronological age; with the average length of residence for a student being from seven to nine months, programs had to be designed to help accelerate the learning process. New approaches have been devised and the most highly effective programs have been isolated and implemented in order to provide the most beneficial instruction. The following is the average grade advancement in reading and math by institution for the 1975-76 school year. Scores are reported in number of years gain in skills in a nine month project. These results are particularly encouraging considering that the average gain of these students in the public school system had been approximately half a year for each nine months in the classroom.

	MATH	READING
Cornwells Heights	1.4	No Data
Loysville	1.7	1.7
New Castle	*	*
Philadelphia	.4	1.2
Scotland School	.9	1.4
Warrendale	.9	.6
Waynesburg	<i>No Data Available</i>	
Youth Forestry Camp No. 1	<i>No Data Available</i>	
Youth Forestry Camp No. 2	.4	.9

* Data not reported in grade equivalents.

New vocational programs are also now being used to assess, instruct and follow up youth offenders interested in vocational training. Area vocational-technical schools, private trade schools, and existing vocational programs at the institutions provide vocational education. In several institutions, vocational aptitude tests have been provided to assess student interests and abilities prior to placement in training programs.

The statewide average annual cost of education for all youth development center and forestry camp residents is currently \$3,500 per resident.

Compensatory Elementary and Secondary Education (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 99	\$ 97	\$ 101	\$ 105	\$ 105	\$ 105	\$ 105
Basic Instruction Subsidy and							
Vocational Education	120,524	143,579	156,676	159,370	162,500	165,750	167,880
Increase in School Subsidy		11,700	13,000	20,100	20,850	21,600	22,200
Authority Rentals and Sinking							
Fund Requirements	15,194	17,199	22,125	21,286	23,004	24,768	26,270
Pupil Transportation	7,138	9,126	13,868	13,170	14,510	15,950	17,200
Tuition for Orphans and Children							
Placed in Private Homes	6,023	6,023	6,752	7,117	7,482	7,847	8,212
Education of Migrant Laborers'							
Children	68	95	154	231	347	520	779
Education of the Disadvantaged	200	200	200	200	200	200	200
Intermediate Units	770	842	935	965	1,000	1,035	1,060
School Food Services	6,240	8,450	9,054	9,665	10,318	10,917	11,660
School Employees' Social Security	6,916	7,839	10,200	10,900	12,300	13,820	14,400
School Employees' Retirement Fund:							
Contingent Reserve and Supplemental							
Accounts	16,265	18,575	29,575	27,900	30,330	32,900	35,460
Educational Radio and Television							
Grants	115	64	64	64	64	64	64
Regional Educational Broadcasting							
Councils	26						
Youth Development Centers--							
Education	3,070	3,149	3,149	3,300	3,450	3,620	3,800
GENERAL FUND TOTAL	<u>\$182,648</u>	<u>\$226,938</u>	<u>\$265,853</u>	<u>\$274,373</u>	<u>\$286,460</u>	<u>\$299,096</u>	<u>\$309,290</u>
REVENUE SHARING TRUST FUND							
Pupil Transportation	<u>\$ 2,525</u>	<u>\$ 2,761</u>	<u>\$ 3,070</u>	<u>\$ 3,160</u>	<u>\$ 3,280</u>	<u>\$ 3,400</u>	<u>\$ 3,500</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$352,453	\$341,267	\$342,340	\$363,237	\$383,028	\$407,952	\$425,165
Special Funds	2,785	2,926	3,100	3,250	3,450	3,640	3,800
Federal Funds	2,106	3,339	2,225	1,992	2,143	2,299	2,468
Other Funds	21,621	22,335	21,835	22,135	22,135	22,135	22,135
TOTAL	\$378,965	\$369,867	\$369,500	\$390,614	\$410,756	\$436,026	\$453,568

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Total enrollment in secondary vocational education	257,077	265,250	273,400	281,600	289,800	297,900	306,100
Secondary students who need secondary occupational programs	267,930	263,200	258,250	253,400	246,500	236,850	225,300
Enrollment in occupational programs ...	189,209	195,225	201,240	207,250	213,270	219,300	225,300
Graduates from occupational programs ...	60,387	62,315	64,240	66,150	68,075	70,000	71,900
Graduates available for employment	39,348	40,600	41,850	43,100	44,350	45,600	46,860
Graduates available for employment employed within three months	31,450	32,450	33,450	34,450	35,450	36,450	37,450

Program Analysis:

This program provides vocational training for high school students in 700 comprehensive schools and area vocational – technical schools. Over 130 types of courses are offered in the general fields of agriculture, office occupations, health occupations, wholesale and retail services, gainful home economics, technical occupations and industrial occupations.

Since it is the intent of this program to provide vocational skills to all people who are likely to need them, and since about half of all graduates do not attend college, the logical target group for vocational secondary education is the remaining half of the high school population. This group is shown in the second program measure, which includes half of all public school enrollments in grades ten through twelve.

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. 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.

Both the overall level and the annual increase in enrollments are lower than in last year's presentation. Analysis of recent enrollment reports indicates that, particularly in the wholesale and retail services field, expected increases have not occurred. Future projections, while still predicting some expansion, have been revised downward from last year's figures. It is now expected that the fifty percent target group will be fully enrolled in occupational programs by 1982-83.

Vocational Secondary Education (continued)

Program Analysis: (continued)

In addition to the regular vocational program, special and innovative activities attempt to improve the effectiveness of vocational services. Such activities include instruction; remedial programs and other services to 48,000 disadvantaged and 10,000 handicapped pupils; co-operative education programs, which provide on-the-job training, through agreements with business and industry, for 4,900 pupils;

work-study programs, which provide earnings to potential dropouts to encourage them to remain in school, for 2,300 pupils; attempts to eliminate sex bias and stereotyping in vocational curricula; and revision of vocational instruction to require that pupils master certain skills prior to program completion.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 573	\$ 641	\$ 916	\$ 1,149	\$ 1,218	\$ 1,263	\$ 1,308
Thaddeus Stevens Trade School	1,748	1,800	1,891	1,986	2,085	2,189	2,298
Basic Instruction Subsidy and Vocational Education	299,044	265,115	244,321	255,450	264,800	278,480	285,950
Increase in School Subsidy		16,900	17,800	28,200	29,700	31,350	32,850
Authority Rentals and Sinking Fund Requirements	16,756	18,228	22,295	21,920	24,163	26,488	28,577
Pupil Transportation	7,872	9,672	13,975	13,565	15,240	17,060	18,700
Intermediate Units	849	891	940	990	1,050	1,100	1,160
School Employees' Social Security	7,628	8,308	10,300	11,220	12,900	14,800	15,720
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	17,935	19,690	29,800	28,735	31,850	35,200	38,580
Educational Radio and Television Grants	39	22	22	22	22	22	22
Regional Educational Broadcasting Councils	9						
Capital Improvements			80				
GENERAL FUND TOTAL	<u>\$352,453</u>	<u>\$341,267</u>	<u>\$342,340</u>	<u>\$363,237</u>	<u>\$383,028</u>	<u>\$407,952</u>	<u>\$425,165</u>
REVENUE SHARING TRUST FUND							
Pupil Transportation	<u>\$ 2,785</u>	<u>\$ 2,926</u>	<u>\$ 3,100</u>	<u>\$ 3,250</u>	<u>\$ 3,450</u>	<u>\$ 3,640</u>	<u>\$ 3,800</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 21,166	\$ 21,766	\$ 21,825	\$ 22,891	\$ 23,966	\$ 25,107	\$ 26,301
Federal Funds	1,860	839	764	800	837	874	912
Other Funds	4,672	4,681	5,217	5,226	5,235	5,244	5,253
TOTAL	\$ 27,698	\$ 27,286	\$ 27,806	\$ 28,917	\$ 30,038	\$ 31,225	\$ 32,466

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Enrollments in postsecondary vocational programs	46,854	48,600	50,400	52,300	54,300	56,300	58,500
Students completing training	10,729	11,130	11,540	12,000	12,435	12,900	13,400
Graduates available for employment	7,711	8,300	8,600	8,935	9,280	9,620	10,000
Employable graduates employed within three months	6,934	7,470	7,750	8,050	8,350	8,655	9,000

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 19 university branch campuses, full-time postsecondary programs are offered in 12 area vocational-technical schools, two junior colleges and various other locations. Approximately 565 curricula are operated in these institutions, offering job training for 68 different types of occupations.

Public acceptance of the need to expand opportunities for occupational education is expressed in the fact that vocational education enrollments in two-year programs in the community colleges continue to exceed enrollments of persons preparing to transfer to 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 courses conducted are for 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 nature, students may continue their education to achieve a professional level. More than 10,000 individuals enroll annually with less than 20 percent withdrawal before completion. More than 90 percent of those completing

Postsecondary Vocational Education (continued)

Program Analysis: (continued)

training 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 assistants, medical assistants, medical laboratory assistants, nursing assistants and X-ray technologists.

Estimates of enrollments in postsecondary programs have been revised upward from last year's budget. This is primarily because the leveling off of participation expected in last year's budget has not occurred. Increasing emphasis on vocational postsecondary education at the Federal level is expected to

contribute to enrollment increases. In addition, part of the higher level of enrollments is due to a correction of reporting procedures. Some postsecondary students had been reported in other adult education programs and are now included in this program.

It is recommended that the Act of March 31, 1949 be amended to exclude Berean Training and Industrial School and Downingtown Industrial and Agricultural School from the requirement of paying General State Authority sublease rentals on existing capital facilities at these institutions.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 216	\$ 341	\$ 337	\$ 356	\$ 376	\$ 400	\$ 425
General State Authority Rentals—							
State-aided Institutions	94	86	80	80	80	80	80
State Colleges and University	205	236	236	254	275	297	321
Basic Instruction Subsidy and							
Vocational Education	5,816	5,857	5,857	6,176	6,468	6,772	7,089
Community Colleges—Capital and							
Operating	9,094	9,246	9,431	9,808	10,200	10,608	11,032
Pennsylvania State University	3,276	3,431	3,419	3,556	3,693	3,846	4,000
University of Pittsburgh	274	274	274	296	320	345	373
Temple University	1,087	1,087	1,087	1,173	1,267	1,369	1,479
Berean Training and Industrial							
School	434	394	434	469	506	547	590
Berean Training and Industrial							
School Rental Payments		40					
Downingtown Industrial and							
Agriculture School	544	544	544	587	635	685	740
Downingtown Industrial and							
Agriculture School—Accumulated Debts		104					
Johnson School of Technology	74	74	74	80	86	93	101
Williamson Free School of Mechanical							
Trades	52	52	52	56	60	65	71
GENERAL FUND TOTAL	<u>\$ 21,166</u>	<u>\$ 21,766</u>	<u>\$ 21,825</u>	<u>\$ 22,891</u>	<u>\$ 23,966</u>	<u>\$ 25,107</u>	<u>\$ 26,301</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$2,163	\$2,299	\$2,389	\$2,389	\$2,618	\$2,741	\$2,870
Federal Funds	87	285	127	139	150	164	178
Other Funds	5,317	4,475	4,487	4,496	4,505	4,516	4,528
TOTAL	\$7,567	\$7,059	\$7,003	\$7,024	\$7,273	\$7,421	\$7,576

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Public high school dropouts	32,764	33,000	33,000	32,500	32,000	31,500	31,000
Persons receiving Commonwealth-issued high school equivalency diplomas	13,200	14,100	15,250	14,750	14,250	13,750	13,250
Persons enrolled in community education programs:							
Adult noncredit	96,300	96,500	97,000	97,000	97,000	97,000	97,000
Adult basic education	47,764	47,000	48,000	48,000	48,000	48,000	48,000
Standard evening high school	24,000	23,000	23,000	22,000	21,000	20,000	19,000
General educational development (GED)	8,650	9,000	9,000	9,500	10,000	10,000	10,000
Adult competency-based programs	45	150	250	350	400	450	500
Percent successfully completing GED program	72%	72%	72%	72%	74%	75%	75%

Program Analysis:

The community education program is for 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 they 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 obtaining 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 students is simply the personal satisfaction derived from learning about an interesting subject. In addition, educational programs are available to inmates of correctional institutions who wish to increase their chances of a successful return to society.

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 have less than a twelfth grade education. In addition to those individuals between 16 and 24 years of age with the same deficiencies and the annual average of over 30,000 public school dropouts, there are 400,000 foreign-born adults in Pennsylvania. All of these facts establish a large number of potential participants in this program.

Adult basic education classes to help adults acquire basic reading and math skills are conducted in public schools and hospitals. These programs are conducted in 47 counties in Pennsylvania with the emphasis on urbanized areas with large populations of illiterates and concentrations of

Community Education (continued)

Program Analysis: (continued)

non-English-speaking adults. The adult basic education enrollments shown above are higher than the projections in last year's budget. The primary reason for this change is that minority-group participation, including Vietnamese refugees, in course offerings has been greater than expected.

The program measure showing the number of adults who acquire eighth grade skills has been eliminated. Such information is no longer collected, since eighth grade competency is insufficient for an increasing number of jobs. A high school diploma, or to a declining extent, at least tenth grade equivalency, is becoming the minimum requirement for employment.

The second step in the overall program is to aid the adult in completing a high school education. There are three methods of securing a diploma—General Education Development (GED), the Standard Evening High School Program, and adult competency-based education. For those individuals who can't spend the time in a regular high school program of study, public schools and institutions conduct classes to prepare adults to take the GED tests. Upon successful completion of the tests, a Commonwealth Secondary School Diploma is issued. The second method of acquiring a high school diploma is through the Standard Evening High School program conducted by school districts. Adults can take courses corresponding to regular day school instruction in the evenings in order to receive a regular high school diploma issued by the district.

A new adult program, shown in the program measures, is the adult competency-based system. In this program, school districts can determine what skills constitute high school equivalency, can establish training centers for interested adults, and upon the district's satisfaction that an individual possesses those skills, it can issue a high school diploma.

Another type of 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 72 subjects. These include arts and crafts, useful skills such as masonry and auto repairs, and interest areas ranging from antiques and amateur radio to world culture and yoga.

Progress is being made in reducing the number of illiterates in most areas of the Commonwealth. Adult education 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 Evening High School programs with the continuing high rate of high school dropout, it appears the number of adults requiring high school level training will be increasing.

The educational program for inmates of correctional institutions currently serves about 2,000 adults. The program is beginning to overcome security problems that had delayed implementation of full-time instruction. Each institution has prepared a plan for making full-time vocational training available to its inmates.

Job placement receives much attention in this program. Three institutions have full-time placement officers, and three more have begun to use contracted placement services to assist released individuals in obtaining employment.

The institutions have differing populations and types of education programs. Descriptions of each follow:

SCI—Camp Hill

The educational program at Camp Hill serves approximately 300 young males. Camp Hill has expanded its offerings to include two full-time vocational courses, auto mechanics and barbering. There will be a job placement component added to the institutional program to assist inmates in obtaining employment upon release.

SCI—Dallas

The educational program serves approximately 300 men with full-time offerings in auto body repair, air conditioning and refrigeration, plumbing and barbering. The auto body repair program is operated in conjunction with Correctional Industries and serves to train inmates to repair damaged State vehicles.

SCI—Graterford

The educational program serves approximately 400 men. This is the largest correctional facility in Pennsylvania, with a population of approximately 1800 inmates. The educational facility at SCIG does not permit expansion for many new vocational endeavors. However, the vocational programs at SCIG are presently offering full-time courses in auto repair, barbering and dental technology. SCIG has a full-time job placement specialist to assist inmates in employment upon release.

Regional Correctional Facility at Greensburg

This institution is a short-term medium security facility that has expanded its skill training programs to offer full-time courses in photography, auto engine repair and carpentry. Approximately 180 inmates participate in the vocational education program.

Community Education (continued)

Program Analysis: (continued)

SCI—Huntingdon

The educational program serves approximately 240 men with offerings in electronics, electricity, masonry, plumbing, office practices, upholstery, welding and carpentry. Renovations have been completed and the institution now has three additional classrooms for offering vocational theory.

SCI—Muncy

This institution, which houses 210 women, has about 120 participants in vocational programs. SCIM's job placement component is a contractual arrangement with numerous manpower and employment agencies around the State. The agencies are paid a \$600 placement fee after an inmate has been placed in employment and has held her job for eight weeks or more. Agencies are also provided with a \$250 educational or post-release training fee after an inmate has been released.

SCI—Pittsburgh

The correctional facility at Pittsburgh is the oldest facility in the Pennsylvania correction system. There are approximately 1,000 men housed in this institution, but due to the limited space available for educational purposes, there are only about 160 men participating in the five vocational programs, which are welding, radio-TV, house wiring, plumbing and auto mechanics.

SCI—Rockview

The expanded full-time offerings of the Rockview Institution include 20-hour courses in shoe repair, small engine repair and welding. This is a major accomplishment at this institution in that heretofore the superintendent did not permit any full-time instruction due to an institutional regulation that every man had to perform his work assignment on a daily basis. It is expected that approximately 45 inmates will now be able to receive

full-time education. Approximately 310 inmates participate in the vocational education program to some extent.

Some fragmentary evidence is available on the effectiveness of instruction in the institutions. Reading and mathematics scores from tests given at four correctional institutions show that the inmates progress, on the average, nearly two grade levels in reading achievement for each school year in the program, and gain about one and a half grade levels in mathematics. It is hoped that comprehensive data will be available in the future.

Also included in this program is the Pennsylvania Ethnic Heritage Studies Center, which became operational at the University of Pittsburgh in April, 1975. The following range of activities are conducted: workshops for college faculty members from institutions throughout Pennsylvania; workshops for secondary school teachers, resulting in a series of programs in ethnic heritage education being developed and implemented at eight school districts in the State; a survey of ethnic associations in the State and initial contacts made to develop an archive of materials; publication of a newsletter distributed to ethnic associations, educational institutions and interested persons; technical assistance provided to groups in Pennsylvania attempting to develop ethnic study or ethnic celebration programs; community relations with ethnic associations and groups in the greater Pittsburgh area; and planning of methods for computerizing information and resources about the history of ethnic groups in the State.

In the future, in addition to these activities, the Center plans to promote the development of archives, community relation projects, and data banks at institutions throughout the Commonwealth. Also it will develop and become the focal point for a coordinated network of resources that can be tapped by scholars, teachers, students and interested citizens. The Center also hopes to expand its role as a technical resource for communities and institutions attempting to develop local projects.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 44	\$ 50	\$ 95	\$ 95	\$ 95	\$ 95	\$ 95
Correctional Institutions Education . .	2,069	2,199	2,244	2,244	2,473	2,596	2,725
Ethnic Heritage Studies Center	50	50	50	50	50	50	50
GENERAL FUND TOTAL	<u>\$2,163</u>	<u>\$2,299</u>	<u>\$2,389</u>	<u>\$2,389</u>	<u>\$2,618</u>	<u>\$2,741</u>	<u>\$2,870</u>

HIGHER EDUCATION CATEGORY ANALYSIS

The Commonwealth's funding of higher education supports a wide spectrum of academic curricula whose aim is to satisfy the educational demands of the individual and the needs of the Commonwealth for specialized manpower, an educated populace, a research capability, and the intangible inspiration and creativity generated by the learning process and the association of scholars.

Although higher education is valued highly by this society a pattern of change is revealing itself. The birth rate is steadily declining and the size of the high school graduating class will continue to decrease for the foreseeable future. A decreasing percentage of high school students enter college while an increasing group decides to attend postsecondary vocational training or directly enter the job market. Part-time continuing education demand by people seeking occupational advancement or personal enrichment is increasing. The net result of these four factors is expected to be a slowly declining enrollment for the foreseeable future.

The following chart shows enrollment projections made by the higher education community; these projections are generally too optimistic. In comparison, the Department of Education projects a slight increase in enrollment of part-time students for the next year and a decline thereafter. Applying the Department's projected percentage changes to the 1976-77 enrollments reports by the institutions results in future year estimates lower than those of the institutions by 1.7 percent in 1979-80 and 4.1 percent in 1982-83.

Full-Time Equivalent Enrollments in State Supported Institutions of Higher Education**

Institutional Category	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
State-owned Colleges and Universities	77,707	76,897	77,492	77,519	77,566	77,735	77,904
State-related Universities	118,827	119,117	119,270	118,892	118,572	117,244	116,236
Community Colleges	57,063	64,310	66,716	69,521	71,131	73,224	75,102
State-aided Colleges and Universities	34,815	35,571	36,138	36,552	36,818	36,904	36,945
TOTAL	288,412	295,895	299,616	302,484	304,087	305,107	306,187

**Includes technologies.

The Commonwealth is unique among the major states in its great diversity of institutional types and academic programs.

The array of institutions, a result of our historic background, is characterized by a large group of private colleges which, in conjunction with the public system, provide a diversity of offerings and a range of prices, ethnic or religious affiliations, urban or rural settings and specialities to meet the needs of our diverse population. The overall quality of education in Pennsylvania is promoted by this competition and the interaction of the different sectors.

Higher education planners recognize the importance of retaining each sector of the educational community. At the same time independence among individual institutions results in program duplication and proliferation. The solution is comprehensive and cooperative planning. In pursuit of that goal the State Board of Education has designated ten planning regions; each is to develop a council which will promote dialogue among institutions in the area. The Department of Education has developed indices of need for new programs which are used in the decision on requests for program approval. Those indices include manpower data, student demand, and social and economic trends.

Full-Time Equivalent Students at State-owned, State-related, State-aided, and Community Colleges*

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Agriculture and Natural Resources	5,230	5,218	5,206	5,169	5,112	5,055	4,998
Arts, Humanities and Letters	29,522	30,050	30,042	30,097	30,169	30,126	30,158
Business Management, Commerce and Data Processing	45,029	47,844	49,193	50,077	50,830	51,346	51,837
Education	50,239	48,965	47,694	46,896	45,966	45,278	44,601
Engineering and Architecture	19,916	20,611	20,912	21,096	21,204	21,235	21,225
Health Sciences, Health Professions and Biological Sciences	35,142	35,821	36,446	36,810	37,066	37,173	37,340
Human Services and Public Affairs	18,820	19,363	19,550	19,763	19,851	19,841	19,817
Physical Sciences, Earth Sciences, Mathematics and Military Sciences	13,141	13,329	13,595	13,673	13,786	13,839	13,927
Social Sciences and Area Studies	33,476	33,147	33,442	33,413	33,439	33,463	33,566
Interdisciplinary Studies	5,684	5,512	5,993	6,148	6,279	6,413	6,529
TOTAL	<u>256,199</u>	<u>259,860</u>	<u>262,073</u>	<u>263,142</u>	<u>263,702</u>	<u>263,769</u>	<u>263,998</u>

*Does not include technologies.

Studies on the national and State level indicate how trends in enrollment, discipline selection, and full-time or part-time commitment will shape the future of higher education.

Enrollment of full-time students is expected to decline as is the percent of high school graduates going to college. The high unemployment rate and increasing demand for part-time education will partially offset that enrollment decline. People are increasingly aware that although college graduates have a lower unemployment rate than the national average there is an oversupply (about five percent) of graduates and resulting underemployment and employment in unrelated fields. The Department's studies of graduates, which are mentioned in the instructional subcategories which follow, measure the success of graduates in each area in finding employment related to their field. In past years the usefulness of that data was modified by the fact that the survey was done six to nine months after graduation and many graduates spend at least a year seeking a permanent position in their field. This year, therefore, the Department has made available a study of 1974 graduates which indicates their situation two and one-half years after graduation and is quite valuable in measuring their real employment success.

The data for 1976 bachelors degree recipients shows a general continuation of the high rates of unemployment and underemployment shown in previous years; about 19 percent of those graduates are unemployed and 15 percent are underemployed. The study indicates a relatively strong demand for graduates in engineering, communications, health professions and computer sciences. A weak

job market faced bachelor's degree graduates of such major disciplines as social studies, education, fine and applied arts, psychology and interdisciplinary studies and for graduate degrees in law and architecture. Associate degree graduates had considerably lower unemployment rates than those with the baccalaureate; recipients of masters and doctorate degrees face a favorable job market.

Students have in recent years become more fully aware of the job market and economic realities. For that reason they are increasingly choosing job oriented disciplines with good employment rates such as the health professions, engineering and public affairs and services. Enrollment in fine arts, foreign languages, mathematics, and the social sciences which are less specifically job oriented are stabilized; other areas including physical sciences, agriculture and education are decreasing in reflection of the job market.

Each instructional field program analysis includes a graph which expresses in general terms the trend of demand for and supply of graduates in those fields. The portion of the graph which indicates demand for graduates is based on several sources including the survey of graduate success and the predictions of the State Department of Education, the Department of Labor and Industry and the Federal Department of Labor. Because of the variations in the job market, flow of graduates into and out of the State, and other variables, no prediction can be entirely accurate for any one year. Therefore, the graph reflects general trends rather than actual numbers of jobs.

Data from the community colleges relating to full-time equivalent students by academic area continues to be unreliable. Their total count includes artificially derived "credits" for public service offerings not part of the academic courseload and their distribution of students by subcategory cannot be assumed to reflect the actual academic distribution of the student body.

The mix of full and part-time students is changing. In 1966, part-time students made up 14.5 percent and 30.7 percent of the enrollment at State-owned and community colleges respectively. They are now 19.9 percent and 54.9 percent of the total. Factors affecting this change include the depressed economy, increased perception of options among women; increased job competition, reduced senior citizen tuition rates, and the increase in leisure time. In fact, a national study shows that 1 in 50 people, 35 and older, use leisure time for part-time study. Probably most important is a growing awareness that in a fast changing society initial career choice need not be forever. A career may demand constant education to keep up with technological changes or may be discarded in the search for new challenges and personal satisfaction. Formal education is becoming a life long process rather than a finite one.

As the education community recognizes this trend, many are beginning to offer, individually and jointly, programs for continuing adult study. The use of existing facilities for more hours and other program economies will allow an increase of educational opportunities under existing funding without entailing new facilities or growth in the size of our education structure.

The analysis of higher education by discipline groups which follows is an attempt to measure student and societal needs so that institutions, planners and budgeteers can respond. The quantitative data used here is an indicator which cannot entirely describe the need factor; the impacts on individuals and society other than jobs are not quantifiable. For the student such impacts include the quality of his life, self-satisfaction, heightened appreciation of his culture, and job satisfaction. Impacts on society include an ever more educated and enlightened populace, greater availability of cultural activities, health and industrial research capabilities which affect the lives and careers of all people, the community pride generated by a college campus, and the impetus given equal rights for women and minorities by their education. The higher education establishment is now facing a severe economic problem. Funding in the foreseeable future will not increase as much as the increases in the cost of plant maintenance, materials and personnel. If

the individual institutions continue their present stance of short-term measures in expectation of a better next year they will not survive. Radical change in structure and in allocation of facilities and personnel is the only way to survive and continue to offer quality education. As education's primary mission is to teach the individual how to continue learning and coping with new challenges, the system must be flexible if it is to successfully face its own new challenges.

Higher Education Degrees Awarded

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
State-owned Colleges and Universities . . .	16,378	16,245	16,454	16,673	16,884	16,898	17,022
State-related Universities*	23,924	24,747	24,980	24,950	24,937	25,016	24,940
Community Colleges*	9,212	9,580	9,896	10,252	10,601	10,941	11,232
State-aided Colleges and Universities . . .	8,722	9,066	9,330	9,468	9,723	9,842	9,926
TOTAL	<u>58,236</u>	<u>59,638</u>	<u>60,660</u>	<u>61,343</u>	<u>62,145</u>	<u>62,697</u>	<u>63,120</u>

*Includes technologies.

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$3,318</u>	<u>\$3,505</u>	<u>\$3,479</u>	<u>\$3,549</u>	<u>\$3,620</u>	<u>\$3,693</u>	<u>\$3,767</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Total full-time equivalent students	5,230	5,218	5,206	5,169	5,112	5,055	4,998
Bachelor degrees conferred	852	891	902	898	895	894	893
State-related only	667	669	667	663	660	659	658
State-aided only	185	222	235	235	235	235	235
Graduate degrees	70	70	69	68	68	67	66

Program Analysis:

The Commonwealth supports these programs through grants to the Pennsylvania State University and the Delaware Valley College of Science and Agriculture.

Last year the projection was for a small enrollment increase; this year Delaware Valley estimates a very slight enrollment increase and Penn State estimates a six percent decrease in enrollment from 1975-76 to 1981-82. This reversal indicates the response of students to the limited employment outlook.

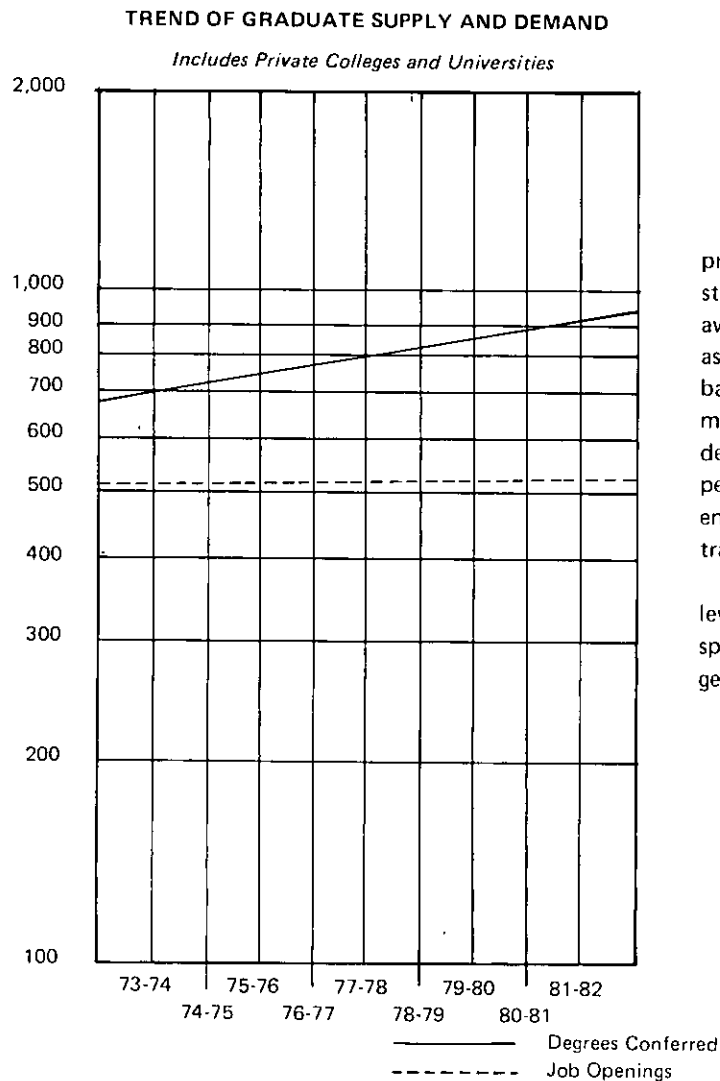
Opposing trends in agriculture and natural resources affect the job market. Opportunities for farming occupations are decreasing: from 1960 to 1977 the number of farms in the State decreased from 106,000 to 67,000; even more alarming, during that period farm acreage decreased from 12,300,000 to 9,900,000 acres. Employment in farming is expected to decrease by 20 percent between 1970 and 1980. On the other hand, certain occupational areas related to agriculture and

natural resources are growing. The major corporate agribusinesses are in need of college trained individuals: farm managers, agricultural economists and researchers. In response 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)



As the result of the expansion in these fields the bleak job prospects predicted for the past several years is modified. As students react to the job market the enrollment is tending away from basic agriculture to the more salable skill areas such as natural resource managers. Employment is improving at the bachelor's degree level and is excellent for those with a master's degree. Data available indicate that of 1974 bachelor's degree recipients, 4.6 percent are unemployed and 21.7 percent are studying for an advanced degree. Of those who are employed 61 percent are in jobs highly related to their training.

Predictions for this field on both the State and national levels are for a stable demand for a limited number of specialized graduates and therefore, better employment generally than was predicted in previous years.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Pennsylvania State University	\$3,185	\$3,372	\$3,346	\$3,413	\$3,481	\$3,551	\$3,622
Delaware Valley College of Science and Agriculture	133	133	133	136	139	142	145
GENERAL FUND TOTAL	<u>\$3,318</u>	<u>\$3,505</u>	<u>\$3,479</u>	<u>\$3,549</u>	<u>\$3,620</u>	<u>\$3,693</u>	<u>\$3,767</u>

Arts, Humanities and Letters

OBJECTIVE: To fulfill Pennsylvania manpower requirements in the fields of foreign languages, journalism, communications, library science, and fine arts and to respond to the demands of students for education in these fields.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$28,677	\$29,285	\$29,081	\$29,630	\$30,187	\$30,758	\$31,341
Other Funds	5,253	5,809	5,961	6,076	6,194	6,314	6,436
TOTAL	\$33,930	\$35,094	\$35,042	\$35,706	\$36,381	\$37,072	\$37,777

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Full-time equivalent students	29,522	30,050	30,042	30,097	30,169	30,126	30,158
Associate degrees conferred	444	462	483	508	531	554	573
Bachelor degrees conferred:							
Total	3,506	3,618	3,683	3,702	3,742	3,750	3,764
State-related*	1,763	1,786	1,790	1,782	1,763	1,748	1,735
Graduate degrees:							
Total	1,299	1,315	1,315	1,328	1,328	1,329	1,326
State-related*	661	672	668	663	658	652	642

* 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 consists of academic curricula upon which students may attain sound liberal and fine arts education. The measure of enrollments in this academic area is about 12 percent higher than was reported last year. This is the result of the redistribution of undeclared majors from the Interdisciplinary Studies subcategory to other academic areas by Temple University and the community colleges.

As the graph illustrates, the institutions each year continue to graduate more individuals than there are positions available. One way of measuring the success of this program is to look at the availability of employment to its graduates. Traditionally education in the humanities has been an assumed basic, useful

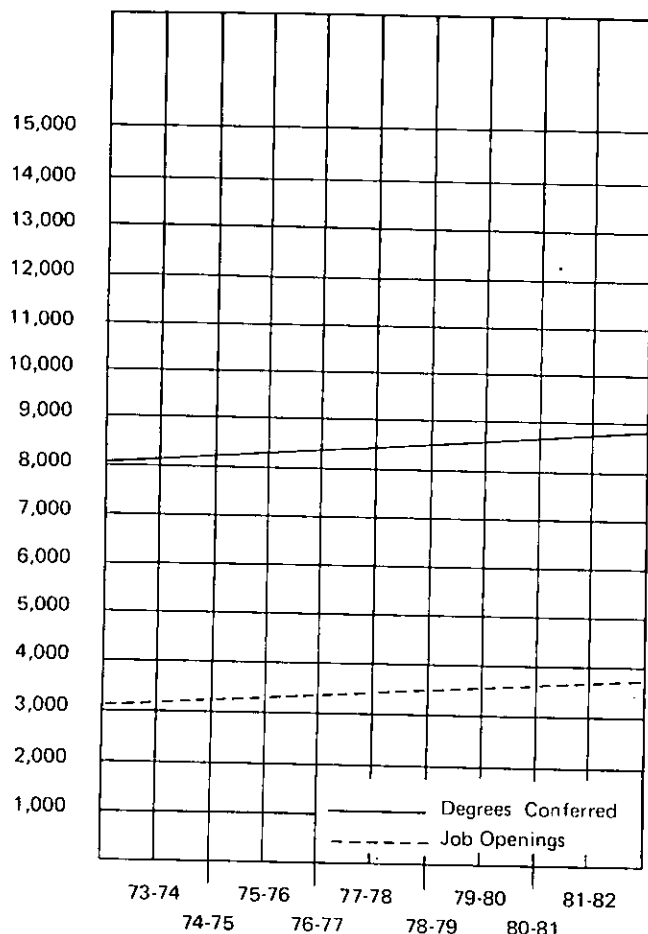
as a preliminary to professional education or employment in many white collar fields. The recent technological orientation of our society has changed those traditions; liberal arts graduates are in lower demand for employment than graduates of more specific training. According to the College Placement Council employers are offering the fewest jobs in the areas of journalism, advertising, and public relations, however this year they expect to slightly increase their hiring of liberal arts graduates. Those graduates in arts and humanities who have taken courses in computer science, economics or math are more likely to get jobs than those who did not. Many have in the past entered the fields of teaching, marketing, advertising and social services but currently those fields generally are declining or hiring persons with more applicable degrees.

Arts, Humanities and Letters (continued)

Program Analysis: (continued)

TREND OF GRADUATE SUPPLY AND DEMAND

Includes Private Colleges and Universities



Of those who received a bachelor's degree in the liberal arts in 1974, 18.4 percent are unemployed. Of those who are employed, less than half are in jobs highly related to their education and 37 percent are in unrelated jobs, many of those in occupations not normally requiring postsecondary education.

The other perspective on this program is that liberal arts has traditionally been important as a base for classical education and the training of the mind for lifelong education. Graduates of the liberal arts indicate a high degree of satisfaction with their education while at the same time new enrollees are demonstrating an awareness of the labor market and the special career planning they will have to consider. Many will minor in courses related to business or government, others plan for graduate school, and some do not intend to seek employment at all.

Projections by all segments other than the community colleges are for stabilization or minor increases in enrollment. Funding reflects a program of stabilized size.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Colleges and University	\$ 8,086	\$ 8,297	\$ 8,297	\$ 8,463	\$8,629	\$ 8,799	\$ 8,972
Community Colleges—Capital and Operating	1,091	1,249	1,237	1,262	1,287	1,313	1,339
General State Authority Rentals — State-Aided Institutions	1,714	1,763	1,650	1,650	1,650	1,650	1,650
Pennsylvania State University	4,146	4,341	4,262	4,347	4,434	4,523	4,613
University of Pittsburgh	4,936	4,936	4,936	5,035	5,136	5,239	5,344
Temple University	7,536	7,536	7,536	7,687	7,841	7,998	8,158
Lincoln University	229	229	229	234	240	247	256
University of Pennsylvania	616	611	611	623	635	648	662
Philadelphia College of Art	113	113	113	115	117	119	121
Philadelphia College of Textiles	51	51	51	52	53	54	55
Philadelphia Musical Academy	75	75	75	76	77	78	79
Drexel University	84	84	84	86	88	90	92
GENERAL FUND TOTAL	\$28,677	\$29,285	\$29,081	\$29,630	\$30,187	\$30,758	\$31,341

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$26,323	\$28,375	\$28,693	\$30,700	\$32,850	\$35,149	\$37,607
Other Funds	4,941	6,112	6,570	6,964	7,382	7,825	8,294
TOTAL	\$31,264	\$34,487	\$35,263	\$37,664	\$40,232	\$42,974	\$45,901

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Total full-time equivalent students	45,029	47,844	49,193	50,077	50,830	51,346	51,837
State-owned only*	10,937	11,896	12,464	12,784	13,077	13,296	13,523
Associate degrees conferred	1,396	1,451	1,501	1,561	1,615	1,675	1,728
Total bachelor degrees conferred	4,905	5,260	5,575	5,802	5,878	6,001	6,098
State-owned only*	1,418	1,690	1,913	2,068	2,125	2,219	2,302
Total graduate degrees conferred	1,695	1,736	1,815	1,852	1,888	1,906	1,930
State-owned only*	73	59	77	91	105	117	133

*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.

The number of full-time equivalent (FTE) students reported in the measures this year is almost one-third higher than last year because of a change in the reporting method of the community colleges. Their FTE data for this academic area has more than doubled from their report for last year's budget.

Degree programs in business management, commerce and data processing in the past several years have been 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 is expected to increase by some 20 percent from 1970-1980 with the computer related specialities and personnel and labor relations occupations experiencing the greatest percentage increases.

Those with master's degrees will have especially good opportunities as will women and minorities.

Much of the growth in business job opportunities is the result of changes in job requirements: more complex computers and other technological advances and the need for familiarity with governmental regulations have resulted in demand for college graduates in positions traditionally held by those less well educated.

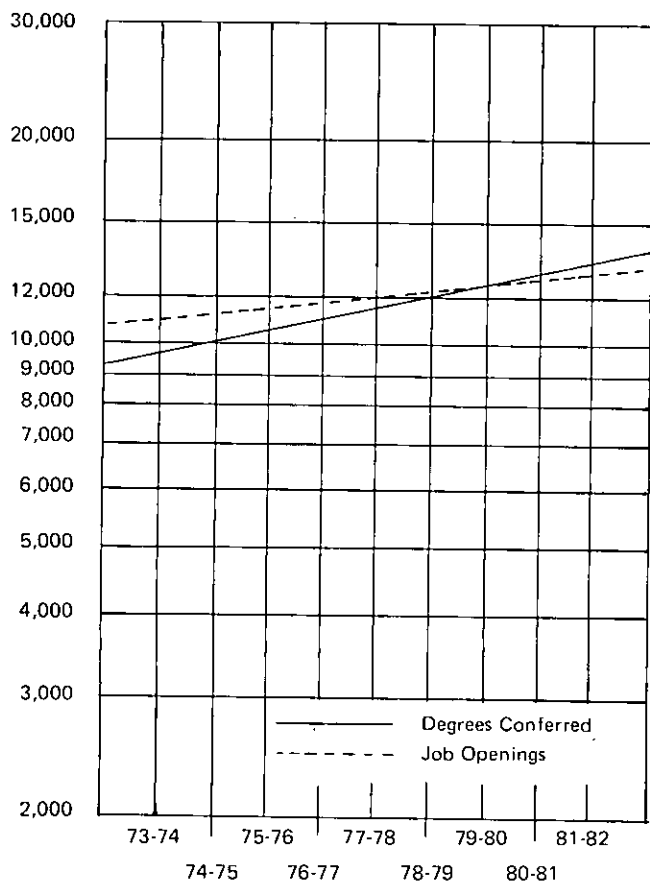
Student response to this attractive job market will cause the total number of degrees to increase by 22 percent from 1976-82 and from 1976 to 1982 associate degrees in business are expected to increase by 24 percent to 1,728 annually. This growth, an overreaction to good employment prospects intensified by the considerable expansion of business programs especially at the State colleges, could result in an oversupply of job seekers by the time this year's freshmen graduate.

Business Management, Commerce and Data Processing (continued)

Program Analysis: (continued)

TREND OF GRADUATE SUPPLY AND DEMAND

Includes Private Colleges and Universities



Recent graduates have had success in the job market. Of 1974 graduates, those in computer sciences have the highest rate of full-time employment, the second highest rank of job relatedness to education, and the lowest unemployment level of any major field. The 1974 business graduates are somewhat less successful. Their employment rate is 4.4 percent and they are rated seventh in job relatedness to education. Of 1976 baccalaureates in business 56.7 percent have jobs related to their education, of those with a master's degree 78.9 percent have related jobs. Computer services graduates have a 75.7 percent employment rate in their field.

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. Care should be taken by those colleges not to move too dramatically to further expand these programs. Future employment prospects do not appear to support the projected rate of expansion; furthermore higher education enrollments in total will be decreasing in the 1980's to an extent that raises serious question about the ability to support a larger business program.

Program funding for the 1978-79 fiscal year will increase consistent with the expanding needs for program support.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Colleges and University	\$ 7,395	\$ 8,729	\$ 8,729	\$ 9,340	\$ 9,993	\$10,693	\$11,442
Community Colleges—Capital and Operating	2,775	3,147	3,405	3,643	3,898	4,171	4,463
Pennsylvania State University	5,124	5,515	5,575	5,965	6,383	6,830	7,308
Temple University	5,798	5,798	5,798	6,204	6,638	7,103	7,599
University of Pittsburgh	2,328	2,328	2,328	2,491	2,665	2,852	3,051
Delaware Valley College of Science and Agriculture	27	27	27	29	31	33	35
Drexel University	393	393	393	420	450	481	515
University of Pennsylvania	2,334	2,289	2,289	2,449	2,621	2,804	3,000
Philadelphia College of Textiles and Science	149	149	149	159	171	182	194
GENERAL FUND TOTAL	<u>\$26,323</u>	<u>\$28,375</u>	<u>\$28,693</u>	<u>\$30,700</u>	<u>\$32,850</u>	<u>\$35,149</u>	<u>\$37,607</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$44,263	\$44,452	\$44,316	\$43,873	\$43,435	\$42,999	\$42,568
Federal Funds	993	3,525	3,525	3,525	3,525	3,525	3,524
Other Funds	18,229	19,055	18,663	18,476	18,291	18,108	17,927
TOTAL	\$63,485	\$67,032	\$66,504	\$65,874	\$65,251	\$64,632	\$64,019

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Total full-time equivalent students	50,239	48,965	47,694	46,896	45,966	45,278	44,601
State-owned only*	30,539	28,845	27,983	27,228	26,590	26,164	25,729
State-related only*	16,197	15,867	15,667	15,540	15,305	14,975	14,684
Associate degrees conferred	421	428	448	457	470	476	486
Total bachelor degrees conferred	7,639	7,285	7,035	6,860	6,750	6,590	6,504
State-owned only*	5,576	5,227	5,035	4,917	4,838	4,710	4,646
State-related only*	2,044	2,038	1,980	1,923	1,892	1,860	1,838
Total graduate degrees conferred	4,395	4,474	4,328	4,238	4,184	4,178	4,127
State-owned only*	2,167	2,019	1,954	1,926	1,897	1,803	1,772
State-related only*	2,103	2,326	2,243	2,179	2,152	2,239	2,219

*Also Included in total.

Program Analysis:

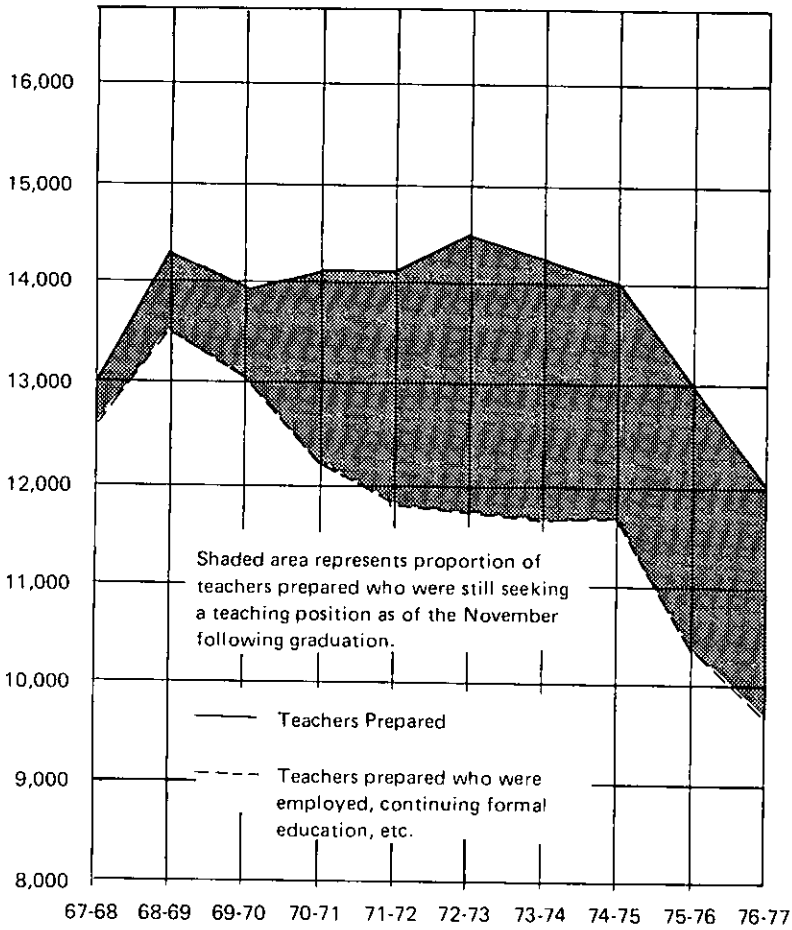
The Commonwealth supports this program through the activities of the State-owned colleges and university, and grants and subsidies to the community colleges and State-related and aided colleges and universities.

As the graphs illustrate, the disparity between the number

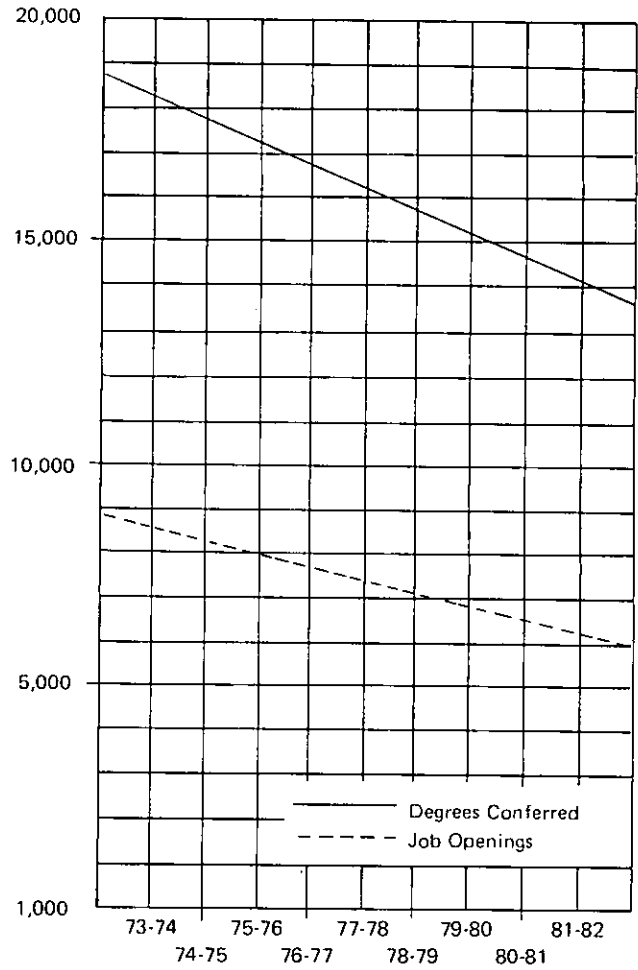
of teachers graduated and the number of teaching positions available has, over time, caused a considerable increase in the proportion of trained teachers who are unable to find a teaching job.

Education (continued)

**OCCUPATIONAL SUCCESS OF TEACHERS PREPARED
IN ELEMENTARY AND SECONDARY EDUCATION**
(Excludes private schools)



TREND OF GRADUATE SUPPLY AND DEMAND
Includes Private Colleges and Universities



Education (continued)

Program Analysis: (continued)

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 in Pennsylvania is expected to drop by about 600,000 or 26 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 fields of education are expected to decline at an accelerating annual rate for about 11.2 percent reduction between 1976-77 and 1982-83.

Most institutions are responding to these changes in the needs of the Commonwealth; the State colleges and State-related universities project decreases in enrollment in this program of 17 percent and 10 percent respectively by 1982. The State-aided segment, which has a relatively small program, plans to remain stable. The community colleges project a 23 percent increase in education enrollment; that projection is not realistic. However it is a significant reduction from the 42 percent projected in last year's budget.

Of 1974 graduates receiving a bachelors degree in

education, ten percent are unemployed, 59.7 percent are employed in their field, and 19.6 percent are employed in other fields and are generally underemployed, and 10.7 percent are employed part-time generally in unrelated fields.

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 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 return 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. The trends in this area must be carefully watched for the next few years in order to avoid continued oversupply or future undersupply of teachers in the State. Regional data should also be considered; demand is higher in ghetto and rural areas than in the towns and suburbs. Funding of this subcategory reflects the continuing decrease in emphasis on teacher education.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Colleges and University	\$27,611	\$27,520	\$27,520	\$27,245	\$26,973	\$26,703	\$26,436
Community Colleges—Capital and							
Operating	1,055	1,184	1,164	1,152	1,140	1,128	1,116
Pennsylvania State University	4,847	5,008	4,892	4,843	4,795	4,747	4,700
University of Pittsburgh	2,029	2,029	2,029	2,009	1,989	1,969	1,949
Temple University	8,433	8,433	8,433	8,349	8,266	8,183	8,101
Lincoln University	45	45	45	44	43	42	41
University of Pennsylvania	243	233	233	231	229	227	225
GENERAL FUND TOTAL	\$44,263	\$44,452	\$44,316	\$43,873	\$43,435	\$42,999	\$42,568

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$14,832	\$15,470	\$15,527	\$16,437	\$17,405	\$18,431	\$19,519
Other Funds	131	183	205	215	225	237	249
TOTAL	\$14,963	\$15,653	\$15,732	\$16,652	\$17,630	\$18,668	\$19,768

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Total full-time equivalent students	19,916	20,611	20,912	21,096	21,204	21,235	21,225
State-owned only*	201	260	291	313	321	331	336
State-aided*	4,629	4,795	4,906	4,984	5,026	5,032	5,027
Associate degrees conferred	192	204	211	218	226	232	235
Total bachelor degrees conferred	1,998	2,162	2,351	2,444	2,509	2,540	2,555
Total graduate degrees conferred	765	781	798	823	837	850	864
Architectural and environmental design degrees*	419	437	443	451	461	462	463

*Also included in totals.

Program Analysis:

The Commonwealth supports this program through grants and subsidies to the State-related, State-aided and community colleges. In the past two years three State colleges have begun engineering programs in a cooperative effort with the Pennsylvania State University. The measure of full-time equivalent students is greater than that reported last year because of the community college redistribution of undeclared majors in their reports. The measure of associate degrees has decreased by 75 percent because of an unexplained change by the community colleges.

The energy crisis and the increasingly technological nature of society result in an excellent employment rate among graduates in most engineering disciplines. Although fluctuations resulting from changes in government policy, availability of research funds, and technological advancements are characteristic of this field the trend for the next several years will be an increase in job opportunities. The field offers high median salary and studies show recruitment efforts are

aimed especially at women again this year.

A study by the Department of Education has projected the demand for graduates in terms of current national needs. The energy crisis will result in a need for mineral, petroleum, electrical, mechanical, nuclear, industrial and civil engineers. World and national food and health needs will expand the need for engineering graduates with expertise in those areas.

A major problem for the engineer is obsolescence. Optimum use of human resources calls for flexibility in undergraduate and continuing education to allow the shift from one specialty to another as society's needs change. According to the Department of Education engineering curricula in Pennsylvania are in need of relocation and restructuring so that a broad training base will accommodate further training periods throughout a career for maximum use of the skills of the individual.

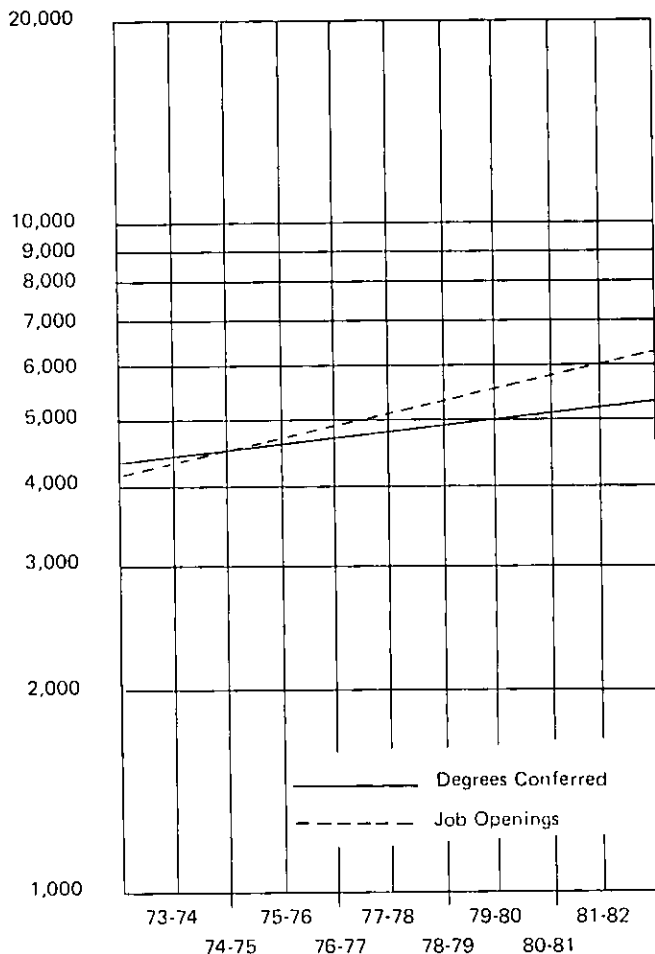
Community colleges are now training paraprofessionals in engineering. Those people can fill a great many of the needs

Engineering and Architecture (continued)

Program Analysis: (continued)

TREND OF GRADUATE SUPPLY AND DEMAND

Includes Private Colleges and Universities



for manpower and would expand the usefulness of the engineers with whom they work. Of 1974 graduates in engineering, 28.6 percent are in graduate school either full-time or part-time and 12.4 percent have received additional degrees since their graduation. Ninety-six percent of the engineers and 82.3 percent of the architects are employed full-time; engineers have a very high rate of relatedness between their job and their education but 21.4 percent of the architects who are employed are in not jobs related to their education.

State and national information indicates demand for engineers is beginning to exceed the number of graduates, especially in mineral and petroleum industries. The College Placement Council has found that the largest percentage of new job openings are in engineering and that employers expect to continue to increase their hiring of engineers.

Freshman are beginning to respond to the high employment in this field. In January of 1975 the American Council on Education reported 6.6 percent of all freshmen planned to major in engineering; in January of 1977 they report 7.9 percent plan engineering majors. Although recruiting for women is very high only 1.3 percent of freshmen women have enrolled in this field; that will probably increase as their awareness of this career opportunity increases.

The architecture and environmental design segments of this subcategory have a fairly high unemployment rate which seems to be modifying with the rise in nonresidential construction. Stabilization in that area and an increase in the engineering field result in moderate funding increases for 1978-79.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General State Authority Rentals—							
State-Aided Institutions	\$ 336	\$ 344	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322
State Colleges and University	168	251	251	266	282	299	317
Community College, Capital and Operating	363	379	411	435	461	489	519
Pennsylvania State University	7,493	8,046	8,093	8,578	9,093	9,639	10,217
University of Pittsburgh	3,514	3,514	3,514	3,724	3,948	4,185	4,436
Temple University	1,235	1,235	1,235	1,309	1,387	1,470	1,559
University of Pennsylvania	945	923	923	978	1,037	1,099	1,165
Drexel University	756	756	756	801	849	900	954
Philadelphia College of Art	3	3	3	4	5	6	7
Philadelphia College of Textiles and Science	19	19	19	20	21	22	23
GENERAL FUND TOTAL	\$14,832	\$15,470	\$15,527	\$16,437	\$17,405	\$18,431	\$19,519

Health Sciences, Health Professions and Biological Sciences

OBJECTIVE: To fulfill Pennsylvania manpower requirements in the fields of health sciences, biological sciences and the health and medical professions, and to respond to the demands of students for education in these fields.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$53,069	\$51,735	\$50,776	\$53,314	\$56,032	\$58,939	\$62,049
Federal Funds . . . . .	. . . . .	124	124	124	124	124	124
Other Funds	4,190	4,635	4,869	5,194	5,542	5,915	6,313
TOTAL	\$57,259	\$56,494	\$55,769	\$58,632	\$61,698	\$64,978	\$68,486

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Total full-time equivalent students	35,142	35,821	36,446	36,810	37,066	37,173	37,340
Associate degrees conferred	314	341	354	370	382	396	406
Total bachelor degrees conferred:	3,593	3,752	3,829	3,923	4,039	4,098	4,148
State-owned institutions only*	934	987	996	1,032	1,049	1,076	1,097
State-related institutions only*	1,920	1,961	1,993	2,014	2,017	2,024	2,033
State-aided institutions only*	739	804	840	877	973	998	1,018
Total graduate degrees conferred	2,916	3,040	3,149	3,184	3,276	3,272	3,304
Physicians graduated	1,225	1,258	1,275	1,285	1,320	1,322	1,333

*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 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 the optimum level of health services needed throughout the Commonwealth.

Pennsylvania is one of the few states which has institutions of higher education supplying manpower in every area of

health services. The community colleges and State colleges are primary suppliers of personnel in the health technologies; although the programs are expanding there and in vocational schools there remains a shortage in areas such as dental hygiene, dental assistant, medical assistant and lab technician. Institutions of higher education and hospitals are graduating large classes of registered nurses, some with baccalaureate degrees. The State Department of Labor and Industry statistics show a surplus of registered nurses and a shortage of practical nurses. The other health professionals are generally in adequate supply; although the movement away from Pennsylvania greatly affects that supply.

Health Sciences, Health Professions and Biological Sciences (continued)

Program Analysis: (continued)

PENNSYLVANIA HEALTH RELATED EMPLOYMENT: ESTIMATED DEMAND AND SUPPLY

	Average Annual Replacement Needs 1970-1980	Average Annual Need Due to Growth 1970-1980	Total Average Annual Need 1970-1980	Estimated 1976-77 Graduates	Estimated Shortage Surplus
Dentist	325	393	718	423	-295
Optometrist	44	77	121	134	+13
Pharmacist	44	378	421	543	+122
Physician	562	807	1,369	1,225	-144
Podiatrist	17	50	67	96	+29
Registered Nurse	851	3,258	4,109	4,978	+869
Practical Nurse	1,802	2,795	4,598	2,489	-2,109
Veterinarian	58	25	83	92	+9
Therapist	349	368	717	253	-464
Dental Hygienist	188	154	342	120	-222

A recent study published by the Pennsylvania Department of Education has considerably increased the knowledge of the basic care physician 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. Maldistribution is the paramount problem. Certain geographic and economic areas, because they are not desirable locations in the opinion of health care professionals, are severely underserved whereas other highly desirable areas have more than enough physicians and other professionals. Of those receiving professional degrees in 1976 the movement to other states included 28.3 percent of the dentists, 45.3 percent of

the physicians, 49.6 percent of the optometrists and 43.7 percent of the podiatrists. 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.

Health Sciences, Health Professions and Biological Sciences (continued)

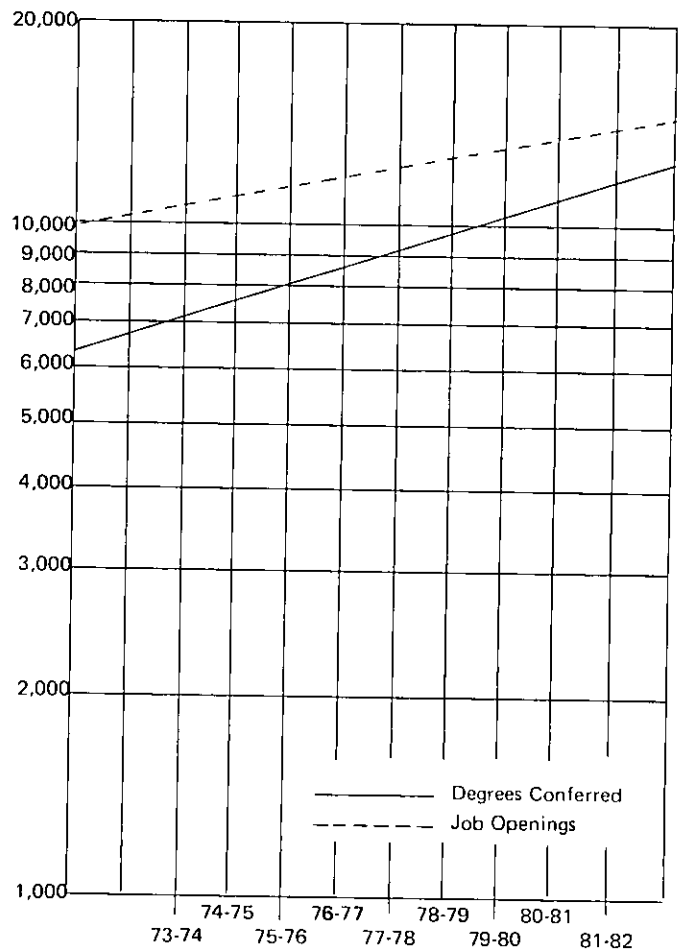
Program Analysis: (continued)

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. Technical and paraprofessional fields are rapidly increasing enrollments to meet the rising needs in those areas.

The most frequently proposed solution to the cost of medical education is a revolving loan fund from which loans would be forgiven for service in underserved areas of the State. A report by the Carnegie Council supports that solution by suggesting that the most effective way to cause the necessary redistribution of physicians to rural and other underserved areas is financial incentive.

Any major change or increase in support for medical education should be based on a study of the problem and specific recommendations as to direction and level of funding which would produce primary care physicians for the areas of the Commonwealth which need them. Although study groups have been formed neither they nor the Department of Health or Education has submitted any plan for remedy of the current situation. A top priority of State Government in the future year must be a study and specific recommendations in this field to insure that the State funds granted annually result in a benefit to the Pennsylvania taxpayer.

TREND OF GRADUATE SUPPLY AND DEMAND
Includes Private Colleges and Universities



Health Sciences, Health Professions and Biological Sciences (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General State Authority Rentals—							
State-aided Institutions	\$ 2,060	\$ 2,107	\$ 1,972	\$ 1,972	\$ 1,972	\$ 1,972	\$ 1,972
State Colleges and Universities	6,017	6,149	6,149	6,579	7,040	7,533	8,060
Community Colleges—Capital and							
Operating	983	1,079	1,149	1,229	1,315	1,408	1,506
Fifth Pathway		200	120	120	120	120	120
Pennsylvania State University	5,841	6,242	6,283	6,723	7,193	7,696	8,236
University of Pittsburgh	8,522	8,485	8,485	9,079	9,714	10,394	11,122
Temple University	7,255	7,255	7,255	7,763	8,306	8,887	9,509
Lincoln University	71	71	71	75	81	85	92
Delaware Valley College of Science							
and Agriculture	22	22	22	24	26	28	30
Drexel University	33	33	33	35	37	39	41
Hahnemann Medical College	3,276	3,162	3,057	3,057	3,057	3,057	3,507
Thomas Jefferson University	5,469	4,719	3,969	3,969	3,969	3,969	3,969
The Medical College of							
Pennsylvania	1,795	1,795	1,795	1,795	1,795	1,795	1,795
University of Pennsylvania	7,116	5,946	5,946	6,362	6,807	7,284	7,793
Pennsylvania College of							
Optometry	220	220	220	235	252	270	288
Pennsylvania College of Podiatric							
Medicine	660	660	660	706	756	809	865
Philadelphia College of Osteopathic							
Medicine	3,626	3,577	3,577	3,577	3,577	3,577	3,577
Philadelphia College of Textiles							
and Sciences	13	13	13	14	15	16	17
GENERAL FUND TOTAL	<u>\$53,069</u>	<u>\$51,735</u>	<u>\$50,776</u>	<u>\$53,314</u>	<u>\$56,032</u>	<u>\$58,939</u>	<u>\$62,049</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$13,864	\$14,434	\$14,468	\$15,192	\$15,950	\$16,749	\$17,587
Federal Funds . . . . .	. . . . .	298	298	298	298	298	298
Other Funds	2,258	2,695	2,835	2,976	3,126	3,281	3,446
TOTAL	\$16,122	\$17,427	\$17,601	\$18,466	\$19,374	\$20,328	\$21,331

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Total full-time equivalent students and at	18,820	19,363	19,550	19,763	19,851	19,841	19,817
State-owned institutions only*	4,655	4,963	5,101	5,172	5,192	5,203	5,207
Associate degrees conferred	345	360	371	384	396	405	413
Total bachelor degrees conferred and at	2,245	2,368	2,394	2,412	2,418	2,386	2,380
State-owned institutions only*	787	888	911	935	947	916	914
Graduate degrees conferred	942	982	995	994	995	994	998
Law degrees conferred	841	895	915	913	913	913	913

*Also included in total.

Program Analysis:

Growth in governmental and social programs in the late 1960's and early 1970's increased demand for graduates in public affairs, law and home economics. In the past year or two, however, the growth in most of these programs has been outpaced by the number of graduates.

Graduates in law are facing very keen competition for the jobs available and in future years can expect to be forced to accept jobs in fields other than law. About 27 percent find employment outside of Pennsylvania.

Home economists are facing very high unemployment, about 17 percent for the class of 1974. Only about 57 percent find employment as home economists or teachers and the outlook for future years does not indicate any improvement in their employment or job relatedness.

Law enforcement is in need of graduates and several

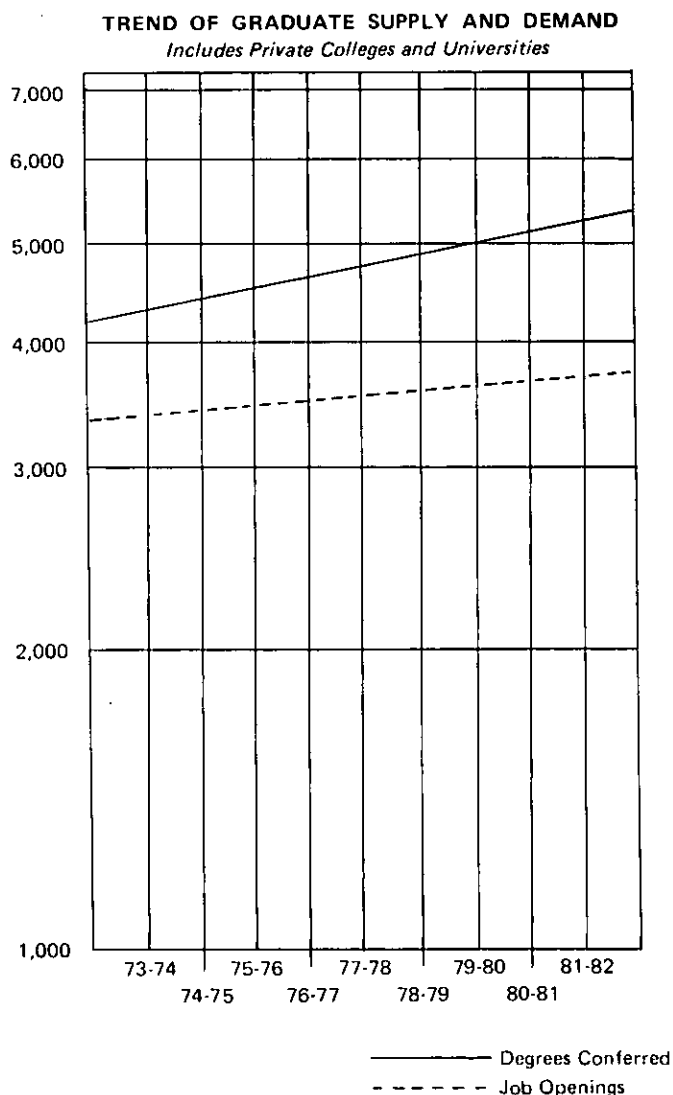
institutions, especially community colleges, have moved to fill that need. In Pennsylvania those professions are expected to grow by 28 percent from 1970 to 1980. In many municipalities, police departments require some college training and hire law enforcement students as police interns. In light of this trend, more police officers probably will be recruited from postsecondary institutions in the future.

Graduates in public affairs face a very poor job market. Teaching positions are scarce and government hiring is not increasing as much as it was a few years ago. Graduates with advanced degrees will fare better than those with the baccalaureate. Of 1974 graduates in public affairs about 40 percent have found employment in their field, 42 percent found other employment, and about 7 percent are unemployed.

Human Services and Public Affairs (continued)

Program Analysis (continued):

The institutions, especially the State-owned and community colleges, are projecting a moderately high growth in the program through 1982-83. Although employment is increasing, especially in law enforcement, and for those with master's degrees, we project little need for lawyers or home economists. The institutional projection exceeds market demand and the program is therefore funded at a level of slight growth.



Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Colleges and University	\$ 3,798	\$ 4,254	\$ 4,254	\$ 4,467	\$ 4,690	\$ 4,925	\$ 5,171
Community Colleges—Capital and Operating	506	519	534	561	588	618	649
Pennsylvania State University	3,583	3,801	3,820	4,011	4,211	4,422	4,643
University of Pittsburgh	795	795	795	835	876	920	966
Temple University	4,288	4,288	4,288	4,502	4,728	4,963	5,212
Dickinson Law School	99						
Drexel University	169	169	169	177	186	196	205
University of Pennsylvania	616	598	598	628	659	692	727
Philadelphia College of Textiles and Sciences	10	10	10	11	12	13	14
GENERAL FUND TOTAL	<u>\$13,864</u>	<u>\$14,434</u>	<u>\$14,468</u>	<u>\$15,192</u>	<u>\$15,950</u>	<u>\$16,749</u>	<u>\$17,587</u>

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$12,088	\$12,465	\$12,584	\$12,964	\$13,355	\$13,758	\$14,172
Federal Funds		587	587	587	587	587	587
Other Funds	2,156	2,376	2,497	2,572	2,649	2,728	2,810
TOTAL	\$14,244	\$15,428	\$15,668	\$16,123	\$16,591	\$17,073	\$17,569

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Total full-time equivalent students	13,141	13,329	13,595	13,673	13,786	13,839	13,927
Associate degrees conferred	103	93	95	96	102	104	106
Total bachelor deerees conferred	1,525	1,499	1,514	1,494	1,527	1,546	1,556
Graduate degrees conferred	513	533	537	546	558	567	566

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 have not changed. The annual increase in employment and job openings between 1970 and 1980 will remain about five percent; however the number of degrees conferred will exceed the number of job openings by many hundreds each year.

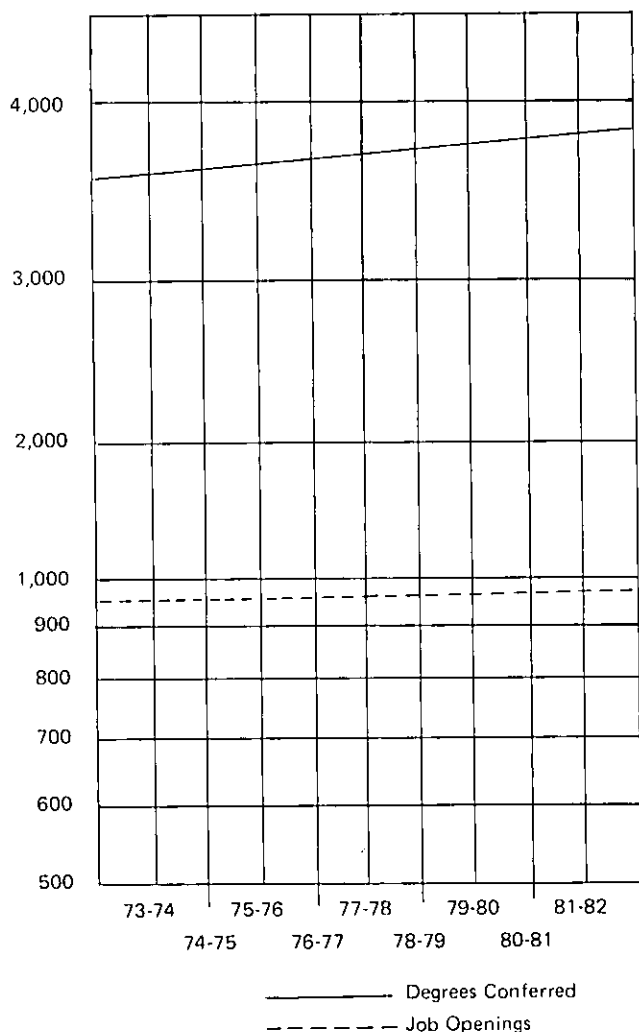
The various institutions contributing to this program apparently recognize this and have not substantially altered their efforts in this program. As the program measures indicate between 1976-77 and 1982-83 the enrollment growth for this program is expected to be about six percent. Since there is such 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.

Physical Sciences, Earth Sciences, Mathematics and Military Sciences (continued)

Program Analysis: (continued)

TREND OF GRADUATE SUPPLY AND DEMAND

Includes Private Colleges and Universities



Graduates with only a bachelor's degree in these fields will have relatively poor employability; less than half will find jobs in their field.

Of 1974 graduates, 39 percent in math and 57 percent in physical sciences are seeking advanced degrees. When they receive a master's degree their employment prospects are improved; of 1976 master's degree recipients 73.2 percent of those in math and 57.2 percent of those in physical sciences are fully employed in jobs related to their education. In the physical sciences 32.4 percent go on for the doctorate; upon graduation they will have an employment rate of 76.7 percent. There is no need to expand this program, in fact student demand may cause it to decrease over the next decade.

Program funding then will increase at a relatively slow rate to reflect the projected enrollment increases.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Colleges and University	\$ 3,411	\$ 3,466	\$ 3,466	\$ 3,570	\$ 3,677	\$ 3,787	\$ 3,901
Community Colleges—Capital and Operating	361	421	511	526	542	558	574
Pennsylvania State University	3,375	3,632	3,661	3,771	3,884	4,001	4,121
University of Pittsburgh	3,697	3,697	3,697	3,808	3,922	4,040	4,161
Temple University	665	665	665	685	706	727	749
Lincoln University	122	122	122	126	130	134	138
Delaware College of Science and Agriculture	3	3	3	4	5	6	7
Drexel University	88	88	88	91	94	97	100
University of Pennsylvania	358	363	363	374	385	397	409
Philadelphia College of Textiles and Science	8	8	8	9	10	11	12
GENERAL FUND TOTAL	<u>\$12,088</u>	<u>\$12,465</u>	<u>\$12,584</u>	<u>\$12,964</u>	<u>\$13,355</u>	<u>\$13,758</u>	<u>\$14,172</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$26,720	\$26,483	\$26,520	\$27,317	\$28,137	\$28,982	\$29,852
Other Funds	6,729	6,913	7,102	7,315	7,534	7,760	7,993
TOTAL	\$33,449	\$33,396	\$33,622	\$34,632	\$35,671	\$36,742	\$37,845

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Total full-time equivalent students and at	33,476	33,147	33,442	33,413	33,439	33,463	33,566
State-owned institutions only*	12,724	11,975	12,081	12,161	12,215	12,284	12,348
Associate degrees conferred	251	260	266	276	285	293	297
Total bachelor degrees conferred and at	5,261	5,155	5,182	5,184	5,243	5,275	5,282
State-owned institutions only*	2,293	2,132	2,147	2,178	2,245	2,290	2,296
Total graduate degrees conferred and at	889	905	959	932	942	1,004	960
State-owned only*	250	249	251	267	288	300	307

* 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.

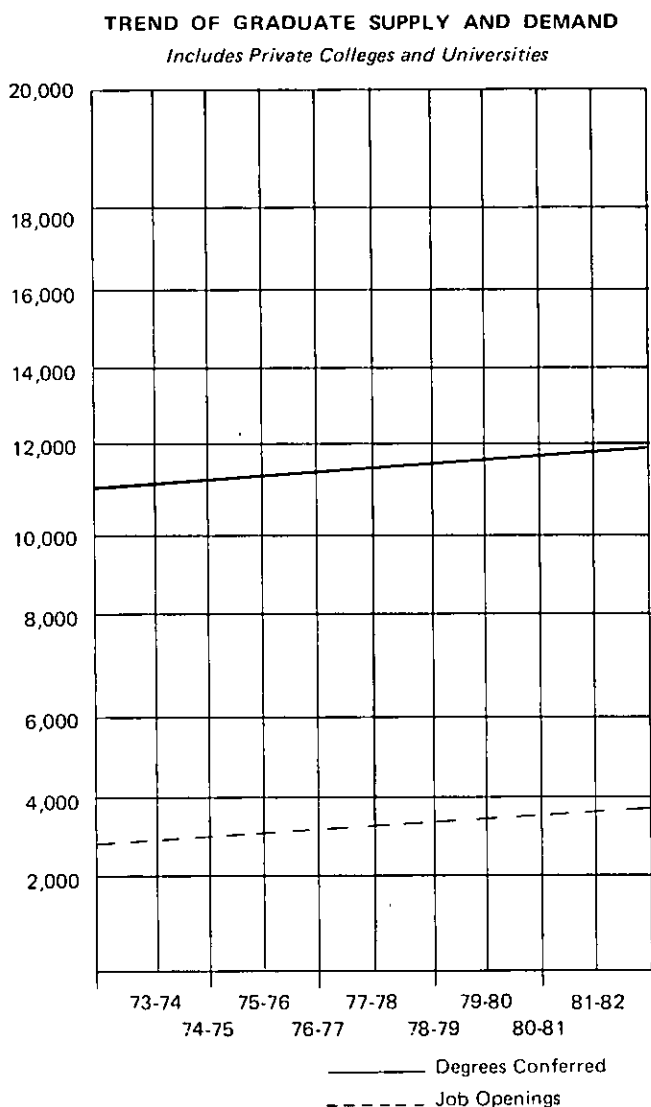
The institutions are adjusting their enrollment projections to reflect the impact of the poor job market; last year the State-owned and State-related segments showed enrollment increases over the next four years, this year they project slight decreases. The community colleges project a 44.3 percent

enrollment increase which does not seem justifiable.

As the graph indicates, jobs relating to these specific fields are relatively scarce. In the past, 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)



The follow-up study of the 1974 class indicates that by two and one-half years after graduation 91.3 percent of the respondents in area studies and 82 percent of the respondents in social studies had full-time employment but that they generally had a low rate of relatedness to the discipline. Sixteen percent of those graduates received additional degrees since 1974 and generally those who are employed have had two or more jobs since graduation. Only 5.3 percent of social studies graduates and 4.3 percent of area studies graduates are still seeking employment.

As the program measures show, with the increase in the level of student awareness of the job market and the emphasis on more specific training enrollment will stabilize at the undergraduate level and an increasing percentage will go on to graduate programs to increase their chances of obtaining employment. Expansion of the program under these circumstances is unwise.

Because of the constrained labor market and doubtful enrollment expectations, funding for future years should not provide for any program expansion in the area of social sciences and area studies.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Colleges and University	\$10,797	\$10,214	\$10,214	\$10,520	\$10,836	\$11,161	\$11,496
Community Colleges—Capital and Operating	958	1,122	1,218	1,255	1,293	1,332	1,372
Pennsylvania State University	3,636	3,847	3,788	3,902	4,019	4,140	4,264
University of Pittsburgh	4,789	4,789	4,789	4,933	5,081	5,233	5,390
Temple University	4,902	4,902	4,902	5,049	5,200	5,356	5,517
Lincoln University	304	304	304	313	322	332	342
Drexel University	17	17	17	18	19	20	21
University of Pennsylvania	1,317	1,288	1,288	1,327	1,367	1,408	1,450
GENERAL FUND TOTAL	<u>\$26,720</u>	<u>\$26,483</u>	<u>\$26,520</u>	<u>\$27,317</u>	<u>\$28,137</u>	<u>\$28,982</u>	<u>\$29,852</u>

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 4,748	\$ 4,861	\$ 4,868	\$ 5,014	\$ 5,165	\$ 5,320	\$ 5,477
Other Funds	1,047	1,226	1,360	1,401	1,443	1,486	1,531
TOTAL	\$ 5,795	\$ 6,087	\$ 6,228	\$ 6,415	\$ 6,608	\$ 6,806	\$ 7,008

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Total full-time equivalent students	5,684	5,512	5,993	6,148	6,279	6,413	6,529
State-owned only*	1,142	1,131	1,245	1,314	1,354	1,426	1,483
Community colleges only*	1,641	1,465	1,810	1,895	1,990	2,076	2,150
Associate degrees conferred	900	927	956	969	983	996	999
Total bachelor degrees conferred	943	969	1,007	1,039	1,064	1,080	1,111
State-owned only*	194	218	249	279	303	319	352
Graduate degrees conferred	99	109	111	115	115	114	114

*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, State-related universities and State-aided colleges and universities.

This subcategory is concerned with students who have majors in broad areas, (i.e., American Studies) where various disciplines are incorporated to provide a comprehensive knowledge of a subject matter.

The measures in this subcategory are much lower than those reported last year because undeclared majors, previously included here, have been removed. The result is a much more accurate reflection of enrollment and degrees in interdisciplinary studies. Undeclared majors have been distributed among the other academic areas according to indices of their course work or probable career aspirations as developed by the various institutions.

Because of the broad nature of education provided within this program, it is difficult to assess manpower demands with precision. As with most other employment areas, opportunities for liberal arts and sciences graduates diminish as

the economy moves into a period of uncertain activity.

A major implication of an uncertain economy is that not only does the total quantity of employment opportunities diminish, but the resulting growth in the unemployed labor force produces a heightened competition. This means that skilled workers with experience tend to make up a larger proportion of the labor force putting the recent graduate with a generalized educational background at a decided disadvantage.

As a result of these factors, 21.3 percent of 1976 graduates are unemployed and only 25.4 percent have found employment in a field related to their education. Many of these graduates will go into further education to increase their employability; 41.3 percent of the 1974 graduates have pursued advanced degrees. Of those 1974 graduates 12 percent are unemployed and of those who are employed 31.4 percent are in a field unrelated to their education and only 23.5 percent are in highly related fields. Funding for this program reflects stabilization rather than expansion.

Interdisciplinary Studies(continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Colleges and University	\$ 1,916	\$ 1,966	\$ 1,966	\$ 2,025	\$ 2,086	\$ 2,149	\$2,213
Community Colleges—Capital and Operating	463	480	493	508	523	538	553
Pennsylvania State University	666	713	707	728	750	773	796
University of Pittsburgh	571	571	571	588	606	624	643
Temple University	806	806	806	830	855	881	907
Drexel University	40	40	40	41	42	43	44
University of Pennsylvania	286	285	285	294	303	312	321
GENERAL FUND TOTAL	<u>\$ 4,748</u>	<u>\$ 4,861</u>	<u>\$ 4,868</u>	<u>\$ 5,014</u>	<u>\$ 5,165</u>	<u>\$ 5,320</u>	<u>\$ 5,477</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 8,855	\$ 8,353	\$ 8,455	\$ 8,961	\$ 9,502	\$10,069	\$10,674
Other Funds	363	347	351	372	394	418	443
TOTAL	\$ 9,218	\$ 8,700	\$ 8,806	\$ 9,333	\$ 9,896	\$10,487	\$11,117

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Graduate students engaged in State supported research programs	188	190	193	193	194	194	194
Full-time professionals engaged in State-supported research	305	306	307	307	308	308	309

Program Analysis:

Research activities at the Pennsylvania State University make up about 95 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.

The direct State appropriation represents 29.3 percent of the total Pennsylvania State University organized research program, and the direct Federal appropriation represents 4.1 percent. The remaining 66.6 percent is "sponsored" research funded by outside agencies. Sponsored research is typically problem oriented, frequently multi-disciplinary in nature.

The majority of the University general research funds are budgeted for the Agricultural Experiment Station which conducts substantial research in food and animal sciences plant science and other research including agricultural economics and rural sociology, and agricultural engineering. Most of the remaining research support is directed to problems in the areas of engineering, earth and mineral sciences, human development, and the intercollege programs in environmental science, applied (physical) science, social science and life science support.

The table shows the percentage distribution of Penn State University research funded by State and Federal appropriations.

Research (continued)

Program Analysis: (continued)

RESEARCH EFFORT BY PROGRAM AREA							
<i>(Does not Include Sponsored Research)</i>							
Activities	Proposed			Activities	Proposed		
	1975/76	1976/77	1977/78		1975/76	1976/77	1977/78
Agriculture Experiment Station - Total	62.8%	61.4%	61.3%	Health and Recreation	1.6%	1.5%	1.5%
Food and Animal Science	25.1%	25.2%	25.1%	Human Development	2.0%	2.1%	2.1%
Plant Science	23.6%	23.7%	23.7%	Liberal Arts	2.0%	2.2%	2.2%
Arts and Architecture . . . . .	.6%	.6%	.6%	Science . . . . .	.6%	.7%	.7%
Business Administration	1.6%	1.8%	1.8%	Interdisciplinary	14.9%	15.3%	15.3%
Earth and Mineral Science - Total	5.9%	6.4%	6.5%	Other . . . . .	.5%	.6%	.6%
Energy	1.6%	2.0%	2.0%	Administration/Support	4.5%	4.4%	4.4%
Education	1.1%	1.0%	1.0%	TOTAL RESEARCH EFFORT	100.0%	100.0%	100.0%
Engineering - Total	1.9%	2.0%	2.0%				
Energy . . . . .	.5%	.6%	.7%				

In agriculture and food production the economic values of applied research are estimated by the Pennsylvania State University at \$118,000,000 from the following developments.

Experimentation with breeding of dairy cows has helped to double the milk production of a herd and results in additional farm milk sales of \$4.5 million annually. Other genetic research which enables the farmer to control the herd's fertility will prevent the loss of \$6.9 million each year.

Adopting three revised feeding practices can benefit Pennsylvania beef farmers by \$60 million yearly: when milk producing Holsteins are cross-bred with meat-producing Angus, the calves are weaned later, saving \$12 per head in feed costs; feeding a newly-developed mixture allows production of 40 percent more cattle on the same area; reducing the final fattening period by a month means each head consumes 800 pounds less grain, without loss of meat quality.

One area of concentration in food research has been the production of apples. A new style of dwarf tree trellising has resulted in increased production and an integrated pest control program reduces cost and pollution. About 80 percent of the State's orchard growers now participate in these programs; they produced \$26 million in sales last year on 35,000 acres. As they continue to replace old trees, methods and equipment they will earn at least \$60 more per acre.

Money savings of \$100,000 each year are realized by the 45 Pennsylvania potato growers who participate in a blight

forecasting service that allows them to spray only when necessary. If all potato acreage were included, the benefits would increase seven-fold.

Mushrooms are one of Pennsylvania's largest cash crops — \$79 million in 1975-76. Research has substantially contributed to increasing production from 4.5 to 8.1 pounds per square foot per year. In order to compete with foreign producers, mushroom growers may invest in an automated system developed at the Pennsylvania State University which yields 22.7 pounds per year. In addition, processors of the crop apply a procedure that saves canners \$10 million annually.

The economic impact of energy research as a result of the following developments is estimated by the Pennsylvania State University at \$8,100,000.

Architectural engineers surveyed more than 70 State-owned buildings and facilities and recommended procedural changes that saved \$300,000 in electricity costs in 1975 and \$700,000 by extending equipment life. The Pennsylvania State University staff estimates that its training of maintenance personnel at each site would have cost more than \$100,000 if purchased from another purveyor.

Greenhouse operators may cut \$7 million from their \$20 million annual fuel bill by installing a new thermal blanket system tested at University Park. Another approach, developing a particular type of heat-sensitive photochromic glass, is still under investigation.

Research (continued)

Program Analysis: (continued)

Because petroleum is often considered to be an energy resource, conservation methods are mentioned in this section, even though Pennsylvania's oil resources are more valuable as lubricants. Chemical engineers are working on recycling lubricating oil. Petroleum engineers are testing a tertiary oil recovery technique to obtain up to 25 percent of the 4 to 5 billion barrels under Pennsylvania not recoverable by present methods.

Coal research, including gasification, liquefaction and improved combustion, is an area whose major economic impact lies ahead. Sulfur removal continues to absorb special attention.

The Pennsylvania Methane Plan relies heavily on Pennsylvania State University data and urges continuing studies on methane production like the experimental drilling

in Greene County. Although methane trapped in coal seams is a potentially enormous new supply of natural gas, the economic returns are not yet known. The plan for drilling the gas before mining the coal will not only supply a scarce resource, but also result in safer mines.

More efficient, less expensive solar cells have already been devised by Pennsylvania State University engineers, who are continuing to develop the unit toward economic practicability.

Assessment of the impacts of the research program of the major research universities is not possible in simplistic statistical terms. Better methods of evaluating the economic and social contributions of these programs are needed, and recognition must be given to the long-range impacts since most research efforts extend over a number of years.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Colleges and University	\$ 373	\$ 380	\$ 380	\$ 402	\$ 427	\$ 452	\$ 479
Pennsylvania State University	8,482	7,973	8,075	8,559	9,075	9,617	10,195
GENERAL FUND TOTAL	<u>\$ 8,855</u>	<u>\$ 8,353</u>	<u>\$ 8,455</u>	<u>\$ 8,961</u>	<u>\$ 9,502</u>	<u>\$10,069</u>	<u>\$10,674</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$12,285	\$11,726	\$11,743	\$12,445	\$13,193	\$13,983	\$14,824
Federal Funds		125	125	125	125	125	125
Other Funds	289	333	347	368	390	413	438
TOTAL	\$12,574	\$12,184	\$12,215	\$12,938	\$13,708	\$14,521	\$15,387

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Enrollment in nondegree programs	223,520	246,099	266,047	271,812	277,997	284,516	288,010
Persons attending conferences, institutes and workshops	118,872	128,840	140,704	144,519	147,239	151,536	155,973

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.

In past years this presentation has included continuing education for degree credit. For this budget those enrollments have been shown in the applicable academic fields rather than separately here. The growing enrollment in continuing education is an important part of the academic fields and is more properly shown in the respective academic presentations.

The greater part of the State fund expenditures in this area are by the Pennsylvania State University. Its Cooperative Extension Service provides to each Pennsylvania county programs in agriculture, natural resources, family living, 4-H and youth education and community development.

Distribution of agricultural information is an especially important function: methods of production, management and marketing are made available throughout the Commonwealth. Each county office is staffed with a home economist and an agricultural agent for the benefit of its people.

Another aspect of the program is the short-term instructional course or workshop. These are usually less than a week in duration and concern specific topics; often they are sponsored by an industry or business for the benefit of their employees.

Enrollment in a third facet of this program, nondegree or noncredit education, is expanding rapidly at all institutions. These individuals are pursuing course work for occupational or recreational use. Often these programs are to enhance occupation opportunities. Nearly 65 percent of all registrations in the noncredit programs are related to business and management, health sciences and public service — all growing fields. The remainder of this program involves cultural and leisure courses in the arts and crafts and related areas.

Public and Community Services (continued)

Program Analysis: (continued)

TABLE 1: UTILIZATION OF ADULT EDUCATION

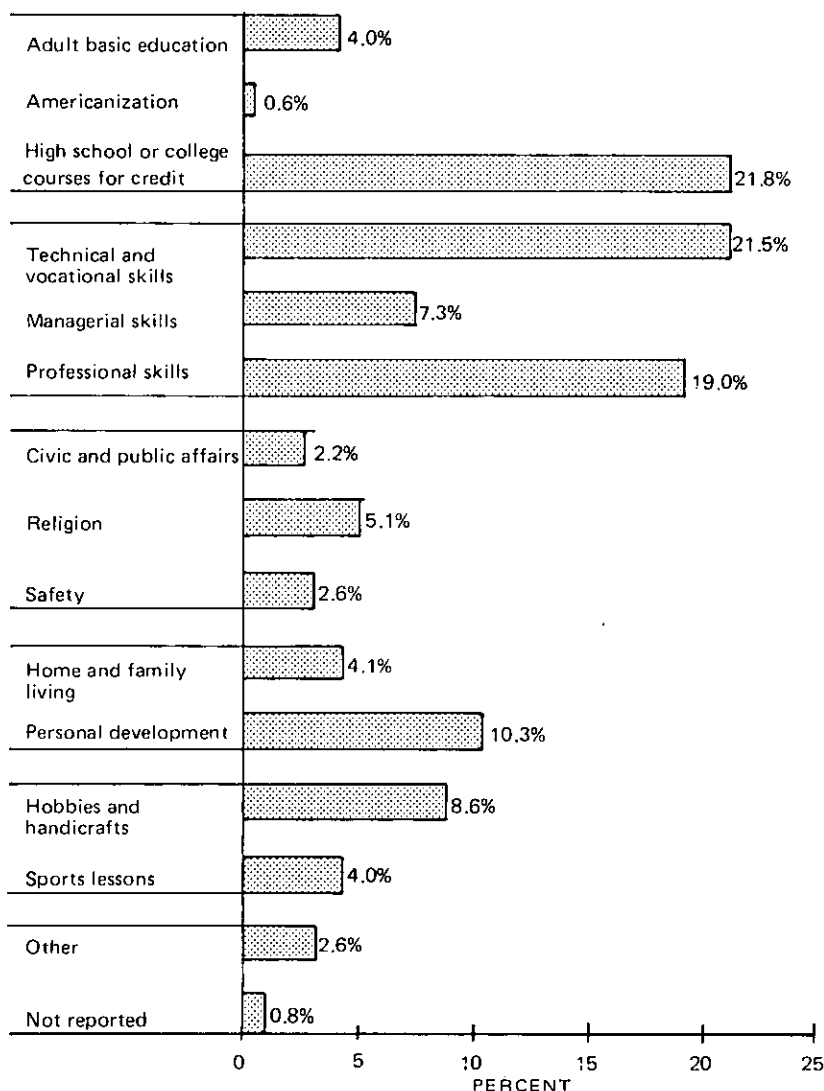
		Percent of Population Participating	Non High School Graduates	High School Graduates	Some College	College Graduates
Male	White	13.9%	4.4%	13.9%	24.7%	29.0%
	Black	6.4%	2.4%	9.3%	17.2%	26.8%
Female	White	11.8%	3.7%	6.0%	21.8%	32.7%
	Black	9.5%	5.2%	11.3%	19.6%	32.6%

Source: Yearbook of Adult and Continuing Education, 1977-78 Marguis Academic Media

Across the United States participation in adult education is increasing. In 1957 only 7.8 percent of the eligible population utilized community education opportunities; that rate increased to 10.9 percent in 1969 and 12.4 percent in 1972. Table 1 shows utilization of adult education in the United States by educational level and Table 2 indicates the types of courses being taken.

As the program grows in popularity, more institutions will increase their involvement; in fact, 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.

TABLE 2: COURSES TAKEN



NOTE — Detail will exceed 100.0 percent because the participant may have engaged in more than one activity and the separate activities may have been for different options.

Public and Community Services (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Colleges and University	\$ 494	\$ 533	\$ 533	\$ 564	\$ 598	\$ 634	\$ 673
Community Colleges—Capital and Operating	575	593	610	646	685	726	770
Pennsylvania State University	10,730	10,119	10,119	10,726	11,370	12,051	12,774
University of Pennsylvania	486	481	481	509	540	572	607
GENERAL FUND TOTAL	\$12,285	\$11,726	\$11,743	\$12,445	\$13,193	\$13,983	\$14,824

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$230,374	\$234,403	\$236,226	\$251,138	\$268,246	\$286,608	\$306,293
Federal Funds	2,616	5,929	5,929	5,929	5,929	5,929	5,929
Other Funds	58,146	63,628	65,510	70,750	76,410	82,521	89,126
TOTAL	\$291,136	\$303,960	\$307,665	\$327,817	\$350,585	\$375,058	\$401,348

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Students enrolled in Higher Education							
Equal Opportunity programs	7,200	8,300	8,500	8,500	8,500	8,500	8,500
State scholarship recipients enrolled in independent institutions eligible for institutional assistance	35,400	37,500	38,100	39,100	40,100	41,150	42,150

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 consumes about 50 percent of an institution's operating budget. The average in Pennsylvania is about 45 percent.

Some of these costs are variable and can be made to respond to enrollment and internal efficiencies; the Governor's 1975 Review of Management has suggested several areas for study which may reduce expenditures in this area. The inflationary spiral, fueled in part by increased energy costs, is causing budgetary problems at the institutions. Since other

areas of cost such as plant operations will continue to increase despite enrollment trends Institutional Support Services is being funded at a higher level even though enrollments are beginning to stabilize.

In facing the inflationary problem the tendency is sometimes to save by cutting funds for library acquisition. As one of the most important educational tools the library should have priority for funding new acquisitions. Standards set by the Department of Education to ensure adequate collections at each institution should be followed.

Included in this subcategory are the institutional payments under the Higher Education Equal Opportunity Act. This act provides State grants to colleges for tutorial and counselling services for the economically and educationally disadvantaged. The program, established in 1971, seems to be successful. It currently serves 8,300 students and has been funded to increase to 8,500 students in the 1977-78 academic year. The retention rate is 83 percent, much higher than the national average of 50 percent for similar programs. Pennsylvania's disadvantaged students have an encouraging academic record:

Institutional Support Services (continued)

Program Analysis: (continued)

65 percent have averages of 2.0 or higher and 89 percent of the senior class averages 2.0 or higher.

Under the provisions of Act 174 of 1974 institutional assistance grants, not to exceed \$400, are made to eligible independent institutions enrolling students receiving a State

higher education grant. It is expected that about 157 independent institutions enrolling about 38,000 students will receive aid during 1978-79; included are the enrollments in nursing programs which the courts may decide are ineligible.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Colleges and University	\$ 98,541	\$100,610	\$100,610	\$108,658	\$117,352	\$126,740	\$136,879
Community College—Capital and Operating	26,668	27,232	27,835	30,061	32,467	35,064	37,869
Higher Education of the Disadvantaged	3,231	3,783	3,974	4,173	4,382	4,601	4,831
Transfer to Higher Education Assistance Agency:							
Institutional Assistance Grants	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Pennsylvania State University	40,615	38,959	38,959	41,297	43,774	46,410	49,184
University of Pittsburgh	26,071	26,071	26,071	27,635	29,293	31,051	32,914
Temple University	20,994	23,494	23,494	24,903	26,398	27,981	29,661
Lincoln University	2,254	2,254	2,254	2,411	2,580	2,761	2,955
Handicapped Standards Improvements			964				
Capital Improvements			65				
GENERAL FUND TOTAL	<u>\$230,374</u>	<u>\$234,403</u>	<u>\$236,226</u>	<u>\$251,138</u>	<u>\$268,246</u>	<u>\$286,608</u>	<u>\$306,293</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$2,604	\$2,725	\$2,786	\$2,940	\$3,092	\$3,248	\$3,414
Federal Funds	406	353	325	324	330	338	344
Other Funds	815	741	745	770	770	770	770
TOTAL	\$3,825	\$3,819	\$3,856	\$4,034	\$4,192	\$4,356	\$4,528

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 provides extensive staff support to the Board of State College and University Directors and the State Board of Education. Special studies are being undertaken in the areas of program

enrollments, physical facilities and special studies for the State Board of Education. Such studies are being utilized in the development of regionalization plans and as a method of monitoring the quality of education in each segment of the college community.

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$2,349	\$2,549	\$2,606	\$2,754	\$2,900	\$3,050	\$3,210
Education and Radio and Television Grants	115	64	64	64	64	64	64
Regional Broadcast Councils	26						
Higher Education of the Disadvantaged	114	112	116	122	128	134	140
GENERAL FUND TOTAL	\$2,604	\$2,725	\$2,786	\$2,940	\$3,092	\$3,248	\$3,414

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 90,083	\$ 89,687	\$ 86,387	\$ 87,083	\$ 87,289	\$ 87,505	\$ 87,732
Federal Funds	15,473	.....	.....	.....	.....	.....	.....
Other Funds	48	3,332	3,355	3,355	3,355	3,355	3,355
TOTAL	\$105,604	\$ 93,019	\$ 89,742	\$ 90,438	\$ 90,644	\$ 90,860	\$ 91,087

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Applicants for scholarships:							
Nonveterans	170,839	168,600	178,150	195,800	197,400	203,000	208,600
Veterans	24,874	19,500	17,550	15,800	14,200	12,800	11,500
Scholarship grant recipients	119,833	124,840	140,200	145,900	151,750	154,775	157,870
Students receiving loans annually	86	90	90	90	90	90	90
Students participating in college work study	53,900	54,500	60,650	60,650	60,650	60,650	60,650

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. Included in the program costs for 1976-77 only are Federal funds appropriated to the State-owned colleges for Federally sponsored student aid programs; the funding is indicated here for the one year because those funds were appropriated by the General Assembly only in that year. However, it can be assumed that those Federal funds are received at comparable levels every year by the individual colleges.

The largest component of this program is scholarships awarded by the PHEAA. In 1976-77 grants totaling \$68,440,000 were awarded to a group of students making up 24.5 percent of the total higher education enrollment in the State; PHEAA projects that by 1981-82, 31.4 percent of the State's enrollment will be in need of scholarship aid. The measures show the number of scholarship applications from both veterans and nonveterans. Applications from veterans are expected to decrease by 54 percent by 1982-83 while applications from nonveterans are increasing by 22 percent.

That increase is the result of the increasing costs of college becoming burdensome to ever higher income groups. Included among the grant recipients shown in the measures are 11,535 veterans who will receive aid in 1977-78. Their average award will be \$803 which is 31 percent higher than the average program award. The numbers of veterans receiving grants peaked in 1974-75 and is rapidly decreasing; it is expected to be 6,800 in 1981-82.

For the 1977-78 academic year changes were made in regulations for State scholarship grant awards which included: 1) an increase in the maximum award, 2) reduction in the expected parental contribution, 3) an increase in the dependent child allowance, 4) an increase in the cost factor inclusion, and 5) an increase in the exempt family income level.

For low-income families, which generally receive Federal Basic Education Opportunity Grants (BEOG), the increase in the maximum State award and reduced level of parental contribution are especially important. The changes have an even greater impact on middle and upper income level families who benefit by the dependent child allowance increase and the

Financial Assistance to Students (continued)

Program Analysis: (continued)

reduction in parental contribution which averages about 20 percent over the \$15,000 level. These changes are especially important to those middle income families which are determined not to be eligible for BEOG.

As Table 1 indicates, as of November 30, 1977, students in the income categories \$11,999 and below are still receiving proportionately more of the total value of awards than those with larger incomes, but the percentage growth rate is higher for the \$12,000 and above categories.

**DISTRIBUTION OF STATE STUDENT GRANT RECIPIENTS
BY GROSS PARENTAL INCOME LEVELS**

Parental Gross Income	1975-76				1976-77				1977-78			
	Awards	Value of Awards in Thousands	% of Total Value	Full-Year Average Award	Awards	Value of Awards in Thousands	% of Total Value	Full-Year Average Award	Awards	Value of Awards in Thousands	% of Total Value	Full-Year Average Award
BELOW \$ 3,000	9,910	\$ 4,806	7.1%	\$671	4,470	\$ 2,771	4.4%	\$682	3,946	\$ 2,895	4.0%	\$767
\$ 3,000 \$ 5,999	9,974	6,522	9.6	698	9,756	5,149	8.2	583	8,885	5,484	7.5	645
\$ 6,000 \$ 8,999	14,689	9,813	14.4	707	14,879	8,599	13.7	625	13,502	9,202	12.6	708
\$ 9,000 \$11,000	19,960	12,029	17.7	632	17,786	10,194	16.3	614	16,163	11,556	15.9	740
\$12,000 \$14,999	21,413	10,851	16.0	529	20,297	10,486	18.8	550	18,353	12,030	16.5	677
\$15,000 \$17,999	11,951	5,404	8.0	471	13,966	6,677	10.7	506	15,599	9,006	12.4	596
\$18,000 and Above	5,508	2,482	3.6	467	8,793	4,144	6.6	499	13,753	7,321	10.0	549
Self Supporting Students	8,084	5,494	8.1	781	10,685	6,900	11.0	782	11,514	7,693	10.6	741
Veterans	16,581	10,541	15.5	794	11,484	7,663	12.3	803	8,880	7,693	10.5	931
Program TOTAL	118,070	\$67,942	100.0%	\$640	112,116	\$62,583	100.0%	\$613	110,595	\$72,880	100.0%	\$689

Financial Assistance to Students (continued)

Program Analysis: (continued)

There may be some question relating to the decline in the number of awards going to students from the \$9,000 and below group. Pennsylvania students from families with less than \$10,000 Federal adjusted gross income also received an average of about \$626 from the Federal Basic Education Opportunity Grant 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.

Table 2 illustrates the percent of educational costs provided by both the State grants and the Federal BEOG grants. In 1977-78, BEOG was effective for all four undergraduate classes. The educational costs presented by this table include tuition, fees, room and board. It does not include clothing or transportation and since it is an average it does not reflect the very high costs at some institutions.

Funding for this program is not projected to increase because the number of students seeking higher education is decreasing.

**PROPORTION OF EDUCATIONAL COSTS OF COMMON RECIPIENT
STUDENTS FUNDED BY STATE & FEDERAL GRANTS
FOR 1977-78 ACADEMIC YEAR**

Institutional Type	Educational Costs*	Full-Year Average State Grant Award	Estimated Average BEOG Award	BEOG Plus State Award	Percent of Educational Costs
Private	\$5,202	\$1,146	\$ 942	\$2,088	40.1%
State Colleges and Univ.	2,441	422	888	1,310	53.7
State Related Univs.	3,355	569	954	1,523	45.4
Junior Colleges	3,783	698	988	1,686	44.6
Community Colleges	2,052	266	826	1,092	53.2
Nursing Schools	2,442	477	825	1,302	53.3
Proprietary Schools	3,041	604	1,045	1,649	54.2

* Educational costs indicated are those typically used for purposes of the Federal Basic Educational Opportunity Grant (BEOG) program.

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; more than one billion dollars in loans to students has been made available since this program began in June, 1964. In 1977-78, the Commonwealth with \$1.5 million will be able to guarantee 20 percent of the loans of 90,000 students for a total dollar value of about \$175,000,000.

The size of the loan program is expected to stabilize for future years. As a result of the Federal Student Loan Marketing Association program it is expected that future appropriation of State funds will not be necessary to fund the loan guarantee program.

The matching funds program provides the institutional matching requirements of the State-owned and community colleges which are to promote student loan and job programs. These funds are increasingly being used to expand the off-campus College Work Study Program which involves

Financial Assistance to Students (continued)

Program Analysis: (continued)

summer and part-time jobs with government and private employers.

This appropriation has been made annually to match funds in the subsequent fiscal year; since that advance match is not

necessary for Federal funding we are budgeting no appropriation in 1978-79. It is assumed that an appropriation for the match will be resumed in 1979-80 on a current year basis.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Colleges and University	\$ 91	\$ 95	\$ 95	\$ 95	\$ 95	\$ 95	\$ 95
Transfer to Higher Education Assistance Agency:							
Scholarships	68,440	68,440	68,440	68,440	68,440	68,440	68,440
Reserve for Losses in Guaranteed Loans	3,200	2,500	1,000	.....	.....	.....	.....
Student Aid Funds—Matching	1,500	1,800	.....	1,500	1,500	1,500	1,500
Administration—Loan and Scholarships	3,916	3,916	3,916	4,112	4,318	4,534	4,761
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	150	150	150	150	150	150	150
Drexel University	1,438	1,438	1,438	1,438	1,438	1,438	1,438
Philadelphia College of Art	236	236	236	236	236	236	236
University of Pennsylvania	3,374	3,374	3,374	3,374	3,374	3,374	3,374
GENERAL FUND TOTAL	<u>\$90,083</u>	<u>\$89,687</u>	<u>\$86,387</u>	<u>\$87,083</u>	<u>\$87,289</u>	<u>\$87,505</u>	<u>\$87,732</u>

Highway Safety Education

OBJECTIVE: To minimize traffic accidents through the promotion of highway safety programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Special Funds	\$4,351	\$4,408	\$4,202	\$4,193	\$4,169	\$4,133	\$4,100
Federal Funds	53	71	72	78	85	92	99
TOTAL	\$4,404	\$4,479	\$4,274	\$4,271	\$4,254	\$4,225	\$4,199

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Eligible pupils	222,058	214,400	211,100	208,500	197,200	187,200	179,700
Enrollments in school driving courses:							
Classroom instruction	145,053	140,000	137,000	135,500	128,200	121,700	117,000
Practice driving	112,558	109,000	107,000	105,000	100,000	95,000	91,000

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.

Another study, done in 1977 for the Insurance Institute for Highway Safety, approaches the issue from a different perspective. The study concludes that, since driver education is often a prerequisite for licensing before age 18, driver training in effect increases the number of 16 to 18 year olds on the highways. As a result, "any possible benefits obtained from having younger teenagers learn to drive will continue to be gained at a large cost in human life," since these drivers are involved in accidents at rates far out of proportion to their numbers.

This conclusion is only partly applicable to Pennsylvania, since persons who are 16 to 18 years of age can obtain a limited license without driver education. However, the authors

Highway Safety Education (continued)

also suggest that in addition to formal requirements for licensure, "parents have been misled to believe that driver education decreased the risk of their childrens' involvement in crashes," and have allowed their children to drive earlier than they would have without driver education.

The findings of these various studies help explain the most frequently cited benefit of the program, special insurance rates. This benefit is 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

necessarily 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 referred to above in order to determine personality traits and socio-economic status.

One reason that has been suggested for the apparent lack of success of driver education is that the 36 hours of instruction required by State standards may not be sufficient to produce positive results. This possibility is being investigated in national and Pennsylvania studies that are comparing safety performance of young drivers who have participated in driver education programs of varying extent, to determine if more extensive programs are more effective. These results may provide important guidance for the future of this program.

Program Costs by Appropriation:

	1976-77	1977-78	(Dollar Amounts in Thousands)				
			1978-79	1979-80	1980-81	1981-82	1982-83
MOTOR LICENSE FUND							
Safe Driving Course	<u>\$4,351</u>	<u>\$4,408</u>	<u>\$4,202</u>	<u>\$4,193</u>	<u>\$4,169</u>	<u>\$4,133</u>	<u>\$4,100</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 320	\$ 450	\$ 514	\$ 540	\$ 565	\$ 595	\$ 625
Federal Funds	41	15	.....	.....	.....	.....	.....
Other Funds	47	27	.....	.....	.....	.....	.....
TOTAL	\$ 408	\$ 492	\$ 514	\$ 540	\$ 565	\$ 595	\$ 625

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Prospective district justices trained	72	60	60	60	60	60	60
District justice continuing education enrollment	560	560	560	560	560	560	560
Campus and other special police officers trained	100	155	155	175	175	175	175
Local fire training graduates	35,000	37,500	41,500	43,500	45,000	45,000	45,000
Fire school graduates	1,785	1,790	1,730	1,730	1,730	1,730	1,730

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 Chambersburg.

The Fire School occupies eight acres at Lewistown. It includes a building in which interior house and apartment fires can be fought, a six-floor drill tower and an outdoor training area that has simulated streets and fuel tanks.

At present the Fire School provides advanced training to about 1,800 instructors, fire department officers and fire suppression specialists each year. Basic training of local fire fighters is supervised by Fire School employes and conducted by Fire School-trained instructors. This outreach activity is expected to receive increased emphasis in the next few years, with a consequent reduction in the number of advanced trainees.

The Law Enforcement Academy trains two 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 250 State college officers: 165 have completed the program. There is a total of approximately 4,000 officers employed by the State-owned, State-aided, State-related and private colleges in the State; 410 have completed the course since 1971. Beginning in 1976, the law enforcement course was extended from six to twelve weeks and reduced from three courses to two per year. In addition, the Academy began conducting specialized law enforcement training for other governmental agencies. A twelve-week course was conducted for 29 new agents of the Pennsylvania Liquor Control Board. Others trained have included officers from the Pennsylvania Department of Public Welfare, the National Park Service, the U. S. Army, and various municipalities. In addition, the Academy conducts advanced courses and field training for college personnel. This expanded activity is reflected in the appropriate program measure.

An evaluation of the campus police training program to

Community Training Services (continued)

Program Analysis: (continued)

determine its effectiveness is currently being conducted by the Academy. There are indications that crime on campus has decreased as a result of the training program. This 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 given his personnel.

Another part of this program is training for members of the minor judiciary, which is conducted by the Minor Judiciary Education Board. The Board is responsible for prescribing and approving the subject matter and the examination for the course of instruction required by the State Constitution and the Magisterial District Reform Act. The Department of Education serves as the administrative staff of the Board, administers the course of instruction and training, and conducts the certifying examination as directed by the Board.

All prospective district justices who are not members of the bar of the Supreme Court must pass the basic course of instruction prior to filing for office in the primary or prior to assuming office when filling a vacancy. As a result of these requirements, there are approximately 60 students per year enrolled in the basic course of instruction. Of the 60, about 48 normally complete the course of instruction.

The basic course of instruction presently consists of 156 hours of classroom instruction. The general subject areas covered include criminal law, civil law, evidence, judicial procedure and administration, motor vehicle law, the Drug,

Device, and Cosmetic Act, and moot courts. In addition, two specialized areas of instruction in judicial ethics and human sensitivity have been added to the curriculum recently. It is the goal of the basic course to educate prospective district justices in the necessary legal skills to accomplish their duties, and to make individuals aware of their own personal prejudices so that judicial decisions are made on the legal merits of each case.

The Magisterial District Reform Act has also mandated a minimum of 32 hours of continuing education every year for all district justices serving in office. The curriculum for the continuing education program includes courses in drug and alcohol problems, including community treatment facilities; civil litigation and damages, with an update on recent changes in civil procedures; criminal procedure and evidence, with updates relevant to Pennsylvania criminal laws and procedures; civil settlement, landlord-tenant and domestic disputes; and the Pennsylvania Motor Vehicle Code, with its revisions and interpretations. There is a total of 39 hours of instruction time during the one-week course.

Each course for district justices is evaluated at its conclusion by the students enrolled in that particular session. The course content, instructor and length of time per area of study are evaluated in an effort to maintain a high standard of instruction. The basic program of instruction has received excellent evaluations over the past eighteen months. The continuing education program will also be evaluated using the same criteria as are used in the basic course.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$ 320</u>	<u>\$ 450</u>	<u>\$ 514</u>	<u>\$ 540</u>	<u>\$ 565</u>	<u>\$ 595</u>	<u>\$ 625</u>

Adult Employment Training Service

OBJECTIVE: To improve the employment capabilities of those persons in the Commonwealth who are unemployed or underemployed.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$2,199	\$2,750	\$2,750	\$2,850	\$2,850	\$2,850	\$2,850
Federal Funds	140	239	340	372	408	447	490
Other Funds	4,183	4,000	4,000	4,000	4,000	4,000	4,000
TOTAL	\$6,522	\$6,989	\$7,090	\$7,222	\$7,258	\$7,297	\$7,340

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Adult extension enrollment	95,447	100,500	105,500	110,500	115,500	120,500	125,500
Trainees enrolled in State retraining courses	1,747	1,750	1,750	1,750	1,750	1,750	1,750
Trainees completing instruction during the year	1,125	1,125	1,125	1,125	1,125	1,125	1,125
Trainees placed in jobs after completing instruction	1,040	1,040	1,040	1,040	1,040	1,040	1,040
Trainees enrolled in Comprehensive Employment and Training Act programs	8,060	7,900	7,800	7,700	7,600	7,500	7,400

Program Analysis:

The purpose of this program is to provide training of a nondegree nature to adults who desire to upgrade their employment skills.

Vocational adult extension education includes three different types of programs: adult preparatory programs, designed for persons who are already working or who have been in the labor force (as differentiated from secondary and postsecondary pupils who are in full-time programs leading to entry-level positions) but who are preparing for new or different occupations; adult supplemental programs designed for persons who are already working but who require additional training to become updated or upgraded on their current jobs; and apprenticeship programs designed specifically to meet the needs of registered and nonregistered apprentices.

Over 1,800 adult extension courses are offered in area vocational schools, comprehensive high schools and several specialized sites, largely on an evening school basis. Extension enrollments are shown at a higher level than in last year's presentation because demand for extension courses is

considerably higher than expected, probably due to high unemployment rates and the resultant desire by some persons to improve their skills and, perhaps, job opportunities.

The State retraining program provides short intensive training classes to increase skill levels for those persons for whom there are no public training programs available, in an effort to meet the needs of new and expanded industries. Trainees are usually part-time workers not otherwise employed or employed persons who are working below their skill levels and capacities.

The high dropout rate is usually during the first week of training when a person may report only one or two days. Over 90 percent of those who complete training are employed. An increasing amount of State retraining is in the form of work-experience programs at the industrial site. Work-experience programs have proven to be the most successful and least expensive to conduct. In these programs the persons become employes of the company immediately upon the beginning of training.

The number of trainees for 1976-77 was higher than

Adult Employment Training Service (continued)

Program Analysis: (continued)

anticipated in last year's budget and is expected to remain at the same level due to such developments as the current resurgence of the State's needle trade industry and continued need for trainees for the new Volkswagen assembly plant.

The Comprehensive Employment and Training Act of 1973 (CETA) is a Federal law intended to provide job training and employment opportunities for economically disadvantaged, unemployed and underemployed persons. The intent of the Act is to lead to maximum employment opportunities. The responsibility for implementing the educational portion of this Act is divided between the Department of Education and the prime sponsors, which are counties and major cities.

Instruction is provided in such skills as welding, machine operation, coal mining, auto repair, drafting, food services and clerical and health occupations. After training, persons are

generally referred to the prime sponsors for placement. Placement information is available from some of the CETA programs, and shows placement of 1,703 or 25 percent of 6,721 persons completing training. Completers from the remainder of CETA-sponsored vocational education programs were referred to the prime sponsors. The prime sponsors report to the U.S. Department of Labor and are not required to inform the Department of Education of the total number placed. The placement of the 1,703 trainees was made by the vocational schools in an effort to assist the prime sponsors in putting people to work.

Enrollment differences in CETA programs compared to last year's budget are due to changes in funding levels. Federal law relates the level of funding each year to the level of unemployment.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Basic Instruction Subsidy and Vocational Education	<u>\$2,199</u>	<u>\$2,750</u>	<u>\$2,750</u>	<u>\$2,850</u>	<u>\$2,850</u>	<u>\$2,850</u>	<u>\$2,850</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$1,229	\$1,232	\$1,233	\$1,137	\$1,141	\$1,044	\$1,049

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Participants in school community recreation programs	1,200,000	1,200,000	1,200,000	1,100,000	1,100,000	1,000,000	1,000,000
School districts participating in community recreation programs	325	325	325	300	300	275	275

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 workweek, 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 2000. 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. The school districts participating in the community recreation programs have been hampered by the tight fiscal situation faced by school boards as well as local governments. Instructional costs continue to rise at a time when school boards have been threatened by taxpayer revolts in the face of increased taxation. Recreation expenses are reimbursable under current State law, but only as part of school districts' total expenses. Since the recreation service is usually not a particularly high priority item, it is usually one of the first services eliminated when there is fiscal pressure. The large subsidy increase to be received by school districts in 1977-78 and subsequent years is expected to make some funds available to continue recreation programs. As a result, the program measures show less of a decline in participation than they did in last year's budget.

Recreation Services (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 29	\$ 32	\$ 33	\$ 37	\$ 41	\$ 44	\$ 49
Basic Instruction Subsidy and Vocational Education	1,200	1,200	1,200	1,100	1,100	1,000	1,000
GENERAL FUND TOTAL	<u>\$1,229</u>	<u>\$1,232</u>	<u>\$1,233</u>	<u>\$1,137</u>	<u>\$1,141</u>	<u>\$1,044</u>	<u>\$1,049</u>

State Library Services

OBJECTIVE: To provide and improve library services to citizens of the Commonwealth, to special libraries and to agencies and employes of government.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$11,239	\$11,380	\$12,159	\$12,856	\$13,543	\$14,255	\$15,008
Federal Funds	2,762	3,523	3,240	3,240	3,240	3,240	3,240
Other Funds	151	3	4	4	4	4	4
TOTAL	\$14,152	\$14,906	\$15,403	\$16,100	\$16,787	\$17,499	\$18,252

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Percentage of population served by State-aided libraries	94%	94.5%	94.5%	95%	95.5%	96%	96%
Items lent (in thousands)	36,164	36,500	37,000	38,000	39,000	40,000	40,000
Institutionalized and handicapped persons served and as percentage of total served	45,000 32%	56,000 39%	59,000 41%	59,000 41%	61,000 43%	65,000 45%	65,000 45%

Program Analysis:

This program supports 466 public libraries that form a statewide library system serving the majority of Commonwealth citizens, in addition to libraries for handicapped persons and residents of State-owned institutions.

Not all libraries belong to this system. There are about 100 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 are predicted to bring libraries serving an additional two percent of the State's population into the State-aided system by 1981-82.

The use of libraries is an important indicator of the effects of the program. Circulation has been steadily growing, with figures for 1976 showing an increase over the prior year. Circulation among libraries, that is, materials obtained through interlibrary loan, also increased in the same period. Circulation is expected to continue to increase through the rest of the projection period.

One means of improving the quality and scope of library services is to conduct pilot projects to evaluate new types of library programs. Some projects implemented during the past year on a continuing basis include the following: circulation records and materials available at the two regional libraries for the blind and physically handicapped have been computerized

so that patrons can be provided with materials more rapidly and without duplicating previous offerings; educational and career counseling services are offered and widely utilized at the Free Library of Philadelphia and the Reading Public Library, offering models for other libraries to follow; a number of libraries provide special services for handicapped and elderly persons, and one library, the Kingston Public Library, acquired a large bookmobile equipped with a lift to accommodate wheel chair users and elderly persons; many libraries are taking books and library programs into nursing homes, hospitals and county prisons as part of their regular service program; some libraries, particularly those in rural areas, are offering mail service to patrons, using carefully selected collections of paperback books. In these and other kinds of outreach programs, the statewide library system extends standard and innovative services to a wide variety of persons otherwise unable or unlikely to visit centralized library facilities.

This program includes funds for a change in State library aid that would increase to \$1 million the per county ceiling for aid given to county libraries and include for the first time Philadelphia and Allegheny Counties. This aid is dependent on local matching funds. In addition, per capita aid would be increased from 50 to 75 cents and aid to low-income areas would be raised. Also included are funds to enable the State Library to expand its hours of service. Cutbacks in hours in recent years have impaired its effectiveness as a major reference library.

State Library Services (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Library	\$ 1,485	\$ 1,586	\$ 1,800	\$ 1,930	\$ 2,070	\$ 2,210	\$ 2,360
Improvement of Library Services	8,896	8,896	9,428	9,900	10,395	10,913	11,460
Library Services for the Blind and Handicapped	858	898	931	1,026	1,078	1,132	1,188
GENERAL FUND TOTAL	<u>\$11,239</u>	<u>\$11,380</u>	<u>\$12,159</u>	<u>\$12,856</u>	<u>\$13,543</u>	<u>\$14,255</u>	<u>\$15,008</u>

Public Television Services

OBJECTIVE: To provide for the development and growth of noncommercial public television.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$6,005	\$6,017	\$6,580	\$6,909	\$7,249	\$7,601	\$7,966
Federal Funds . . . . .	.....	42	.....	.....	.....	.....	.....
TOTAL	<u>\$6,005</u>	<u>\$6,059</u>	<u>\$6,580</u>	<u>\$6,909</u>	<u>\$7,249</u>	<u>\$7,601</u>	<u>\$7,966</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
TV Households in Pennsylvania	3,888,000	3,884,000	3,884,000	3,884,000	3,884,000	3,884,000	3,884,000
Households watching public television at least once a week	1,403,000	1,445,090	1,488,442	1,533,095	1,579,087	1,626,459	1,675,252
Contributing memberships	152,226	159,837	167,828	176,219	185,029	194,280	203,994
Original programming as a percentage of total broadcasting	5%	5%	7.5%	7.5%	7.5%	7.5%	7.5%
Programs offered	22,000	23,774	24,000	24,000	24,000	24,000	24,000

Program Analysis:

The Pennsylvania Public Television Network (PPTN) links seven independent noncommercial stations, located across the Commonwealth, through a central network facility. The PPTN Commission governs the network, performs statewide coordinating functions, and makes operating, equipment and facilities, affirmative action training and programming grants to each of the stations. Through PPTN each station has access to programs produced by other Pennsylvania stations as well as programs purchased or otherwise procured from outside sources.

On the average, each PPTN member station offers 5,000 hours of programming a year. Nearly a quarter of these hours is devoted to instructional programming for use in Pennsylvania's elementary and secondary classrooms; these programs are selected for broadcast by the teachers and administrators in each station's broadcast area. About 90 percent of the instructional programs now in use have been produced for national use, with the remaining 10 percent being specially produced for Pennsylvania. Another third of the total schedule provides programming for children not yet in school or for viewing after school hours. Because the subjects covered are universal to all children in America and

because it is costly to produce effective programs, virtually all of the PPTN schedule is made up of children's programs produced for national broadcast. (One of the successful national series, 'Mister Roger's Neighborhood', is produced in Pittsburgh.) The remainder of the time, about 45 percent, is used to present general interest programs for families and adults. What is generally called the evening schedule attempts to offer as varied a selection as is possible. Each station provides programs dealing with matters of concern to its local area, be it governmental, political, cultural or of some other special interest to the community. Often the subjects are found to have more than local application and these programs are offered across the Commonwealth via PPTN. On the average about 34 percent of each station's evening schedule is produced by a Pennsylvania station: some 20 percent being done only for local use, with the other 14 percent being shared with other stations through PPTN. Only some two percent of the evening schedule is specifically produced for statewide broadcast with direct PPTN Commission support. The remaining 63 percent of the average schedule is acquired from sources outside of Pennsylvania; through the national Public Broadcasting Service, regional Eastern Educational Television

Public Television Services (continued)

Program Analysis: (continued)

Network or from any of a number of other sources.

An estimated 72 percent of all Pennsylvania TV households watch public television, with 1,403,000 households tuning in for an average of three hours each week. Over half a million preschool children watch public television, or 75 percent of all Pennsylvania children between two and five years of age. Audience research conducted in 1976 also shows that over 34,000 adults join their children in watching 'Sesame Street', 'The Electric Company', 'Mister Roger's Neighborhood' and other children's programs offered on PPTN stations. School-age viewers (6-17) account for over 650,000 of public television's audience in Pennsylvania. About one third watch adult programs and the rest apparently view 'Zoom', 'Hodgepodge Lodge' and other children's programs. About 21 percent of the adults between 18 and 64 watch public television, or some 1,422,000 persons, while 30 percent of the adults over 65 watch public television regularly. These viewers tune in for a wide variety of public television programs ranging from drama and music to public affairs and practical how-to-do-it programs. Contributing memberships represent about 11 percent of the households which regularly watch public television; annual membership drives aim to increase that participation. The measure of contributing membership is at a lower level than was shown in last year's budget; the change results from revised membership estimates.

The two basic operational powers and duties of the PPTN Commission are operation of the network interconnection service and aid to the stations in improvement of their

broadcast operation, programming and capital facilities.

Programming funds are used to directly procure specific programs for network distribution, provide centralized promotion and audience research, and fund programming activities at the stations. The 1978-79 budget projects that 43 percent of the programming funds will be used for centralized projects and 57 percent will be station grants. The budget recommendation sets a funding level which will make a strengthened level of programming possible.

Concern is increasing about the declining level of local financial support for instructional programming. While teachers and administrators remain enthusiastic about the service many school districts, including major ones, have found it necessary to withdraw their support because of financial difficulties. As a result this programming will decrease over the next year.

Commonwealth appropriations account for less than one-third of the total funding provided for public television. For 1976-77 a total of \$24,376,000 was available for public television from the following sources: Viewer and corporation contribution - 47 percent Commonwealth funding through the PPTN Commission - 25 percent; school district, college and university, and local governments for services provided - 6 percent; Federal funds through the Corporation for Public Broadcasting and Department of Health Education and Welfare - 18 percent; and the Commonwealth funds through the Department of Education - 4 percent.

Program Costs by Appropriation:

	1976-77	1977-78	(Dollar Amounts in Thousands)				
			1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Pennsylvania Public Television							
Network - Operations	\$4,305	\$4,317	\$4,580	\$4,809	\$5,049	\$5,301	\$5,566
Pennsylvania Public Television Network-							
Program Services	1,700	1,700	2,000	2,100	2,200	2,300	2,400
GENERAL FUND TOTAL	<u>\$6,005</u>	<u>\$6,017</u>	<u>\$6,580</u>	<u>\$6,909</u>	<u>\$7,249</u>	<u>\$7,601</u>	<u>\$7,966</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, the State Board for Certification of Sewage Enforcement Officers and the State Board for Certification of Sewage Treatment and Waterworks Operators.

DEPARTMENT OF ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Fund			
General Government			
General Government Operations	\$ 14,676	\$ 14,000	\$ 15,086
Topographic and Geologic Survey	1,344	1,400	1,514
Stream Improvement Projects	435	450	464
Soil Survey Work	200	100	100
Deep Mine Safety Inspection	2,021	2,300	2,415
Occupational Health	562	633	687
Surface Mine Reclamation	1,986	2,100	2,367
Land Protection	2,409	2,309	2,600
Water Quality Management	5,882	5,884	6,791
Air Quality and Noise Control	2,978	2,830	3,812
Community Environmental Control	5,352	5,835	6,436
Radiological Health	577	622	739
State Forestry Operations	10,191	10,100	10,871
Gypsy Moth Laboratory	391	406	438
Insect Spraying Operations . . . . .	. . . . .	350	500
State Parks	18,438	19,194	20,753
Control of Forest Fires	100	150	150
Emergency Flood Relief — 1976	199	. . . . .	. . . . .
Flood Relief — Johnstown General Government . . . . .	. . . . .	165	. . . . .
Flood Relief — Johnstown Restore and Stabilize Streams . . . . .	. . . . .	700	. . . . .
Subtotal	<u>\$ 67,741</u>	<u>\$ 69,528</u>	<u>\$ 75,723</u>
Grants and Subsidies			
Flood Control Projects	\$ 745	\$ 745	\$ 500
Sewage Facilities Planning Grants	250	300	300
Sewage Facilities Enforcement Grants	600	1,200	1,000
Solid Waste Disposal Planning Grants	150	150	150
Solid Waste — Demonstration Grants	1,500	. . . . .	. . . . .
Great Lakes Basin Commission	14	15	15
Delaware River Master	36	29	30
Ohio River Basin Commission	27	30	30
Susquehanna River Basin Commission	150	200	200
Potomac River Basin Advisory Committee	8	. . . . .	. . . . .
Interstate Commission on the Potomac River Basin	16	16	16
Delaware River Basin Commission	391	378	378
Ohio River Valley Water Sanitation Commission	55	55	55
Small Watershed Projects	75	100	100
Local Soil and Water District Assistance	100	100	100
Interstate Mining Commission	10	10	10
Annual Fixed Charges—Flood Lands	8	9	9
Annual Fixed Charges—Project 70	275	250	250
Annual Fixed Charges—Forest Lands	398	399	399
Mansfield Utilities	154	. . . . .	. . . . .
Pymatuning Utilities	400	. . . . .	. . . . .
Scotland School Utilities . . . . .	. . . . .	205	. . . . .
Shippensburg College Utilities . . . . .	. . . . .	250	. . . . .
Caledonia State Park Utilities . . . . .	. . . . .	. . . . .	221
Rockview State Correctional Institution Utilities . . . . .	. . . . .	. . . . .	350
Vector Control	500	500	500
Subtotal	<u>\$ 5,862</u>	<u>\$ 4,941</u>	<u>\$ 4,613</u>

DEPARTMENT OF ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation
(continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Capital Improvements			
Hillman State Park—Improvements	\$ 170	.....	.....
Appalachian Trail	250	.....	.....
Subtotal	<u>\$ 420</u>	.....	.....
Total State Funds	<u>\$ 74,023</u>	<u>\$ 74,469</u>	<u>\$ 80,336</u>
Federal Funds	\$ 8,861	\$ 21,945	\$ 10,007
Other Funds	951	1,737	381
GENERAL FUND TOTAL	<u>\$ 83,835</u>	<u>\$ 98,151</u>	<u>\$ 90,724</u>
Revenue Sharing Trust Fund			
Grants and Subsidies			
Sewage Treatment Plant Operations Grants	\$ 11,632	\$ 12,250	\$ 13,630
REVENUE SHARING TRUST FUND TOTAL	<u>\$ 11,632</u>	<u>\$ 12,250</u>	<u>\$ 13,630</u>
Department Total — All Funds			
General Fund	\$ 74,023	\$ 74,469	\$ 80,336
Special Funds	11,632	12,250	13,630
Federal Funds	8,861	21,945	10,007
Other Funds	951	1,737	381
TOTAL ALL FUNDS	<u>\$ 95,467</u>	<u>\$110,401</u>	<u>\$104,354</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Government Operations			
State Funds	\$15,111	\$14,450	\$15,550
Federal Funds	506	451	197
Other Funds	424	860	227
TOTAL	\$16,041	\$15,761	\$15,974

Provides for the overall executive direction and administration of the department including personnel, fiscal management, systems management, office services, public information and planning and research. Conducts all legal matters of the department including enforcement actions. Provides engineering services relevant to all department operations. Constructs water structure, stream clearance, channel improvement and minor mine reclamation projects. Provides for the expenses of the department's boards, councils and commissions.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
General Government Operations	\$14,676*	\$14,000	\$15,086 ✓
Stream Improvement Projects	435	450	464 ✓
Federal Funds:			
Coastal Zone Management	252	52	.....
Reimbursement for Flood Expenses	68	.....	.....
Water Resources Planning	112	270	.....
Acid Mine Drainage Research and Demonstration	45	78	47
Abandoned Mine Reclamation Program	29	.....	150
Acid Mine Drainage Abatement .....	.....	6	.....
United States Geologic Survey Grants .....	.....	40	.....
National Water Assessment Program .....	.....	5	.....
Other Funds:			
Payments for Departmental Services	13	.....	.....
Reimbursements for Comptroller Services	123	261	132
Reimbursement—Land and Water Development Fund .....	.....	198	.....
Reimbursement—Delaware River Basin Commission .....	.....	12	.....
Flood Control—Administration	234	295	53
Cost—Reimbursement Contracts	2	.....	.....
Clear Air Fund	26	27	.....
Clear Water Fund	26	27	42
Reimbursement—Ohio River Basin Commission .....	.....	40	.....
TOTAL	\$16,041	\$15,761	\$15,974

*Excludes the \$1,344,000 shown under Topographic and Geologic Survey.

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Topographic and Geologic Survey			
State Funds	\$ 1,344	\$ 1,400	\$ 1,514
Federal Funds	78	100	66
Other Funds	68	6	6
TOTAL	<u>\$ 1,490</u>	<u>\$ 1,506</u>	<u>\$ 1,586</u>

Provides detailed surveys of the Commonwealth's geologic, mineral and groundwater resources and prepares topographic maps for every area of the Commonwealth.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Topographic and Geologic Survey	\$ 1,344*	\$ 1,400	\$ 1,514 ✓
Federal Funds:			
Topographic and Geologic Survey Grants	78	100	66
Other Funds:			
Topographic and Geologic Survey — Services Rendered	62	.....	.....
Topographic and Geologic Survey — Water Well Drillers Act Receipts	6	6	6
TOTAL	<u>\$ 1,490</u>	<u>\$ 1,506</u>	<u>\$ 1,586</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Soil Survey Work			
State Funds	\$ 200	\$ 100	\$ 100

Conducts soils characterization analysis and interpretation as part of the Commonwealth's soil survey program.

	(Dollar Amounts of Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Soil Survey Work	<u>\$ 200</u>	<u>\$ 100</u>	<u>\$ 100</u> ✓

*Prior to 1977-78, this was shown as part of General Government Operations.

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Deep Mine Safety Inspections			
State Funds	\$ 2,021	\$ 2,300	\$ 2,415
Federal Funds	117	400	241
TOTAL	<u>\$ 2,138</u>	<u>\$ 2,700</u>	<u>\$ 2,656</u>

Conducts safety inspections of all deep coal mines, cleaning and preparation plants, breakers, washeries and all metal and nonmetallic deep mines. Issues various permits relative to underground coal mining. Develops qualification examinations for the certification of miners, machine runners, shot-firers, and mine officials together with assisting in the development of qualification examinations for the certification of mine inspectors and electricians. Coordinates program to provide for training in mine rescue and first aid. Maintains statistics on all fatal and nonfatal accidents, natural deaths, roof fall accidents and accidents which occur in or around coal mines resulting in serious injuries. Investigates complaints submitted by the general public on hazardous mining conditions caused by deep mining.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Deep Mine Safety Inspections	\$ 2,021	\$ 2,300	\$ 2,415 ✓
Federal Funds:			
Training and Education of Underground Coal Miners	117	400	241
TOTAL	<u>\$ 2,138</u>	<u>\$ 2,700</u>	<u>\$ 2,656</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Occupational Health			
State Funds	\$ 562	\$ 633	\$ 687
Federal Funds	10	210	245
TOTAL	<u>\$ 572</u>	<u>\$ 843</u>	<u>\$ 932</u>

Administers programs to protect the health and welfare of workers in Pennsylvania by evaluating environmental conditions, making recommendations for control of health hazards, enforcing occupational health standards and regulations and investigating occupational disease sources to determine causes and recommend control measures.

GENERAL FUND

ENVIRONMENTAL RESOURCES

Occupational Health (continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Occupational Health	\$ 562	\$ 633	\$ 687 ✓
Federal Funds:			
Occupational Health and Safety Programs	10	205	245
National Institute of Occupational Health and Safety .....	.....	5	.....
TOTAL	<u>\$ 572</u>	<u>\$ 843</u>	<u>\$ 932</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Surface Mine Reclamation			
State Funds	\$ 1,986	\$ 2,100	\$ 2,367
Federal Funds .....	.....	179	384
TOTAL	<u>\$ 1,986</u>	<u>\$ 2,279</u>	<u>\$ 2,751</u>

Issues surface mining operator's licenses. Reviews mine drainage control and reclamation plans supporting applications for all surface mining operations. Conducts environmental and safety inspections of surface mines. Regulates the storage, handling and use of explosives. Approves permits for the purchase and sale of explosives, licenses for the storage of explosives and blasters licenses.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Surface Mine Reclamation	\$ 1,986	\$ 2,100	\$ 2,367 ✓
Federal Funds:			
Environmental Protection Agency — Evaluation of Reclamation Effort .....	.....	179	67
Surface Mining Control and Reclamation Act .....	.....	.....	317
TOTAL	<u>\$ 1,986</u>	<u>\$ 2,279</u>	<u>\$ 2,751</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Land Protection			
State Funds	\$ 2,409	\$ 2,309	\$ 2,600
Federal Funds	148	774	460
Other Funds	106	271	1
TOTAL	<u>\$ 2,663</u>	<u>\$ 3,354</u>	<u>\$ 3,061</u>

Administers and enforces the Bituminous Mine Subsidence and Land Conservation Act and issues surface support permits to active bituminous coal mines. Approves permits for solid waste processing and disposal. Administers the development of local solid waste management plan and solid waste management regulations for the Commonwealth. Regulates the drilling, plugging, abandonment of oil and gas wells, the conservation of oil and gas resources, and the underground storage of natural gas. Administers the Mine Subsidence Insurance Fund and the act providing assistance to homeowners who suffer damage from mine subsidence.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Land Protection	\$ 2,409	\$ 2,309	\$ 2,600 ✓
Federal Funds:			
Solid Waste and Water Pollution Control			
Grants — Land Protection	148	774	310
Surface Mining Control and			
Reclamation Act			150
Other Funds:			
Oil and Gas Conservation Law Fees	1	1	1
Clean Air Fund	27	50	.....
Clean Water Fund	70	174	.....
Reimbursement — Land and Water Development			
Fund		46	.....
Reimbursement — PENNTAP Seminars	8		.....
TOTAL	<u>\$ 2,663</u>	<u>\$ 3,354</u>	<u>\$ 3,061</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Water Quality Management			
State Funds	\$ 5,882	\$ 5,884	\$ 6,791
Federal Funds	2,093	3,822	2,482
Other Funds	105	105	105
TOTAL	\$ 8,080	\$ 9,811	\$ 9,378

Establishes and regulates water quality standards. Develops a statewide Water Quality and Waste Water Management Plan. Sets technical standards, reviews applications and issues permits for water works, waste water collection systems, sewage and industrial waste treatment systems, mine drainage and erosion control and bathing places. Assists communities in financing construction of sewage treatment plants. Reviews plans for construction or repair of dams and encroachments. Inspects treatment facilities. Investigates fish kills and pollution incidents. Makes water quality studies and investigations and coordinates water quality research development programs.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Water Quality Management	\$ 5,882	\$ 5,884	\$ 6,791 ✓
Federal Funds:			
Water Pollution Control Grants—			
Water Quality	2,093	3,822	2,382
Surface Mining Control and Reclamation Act			100
Other Funds:			
Reimbursement for Services to Delaware River Basin Commission	70	70	70
Reimbursement for Laboratory Facilities Use	35	35	35
TOTAL	\$ 8,080	\$ 9,811	\$ 9,378

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Air Quality and Noise Control			
State Funds	\$ 2,978	\$ 2,830	\$ 3,812
Federal Funds	2,084	2,170	2,000
Other Funds		395	
TOTAL	\$ 5,062	\$ 5,395	\$ 5,812

Develops air quality standards and air resource management techniques, establishes air quality monitoring systems, acts on permits, issues orders for the control of air pollution, conducts research and assists in local air pollution control programs.

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Air Quality and Noise Control	\$ 2,978	\$ 2,830	\$ 3,812 ✓
Federal Funds:			
Air Pollution Control Grants	2,084	2,170	2,000
Other Funds:			
Clean Air Fund . . . . .	. . . . .	395	. . . . .
TOTAL	<u>\$ 5,062</u>	<u>\$ 5,395</u>	<u>\$ 5,812</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Community Environmental Control			
State Funds	\$ 5,352	\$ 5,835	\$ 6,436
Other Funds	206	58	. . . . .
TOTAL	<u>\$ 5,558</u>	<u>\$ 5,893</u>	<u>\$ 6,436</u>

Inspects, reviews plans and enforces regulations on sanitation in institutions, schools, recreational areas and facilities, mobile home parks, food service establishments and migrant labor camps. Assists local governments in housing code enforcement. Administers a statewide vector control program. Administers grants to municipalities for sewerage planning, local on-lot sewage system enforcement and vector control.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Community Environmental Control	\$ 5,352*	\$ 5,835	\$ 6,436 ✓
Other Funds:			
Reimbursement—Land and Water			
Development Fund . . . . .	. . . . .	58	. . . . .
Clean Water Fund	206	. . . . .	. . . . .
TOTAL	<u>\$ 5,558</u>	<u>\$ 5,893</u>	<u>\$ 6,436</u>

*Includes Migrant Worker's Program.

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Radiological Health			
State Funds	\$ 577	\$ 622	\$ 739
Federal Funds	40	53	40
Other Funds	27	26	26
TOTAL	<u>\$ 644</u>	<u>\$ 701</u>	<u>\$ 805</u>

Inspects users of ionizing radiation sources, licenses users of radium sources, monitors the environment for sources and levels of radioactivity, evaluates applications for nuclear reactors, and maintains a radiation emergency team to handle related accidents.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Radiological Health	\$ 577	\$ 622	\$ 739 ✓
Federal Funds:			
Radiological Health Program Grants	40	53	40
Other Funds:			
Clear Air Fund	26	.....	.....
Clean Water Fund	1	26	26
TOTAL	<u>\$ 644</u>	<u>\$ 701</u>	<u>\$ 805</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Forestry Operations			
State Funds	\$10,582	\$10,856	\$11,809
Federal Funds	3,568	6,137	2,192
TOTAL	<u>\$14,150</u>	<u>\$16,993</u>	<u>\$14,001</u>

Manages State forest lands and prevents and controls forest fires on all forested lands throughout the State. Conducts annual programs to protect forest lands from insect damage. Produces tree seedlings for reforestation of idle land and provides technical forest management assistance to owners of forest land.

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
State Forestry Operations	\$10,191	\$10,100	\$10,871 ✓
Gypsy Moth Laboratory	391	406	438 ✓
Insect Spraying Operations . . . . .	. . . . .	350	500 ✓
Federal Funds:			
Forest Fire Protection and Control --			
Forestry	340	544	350
Forestry Incentives and Agricultural			
Conservation	56	21	21
Tree Planting and Restoration	28	20	20
Cooperative Forest Insect and Disease			
Control	47	431	550
Watershed Protection and Flood Prevention	28	27	23
Resource Conservation and Development	22	23	15
Forest Management and Processing	153	207	210
Youth Conservation Corps	525	1,378	1,003
Public Works and Economic Development Act	2,369	6	. . . . .
United States Forest Services . . . . .	. . . . .	20	. . . . .
CETA Title VIII . . . . .	. . . . .	3,460	. . . . .
TOTAL	<u>\$14,150</u>	<u>\$16,993</u>	<u>\$14,001</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Parks			
State Funds	\$18,438	\$19,194	\$20,753
Federal Funds	25	7,108	1,500
Other Funds	15	16	16
TOTAL	<u>\$18,478</u>	<u>\$26,318</u>	<u>\$22,269</u>

Administers the operation, maintenance and protection of the State Park System. Maintains a comprehensive outdoor recreational program, cooperates with other agencies (Federal, State and local) associated with outdoor recreational development or grants-in-aid and encourages private enterprise to provide related services. Participates in nature interpretation and environmental education activities.

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
State Parks	\$18,438	\$19,194	\$20,753 ✓
Federal Funds:			
Outdoor Recreation — Acquisition, Development and Planning	25	6	.....
Federal Land and Water Conservation Act .....	.....	7,102	1,500
Other Funds:			
Reimbursement for Sewerage Systems Use	15	16	16
TOTAL	<u>\$18,478</u>	<u>\$26,318</u>	<u>\$22,269</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Control of Forest Fires			
State Funds	\$ 100	\$ 150	\$ 150
Federal Funds	192	291	200
TOTAL	<u>\$ 292</u>	<u>\$ 441</u>	<u>\$ 350</u>

Provides manpower and equipment to extinguish wildfires.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Control of Forest Fires	\$ 100	\$ 150	\$ 150 ✓
Federal Funds:			
Forest Fire Protection and Control	192	291	200
TOTAL	<u>\$ 292</u>	<u>\$ 441</u>	<u>\$ 350</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Emergency Flood Relief			
State Funds	\$ 199	\$ 865	.....

Provides for emergency flood relief through activities such as technical engineering services, stream clearance projects, etc.

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Emergency Flood Relief--1976	\$ 199	.....	.....
Flood Relief--Johnstown General Government .....	.....	\$ 165	.....
Flood Relief--Johnstown Restore and Stabilize			
Streams .....	.....	700	.....
TOTAL	<u>\$ 199</u>	<u>\$ 865</u>	.....

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Flood Control			
State Funds	\$ 745	\$ 745	\$ 500

Provides the State's share of the costs of building major flood control structures through Federal, State and local cooperation.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Flood Control Projects	<u>\$ 745</u>	<u>\$ 745</u>	<u>\$ 500</u>

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Sewage Facilities Assistance			
State Funds	\$ 850	\$ 1,500	\$ 1,300

Provides grants to municipalities for planning and enforcing sewage facilities programs.

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Sewage Facilities Planning Grants	\$ 250	\$ 300	\$ 300 ✓
Sewage Facilities Enforcement Grants	600	800	1,000 ✓
Sewage Facilities Enforcement Grants — Recommended Additional		400	
TOTAL	<u>\$ 850</u>	<u>\$ 1,500</u>	<u>\$ 1,300</u>

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Solid Waste — Resource Recovery Assistance			
State Funds	\$ 1,650	\$ 150	\$ 150

Provides grants to municipalities for aid in developing plans for solid waste management systems. Provides a source of funds for grants for solid waste — resource recovery demonstration projects.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Solid Waste Disposal Planning Grants	\$ 150	\$ 150	\$ 150 ✓
Solid Waste Demonstration Grants	1,500		
TOTAL	<u>\$ 1,650</u>	<u>\$ 150</u>	<u>\$ 150</u>

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Interstate Water Compacts			
State Funds	\$ 697	\$ 723	\$ 724

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.

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Great Lakes Basin Commission	\$ 14	\$ 15	\$ 15 ✓
Delaware River Master	36	29	30 ✓
Ohio River Basin Commission	27	30	30 ✓
Susquehanna River Basin Commission	150	200	200 ✓
Potomac River Basin Advisory Committee	8	. . . .	. . . .
Interstate Commission on the Potomac River Basin	16	16	16 ✓
Delaware River Basin Commission	391	378	378 ✓
Ohio River Valley Water Sanitation Commission	55	55	55 ✓
TOTAL	<u>\$ 697</u>	<u>\$ 723</u>	<u>\$ 724</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Conservation Districts Assistance			
State Funds	\$ 175	\$ 200	\$ 200

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Small Watershed Projects	\$ 75	\$ 100	\$ 100 ✓
Local Soil and Water District Assistance	100	100	100 ✓
TOTAL	<u>\$ 175</u>	<u>\$ 200</u>	<u>\$ 200</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Mine Activities			
State Funds	\$ 10	\$ 10	\$ 10

Provides for Pennsylvania's share of the Interstate Mining Commission.

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Interstate Mining Commission	\$ 10	\$ 10	\$ 10 ✓

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Payments in Lieu of Taxes			
State Funds	\$ 681	\$ 658	\$ 658

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Annual Fixed Charges—Flood Lands	\$ 8	\$ 9	\$ 9 ✓
Annual Fixed Charges—Project 70	275	250	250 ✓
Annual Fixed Charges—Forest Lands	398	399	399 ✓
TOTAL	<u>\$ 681</u>	<u>\$ 658</u>	<u>\$ 658</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Utility Expansion Grants			
State Funds	\$ 554	\$ 455	\$ 571

Provides the State's share of the cost of improving utility services involving State institutional facilities.

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Mansfield Utilities	\$ 154	. . . . .	. . . . .
Pymatuning Utilities	400	. . . . .	. . . . .
Scotland School Utilities . . . . .	. . . . .	\$ 205	. . . . .
Shippensburg College Utilities . . . . .	. . . . .	250	. . . . .
Caledonia State Park Utilities . . . . .	. . . . .	. . . . .	\$ 221 ✓
Rockview State Correction Institution Utilities . . . . .	. . . . .	. . . . .	350 ✓
TOTAL	<u>\$ 554</u>	<u>\$ 455</u>	<u>\$ 571</u>

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Vector Control			
State Funds	\$ 500	\$ 500	\$ 500

Provides grants to municipalities for establishing and maintaining rat control programs.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Vector Control	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 500</u> ✓

Capital Improvements

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Capital Improvements			
State Funds	\$ 420	. . . . .	. . . . .
Federal Funds . . . . .	. . . . .	\$ 250	. . . . .
TOTAL	<u>\$ 420</u>	<u>\$ 250</u>	. . . . .

Provides for miscellaneous capital improvements which are not large enough to qualify for bond funding.

GENERAL FUND

ENVIRONMENTAL RESOURCES

	1976-77	(Dollar Amounts in Thousands)	1977-78	1978-79
	Actual		Available	Budget
Source of Funds				
Appropriations:				
Hillman State Park—Improvements	\$ 170		.....	.....
Appalachian Trail	250		.....	.....
Federal Funds:				
Appalachian Trail .....	.....		\$ 250	.....
TOTAL	<u>\$ 420</u>		<u>\$ 250</u>	.....

Revenue Sharing Trust Fund
Grants and Subsidies

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Sewage Treatment Plant Operations Grants			
State Funds	\$11,632	\$12,250	\$13,630

Provides payments to municipalities, school districts and institutional districts for operation and maintenance of sewage treatment facilities.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Sewage Treatment Plant Operations Grants	<u>\$11,632</u>	<u>\$12,250</u>	<u>\$13,630</u>

Restricted Receipts Not Included in Department Totals

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Fund			
Clean Water Fund	\$1,013	\$ 640	\$ 265
Snowmobile Regulation	497	463	526
Clean Air Act	745	931	364
Mine Drainage Treatment Fees	111	136	152
TOTAL	<u>\$2,366</u>	<u>\$2,170</u>	<u>\$1,307</u>

DEPARTMENT OF ENVIRONMENTAL RESOURCES

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 7,600	\$ 7,528	\$ 7,955	\$ 8,352	\$ 8,770	\$ 9,208	\$ 9,669
Protection from Natural Hazards and							
Disasters	\$ 3,752	\$ 4,138	\$ 4,565	\$ 4,760	\$ 4,965	\$ 5,181	\$ 5,407
Prevention, Control and Extinction of							
Forest Fires	2,933	2,978	3,193	3,345	3,504	3,672	3,848
Reduction of Disease and Insect Damage							
to Forests	819	1,160	1,372	1,415	1,461	1,509	1,559
Protection from Health Hazards	\$ 33,488	\$ 33,845	\$ 38,022	\$ 39,218	\$ 41,079	\$ 43,033	\$ 45,084
Air Pollution Control	2,978	2,830	3,812	4,002	4,202	4,412	4,633
Water Quality Management	18,123	18,644	21,047	21,496	22,569	23,694	24,876
Community Environmental							
Management	9,227	8,816	9,322	9,689	10,076	10,483	10,909
Occupational Health and Safety	2,583	2,933	3,102	3,256	3,418	3,589	3,768
Radiation Protection	577	622	739	775	814	855	898
Natural Resource Development and							
Management	\$ 21,674	\$ 21,755	\$ 22,412	\$ 23,436	\$ 24,513	\$ 25,647	\$ 26,834
Management of Land Resources	8,161	8,028	8,592	8,985	9,400	9,835	10,292
Regulation of Mineral Resources	3,530	3,588	4,041	4,242	4,453	4,676	4,909
Technical Support and Planning							
Services	9,983	10,139	9,779	10,209	10,660	11,136	11,633
Recreation	\$ 19,141	\$ 19,453	\$ 21,012	\$ 22,049	\$ 23,139	\$ 24,283	\$ 25,484
Development, Operation and Maintenance of							
Recreation Areas and Facilities	19,141	19,453	21,012	22,049	23,139	24,283	25,484
DEPARTMENT TOTAL	<u>\$ 85,655</u>	<u>\$ 86,719</u>	<u>\$ 93,966</u>	<u>\$ 97,815</u>	<u>\$102,466</u>	<u>\$107,352</u>	<u>\$112,478</u>

ENVIRONMENTAL RESOURCES

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)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$7,600	\$7,528	\$7,955	\$8,352	\$8,770	\$9,208	\$9,669
Federal Funds	78	100	66	16	.....	.....	.....
Other Funds	247	519	180	140	140	140	140
TOTAL	<u>\$7,925</u>	<u>\$8,147</u>	<u>\$8,201</u>	<u>\$8,508</u>	<u>\$8,910</u>	<u>\$9,348</u>	<u>\$9,809</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)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$6,256	\$6,128	\$6,441	\$6,763	\$7,101	\$7,456	\$7,829
Topographic and Geologic Survey	1,344	1,400	1,514	1,589	1,669	1,752	1,840
GENERAL FUND TOTAL	<u>\$7,600</u>	<u>\$7,528</u>	<u>\$7,955</u>	<u>\$8,352</u>	<u>\$8,770</u>	<u>\$9,208</u>	<u>\$9,669</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 2,933	\$ 2,978	\$ 3,193	\$ 3,345	\$ 3,504	\$ 3,672	\$ 3,848
Federal Funds	532	835	550	520	500	500	500
TOTAL	\$ 3,465	\$ 3,813	\$ 3,743	\$ 3,865	\$ 4,004	\$ 4,172	\$ 4,348

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Forest fires	1,781	1,600	1,500	1,500	1,600	1,600	1,700
Acres burned	14,853	14,000	14,000	14,000	14,000	15,000	15,000
Value of resources at risk from wildfires (in millions)	9,867	10,557	11,297	12,087	11,855	12,000	12,000
Trained volunteer forest fire wardens	3,800	3,800	3,800	3,800	3,800	3,800	3,800
Miles of safety strip maintained	1,815	2,065	2,265	2,300	1,900	1,900	1,900
Miles of safety strip required	2,065	2,115	2,265	2,040	2,125	2,100	2,100
Acres protected (in thousands)	19,000	19,000	19,000	19,000	19,000	19,000	19,000
Persons provided with direct fire prevention education	2,038,000	2,033,000	2,051,000	2,060,000	2,065,000	2,050,000	2,025,000

Program Analysis:

Over 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.

These same factors which bring people to the forests also contribute to an increased possibility of wildfires since nearly all wildfires are caused by man.

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 incendiarism and the patterns of subdivision development.

Incendiarism 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 incendiarism and increased cooperation with 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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Forestry Operations	\$ 2,833	\$ 2,828	\$ 3,043	\$ 3,195	\$ 3,354	\$ 3,522	\$ 3,698
Control of Forest Fires	100	150	150	150	150	150	150
GENERAL FUND TOTAL	<u>\$ 2,933</u>	<u>\$ 2,978</u>	<u>\$ 3,193</u>	<u>\$ 3,345</u>	<u>\$ 3,504</u>	<u>\$ 3,672</u>	<u>\$ 3,848</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$819	\$1,160	\$1,372	\$1,415	\$1,461	\$1,509	\$1,559
Federal Funds	47	431	550	600	600	600	600
TOTAL	\$866	\$1,591	\$1,922	\$2,015	\$2,061	\$2,109	\$2,159

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Acres of land surveyed from air for insect/disease problems (in thousands)	18,467	18,650	18,000	19,000	19,300	19,400	19,500
Acres receiving biological control	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Acres receiving chemical control	76,500	60,000	60,000	60,000	60,000	60,000	60,000

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
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
1975	317,880	0	1,750	0	363,000	0
1976	732,310	0	0	0	1,362,593	0
1977	1,296,550	0	0	0	9,600	0

Reduction of Disease and Insect Damage to Forests (continued)

Program Analysis: (continued)

In 1977, gypsy moth defoliation increased by 77 percent over that reported in 1976. Much of this increase resulted from a rebuilding of gypsy moth populations in the poconos where infestations had largely collapsed following severe defoliation in 1973.

The 1977 defoliation of 1,296,550 acres was the highest on record for the State. Resurgence of the gypsy moth is due to two important factors. First of all the severe winter of 1976-77 killed off a large portion of natural parasites, and secondly the spring provided excellent weather for gypsy moth development.

Prospects for abatement of the gypsy moth problem through establishment of imported parasites has been less than satisfactory to date. There are eight of these exotic parasites and one predacious beetle known to be established in Pennsylvania. Currently these do a fair to good job in helping to bring about gypsy moth population collapses. However, they apparently cannot prevent gypsy moth buildups, nor do they extend the period between buildups, as witnessed by a

resurgence in the Pocono Mountain area.

One of the primary reasons for not obtaining better control with parasites to date is the failure of many excellent species to establish in this country. A total of 20 species have been dropped from the program over the last six years for this reason. Some of these will decimate gypsy moth populations in field cages, but they have not overwintered successfully, due either to environmental factors or the lack of a suitable alternate-host insect to see them through their life cycle. Another important reason is the reduction of new species and various strains of species coming into this country through the U. S. Department of Agriculture's overseas exploration program.

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, only one-third of which is due to actual timber losses.

Program Costs by Appropriation:

	1976-77	1977-78	(Dollar Amounts in Thousands)				
			1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Forestry Operations	\$428	\$ 404	\$ 434	\$ 455	\$ 478	\$ 502	\$ 527
Gypsy Moth Laboratory	391	406	438	460	483	507	532
Insect Spraying Operations . . . . .	. . . .	350	500	500	500	500	500
GENERAL FUND TOTAL	<u>\$819</u>	<u>\$1,160</u>	<u>\$1,372</u>	<u>\$1,415</u>	<u>\$1,461</u>	<u>\$1,509</u>	<u>\$1,559</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$2,978	\$2,830	\$3,812	\$4,002	\$4,202	\$4,412	\$4,633
Federal Funds	2,084	2,170	2,000	2,000	2,000	2,000	2,000
Other Funds	-----	395	-----	-----	-----	-----	-----
TOTAL	<u>\$5,062</u>	<u>\$5,395</u>	<u>\$5,812</u>	<u>\$6,002</u>	<u>\$6,202</u>	<u>\$6,412</u>	<u>\$6,633</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Percent of time air basin contamination concentrates exceed acceptable standards	28%	25%	25%	25%	25%	25%	25%
Tons per day pollutant removed as a result of abatement action and planning approval	101,000	103,000	105,000	107,000	107,000	107,000	107,000
Inspections	12,013	9,700	9,500	10,050	10,600	11,150	11,700
Sources of air pollution in the Commonwealth	37,500	38,500	39,200	40,050	40,900	41,750	42,600
Abatement orders issued	61	40	40	30	30	30	30

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.

There has been a significant decrease in both the sources of air pollution in the Commonwealth and in abatement orders issued due to revised estimates on the amount of industrial pollution.

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 used as the basis for 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 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.

Reducing the levels of hydrocarbons, nitrous oxides and

Air Pollution Control (continued)

Program Analysis: (continued)

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 and 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.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Air Quality and Noise Control	<u>\$2,978</u>	<u>\$2,830</u>	<u>\$3,812</u>	<u>\$4,002</u>	<u>\$4,202</u>	<u>\$4,412</u>	<u>\$4,633</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 to protect public health by assuring adequate and safe water supplies.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 6,491	\$ 6,394	\$ 7,417	\$ 7,185	\$ 7,542	\$ 7,916	\$ 8,309
Special Funds	11,632	12,250	13,630	14,311	15,027	15,778	16,567
Federal Funds	2,093	3,822	2,482	2,606	2,736	2,873	3,016
Other Funds	105	105	105	105	105	105	105
TOTAL	\$20,321	\$22,571	\$23,634	\$24,207	\$25,410	\$26,672	\$27,997

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Miles of polluted surface waters	10,400	10,300	10,200	10,100	10,000	9,900	9,800
Square miles of polluted ground waters	23,000	22,700	22,400	22,100	21,800	21,500	21,200
Individuals with unsafe or inadequate water supplies (in thousands)	2,000	2,000	1,950	1,900	1,850	1,800	1,750
Individuals with unsafe/environmentally inadequate wastewater disposal facilities (in thousands)	2,700	2,500	2,300	2,000	2,000	2,000	1,900

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 shown a gradual decline. This level of pollution clean-up has been directly related to the amount of planning and enforcement activity by the Department of Environmental Resources and the availability of State and Federal construction grants for municipal sewerage projects. The projected figures anticipate a continuation of the same rate of stream improvement.

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 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 fourth measure represents the number of people in Pennsylvania who need improvements to on-lot sewerage disposal systems, initial sewer service or improvements to existing sewage treatment facilities. The level of impact is influenced primarily by the level of staff activities and the availability of municipal construction grant funds provided by Congress through the Environmental Protection Agency. Projections reflect improvement in conditions as the result of

Water Quality Management (continued)

Program Analysis: (continued)

municipal systems going into operation. The rate of improvement is affected by the increased preliminary requirements imposed on Federal grant projects and the availability of construction grant funds. The rate of improvement will also be affected by the shifting of emphasis to control of non-point sources of pollution. The estimates assume continued Federal funding of construction at a relatively low rate. Conditions and the indicator will change in

future years, depending upon the actual level of Federal funding.

The control of water pollution is expensive. In addition to funds shown herein, \$140 million will be spent from State bond funds to combat stream pollution from acid mine drainage and \$100 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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Water Quality Management	\$ 5,882	\$ 5,884	\$ 6,791	\$ 7,130	\$ 7,487	\$ 7,861	\$ 8,254
Ohio River Valley Water Sanitation							
Commission	55	55	55	55	55	55	55
Mansfield Utilities	154	.....	.....	.....	.....	.....	.....
Pymatuning Utilities	400	.....	.....	.....	.....	.....	.....
Scotland School Utilities . . . . .	.....	205	.....	.....	.....	.....	.....
Shippensburg College Utilities . . . . .	.....	250	.....	.....	.....	.....	.....
Caledonia State Park Utilities . . . . .	.....	.....	221	.....	.....	.....	.....
Rockview State Correction							
Institution Utilities . . . . .	.....	.....	350	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 6,491	\$ 6,394	\$ 7,417	\$ 7,185	\$ 7,542	\$ 7,916	\$ 8,309
REVENUE SHARING TRUST FUND							
Sewage Treatment Plant Operations							
Grants	\$11,632	\$12,250	\$13,630	\$14,311	\$15,027	\$15,778	\$16,567

Community Environmental Management

OBJECTIVE: To minimize the incidence of diseases associated with home and community environment.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 9,227	\$ 8,816	\$ 9,322	\$ 9,689	\$10,076	\$10,483	\$10,909
Federal Funds	148	774	460	483	507	532	559
Other Funds	310	328	.....	.....	.....	.....	.....
TOTAL	<u>\$ 9,685</u>	<u>\$ 9,918</u>	<u>\$ 9,782</u>	<u>\$10,172</u>	<u>\$10,583</u>	<u>\$11,015</u>	<u>\$11,468</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Population of communities with recognized vector problems (thousands)	13,908	13,908	13,908	13,908	13,908	13,908	13,908
Population of communities with vector control programs (thousands)	4,823	4,818	4,813	4,808	4,803	4,798	4,795
Communities receiving State grants for vector control	225	220	215	210	205	200	195
Inspections of institutions and schools	3,114	4,000	4,100	4,100	4,100	4,100	4,100
Inspections of food establishments	14,633	14,633	14,633	14,633	14,633	14,633	14,633
Inspections of public recreation areas	4,884	4,884	4,884	4,884	4,884	4,884	4,884
Capacity of licensed migrant labor camps	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Population served by inadequate/unsafe solid waste disposal facilities (thousands)	7,550	7,100	6,650	6,200	5,750	5,300	4,850

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

Community Environmental Management (continued)

Program Analysis: (continued)

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. Floods displace rat and mosquito populations which spread problems to previously unaffected areas. The first two measures above include both rat and arthropod vectors and populations affected by both are counted twice.

The number of inspections of institutions and schools, food establishments and recreation areas is expected to remain relatively 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 capacity of migrant camps will remain stationary or decline slightly given static program outputs and increased mechanization and economics of operating camps.

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 25 percent of the remaining 474 active 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 grants 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.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)					1981-82	1982-83
	1976-77	1977-78	1978-79	1979-80	1980-81		
GENERAL FUND							
Community Environmental Control . . .	\$ 5,352	\$ 5,835	\$ 6,436	\$ 6,757	\$ 7,095	\$ 7,450	\$ 7,822
Land Protection	875	831	936	982	1,031	1,083	1,137
Sewage Facilities Planning Grants . . .	250	300	300	300	300	300	300
Sewage Facilities Enforcement Grants .	600	1,200	1,000	1,000	1,000	1,000	1,000
Solid Waste Disposal Planning Grants .	150	150	150	150	150	150	150
Solid Waste—Demonstration Grants . .	1,500	.....	.....	.....	.....	.....	.....
Vector Control	500	500	500	500	500	500	500
GENERAL FUND TOTAL	<u>\$ 9,227</u>	<u>\$ 8,816</u>	<u>\$ 9,322</u>	<u>\$ 9,689</u>	<u>\$10,076</u>	<u>\$10,483</u>	<u>\$10,909</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$2,583	\$2,933	\$3,102	\$3,256	\$3,418	\$3,589	\$3,768
Federal Funds	127	610	486	500	515	530	545
TOTAL	\$2,710	\$3,543	\$3,588	\$3,756	\$3,933	\$4,119	\$4,313

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Coal mining fatalities (deep mines)	18	19	18	12	10	10	10
Employees trained in mine safety	1,250	1,400	1,600	2,000	2,000	2,000	2,000
Workers receiving occupational health services	67,607	39,500	32,500	32,500	32,500	32,000	32,000
Workers found to be in excess exposure status	13,000	12,100	12,100	12,100	12,100	12,100	12,100

Program Analysis:

While the majority of activities designed to protect the working population from occupational hazards are the responsibility of the Federal Government, the Commonwealth does maintain control in several important areas. Involved are mine safety, government employes, laser registration, confined space, use of carcinogens and in-plant medical programs, the most noteworthy of these being the deep mine safety program.

It is an accepted fact that Pennsylvania coal will be instrumental in solving the national energy crisis. Half or more of this coal production will come from deep mining operations where exposure to accidents is greatest (compared to surface mining). Deep mine safety thus becomes an essential and vital factor in the Commonwealth's industrial role to achieve national energy independence.

To accomplish the goals of a viable and successful mine safety program, a sustained State effort in enforcement and training is essential, not only from the standpoint of protecting human life but also from lost time due to accidents, equipment failures, or wildcat strikes resulting from miner walkouts protesting unsafe or intolerable working conditions. These problems must be solved on a statewide basis through reasonable but firm enforcement procedures. Moreover, the mining laws must be updated to reflect the needs of the industry particularly in the area of training and certification.

The Commonwealth leads the nation in certification requirements for miners, mine officials, mine equipment and mining systems. Recently, through legislative enactment, an emergency medical training program for coal miners was authorized. This new program will provide a certified emergency medical technician at every coal mine, on every shift, in both the anthracite and bituminous coal regions.

A previous measure, teams trained for mine rescue, has been replaced by employees trained in mine safety. This new measure more accurately describes the direction this program is now taking.

The Department firmly believes that accidents, particularly fatal accidents, can be eliminated from the industry providing a strong enforcement effort and training program is maintained. Essentially, accidents occur because of 1) violations of the mine law 2) ignorance on the part of mine management and mine worker of safe working practices. Realistically, both these problems can be successfully corrected.

The last two measures show substantial decreases from previous estimates as they have been revised to reflect the phase-out of medical monitoring and record keeping for private industry as the Federal Government has increased its activity in this area.

Occupational Health and Safety (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Deep Mine Safety Inspections	\$2,021	\$2,300	\$2,415	\$2,535	\$2,661	\$2,794	\$2,933
Occupational Health	562	633	687	721	757	795	835
GENERAL FUND TOTAL	<u>\$2,583</u>	<u>\$2,933</u>	<u>\$3,102</u>	<u>\$3,256</u>	<u>\$3,418</u>	<u>\$3,589</u>	<u>\$3,768</u>

Radiation Protection

OBJECTIVE: To protect all individuals from unnecessary radiation exposure from natural and artificial radiocontamination and unnecessary occupational and medical exposure.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$577	\$622	\$739	\$775	\$814	\$855	\$898
Federal Funds	40	53	40	29	26	26	26
Other Funds	27	26	26	26	26	26	26
TOTAL	\$644	\$701	\$805	\$830	\$840	\$881	\$924

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Radiation user inspections performed . . .	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Users brought into compliance through inspections	250	250	250	250	250	250	250
Nuclear plant off-site analyses	2,000	2,000	2,000	2,000	2,500	2,500	2,500

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 Nuclear Regulatory Commission 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 alternatives in meeting future electric power requirements and a major concentration of plants will be within or near Pennsylvania's borders.

A basic program activity of the Department of Environmental Resources is the evaluation of safety systems and effluent control practices. The Department also does off-site monitoring of nuclear plants and other artificial sources of environmental radioactivity for the estimation of the impact of these facilities and the effectiveness of source control.

In spite of the low likelihood of a substantial accident at a nuclear facility, the Department appreciates the consequences of such an event. The impact of any nuclear accident can be minimized through thorough planning and preparation for the management of those events.

The level of technical sophistication and detail in those planning efforts continues to demand significant effort on the part of the Commonwealth.

Radiation Protection (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Radiological Health	<u>\$577</u>	<u>\$622</u>	<u>\$739</u>	<u>\$775</u>	<u>\$814</u>	<u>\$855</u>	<u>\$898</u>

Management 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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 8,161	\$ 8,028	\$ 8,592	\$ 8,985	\$ 9,400	\$ 9,835	\$10,292
Federal Funds	3,181	5,162	1,292	1,283	1,287	1,268	1,263
TOTAL	\$11,342	\$13,190	\$ 9,884	\$10,268	\$10,687	\$11,103	\$11,555

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Property damage caused by soil erosion (in thousands)	\$508,034	\$506,510	\$504,815	\$503,401	501,891	500,385	\$498,883
Acres protected by soil conservation treatment (in thousands)	12,435	12,626	13,437	13,687	13,937	14,187	14,437
Acres of private timber land affected by professional assistance	115,000	118,000	121,000	124,000	127,000	130,000	133,000
Acres that should be reforested	704,000	684,000	624,000	600,000	550,000	525,000	525,000
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. One of the basic natural resources on which all life depends, either directly or indirectly, is the soil. Soil resources, properly used, can insure maximum productivity of the farm and forest. Abused, the soil resource can be eroded resulting in productivity loss and degradation of water quality.

State activities supporting the economic value derived directly from land resources are varied. In addition to the intensive management of Pennsylvania's State forest lands, technical assistance in forest management is provided to private landowners. State operated nurseries produce approximately seven million seedlings per year for reforestation on both State-owned and private lands in the Commonwealth.

In 1955, scientific timber management plans for the two million acres of State forest lands were implemented. From the period of 1955 up to and including 1976, 687,913,000 board feet of sawtimber and 115,165,176 cubic feet of

pulpwood on 313,956 acres were harvested under controlled conditions by Pennsylvania's forest industry. The sale of these forest products produced an income of \$19,060,100.

Since approximately 7½ million acres of the Commonwealth's acreage are utilized as cropland or pasture, financial and technical support is given to conservation districts. These local organizations are currently operating in 66 counties with approximately 54,000 cooperating landowners. They affect over 10½ million acres of crop, pasture and forest land annually.

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.

Management of Land Resources (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 458	\$ 461	\$ 499	\$ 523	\$ 550	\$ 577	\$ 606
Soil Survey Work	200	100	100	100	100	100	100
State Forestry Operations	6,930	6,868	7,394	7,763	8,151	8,559	8,987
Small Watershed Projects	75	100	100	100	100	100	100
Local Soil and Water District Assistance	100	100	100	100	100	100	100
Annual Fixed Charges-Forest Lands	398	399	399	399	399	399	399
GENERAL FUND TOTAL	<u>\$ 8,161</u>	<u>\$ 8,028</u>	<u>\$ 8,592</u>	<u>\$ 8,985</u>	<u>\$ 9,400</u>	<u>\$ 9,835</u>	<u>\$10,292</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$3,530	\$3,588	\$4,041	\$4,242	\$4,453	\$4,676	\$4,909
Federal Funds	179	384	403	423	444	466	
Other Funds	2	1	1	1	1	1	1
TOTAL	<u>\$3,532</u>	<u>\$3,768</u>	<u>\$4,426</u>	<u>\$4,646</u>	<u>\$4,877</u>	<u>\$5,121</u>	<u>\$5,376</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Acres affected by active surface mines	12,500	13,000	14,000	14,500	15,000	15,000	15,000
Acres of inactive surface mines needing rehabilitation	292,000	289,000	286,000	283,000	280,000	277,000	275,000
Total acres rehabilitated	12,000	12,000	13,000	13,000	14,000	15,000	15,000
Increase in property value due to subsidence control (thousands)	\$ 72,800	\$ 84,000	\$ 95,200	\$106,400	\$116,600	\$128,800	\$144,255
Value of property protected by mine subsidence insurance (thousands)	\$241,920	\$255,360	\$268,800	\$282,240	\$295,680	\$309,120	\$346,215

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 known, 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 then covered by the Surface Mining Act. No figures are currently available for this activity. Second, lands are reclaimed as a secondary benefit of stream pollution, mine fire and subsidence abatement activities carried out primarily through the Land and Water Development Fund.

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.

Regulation of Mineral Resources (continued)

Program Analysis: (continued)

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.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Surface Mine Reclamation	\$1,986	\$2,100	\$2,367	\$2,485	\$2,609	\$2,740	\$2,877
Land Protection	1,534	1,478	1,664	1,747	1,834	1,926	2,022
Interstate Mining Commission	10	10	10	10	10	10	10
GENERAL FUND TOTAL	<u>\$3,530</u>	<u>\$3,588</u>	<u>\$4,041</u>	<u>\$4,242</u>	<u>\$4,453</u>	<u>\$4,676</u>	<u>\$4,909</u>

Technical Support and Planning Services

OBJECTIVE: To provide in-house engineering, planning and development services.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 9,983	\$10,139	\$ 9,779	\$10,209	\$10,660	\$11,136	\$11,633
Federal Funds	506	451	197	.....	.....	.....	.....
Other Funds	245	347	53	55	55	55	55
TOTAL	\$10,734	\$10,937	\$10,029	\$10,264	\$10,715	\$11,191	\$11,688

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Reduction in damage potential by construction of all types of flood control projects (in thousands)	\$14,000	\$15,000	\$15,200	\$15,500	\$15,750	\$16,000	\$16,000
Available water supply in Pennsylvania (in millions of gallons)	6,776,000	6,949,000	7,124,000	7,299,000	7,474,000	7,650,000	7,650,000
Water needs in Pennsylvania (in millions of gallons)	5,212,000	5,345,000	5,480,000	5,615,000	5,750,000	5,885,000	6,000,000
Major mining area restoration projects	60	120	150	90	60**
Major recreation development or restoration projects	19	12	11	14	12	8	8
Population served by project development	5,716,000	4,800,000	7,250,000	6,550,000	4,050,000	4,620,000	5,750,000

Program Analysis:

The primary objective of this subcategory is to provide in-house engineering services to all departmental programs as well as maintaining flood control, water resources and the bulk of Land and Water Development Fund (Project 500) activities. The program measures reflect direct program accomplishments. The activities of this subcategory also contribute

indirectly to many of the other measures shown within the Department of Environmental Resources.

The population served by project development fluctuates substantially due to the size and type of projects completed. It is an estimate of the sum of persons affected by the individual projects in a given year and is not cumulative.

* Land and Water Development Fund terminates.

Technical Support and Planning Services (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 7,962	\$ 7,411	\$ 8,146	\$ 8,553	\$ 8,980	\$ 9,430	\$ 9,901
Stream Improvement Projects	435	450	464	487	511	537	563
Emergency Flood Relief — 1976	199	.....	.....	.....	.....	.....	.....
Flood Relief — Johnstown General Government . . . . .	.....	165	.....	.....	.....	.....	.....
Flood Relief — Johnstown Restore and Stabilize Streams . . . . .	.....	700	.....	.....	.....	.....	.....
Flood Control Projects	745	745	500	500	500	500	500
Great Lakes Basin Commission	14	15	15	15	15	15	15
Delaware River Master	36	29	30	30	30	30	30
Ohio River Basin Commission	27	30	30	30	30	30	30
Susquehanna River Basin Commission	150	200	200	200	200	200	200
Potomac River Basin Advisory Committee	8	.....	.....	.....	.....	.....	.....
Interstate Commission on the Potomac River Basin	16	16	16	16	16	16	16
Delaware River Basin Commission	391	378	378	378	378	378	378
GENERAL FUND TOTAL	\$ 9,983	\$10,139	\$ 9,779	\$10,209	\$10,660	\$11,136	\$11,633

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$19,141	\$19,453	\$21,012	\$22,049	\$23,139	\$24,283	\$25,484
Federal Funds	25	7,358	1,500	1,500	1,500	1,500	1,500
Other Funds	15	16	16	16	16	16	16
TOTAL	\$19,181	\$26,827	\$22,528	\$23,565	\$24,655	\$25,799	\$27,000

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
State park attendance in visitor days (thousands)	36,000	37,000	37,000	37,000	37,000	37,000	37,000
Capacity of State park facilities in visitor days (thousands)	38,200	38,200	38,200	38,200	38,200	38,200	38,200
State park closings due to capacity limitations	600	550	550	550	550	550	550

Program Analysis:

The outdoor recreation program in Pennsylvania has experienced significant 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 areas but to have them readily available to urban centers. The major effort to meet the demand has come from Commonwealth bond issues as well as the Federal Bureau of Outdoor Recreation Program which provide major sources of funds for acquisition and development of public outdoor recreation areas in or near heavily populated areas. The operation of these facilities has also changed with outdoor recreation now being a year-round proposition as opposed to the three to five month operation it was few years back. More sophisticated recreational equipment and strict sanitary standards have spurred comprehensive water and sewer systems at many areas. Public concern has resulted in making environmental education a routine activity.

This effort has resulted in a vast system of 6,997 campsites,

17 swimming pools, 148 family cabins, 72 beaches, 21 water and 33 sewage treatment plants, 28,258 picnic tables, etc., provided in 120 separate operating areas. Three skiing facilities plus snowmobile trails, areas for ice sports and sledding provide winter recreation in most of the parks. 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. Some of the measures have been changed slightly from last year due to a more accurate inventory system.

Even though attendance is expected to remain constant, the number of closing due to capacity limitations shows an increase from previous estimates. The increase in closings is the result of not being able to spread usage evenly throughout the week. Thus peak load periods occur on weekends and parks must be closed for protection of the facilities and the public due to overcrowding.

Development, Operation and Maintenance of Recreation Areas and Facilities (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Parks	\$18,438	\$19,194	\$20,753	\$21,790	\$22,880	\$24,024	\$25,225
Annual Fixed Charges—Flood							
Lands	8	9	9	9	9	9	9
Annual Fixed Charges—Project 70	275	250	250	250	250	250	250
Hillman State Park—							
Improvements	170	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Appalachian Trail	250	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
GENERAL FUND TOTAL	<u>\$19,141</u>	<u>\$19,453</u>	<u>\$21,012</u>	<u>\$22,049</u>	<u>\$23,139</u>	<u>\$24,283</u>	<u>\$25,484</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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
General Government			
Atlantic States Marine Fisheries Commission	\$ 3	\$ 3	\$ 3
GENERAL FUND TOTAL	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 3</u>
Fish Fund			
General Government			
General Operations	\$ 8,654	\$ 8,791	\$ 8,587
Total State Funds	<u>\$ 8,654</u>	<u>\$ 8,791</u>	<u>\$ 8,587</u>
Federal Funds . . . . .	. . . . .	\$ 648	\$ 893
Other Funds	\$ 2,268	3,059	3,440
FISH FUND TOTAL	<u>\$10,922</u>	<u>\$12,498</u>	<u>\$12,920</u>
Boating Fund			
General Government			
General Operations	\$ 1,535	\$ 2,224	\$ 2,570
Total State Funds	<u>\$ 1,535</u>	<u>\$ 2,224</u>	<u>\$ 2,570</u>
Federal Funds	\$ 200	\$ 173	\$ 148
Other Funds	2	22	20
BOATING FUND TOTAL	<u>\$ 1,737</u>	<u>\$ 2,419</u>	<u>\$ 2,738</u>
Department Total – All Funds			
General Fund	\$ 3	\$ 3	\$ 3
Special Funds	10,189	11,015	11,157
Federal Funds	200	821	1,041
Other Funds	2,270	3,081	3,460
TOTAL ALL FUNDS	<u>\$12,662</u>	<u>\$14,920</u>	<u>\$15,661</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Atlantic States Marine Fisheries Commission			
State Funds	\$ 3	\$ 3	\$ 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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Atlantic States Marine Fisheries Commission	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 3</u> ✓

Fish Fund
General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Operations			
State Funds	\$ 8,654	\$ 8,791	\$ 8,587
Federal Funds .....	.....	648	893
Other Funds	2,268	3,059	3,440
TOTAL	\$10,922	\$12,498	\$12,920

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Executive Authorization:			
General Operations	\$ 8,654	\$ 8,791	\$ 8,587
Federal Funds:			
Anadromous Fish Act .....	.....	142	160
Fish and Wildlife Restoration Act .....	.....	334	546
Commercial Fish Act .....	.....	79	90
Department of the Interior — BOR .....	.....	34	60
CETA — Title VI .....	.....	52	21
Fishery Conservation and Management Act .....	.....	7	16
Other Funds:			
Sale of Vehicles	37	32	50
Reimbursement for Services —			
Boating Fund	1,737	2,419	2,738
Reimbursement for Services — Land and			
Water Development Fund	494	608	652
TOTAL	\$10,922	\$12,498	\$12,920

Boating Fund
General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Operations			
State Funds	\$1,535	\$2,224	\$2,570
Federal Funds	200	173	148
Other Funds	2	22	20
TOTAL	\$1,737	\$2,419	\$2,738

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Executive Authorization:			
General Operations	\$1,535	\$2,224	\$2,570
Federal Funds:			
United States Coast Guard Grants for Boating Safety .	200	168	84
Department of the Interior – BOR .....	.....	5	64
Other Funds:			
Sale of Vehicles	2	22	20
TOTAL	\$1,737	\$2,419	\$2,738

FISH COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 1,714	\$ 2,027	\$ 2,111	\$ 2,186	\$ 2,262	\$ 2,324	\$ 3,011
Recreation	\$ 8,478	\$ 8,991	\$ 9,049	\$ 9,527	\$ 9,704	\$10,050	\$10,307
Recreational Fishing and Boating	8,478	8,991	9,049	9,527	9,704	10,050	10,307
DEPARTMENT TOTAL	<u>\$10,192</u>	<u>\$11,018</u>	<u>\$11,160</u>	<u>\$11,713</u>	<u>\$11,966</u>	<u>\$12,374</u>	<u>\$13,318</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
Special Funds	1,711	2,024	2,108	2,183	2,259	2,321	3,008
Other Funds	339	507	557	579	601	624	33
TOTAL	<u>\$2,053</u>	<u>\$2,534</u>	<u>\$2,668</u>	<u>\$2,765</u>	<u>\$2,863</u>	<u>\$2,948</u>	<u>\$3,044</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 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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Atlantic States Marine Fisheries Commission	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 3</u>
FISH FUND							
General Operations	<u>\$1,417</u>	<u>\$1,566</u>	<u>\$1,607</u>	<u>\$1,663</u>	<u>\$1,716</u>	<u>\$1,755</u>	<u>\$2,418</u>
BOATING FUND							
General Operations	<u>\$ 294</u>	<u>\$ 458</u>	<u>\$ 501</u>	<u>\$ 520</u>	<u>\$ 543</u>	<u>\$ 566</u>	<u>\$ 590</u>

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Special Funds	\$ 8,478	\$ 8,991	\$ 9,049	\$ 9,527	\$ 9,704	\$10,050	\$10,307
Federal Funds	200	821	1,041	857	965	903	960
Other Funds	1,931	2,574	2,903	2,922	2,997	3,048	3,108
TOTAL	\$10,609	\$12,386	\$12,993	\$13,306	\$13,666	\$14,001	\$14,375

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Fishing licenses sold	987,031	990,273	995,000	1,005,000	1,015,000	1,025,000	1,035,000
Pounds of fish stocked in Commonwealth streams and lakes	1,786,551	1,600,000	1,600,000	1,750,000	1,750,000	1,800,000	1,800,000
Boats registered	162,929	177,477	185,000	192,000	200,000	200,000	200,000
Accidents reported	84	92	95	95	95	95	95
Convictions for violation of Fish and Boating Laws	7,500	7,600	7,600	7,600	7,600	7,600	7,600

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. The measures shown above have been revised from prior projections to reflect this demand as well as an increasing

supply of areas suitable for fishing and boating made possible through continued facilities development and the ongoing battle to overcome water pollution.

While satisfying greater demands for increased hatchery production, cleaner streams and more and better boating access and launching facilities has become an increasingly difficult task, 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.

Recreational Fishing and Boating (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
FISH FUND							
General Operations	<u>\$ 7,237</u>	<u>\$ 7,225</u>	<u>\$ 6,980</u>	<u>\$ 7,236</u>	<u>\$ 7,349</u>	<u>\$ 7,628</u>	<u>\$ 7,816</u>
BOATING FUND							
General Operations	<u>\$ 1,241</u>	<u>\$ 1,766</u>	<u>\$ 2,069</u>	<u>\$ 2,291</u>	<u>\$ 2,355</u>	<u>\$ 2,422</u>	<u>\$ 2,491</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

	1976-77	(Dollar Amounts in Thousands)	1977-78	1978-79
	Actual		Available	Budget
Game Fund				
General Government				
General Operations	\$20,160		\$21,509	\$20,068
Total State Funds	<u>\$20,160</u>		<u>\$21,509</u>	<u>\$20,068</u>
Federal Funds	\$ 107		\$ 500	\$ 2,850
Other Funds	447		436	500
GAME FUND TOTAL	<u>\$20,714</u>		<u>\$22,445</u>	<u>\$23,418</u>

Game Fund
General Government

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
General Operations			
State Funds	\$20,160	\$21,509	\$20,068
Federal Funds	107	500	2,850
Other Funds	447	436	500
TOTAL	\$20,714	\$22,445	\$23,418

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.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Executive Authorization:			
General Operations	\$20,160	\$21,509	\$20,068
Federal Funds:			
Bureau of Outdoor Recreation Reimbursements	107	100	200
Pittman-Robinson Act Reimbursements . . . . .	. . . . .	400	2,650
Other Funds:			
Reimbursement for Comptroller Services	315	286	350
Sale of Vehicles	132	150	150
TOTAL	\$20,714	\$22,445	\$23,418

GAME COMMISSION

Summary of Agency Program By Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support . . .	\$ 2,302	\$ 2,916	\$ 3,004	\$ 3,034	\$ 3,294	\$ 3,602	\$ 3,908
Recreation	\$17,858	\$18,593	\$17,064	\$18,028	\$19,612	\$21,347	\$23,231
Wildlife Management	17,858	18,593	17,064	18,028	19,612	21,347	23,231
DEPARTMENT TOTAL	<u>\$20,160</u>	<u>\$21,509</u>	<u>\$20,068</u>	<u>\$21,062</u>	<u>\$22,906</u>	<u>\$24,949</u>	<u>\$27,139</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:

	1976-77	1977-78	(Dollar Amounts in Thousands)			1981-82	1982-83
			1978-79	1979-80	1980-81		
Special Funds	\$2,302	\$2,916	\$3,004	\$3,034	\$3,294	\$3,602	\$3,908
Other Funds	315	286	350	385	410	445	480
TOTAL	<u>\$2,617</u>	<u>\$3,202</u>	<u>\$3,354</u>	<u>\$3,419</u>	<u>\$3,704</u>	<u>\$4,047</u>	<u>\$4,388</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:

	1976-77	1977-78	(Dollar Amounts in Thousands)			1981-82	1982-83
			1978-79	1979-80	1980-81		
GAME FUND							
General Operations	<u>\$2,302</u>	<u>\$2,916</u>	<u>\$3,004</u>	<u>\$3,034</u>	<u>\$3,294</u>	<u>\$3,602</u>	<u>\$3,908</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Special Funds	\$17,858	\$18,593	\$17,064	\$18,028	\$19,612	\$21,347	\$23,231
Federal Funds	107	500	2,850	2,950	3,050	3,150	3,250
Other Funds	132	150	150	155	160	165	170
TOTAL	\$18,097	\$19,243	\$20,064	\$21,133	\$22,822	\$24,662	\$26,651

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Hunting licenses sold	1,279,000	1,279,000	1,279,000	1,279,000	1,279,000	1,279,000	1,279,000
Deer population	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Deer taken	122,000	125,000	125,000	125,000	125,000	125,000	125,000
Acres open to public hunting	8,398,000	8,418,000	8,438,000	8,458,000	8,478,000	8,498,000	8,518,000
Arrests for violation of game laws	9,600	9,700	9,800	9,900	10,000	10,100	10,200
Wildlife released to supplement native population:							
Pheasant	204,000	210,000	210,000	210,000	210,000	210,000	210,000
Wild Turkey	6,300	6,700	6,500	6,500	6,500	6,500	6,500
Duck	12,000	16,000	12,500	12,500	12,500	12,500	12,500

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 1976-77 the number of hunting licenses sold decreased slightly from the number sold in 1975-76 while the number of deer taken per license sold dropped insignificantly thereby reconfirming the sufficiency of the deer population which is currently estimated at 700,000.

An important by-product of this program is land resource management. Not only does this provide open space areas excellent for nonhunting outdoor recreation, but it also provides economic and aesthetic benefits resulting from the wise use of such resources. In addition to the approximately 1,150,000 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 increase only slightly in future years despite these efforts due to changes in trespassing laws and landowner opposition to other activities such as snowmobiling.

Wildlife Management (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GAME FUND							
General Operations	<u>\$17,858</u>	<u>\$18,593</u>	<u>\$17,064</u>	<u>\$18,028</u>	<u>\$19,612</u>	<u>\$21,347</u>	<u>\$23,231</u>

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Department of General Services

The Department of General Services administers the leasing, purchasing, transportation, construction, repair and maintenance services for all agencies of the Commonwealth.

DEPARTMENT OF GENERAL SERVICES

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
General Government			
General Government Operations	\$ 22,677	\$ 22,677	\$ 24,894
Flood Relief — Johnstown .....	.....	95	.....
Harristown Rental Charges .....	.....	.....	5,280
Utility Costs	3,600	4,200	4,465
Harristown Utility and Municipal Charges .....	.....	.....	4,577
Replacement of Fleet Vehicles	1,296	200	717
Printing and Distribution of the Pennsylvania Manual	145	.....	181
Subtotal	<u>\$ 27,718</u>	<u>\$ 27,172</u>	<u>\$ 40,114</u>
Debt Service Requirements			
General State Authority Rentals	\$ 54,500	\$ 54,900	\$ 53,500
Grants and Subsidies			
Capitol Fire Protection .....	.....	.....	\$ 100
Capital Improvements			
Handicapped Standards Improvements .....	.....	.....	\$ 500
Total State Funds	<u>\$ 82,218</u>	<u>\$ 82,072</u>	<u>\$ 94,214</u>
Federal Funds	\$ 1,168	\$ 443	\$ 345
Other Funds	25,405	27,366	23,032
GENERAL FUND TOTAL	<u>\$108,791</u>	<u>\$109,881</u>	<u>\$117,591</u>
Motor License Fund			
Debt Service Requirements			
General State Authority Rentals	\$ 1,366	\$ 1,450	\$ 1,450
MOTOR LICENSE FUND TOTAL	<u>\$ 1,366</u>	<u>\$ 1,450</u>	<u>\$ 1,450</u>
Fish Fund			
Debt Service Requirements			
General State Authority Rentals	\$ 62	\$ 75	\$ 75
Capital Improvements			
Capital Improvements .....	.....	\$ 1	.....
Total State Funds—Fish Fund	<u>\$ 62</u>	<u>\$ 76</u>	<u>\$ 75</u>
Federal Funds .....	.....	\$ 1,239	.....
FISH FUND TOTAL	<u>\$ 62</u>	<u>\$ 1,315</u>	<u>\$ 75</u>

DEPARTMENT OF GENERAL SERVICES

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

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Boating Fund			
Debt Service Requirements			
General State Authority Rentals	\$ 2	\$ 2	\$ 2
BOATING FUND TOTAL	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>
State Lottery Fund			
General Government			
Harristown Rental Charges .....	.....	.....	\$ 252
Harristown Utility and Municipal Charges .....	.....	.....	220
STATE LOTTERY FUND TOTAL .....	.....	.....	<u>\$ 472</u>
Department Total – All Funds			
General Fund	\$ 82,218	\$ 82,072	\$ 94,214
Special Funds	1,430	1,528	1,999
Federal Funds	1,168	1,682	345
Other Funds	25,405	27,366	23,032
TOTAL ALL FUNDS	<u>\$110,221</u>	<u>\$112,648</u>	<u>\$119,590</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Government Operations			
State Funds	\$22,677	\$22,772	\$30,174
Federal Funds	1,168	381	345
Other Funds	21,412	23,668	20,473
TOTAL	<u>\$45,257</u>	<u>\$46,821</u>	<u>\$50,992</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, providing engineering and architectural services and furnishing the necessary maintenance, janitorial, and custodial services for Commonwealth owned buildings in Harrisburg, Pittsburgh and Philadelphia.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
General Government Operations	\$22,677	\$22,677	\$24,894 ✓
Flood Relief — Johnstown .....	.....	95	.....
Harristown Rental Charges .....	.....	.....	5,280 ✓
Federal Funds:			
CETA — Title I — Administration	91	138	163
CETA — Title II — VI — Administration	77	188	182
Public Works Employment Act	1,000	.....	.....
Energy Council .....	.....	25	.....
Energy Savings .....	.....	30	.....
Other Funds:			
Fees for Comptroller Services	1,267	1,537	1,569
Sales and Rental of Automotive Equipment	5,550	5,888	6,123
Commissions Earned—Employee Group Life			
Insurance Administration	50	50	50
Warehouse Rental	100	128	100
Receipt of Service Charge—Federal			
Surplus Property	381	375	375
Reimbursement for Reproduction Services	1,763	2,169	2,256
General Obligation Bonds	12,301	13,521	10,000
TOTAL	<u>\$45,257</u>	<u>\$46,821</u>	<u>\$50,992</u>

GENERAL FUND

GENERAL SERVICES

	1976-77	(Dollar Amounts in Thousands) 1977-78	1978-79
	Actual	Available	Budget
Utility Costs			
State Funds	\$ 3,600	\$ 4,200	\$ 9,042

Provides for the payment of water, sewerage, electricity and heating fuel bills.

	1976-77	(Dollar Amounts in Thousands) 1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Utility Costs	\$ 3,600	\$ 4,200	\$ 4,465 ✓
Harristown Utility and Municipal Charges .....	.....	.....	4,577 ✓
TOTAL	<u>\$ 3,600</u>	<u>\$ 4,200</u>	<u>\$ 9,042</u>

	1976-77	(Dollar Amounts in Thousands) 1977-78	1978-79
	Actual	Available	Budget
Replacement of Fleet Vehicles			
State Funds	\$ 1,296	\$ 200	\$ 717
Other Funds	58	48	27
TOTAL	<u>\$ 1,354</u>	<u>\$ 248</u>	<u>\$ 744</u>

Provides for the purchase of replacement vehicles for the commercial and temporary fleets.

	1976-77	(Dollar Amounts in Thousands) 1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Replacement of Fleet Vehicles	\$ 1,296	\$ 200	\$ 717 ✓
Other Funds:			
Sale of Vehicles	58	48	27
TOTAL	<u>\$ 1,354</u>	<u>\$ 248</u>	<u>\$ 744</u>

GENERAL FUND

GENERAL SERVICES

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Printing and Distribution of the Pennsylvania Manual			
State Funds	\$ 145	.....	\$ 181

Provides for the bi-annual printing and distribution of the Pennsylvania Manual.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Printing and Distribution of the Pennsylvania Manual	<u>\$ 145</u>	.....	<u>\$ 181</u> ✓

Debt Service Requirements

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General State Authority Rentals			
State Funds	\$54,500	\$54,900	\$53,500
Other Funds	3,934	3,650	2,532
TOTAL	<u>\$58,434</u>	<u>\$58,550</u>	<u>\$56,032</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.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
General State Authority Rentals	\$54,500	\$54,900	\$53,500 ✓
Other Funds:			
Fees from Dormitory Rentals	1,943	1,802	1,740
Fees from Student Union Rentals	1,991	1,848	792
TOTAL	<u>\$58,434</u>	<u>\$58,550</u>	<u>\$56,032</u>

Grants and Subsidies

*Special Bill
Non-Proffered.*

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Capitol Fire Protection			
State Funds	\$ 100

Provides payment to the city of Harrisburg for fire protection rendered to the Capitol Buildings. This was previously funded through the Treasury Department.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Capitol Fire Protection	<u>\$ 100</u>

Capital Improvements

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Capital Improvements			
State Funds	\$ 500
Federal Funds	\$ 62	.....
TOTAL	<u>\$ 62</u>	<u>\$ 500</u>

The 1977-78 available funds provide for roofing replacement at the Scranton State School for the Deaf. The \$500,000 in the budget year provides funds for various projects required for the handicapped under Section 504 of the Federal Rehabilitation Act of 1973 (P.L. 93-112).

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Handicapped Standards Improvements	\$ 500
Federal Funds:			
Local Public Works Capital Development			
Act - Scranton State School	\$ 62	.....
TOTAL	<u>\$ 62</u>	<u>\$ 500</u>

Debt Service Requirements

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General State Authority Rentals			
State Funds	\$ 1,366	\$ 1,450	\$ 1,450

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
General State Authority Rentals	<u>\$ 1,366</u>	<u>\$ 1,450</u>	<u>\$ 1,450</u>

**Fish Fund
Debt Service Requirements**

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General State Authority Rentals			
State Funds	\$62	\$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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
General State Authority Rentals	<u>\$62</u>	<u>\$75</u>	<u>\$75</u>

Capital Improvements

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Capital Improvements			
State Funds	\$ 1	.....
Federal Funds	1,239	.....
TOTAL	<u>\$1,240</u>	.....

Provides funds for the renovation of the Pleasant Mount Hatchery.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Executive Authorization:			
Capital Improvement	\$ 1	.....
Federal Funds:			
Local Public Works Capital Development—			
Renovation of Pleasant Mount Hatchery	\$1,239	.....
TOTAL	<u>\$1,240</u>	.....

**Boating Fund
Debt Service Requirements**

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
General State Authority Rentals	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>

**State Lottery Fund
General Government**

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Government Operations			
State Funds			\$ 472

Provides for the payment of rent, water, electricity and heating fuel in Harristown buildings, space used by Department of Revenue in administration of State Lottery functions.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Harristown Rental Charges			\$ 252
Harristown Utility and Municipal Charges			220
TOTAL			<u>\$ 472</u>

DEPARTMENT OF GENERAL SERVICES

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 5,586	\$ 5,286	\$ 6,403	\$ 6,533	\$ 7,068	\$ 7,230	\$ 7,831
Commodity Management	\$ 4,985	\$ 3,966	\$ 4,888	\$ 5,101	\$ 5,355	\$ 5,622	\$ 5,904
Procurement and Distribution of Commodities	4,024	2,971	3,797	3,988	4,187	4,396	4,617
Disposition and Utilization of Surplus and Donated Commodities	961	995	1,091	1,113	1,168	1,226	1,287
Physical Facilities Management	\$ 17,147	\$ 17,921	\$ 29,895	\$ 38,128	\$ 39,910	\$ 41,788	\$ 43,827
Management and Operation of Facilities	17,147	17,921	29,895	38,128	39,910	41,788	43,827
Financing Commonwealth Obligations	\$ 55,930	\$ 56,427	\$ 55,027	\$ 53,957	\$ 52,908	\$ 51,881	\$ 50,874
Payment to General State Authority Rentals	55,930	56,427	55,027	53,957	52,908	51,881	50,874
DEPARTMENT TOTAL	<u>\$ 83,648</u>	<u>\$ 83,600</u>	<u>\$ 96,213</u>	<u>\$103,719</u>	<u>\$105,241</u>	<u>\$106,521</u>	<u>\$108,436</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 5,586	\$ 5,286	\$ 6,403	\$ 6,533	\$ 7,068	\$ 7,230	\$ 7,831
Federal Funds	168	443	345	362	380	399	419
Other Funds	3,276	3,805	4,255	4,372	4,590	4,791	5,032
TOTAL	\$ 9,030	\$ 9,534	\$11,003	\$11,267	\$12,038	\$12,420	\$13,282

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 5,441	\$ 5,191	\$ 6,222	\$ 6,533	\$ 6,860	\$ 7,230	\$ 7,592
Printing and Distribution of the Pennsylvania Manual	145	.....	181	.....	208	.....	239
Flood Relief—Johnstown . . . . .	.....	95	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 5,586	\$ 5,286	\$ 6,403	\$ 6,533	\$ 7,068	\$ 7,230	\$ 7,831

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 4,024	\$ 2,971	\$ 3,797	\$ 3,988	\$ 4,187	\$ 4,396	\$ 4,617
Federal Funds							
Other Funds	5,609	5,936	5,820	6,107	6,413	6,735	7,071
TOTAL	\$ 9,633	\$ 8,907	\$ 9,617	\$10,095	\$10,600	\$11,131	\$11,688

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Value of purchases made (in thousands) . .	\$278,828	\$285,000	\$290,000	\$295,000	\$300,000	\$305,000	\$310,000
Tests and inspections made on commodities	18,517	18,800	19,100	19,300	19,500	19,700	19,900
Commodities rejected	73	80	80	80	80	80	80
Specifications established, reviewed or amended	143	160	170	180	190	200	210
Bid evaluations and requisitions reviewed and processed	5,574	5,700	5,900	6,100	6,300	6,500	6,700

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.

The value of purchases made shows an increase over previous years as this figure now includes the value of purchase orders as well as the value of field limited orders. A more aggressive testing program accounts for the rise in the number of tests and inspections, while the number of specifications established has decreased slightly as more emphasis is being given to reviewing invitations to bid in order to insure compliance with existing standards. Requisitions reviewed prior to bidding helps reduce the commodities rejected and makes certain the specifications allow for competitive bidding.

Procurement and Distribution of Commodities (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$2,728	\$2,771	\$3,080	\$3,235	\$3,396	\$3,566	\$3,745
Replacement of fleet vehicles	1,296	200	717	753	791	830	872
GENERAL FUND TOTAL	<u>\$4,024</u>	<u>\$2,971</u>	<u>\$3,797</u>	<u>\$3,988</u>	<u>\$4,187</u>	<u>\$4,396</u>	<u>\$4,617</u>

Disposition and Utilization of Surplus and Donated Commodities

OBJECTIVE: To derive maximum utilization of all surplus and donated commodities.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 961	\$ 995	\$1,091	\$1,113	\$1,168	\$1,226	\$1,287
Federal Funds . . . . .	.....	.....	.....	.....	.....	.....	.....
Other Funds	382	375	375	394	413	434	456
TOTAL	<u>\$1,343</u>	<u>\$1,370</u>	<u>\$1,466</u>	<u>\$1,507</u>	<u>\$1,581</u>	<u>\$1,660</u>	<u>\$1,743</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Dollar value of Federal surplus property on hand (in thousands)	\$19,664	\$20,000	\$20,300	\$20,600	\$20,900	\$21,200	\$21,500
Dollar value of Federal donated food made available (in thousands)	\$28,786	\$30,000	\$32,000	\$34,000	\$36,000	\$38,000	\$40,000
Persons receiving donated food	1,674,000	1,700,000	1,750,000	1,800,000	1,850,000	1,900,000	1,950,000
Interagency transfers of State surplus property	651	675	700	725	750	775	800

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 Community Action Programs 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 dollar value of Federal donated food and persons receiving donated food decreased in 1976-77 because of a short fall in food items and cash was given instead. In 1977-78 and future years all Child Care Centers receive cash in lieu of commodities from the Federal Government.

The third major involvement of this program concerns the disposition of surplus Commonwealth property. In 1977-78 the total value of the Commonwealth's surplus property is estimated to be \$1,600,000 with \$650,000 representing the amount that will be transferred between agencies, \$430,000 the value of the surplus property sold, and \$525,000 the value of the property used as trade-ins. By administering a system of either transferring the Commonwealth's surplus property to a

Disposition and Utilization of Surplus and Donated Commodities (continued)

Program Analysis: (continued)

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.

The value of Federal surplus property on hand shows a significant increase because of a change in Federal regulations

which allow a larger number of items to be distributed to states rather than grantees and Federal contractors.

The number of people receiving Federally donated food and the value of the food also show substantial increases over prior years because the Federal Government is now allowing community action programs to distribute food to the elderly.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1981-82
GENERAL FUND							
General Government Operations	<u>\$ 961</u>	<u>\$ 995</u>	<u>\$1,091</u>	<u>\$1,113</u>	<u>\$1,168</u>	<u>\$1,226</u>	<u>\$1,287</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$17,147	\$17,920	\$29,423	\$37,524	\$39,280	\$41,132	\$43,142
Federal Funds	1,000	1,239					
Special Funds		1	472	604	630	656	685
Other Funds	12,203	13,600	10,050	53	55	58	61
TOTAL	\$30,350	\$32,760	\$39,945	\$38,181	\$39,965	\$41,846	\$43,888

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Work orders received	10,960	11,400	12,000	13,000	14,000	15,000	16,000
Lease agreements executed	496	500	500	510	520	530	540
Requests for space allocation	143	180	195	210	225	240	255
Requests for design, survey and/or inspection work	436	470	500	520	540	560	580

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.

This program is responsible for preparing plans, designs and specifications of all Commonwealth construction except highway projects and projects costing less than \$25,000. Each project is also closely inspected during construction to insure compliance with all State laws and building codes. While this program is authorized to use bond revenues for administrative costs, bond funds are decreased in 1978-79 and totally phased out in future years. State funds are used to pick up a portion of the administrative cost.

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 basis and as the result of a work order from a using department. The expanded requirements emanate from the anticipated occupancy of Harrisstown and the cause of the increase in funds.

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.

Management and Operation of Facilities (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$13,547	\$13,720	\$14,501	\$20,126	\$21,137	\$22,199	\$23,314
Utility Costs	3,600	4,200	4,465	4,688	4,923	5,169	5,427
Harristown Rental Charges			5,280	7,575	7,582	7,572	7,600
Harristown Utility and Municipal Charges			4,577	5,035	5,538	6,092	6,701
Capitol Fire Protection			100	100	100	100	100
Handicapped Standards			500				
GENERAL FUND TOTAL	<u>\$17,147</u>	<u>\$17,920</u>	<u>\$29,423</u>	<u>\$37,524</u>	<u>\$39,280</u>	<u>\$41,132</u>	<u>\$43,142</u>
STATE LOTTERY FUND							
Harristown Rental Charges			\$ 252	\$ 363	\$ 364	\$ 364	\$ 364
Harristown Utility and Municipal Charges			220	241	266	292	321
STATE LOTTERY FUND TOTAL			<u>\$ 472</u>	<u>\$ 604</u>	<u>\$ 630</u>	<u>\$ 656</u>	<u>\$ 685</u>

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:

	(Dollar Amounts in Thousands)						1982-83
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	
General Fund	\$54,500	\$54,900	\$53,500	\$52,430	\$51,381	\$50,354	\$49,347
Special Funds	1,430	1,527	1,527	1,527	1,527	1,527	1,527
Other Funds	3,934	3,650	2,532	2,659	2,792	2,931	3,078
TOTAL	<u>\$59,864</u>	<u>\$60,077</u>	<u>\$57,559</u>	<u>\$56,616</u>	<u>\$55,700</u>	<u>\$54,812</u>	<u>\$53,952</u>

Program Analysis:

The Department of General Services 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:

	(Dollar Amounts in Thousands)						1982-83
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	
GENERAL FUND							
General State Authority Rentals	<u>\$54,500</u>	<u>\$54,900</u>	<u>\$53,500</u>	<u>\$52,430</u>	<u>\$51,381</u>	<u>\$50,354</u>	<u>\$49,347</u>
MOTOR LICENSE FUND							
General State Authority Rentals	<u>\$ 1,366</u>	<u>\$ 1,450</u>	<u>\$ 1,450</u>	<u>\$ 1,450</u>	<u>\$ 1,450</u>	<u>\$ 1,450</u>	<u>\$ 1,450</u>
FISH FUND							
General State Authority Rentals	<u>\$ 62</u>	<u>\$ 75</u>	<u>\$ 75</u>	<u>\$ 75</u>	<u>\$ 75</u>	<u>\$ 75</u>	<u>\$ 75</u>
BOATING FUND							
General State Authority Rentals	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</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 Statewide Health Coordinating Council.

DEPARTMENT OF HEALTH
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Fund			
General Government			
General Government Operations	\$ 13,112	\$ 10,384	\$ 11,069
Quality Assurance	2,893	3,091	3,190
Bureau of Vital Statistics	2,928	3,077	3,196
State Laboratory	1,837	2,140	2,700
State Laboratory Movable Equipment	1,699	. . . .	. . . .
State Health Centers	8,446	9,000	9,662
Emergency Health Services	2,197	2,200	2,326
Maternal and Child Health	490	550	530
Flood Relief — Johnstown . . . . .	. . . .	27	. . . .
Hemophilia Treatment	1,190	1,256	1,256
Sickle Cell Anemia	423	550	396
Cooley's Anemia	116	120	120
Renal Disease	2,662	3,633	3,633
Renal Disease Youth Treatment	74	. . . .	. . . .
Legionnaires Disease	246	. . . .	. . . .
Coal Workers Pneumoconiosis Services	746	707	736
Swine Flu Prevention Program	1,390	. . . .	. . . .
Subtotal	<u>\$ 40,449</u>	<u>\$ 36,735</u>	<u>\$ 38,814</u>
Institutional			
Health Rehabilitation Services	<u>\$ 3,905</u>	<u>\$ 3,356</u>	<u>\$ 3,356</u>
Grants and Subsidies			
School Health Examinations	\$ 11,460	\$ 11,810	\$ 11,810
Local Health Departments	12,860	12,325	11,872
The Institute for Cancer Research	418	418	418
The Wistar Institute—Research	200	200	200
Lankenau Hospital—Research	75	75	. . . .
Cardio-Vascular Studies—Philadelphia	60	60	. . . .
Cardio-Vascular Studies—St. Francis Hospital, Pittsburgh	60	60	. . . .
Neurological Diseases—Inglis House, Philadelphia	30	30	. . . .
Cerebral Palsy—St. Christopher's Hospital, Philadelphia	75	75	. . . .
Cerebral Dysfunction—Children's Hospital, Pittsburgh	25	25	. . . .
Cleft Palate Clinic—Lancaster	30	. . . .	. . . .
Cleft Palate Clinic—Pittsburgh	30	30	. . . .
Tay Sachs Disease—Jefferson Hospital, Philadelphia . . . . .	. . . .	50	. . . .
Emergency Care Research Institute	350	800	. . . .
Central Penn Oncology Group . . . . .	. . . .	100	. . . .
Lupus Disease — Research . . . . .	. . . .	75	. . . .
Burn Foundation of Greater Delaware Valley . . . . .	. . . .	155	. . . .
Donolow Health Center . . . . .	. . . .	150	. . . .
Matilda Theiss Health Center . . . . .	. . . .	35	. . . .
Subtotal	<u>\$ 25,673</u>	<u>\$ 26,473</u>	<u>\$ 24,300</u>
Total State Funds	<u><u>\$ 70,027</u></u>	<u><u>\$ 66,564</u></u>	<u><u>\$ 66,470</u></u>

DEPARTMENT OF HEALTH

Summary by Fund and Appropriation
(continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Federal Funds	\$ 39,692	\$ 40,428	\$ 41,989
Other Funds	1,092	804	773
GENERAL FUND TOTAL	<u>\$110,811</u>	<u>\$107,796</u>	<u>\$109,232</u>
 Revenue Sharing Trust Fund			
Grants and Subsidies			
Local Health Departments—Environmental	<u>\$ 3,600</u>	.....	<u>\$ 6,799</u>
 Department Total – All Funds			
General Fund	\$ 70,027	\$ 66,564	\$ 66,470
Special Funds	3,600	.....	6,799
Federal Funds	39,692	40,428	41,989
Other Funds	1,092	804	773
TOTAL ALL FUNDS	<u>\$114,411</u>	<u>\$107,796</u>	<u>\$116,031</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Government Operations			
State Funds	\$35,984	\$31,176	\$33,409
Federal Funds	39,637	40,078	41,639
Other Funds	275	330	173
	<u> </u>	<u> </u>	<u> </u>
TOTAL	\$75,896	\$71,584	\$75,221

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)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
General Government Operations	\$13,112	\$10,384	\$11,069 ✓
Quality Assurance	2,893	3,091	3,190 ✓
Bureau of Vital Statistics	2,928	3,077	3,196 ✓
State Laboratory	1,837	2,140	2,700 ✓
State Laboratory Movable Equipment	1,699	. . . . .	. . . . . ✓
State Health Care Centers	8,446	9,000	9,662 ✓
Emergency Health Services	2,197	2,200	2,326 ✓
Maternal and Child Health	490	550	530 ✓
Emergency Flood — Johnstown . . . . .	. . . . .	27 ✓
Legionnaire's Disease	246	. . . . .	. . . . . ✓
Coal Workers — Pneumoconiosis Services	746	707	736 ✓
Swine Flu Prevention Program	1,390	. . . . .	. . . . . ✓
Hearing Aid Sales Registration . . . . .	. . . . .	. . . . .	. . . . . ✓

Source of Funds (continued)	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Federal Funds:			
State Health Planning and Development			
Agency — Title XV	\$ 950	\$ 1,125	\$ 1,156
Migrant Health Grants	208	154	172
Cooperative Health Statistics — Facilities	93	124	125
Disease Control — Immunization Program	39	29	47
Surveys and Follow-up — V.D.	275	250	470
Maternal and Child Health	9,307	8,072	8,631
Special Food Service Program for Women, Infants and Children	14,627	15,846	16,031
Crippled Children's Services	4,615	3,424	3,647
Comprehensive Public Health Services — Formula Grants	3,918	1,866	2,041
Medical Services to Pennsylvania Miners	130		
Capital Expenditure Review for Health Maintenance Organization	93		
Developmentally Disabled	167		
Maternal and Child Health — Research	140	188	82
Cooperative Health Statistics — Manpower	98	144	96
Tuberculosis Reporting System	51	53	
Facility Construction Administration	100		
Medicare — Health Services Agency Certification	1,200	1,175	1,147
Maternal and Child Health Services — State Laboratory		50	50
Comprehensive Public Health Services — State Laboratory		250	250
Medicare — Health Services Agency Certification — State Laboratory		100	100
Maternal and Child Health Services — State Health Centers		1,060	1,060
Crippled Children's Services — State Health Centers		900	900
Comprehensive Public Health Services — State Health Centers		1,750	1,750
Planning and Feasibility — Emergency Medical Services		131	
Medicaid Certification	2,600	3,297	3,774
FHWA — Emergency Medical Services	90	90	110
Swine Flu Prevention Program	936		
Other Funds:			
Reimbursement for Services Rendered	80	71	73
Home Nursing Care	195	259	100
TOTAL	<u>\$75,896</u>	<u>\$71,584</u>	<u>\$75,221</u>

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Catastrophic Blood Diseases			
State Funds	\$ 4,465	\$ 5,559	\$ 5,405
Federal Funds .....	.....	350	350
TOTAL	\$ 4,465	\$ 5,909	\$ 5,755

Provides for detection, diagnostic, outpatient and inpatient services to those persons with hemophilia, sickle cell anemia, cooley's 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.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Hemophilia Treatment	\$ 1,190	\$ 1,256	\$ 1,256
Sickle Cell Anemia	423	550	396
Cooley's Anemia	116	120	120
Renal Disease	2,662	3,633	3,633
Renal Disease Youth Treatment	74	.....	.....
Federal Funds:			
Crippled Children's Services — Hemophilia Treatment .....	.....	350	350
TOTAL	\$ 4,465	\$ 5,909	\$ 5,755

✓✓✓✓

Institutional

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Health Rehabilitation Services			
State Funds	\$ 3,905	\$ 3,356	\$ 3,356
Federal Funds	55	. . . . .	. . . . .
Other Funds	817	474	600
TOTAL	<u><u>\$ 4,777</u></u>	<u><u>\$ 3,830</u></u>	<u><u>\$ 3,956</u></u>

The only State owned institution currently operated by the Department of Health is the Elizabethtown Hospital for Children and Youth. The hospital presently offers a comprehensive program for the diagnosis, treatment, rehabilitation and restoration of physically disabled children throughout the Commonwealth.

A committee has been appointed to make a comprehensive utilization review of the hospital with a report of their findings to be submitted on January 31, 1978. A review of the committee recommendations may require adjustments to the proposed budget for the hospital.

Institution	Patient Capacity Oct. 1977	Population October 1976	Population October 1977	Projected Population October 1978	Projected Percent of Capacity
Elizabethtown Hospital	115	45	50	50	43%

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Total proposed expenditures by institution:			
Elizabethtown Hospital			
State Funds	\$ 3,905	\$ 3,356	\$ 3,356
Federal Funds	55	. . . . .	. . . . .
Other Funds	817	474	600
TOTAL	<u><u>\$ 4,777</u></u>	<u><u>\$ 3,830</u></u>	<u><u>\$ 3,956</u></u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Health Rehabilitation Services	\$ 3,905	\$ 3,356	\$ 3,356 ✓
Federal Funds:			
Educationally Deprived Children –			
Handicapped	55	. . . . .	. . . . .
Other Funds:			
Institutional Collections	787	450	570
Miscellaneous Revenue	30	24	30
TOTAL	<u><u>\$ 4,777</u></u>	<u><u>\$ 3,830</u></u>	<u><u>\$ 3,956</u></u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
School Health Examinations			
State Funds	\$11,460	\$11,810	\$11,810

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
School Health Examinations	<u>\$11,460</u>	<u>\$11,810</u>	<u>\$11,810</u> ✓

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Local Health Departments			
State Funds	\$12,860	\$12,325	\$11,872

Provides those counties having an organized and locally funded county health department with per capita grants of \$3.00 per person or fifty percent of the operating budget whichever is lower and \$.75 per person for environmental health. 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. Refer to the Revenue Sharing Trust Fund for additional information on the Local Health Departments—Environmental appropriation.

The Local Health Administration Law was amended (Act 129 of 1976) to increase the per capita grant from \$1.50 to \$3.00 maximum grant.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Local Health Departments	<u>\$12,860</u>	<u>\$12,325</u>	<u>\$11,872</u> ✓

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Research and Health Information			
State Funds	\$ 1,163	\$ 2,128	\$ 618

Provides funds for research and the development of health information concerning the human condition with special concentration on cancer and cardiovascular diseases.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
<i>Special Bills.</i>			
Appropriations:			
The Institute for Cancer Research	\$ 418	\$ 418	\$ 418
The Wistar Institute—Research	200	200	200
Lankenau Hospital—Research	75	75	....
Cardiovascular Studies—Philadelphia	60	60	....
Cardiovascular Studies—St. Francis Hospital, Pittsburgh	60	60	....
Emergency Care Research Institute	350	800	....
Donolow Health Center .....	....	150	....
Matilda Theiss Health Center .....	....	35	....
Central Penn Oncology Group .....	....	100	....
Burn Foundation of Greater Delaware Valley .....	....	155	....
Lupus Disease — Research .....	....	75	....
TOTAL	\$ 1,163	\$ 2,128	\$ 618

(Dollar Amounts in Thousands)

	1976-77 Actual	1977-78 Available	1978-79 Budget
Chronic, Catastrophic and Degenerative Diseases			
State Funds	\$ 190	\$ 210	. . . .

Provides funds for the detection and treatment of various chronic, catastrophic and degenerative diseases including cerebral dysfunction, cystic fibrosis and cleft palate.

Source of Funds

Appropriations:

Neurological Diseases—Inglis House, Philadelphia	\$ 30	\$ 30	. . . .
Cerebral Palsy—St. Christopher's Hospital, Philadelphia	75	75	. . . .
Cerebral Dysfunction—Children's Hospital, Pittsburgh	25	25	. . . .
Cleft Palate Clinic—Lancaster	30	. . . .	. . . .
Cleft Palate Clinic—Pittsburgh	30	30	. . . .
Tay Sachs Disease—Jefferson Hospital, Philadelphia . . . . .	. . . .	50	. . . .
TOTAL	<u>\$ 190</u>	<u>\$ 210</u>	<u>. . . .</u>

Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Local Health Departments--Environmental			
State Funds	\$ 3,600	. . . . .	\$ 6,799

Provides funds for environmental health to counties with organized and locally funded health departments. These funds will be per capita grants of \$.75 per person. Refer to General Fund Local Health Department appropriation for further information.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Local Health Departments--Environmental	<u>\$ 3,600</u>	<u>.</u>	<u>\$ 6,799</u>

DEPARTMENT OF HEALTH

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support . . .	\$ 8,346	\$ 7,059	\$ 7,427	\$ 7,797	\$ 8,189	\$ 8,619	\$ 9,051
Comprehensive Health Systems							
Development	\$12,659	\$12,737	\$11,867	\$12,529	\$13,137	\$13,997	\$11,830
Medical Research and Health							
Information	4,960	4,735	4,328	4,608	4,817	5,260	5,491
Medical Facilities Review	3,049	3,113	3,216	3,378	3,547	3,725	3,912
Health Services Development	4,650	4,889	4,323	4,543	4,773	5,012	2,427
Health Maintenance	\$38,742	\$31,782	\$38,989	\$38,914	\$39,141	\$40,322	\$41,577
Health Maintenance and Disease							
Prevention	31,052	24,848	31,705	30,407	31,130	31,873	32,671
Detection and Diagnosis	7,690	6,934	7,284	8,507	8,011	8,449	8,906
Patient Care	\$13,880	\$14,986	\$14,986	\$15,736	\$16,529	\$17,361	\$18,234
Outpatient Treatment	10,195	11,524	11,619	12,196	12,808	13,448	14,122
Inpatient Treatment	3,003	2,749	2,460	2,583	2,712	2,848	2,990
Life Maintenance	682	713	907	957	1,009	1,065	1,122
DEPARTMENT TOTAL	<u>\$73,627</u>	<u>\$66,564</u>	<u>\$73,269</u>	<u>\$74,976</u>	<u>\$76,996</u>	<u>\$80,299</u>	<u>\$80,692</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 8,346	\$ 7,059	\$ 7,427	\$ 7,797	\$ 8,189	\$ 8,619	\$ 9,051
Federal Funds	59	27	28	30	31	33	34
Other Funds	1	14	8	11	11	11	10
TOTAL	\$ 8,406	\$ 7,100	\$ 7,463	\$ 7,838	\$ 8,231	\$ 8,663	\$ 9,095

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 Pennsylvania Statewide Health Coordinating Council.

The State Bureau of Laboratories recently moved from the Landis State Hospital in Philadelphia on October 17, 1977 into a newly built facility at Lionville, Pa.

No funds have been budgeted for the laboratory in Health Rehabilitation Services, since all funds for services and support for the laboratory are now included in the State laboratory appropriation.

Program Coasts by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 5,291	\$ 3,982	\$ 4,164	\$ 4,372	\$ 4,591	\$ 4,820	\$ 5,062
State Laboratory	269	354	377	395	416	458	481
State Health Centers	2,786	2,723	2,886	3,030	3,182	3,341	3,508
GENERAL FUND TOTAL	\$ 8,346	\$ 7,059	\$ 7,427	\$ 7,797	\$ 8,189	\$ 8,619	\$ 9,051

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 4,960	\$ 4,735	\$ 4,328	\$ 4,608	\$ 4,817	\$ 5,260	\$ 5,491
Federal Funds	408	409	400	321	321	100	100
Other Funds	34	30	30	30	30	30	30
TOTAL	\$ 5,402	\$ 5,174	\$ 4,758	\$ 4,959	\$ 5,168	\$ 5,390	\$ 5,621

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. In August, 1975, the first Department of Health annual Hospital Pre-Survey Questionnaire was conducted to consolidate data collection and processing with the Division of Licensure, Office of Quality Assurance. This effort will continue annually and must be expanded to include other divisions of the Department and other State and local agencies to eliminate unnecessary duplication. By January 1977, the first annual survey was implemented and included all licensed-approved nursing homes and other inpatient health facilities. The data collected include: health services, health manpower, and behavioral studies. There is still the need to begin to identify those facilities, such as domiciliary care homes for the elderly, about which there are little or no existing statewide data. It is hoped that the development of a coordinated statistical system will prevent the duplication of data collection activities.

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; such as the Legionnaire's Disease which broke out after a State American Legion convention at Philadelphia in July, 1976. As a result of intensive research efforts by the City of Philadelphia, the State Health Department and the Federal Government, the cause of the disease was discovered in December 1976 to be a bacterium which can be effectively treated with an antibiotic, erythromycin.

Research is being conducted for the methodology to determine means for early detection of pneumoconiosis in miners and determining susceptibility to this disease.

Medical Research and Health Information (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 494	\$ 470	\$ 514	\$ 634	\$ 676	\$ 942	\$ 989
Bureau of Vital Statistics	2,928	3,077	3,196	3,356	3,523	3,700	3,884
Emergency Health Services	200	200	.....	.....	.....	.....	.....
Legionnaire's Disease	246	.....	.....	.....	.....	.....	.....
Coal Workers Pneumoconiosis Services	279	.....	.....	.....	.....	.....	.....
Institute for Cancer Research, Fox Chase, Philadelphia	418	418	418	418	418	418	418
The Wistar Institute— Research	200	200	200	200	200	200	200
Lankenau Hospital—Research	75	75	.....	.....	.....	.....	.....
Cardio-Vascular Studies—Philadelphia .	60	60	.....	.....	.....	.....	.....
Cardio-Vascular Studies—St. Francis Hospital, Pittsburgh	60	60	.....	.....	.....	.....	.....
Lupus Disease—Research . . . . .	.....	75	.....	.....	.....	.....	.....
Central Penn Oncology Group . . . . .	.....	100	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 4,960</u>	<u>\$ 4,735</u>	<u>\$ 4,328</u>	<u>\$ 4,608</u>	<u>\$ 4,817</u>	<u>\$ 5,260</u>	<u>\$ 5,491</u>

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:

	(Dollar Amounts in Thousands)						1982-83
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	
General Fund	\$3,049	\$3,113	\$3,216	\$3,378	\$3,547	\$3,725	\$ 3,912
Federal Funds	4,298	4,900	5,366	5,634	5,915	6,210	6,520
TOTAL	\$7,347	\$8,013	\$8,582	\$9,012	\$9,462	\$9,935	\$10,432

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Short-term hospital beds:							
Needed	48,900	48,529	48,228	47,927	47,624	47,082	46,538
Available	56,411	55,175	55,861	50,662	47,624	47,082	46,538
Hospitals certified under Medical Assistance	248	248	248	248	248	248	248
Hospitals surveyed annually as required for State licensure and approval	255	255	255	255	255	255	255
Nursing homes surveyed annually as required for Medical Assistance	553	562	573	584	595	595	595
Nursing homes surveyed annually for State licensure and approval	651	660	671	682	683	683	683
Total beds in licensed long-term nursing care facilities	66,918	67,940	69,018	70,118	71,218	71,218	71,218
Percent of skilled nursing beds licensed but not certified	5.4%	5.3%	5.2%	5.2%	5.1%	5.0%	5.0%
Percent of intermediate care beds licensed but not certified	4.2%	4.2%	4.1%	4.1%	4.1%	4.0%	4.0%
Value of applications reviewed by the State Health Planning and Development Agency (in thousands)	\$244,870	\$420,000	\$460,000	\$475,000	\$490,000	\$510,000	\$525,000
Value of applications Submitted to the State Health Planning and Development Agency which are: (in thousands)							
Approved	\$192,093	\$366,000	\$403,200	\$417,000	\$430,800	\$450,000	\$465,000
Disapproved or withdrawn	\$ 52,777	\$ 54,000	\$ 56,800	\$ 58,000	\$ 59,200	\$ 60,000	\$ 60,000
Value of adulterated, misbranded, bankrupt or distressed drugs removed from market (in thousands)	\$450	\$520	\$500	\$500	\$500	\$500	\$500

Medical Facilities Review (continued)

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 a scarcity of nursing home or long-term care beds. 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.

In an effort to develop an interface between supply and demand for health care facilities and services, Congress in 1972 enacted Public Law 92-603 which added Section 1122 to the Social Security Act. The intent of this legislation is to insure that Federal funds are not used to support unnecessary capital expenditures, over \$100,000, proposed by health care facilities.

P.L. 93-641, Title XVI, Health Resources Development, the successor to the Hill-Burton Program, permits Federal grants, loans and loan guarantees with interest subsidies for modernization of medical facilities, construction of ambulatory care facilities, construction of hospitals in rapidly growing areas, and improvement and conversion of existing medical facilities. In setting priorities for the above types of projects, special consideration is to be given to the needs of rural and poverty areas, to densely populated areas, to projects that eliminate or prevent safety hazards, and to medical facilities that provide comprehensive, including preventive health care. Allocation of these Federal funds is to be guided by the State Plan for Hospital and Medical Facilities to be developed jointly by the Department's Division of Need Review and Division of Planning and Technical Assistance. The value of applications disapproved or withdrawn has been included as a new measure. Applications received by the State Health Planning and Development Agency for review may be approved, withdrawn or disapproved. The measure, value of applications reviewed by the State Health Planning and Development Agency, has decreased by more than sixty percent in the available year.

A total 21,702 long-term care beds need modernization and 4,650 long-term care beds need to be constructed by 1980. In addition, 10,240 acute care beds in the Commonwealth need to be modernized or replaced.

The current shortage of skilled nursing and intermediate care facility beds is caused by an insufficient number of available beds and by the strict enforcement of State and Federal Life Safety Code and Health Standards resulting in the closing of beds. Nursing homes must meet strict standards if they are to be certified to care for Medicare and Medicaid patients. These standards include: sanitation, fire, health, civil rights and level of care. 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 Health has the ultimate responsibility for licensing and certifying such institutions for long-term care. A facility can be certified only if it is licensed. Prior year budgets included the percentage distribution of nursing beds for county and State facilities. Only private facilities have skilled nursing facility and intermediate care facility beds licensed but not certified. All county beds are now licensed and certified.

This problem is compounded by the fact that many elderly patients are now living in boarding house type homes. If these homes are required to be licensed, as now seems likely, at least 10,000 additional long-term beds will be required to replace those lost through licensing requirements.

The problem of the shortage of long-term beds is being addressed in a number of ways. Home health services provides an alternative to institutionalization. Over 110 home health agencies are surveyed by the Department of Health to see that the Federal standards are being met.

The Medical Assistance Program increased the amount of payment made to nursing homes, which has encouraged the private sector to develop more beds. This increase is discussed in detail in the subcategory Long-Term Care in the Department of Public Welfare. Another program designed to increase the number of beds is administered by the Nursing Home Loan Agency. There, a bond issue provides low cost loans to the nursing home facilities for renovations to meet Federal and State standards.

There is no current shortage of short-term hospital beds, and during 1978-79, 248 hospitals will be certified to provide Medical Assistance and Medicare services. In addition, 255 hospitals will be surveyed annually as required for State licensure or approval.

In addition to the role presently played by the Department

Medical Facilities Review (continued)

Program Analysis: (continued)

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. The measure, value of adulterated, misbranded, bankrupt or distressed drugs removed from market, can fluctuate greatly from year to year for several reasons. Inspections at facilities have shown considerable improvement in recent years resulting in fewer items being found in violation. Considerable quantities of damaged items are examined in bankruptcy, fires, floods, estate sales, etc. These incidents can greatly inflate the quantity of misbranded and/or adulterated products in a given year and may not be reported for several reporting periods.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 156	\$ 22	\$ 26	\$ 28	\$ 30	\$ 32	\$ 35
Quality Assurance	2,893	3,091	3,190	3,350	3,517	3,693	3,877
GENERAL FUND TOTAL	<u>\$3,049</u>	<u>\$3,113</u>	<u>\$3,216</u>	<u>\$3,378</u>	<u>\$3,547</u>	<u>\$3,725</u>	<u>\$3,912</u>

Health Services Development

OBJECTIVE: To develop a coordinated health care delivery system.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 4,650	\$ 4,889	\$ 4,323	\$ 4,543	\$ 4,773	\$ 5,012	\$ 2,427
Federal Funds	938	1,033	954	1,002	1,042	1,092	1,023
TOTAL	\$ 5,588	\$ 5,922	\$ 5,277	\$ 5,545	\$ 5,815	\$ 6,104	\$ 3,450

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Annual resident deaths caused by ischemic heart disease	48,000	48,000	48,000	48,000	48,000	48,000	48,000
Deaths from ischemic heart disease per 100,000	400	390	380	370	360	360	360
Counties organizing emergency health services councils	67	67	67	67	67	67	67
Persons per year certified as emergency medical technicians for ambulances . .	6,000	7,500	8,000	8,000	8,000	8,000	8,000
Percent of ambulance services brought into compliance with standards	30%	50%	70%	90%	100%	100%	100%
Average patient bed days required for hospital care of acute myocardial infarction	20.5	19.5	18.5	17.4	16.4	16.4	16.4

Program Analysis:

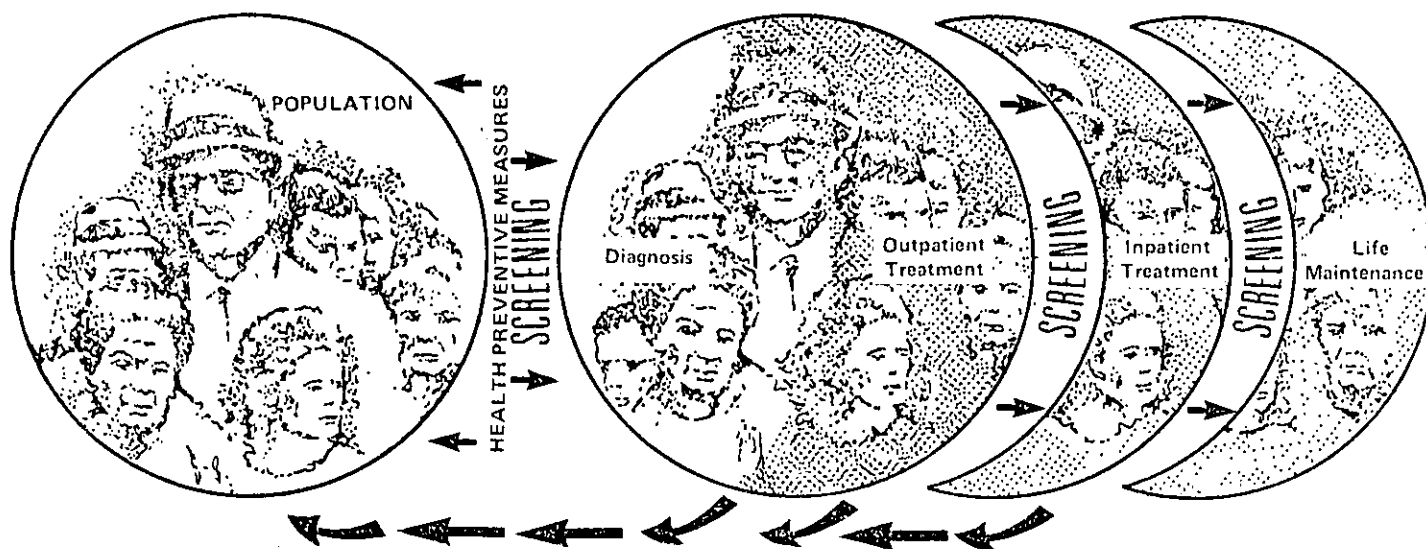
Presently there is no comprehensive health care delivery system in the Commonwealth of Pennsylvania. Activities in this program promote the development of a coordinated comprehensive health care delivery system which will provide high quality, economical and readily available health care to all the citizens of Pennsylvania.

A simplified model of the health care delivery system is provided in the diagram. 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 become 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.

Health Services Development (continued)

Program Analysis: (continued)



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 into the health care system are the solo general practitioner's offices and the emergency rooms of general hospitals. The overall physician to population ratio in Pennsylvania is acceptable by national standards but physicians are maldistributed both geographically and according to speciality.

The provisions of the National Health Planning and Resources Development Act of 1974 which emphasized the encouragement of primary care services for medically underserved populations, especially those which are located in rural or economically depressed areas, has made a Division of Primary Care Development necessary.

Assistance funds appropriated by the Legislature to individual primary care development projects in areas of urgent need will continue to permit liaison among the several statutory and voluntary organizations concerned and the Department to stimulate and facilitate the creation and/or

improvement of primary health care services in underserved areas. This Division will continue to provide technical assistance and limited funds to the professional organizations and the local citizens as primary health care services are developed and attain self-supporting capabilities.

The Benjamin R. Donolow Memorial Medical Center is now being operated by the Philadelphia Group Mental Health and Mental Retardation Movement. The Group has assumed the administrative direction and responsibility for this Primary Care Center to meet the long-range goals of complying with Federal Health Maintenance Organization Standards and qualifying for Federal funding.

The Department's Office of Planning and Development has been designated under Federal law (P.L. 93-641) as the agent responsible for guiding the mental, personal and environmental health planning programs in the Commonwealth, as well as the responsibility for the coordination and development of the entire health care delivery system. This new Federal law replaced the Comprehensive Health Planning Act (P.L. 89-749).

The Department of Health as the State Health Planning and Development Agency provides staff support to the Pennsylvania Statewide Health Coordinating Council (SHCC) as required by the Federal Public Law 93-641. The Governor appointed 60 percent of the SHCC from persons who are nominated by the Commonwealth's Health Systems Agencies (HSAs). At least half of the members of the SHCC must be consumers who are not also providers. The Governor may appoint additional persons, but these additional members

Health Services Development (continued)

Program Analysis: (continued)

cannot make up more than 40 percent of the total membership of the SHCC. The SHCC must review and coordinate the plans of all the health systems agencies in the State. At least once a year it must prepare or revise the State Health Plan. The SHCC reviews the budgets of the HSAs and comments on each HSA application for Federal funds for planning and development. It must also review and approve or disapprove State plans for Federal money under the Public Health Service Act and other specific legislation.

In November, 1976, the Legislature passed, and the Governor signed, two key bills which guide the development of emergency medical services systems. The first of these bills, The Emergency Medical Systems Act, encourages the planned development of coordinated emergency medical services by authorizing the Department to negotiate and provide grants

and contracts for these purposes. The Act requires that planned and implemented emergency medical services systems address the following issues: manpower, training, transportation, communications, hospital facilities, critical care units, involvement of public safety agencies and consumers, inter-hospital transfer and disaster planning.

The measure, ambulance services brought into compliance reflects the percentage of the 1,070 ambulance services currently operating in the Commonwealth.

The Emergency Medical Technician Paramedic Act authorizes the Department to develop and promulgate training standards for emergency medical technicians and emergency medical technician paramedics. In addition it certifies emergency medical technicians and has granted to date 15,000 certifications.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 2,303	\$ 1,904	\$ 1,997	\$ 2,097	\$ 2,202	\$ 2,312	\$ 2,427
Emergency Health Services	1,997	2,000	2,326	2,446	2,571	2,700	.....
Emergency Care Research							
Institute	350	800	.....	.....	.....	.....	.....
Donolow Health Center . . . . .	.....	150	.....	.....	.....	.....	.....
Matilda Theiss Health Center . . . . .	.....	35	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 4,650</u>	<u>\$ 4,889</u>	<u>\$ 4,323</u>	<u>\$ 4,543</u>	<u>\$ 4,773</u>	<u>\$ 5,012</u>	<u>\$ 2,427</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$27,452	\$24,848	\$24,906	\$27,029	\$27,752	\$28,495	\$29,293
Federal Funds	25,182	24,658	25,595	26,466	27,734	29,065	30,463
Special Funds	3,600	. . . .	6,799	3,378	3,378	3,378	3,378
Other Funds	46	40	42	45	45	45	45
TOTAL	\$56,280	\$49,546	\$57,342	\$56,918	\$58,909	\$60,983	\$63,179

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Registered live births	148,004	152,700	154,800	156,900	158,900	161,000	162,000
Infants and preschool children under health supervision	92,304	94,000	97,000	101,000	101,000	97,000	95,000
Immature births per 1,000 live births	73	72	72	71	70	69	69
Death rate of children under one year of age per 1,000 live births	15.4	15.0	14.4	14.2	14.0	13.8	13.7
High risk pregnant women in maternity care program	18,257	19,200	19,400	19,400	19,300	19,200	19,000
Total children immunized against diphtheria, pertussis, tetanus, measles, polio and rubella	396,354	405,000	420,000	400,000	350,000	350,000	350,000
Selected communicable disease cases investigated by the Health Department	7,331	5,800	5,800	5,600	5,600	5,300	5,300
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*	11,664	12,000	12,000	12,000	11,500	11,000	11,000
Total incidence of communicable disease less venereal diseases and animal bites	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Families and individuals provided nutritional counseling	86,020	90,000	100,000	100,000	100,000	100,000	100,000
Pennsylvania migrant population:							
Adult	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Children	1,200	1,200	1,200	1,200	1,200	1,200	1,200

Health Maintenance and Disease Prevention (continued)

Program Measures: (continued)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Patient visits by migrant workers and their dependents	7,200	7,400	7,400	7,600	7,600	7,800	7,800
Migrant work days saved through preventive health care and treatment	15,800	16,590	17,400	18,300	18,300	19,200	20,000

*Excludes Philadelphia

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.

Most of the reported cases of communicable disease are investigated to determine the source and mode of spread in order to know what control measures are necessary to prevent the occurrence of additional cases. The Health Department selects communicable diseases to investigate such as encephalitis, aseptic meningitis, salmonellosis, shigellosis, hepatitis and food borne disease.

The number of selected communicable disease cases investigated by the Health Department was greater than estimated in the last year.

Of the activities that are undertaken in disease prevention, some have very measurable results and some must be measured in terms of the number of services provided. Inoculations against various childhood and other diseases are measured in this manner. In the past the data presented in the measure total children immunized against diphtheria, pertussis, tetanus, measles, polio and rubella have been based on doses given. This year, the data have been adjusted to reflect the actual number of children inoculated.

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. Families and individuals are provided counseling in public clinics, day care facilities and elementary schools on proper nutrition in an attempt to improve the dietary practices of the population. Also, the Health Department now operates a Federally funded program for women, infants and children to provide nutrition supplements. The number of families and individuals provided nutritional counseling in 1976-77 was less than previously estimated.

Statistics on infant mortality and the prematurity rate are good indicators of the effectiveness of prevention activity, as well as being a prime public health indicator of the well-being of a jurisdiction's population. Data for that measure has changed from that printed in prior years. The Health Department has updated the information provided in prior years. The high risk maternity program envisioned the establishment of maternal care services in areas of the Commonwealth deemed to be most in need.

The Department of Health will submit data by February 1, 1978 to the House and Senate which demonstrates the extent to which infant mortality has been reduced and maternal and child health improved. The data for the measure, high risk pregnant women, in 1976-77 has increased.

The Health Department and Federal Government cooperatively provide health services to migrant farm workers

Health Maintenance and Disease Prevention (continued)

Program Analysis: (continued)

and their dependents when they are in Pennsylvania harvesting farm products. Health services to this special group insures the protection of Pennsylvania's rural residents from the spread of infectious disease and maintains the health of migrant workers to effectively and economically harvest farm products. The data used in the past for the population of migrant children was clinic visits; it now shows the actual number of migrant children. The migrant health project has added Erie and Chester Counties to the program service area. This expansion

has apparently produced the significant increase in the measure indicating Pennsylvania's migrant population.

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.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 2,179	\$ 875	\$ 1,052	\$ 1,454	\$ 1,526	\$ 1,603	\$ 1,683
State Laboratory	650	716	973	1,023	1,072	1,105	1,159
State Health Care Centers	1,288	1,524	1,621	1,752	1,889	2,033	2,185
Maternal and Child Health	490	550	530	.....	.....	.....	.....
Swine Flue Prevention Program	1,390	.....	.....	.....	.....	.....	.....
School Health Examinations	8,595	8,858	8,858	9,300	9,765	10,254	10,766
Local Health Departments	12,860	12,325	11,872	13,500	13,500	13,500	13,500
GENERAL FUND TOTAL	\$27,452	\$24,848	\$24,906	\$27,029	\$27,752	\$28,495	\$29,293
REVENUE SHARING TRUST FUND							
Local Health Departments Environmental	\$ 3,600	.....	\$ 6,799	\$ 3,378	\$ 3,378	\$ 3,378	\$ 3,378

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 7,690	\$ 6,934	\$ 7,284	\$ 8,507	\$ 8,011	\$ 8,449	\$ 8,906
Federal Funds	3,017	2,836	2,913	3,015	3,122	3,234	3,352
TOTAL	<u>\$10,707</u>	<u>\$ 9,770</u>	<u>\$10,197</u>	<u>\$11,522</u>	<u>\$11,133</u>	<u>\$11,683</u>	<u>\$12,258</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Persons screened for chronic diseases, venereal disease, tuberculosis and black lung	434,870	456,610	479,440	503,410	528,580	555,010	582,761
Abnormalities discovered by screening	27,207	28,567	29,995	31,495	33,070	34,723	36,459
New cases diagnosed and referred for treatment	27,207	28,567	29,995	31,495	33,070	34,723	36,459
New cases of tuberculosis reported	1,511	1,375	1,251	1,138	1,036	943	858
Persons screened for phenylketonuria (PKU)	148,004	152,700	154,800	156,900	158,900	161,000	162,000
PKU discovered by screening	19	19	20	20	20	21	21
New cases of PKU diagnosed and referred for treatment	19	19	20	20	20	21	21

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

Detection and Diagnosis (continued)

Program Analysis: (continued)

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.

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.

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. On the average, abnormalities in the diverse screening programs are found in approximately six percent of the persons screened. Using this method of calculation produces a ninety percent reduction from last year in the data reported for the measure, abnormalities discovered by screening. Specific screening programs are available for

glaucoma, cervical cancer, diabetes, venereal diseases and hypertension. 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 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, growth and tuberculosis; the services of a school nurse for each 1,500 students; services for 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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 1,157	\$ 1,471	\$ 1,551	\$ 1,629	\$ 1,709	\$ 1,795	\$ 1,885
State Laboratory	918	1,070	1,350	1,418	1,488	1,563	1,641
State Laboratory—Movable Equipment	1,699	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
State Health Care Centers	830	981	1,063	1,973	1,153	1,247	1,345
Emergency Flood Relief—Johnstown . . . . .	. . . . .	27	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Coal Workers Pneumoconiosis Services	191	353	368	386	405	426	447
School Health Examinations	2,865	2,952	2,952	3,101	3,256	3,418	3,588
Neurological Disease, Inglis House							
Philadelphia	30	30	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Tay—Sachs Disease—Jefferson							
Hospital, Philadelphia . . . . .	. . . . .	50	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
GENERAL FUND TOTAL	<u>\$ 7,690</u>	<u>\$ 6,934</u>	<u>\$ 7,284</u>	<u>\$ 8,507</u>	<u>\$ 8,011</u>	<u>\$ 8,449</u>	<u>\$ 8,906</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 10,195	\$ 11,524	\$ 11,619	\$ 12,196	\$ 12,808	\$ 13,448	\$ 14,122
Federal Funds	4,646	5,571	5,693	5,995	6,316	6,651	7,008
Other Funds	204	119	150	150	150	150	150
TOTAL	\$ 15,045	\$ 17,214	\$ 17,462	\$ 18,341	\$ 19,274	\$ 20,249	\$ 21,280

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Children receiving outpatient treatment through Department supported programs for:							
Cardiac	3,709	3,710	3,700	3,680	3,650	3,652	3,645
Cleft palate	3,056	3,025	3,010	3,009	3,020	3,010	3,000
Cystic fibrosis	569	575	590	600	611	595	590
Hemophilia	325	330	335	340	341	346	340
Speech and hearing	22,000	24,000	27,400	30,530	33,540	36,543	38,500
Dentofacial	935	900	920	960	980	1,020	1,060
Orthopedic	6,741	6,770	6,821	6,905	7,081	7,197	7,317
Neuromuscular	758	765	780	805	850	925	975
Phenylketonuria	175	170	165	160	155	150	145
Adults receiving outpatient treatment and/or services through Department supported programs for:							
Renal disease	1,843	2,227	2,596	2,946	3,285	3,612	3,926
Black lung	2,816	3,200	9,000	10,000	8,000	6,000	4,000
Tuberculosis	16,584	15,092	13,734	11,498	10,463	9,521	8,664
Venereal disease	23,965	25,900	26,800	27,750	28,600	28,500	28,400
Hemophilia	350	355	360	350	345	350	350
Cystic fibrosis	50	72	84	96	100	100	100
Children receiving outpatient treatment at Elizabethtown Hospital	3,201	3,360	3,500	3,700	3,900	4,100	4,300
Sickle cell patients receiving State supported care	730	900	1,100	1,230	1,475	1,700	2,100

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 outpatient care or dies.

The Commonwealth supports outpatient treatment for various groups and in various ways. Elizabethtown Hospital currently provides some outpatient treatment, and this could increase significantly depending upon the recommendations of a report to be presented on January 31, 1978. For more information see the Inpatient Treatment subcategory. 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. The Department estimates that there are 800 hemophiliacs in Pennsylvania with 685 persons taking part in the program in 1977-78. It is expected that the actual number of patients treated will not reach the maximum because some individuals prefer to obtain treatment through private physicians. The hemophilia program presently consists of nine special centers which offer comprehensive evaluation and reevaluation 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.

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. There are 2,227 adult patients receiving treatment, with the future patient load

estimated at 2,596 active patients by the end of the fiscal year 1978-79. Pennsylvania's Chronic Renal Disease Services Program 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 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, fifty-two centers, up from ten last year, are currently in operation with additional centers planned. In addition, the State has approved thirteen out-of-state facilities 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, such as, the first three months of dialysis; deductibles and coinsurance; or 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. Twenty percent of renal disease patients are paid for by the Medical Assistance program.

Another type of outpatient treatment is physical therapy provided to stroke and heart attack victims and to children with handicapping conditions. In the past, the data for children receiving outpatient cardiac treatment have been the Department of Health's estimates, which have been revised to reflect the 1975-76 actual number of children served. 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. The black lung program is being funded with State monies in 1977-78 and future years. Federal funding for this program has been discontinued. It is currently estimated that 3,200 persons will be served by this program in the 1977-78 budget year. The number of adults receiving outpatient treatment and services for Black Lung increases significantly in 1978-79 and years following because

Outpatient Treatment (continued)

Program Analysis: (continued)

of further liberalization of the Federal Black Lung Law, the addition of two clinics, and the anticipated increase in coal production. 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. The Sickle Cell Disease Program currently supports one rural screening project and one urban screening treatment services project. Some of the problems being addressed through these projects are: inadequate education and counseling, lack of expertise in interpreting screening results and areas in the State where

there are small numbers of the "risk" population who are not being provided service. The sickle cell program has had some difficulty in becoming fully operational, and has failed to achieve the level of program activity projected for it.

Several measures for both children and adults exhibit major changes over the data presented last year.

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.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 1,532	\$ 1,660	\$ 1,765	\$ 1,853	\$ 1,945	\$ 2,043	\$ 2,145
State Health Centers	2,860	3,059	3,185	3,344	3,511	3,687	3,871
Hemophilia Treatment	1,190	1,256	1,256	1,319	1,385	1,454	1,527
Sickle Cell Anemia	423	550	396	416	437	458	481
Cooley's Anemia	116	120	120	120	120	120	120
Renal Disease	2,662	3,633	3,633	3,814	4,005	4,204	4,415
Renal Disease — Youth Treatment . . .	74	.....	.....	.....	.....	.....	.....
Coal Worker's Pneumoconiosis	276	354	368	386	406	426	447
Health Rehabilitation							
Services	977	837	896	944	999	1,056	1,116
Cerebral Dysfunction — Children's							
Hospital, Pittsburgh	25	25	.....	.....	.....	.....	.....
Cleft Palate Clinic — Lancaster	30	.....	.....	.....	.....	.....	.....
Cleft Palate Clinic — Pittsburgh	30	30	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 10,195</u>	<u>\$ 11,524</u>	<u>\$ 11,619</u>	<u>\$ 12,196</u>	<u>\$ 12,808</u>	<u>\$ 13,448</u>	<u>\$ 14,122</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 3,003	\$ 2,749	\$ 2,460	\$ 2,583	\$ 2,712	\$ 2,848	\$ 2,990
Federal Funds	1,144	994	1,040	1,091	1,147	1,203	1,264
Other Funds	612	355	450	450	450	450	450
TOTAL	\$ 4,759	\$ 4,098	\$ 3,950	\$ 4,124	\$ 4,309	\$ 4,501	\$ 4,704

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Persons receiving inpatient hospital care from Department programs	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Average length of inpatient hospital stay in days	18.2	18.2	18.2	18.2	18.2	18.2	18.2
Persons transferred from intensive care facilities to less intensive care facilities	54	65	63	60	55	49	45
Persons with tuberculosis restored to community at maximum level of functioning	403	338	375	341	310	282	257

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 home or 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 him in an outpatient treatment program.

The measure for average length of inpatient hospital stay in days has increased substantially over last year's data. This is due to the fact that all but the severest cases are being kept out of the hospital. Furthermore, it is no longer expected that the length of stay will be reduced. For additional information on inpatient care see the subcategory Inpatient Hospital Services, in the Department of Public Welfare. Hemophilia

Inpatient Treatment(continued)

Program Analysis: (continued)

patients are using more inpatient days but they will decrease as the hemophiliacs learn to care for themselves at home.

Steps are being taken in both the public and private sectors to insure the proper utilization and quality of inpatient treatment. The Pre-discharge Utilization Review (PDUR) Program, which is discussed further in the subcategory Health Services Support and Development under the Department of Public Welfare, is a program aimed at reducing the over-utilization of inappropriate inpatient procedures.

The Federal Comprehensive Health Planning Act created agencies under Section 314(b). These agencies were commonly called "b" agencies. These "b" agencies have been eliminated and health systems agencies were established in accordance with Federal Public Law 93-641. See the Medical Facilities Review and Health Services Development subcategories for additional details.

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.

The Commonwealth now purchases inpatient services for individuals, with tuberculosis, from various hospitals and nursing homes in Pennsylvania and Colorado. The data for the tuberculosis measure has changed significantly.

The Commonwealth provides support for inpatient treatment both in this subcategory and the subcategory Inpatient Hospital Services in the Department of Public Welfare. Direct inpatient services are provided for children with handicapping conditions, at Elizabethtown Hospital. The future direction of this hospital is under review, and a committee has been appointed to make a comprehensive review of the hospital with a report of their findings to be submitted on January 31, 1978. A review of the committee recommendations may require adjustments to the proposed budget and program measures for the hospital.

Inpatient services are purchased for persons with cerebral palsy and children requiring cardiac surgery.

Program Costs by Appropriation:

	1976-77	1977-78	(Dollar Amounts in Thousands)				
			1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Health Rehabilitation							
Services	\$ 2,928	\$ 2,519	\$ 2,460	\$ 2,583	\$ 2,712	\$ 2,848	\$ 2,990
Cerebral Palsy							
St. Christopher's Hospital	75	75	.....	.....	.....	.....	.....
Burn Foundation—Greater Delaware Valley . . . . .	.....	155	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 3,003</u>	<u>\$ 2,749</u>	<u>\$ 2,460</u>	<u>\$ 2,583</u>	<u>\$ 2,712</u>	<u>\$ 2,848</u>	<u>\$ 2,990</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 682	\$ 713	\$ 907	\$ 957	\$1,009	\$1,065	\$1,122
Other Funds	195	246	93	93	93	93	93
TOTAL	\$ 877	\$ 959	\$1,000	\$1,050	\$1,102	\$1,158	\$1,215

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Functionally disabled persons 65 years and older	239,505	243,221	246,936	250,650	254,367	258,082	261,797
Persons provided life maintenance services in a noninstitutional setting	545	600	650	700	750	800	850

Program Analysis:

Long-term illness is a major public health problem and primary cause of disability. Primary prevention of chronic conditions is 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.

Data for the measure, persons provided life maintenance

services in a noninstitutional setting have been revised downward.

In order to maintain peoples lives 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 State mainly concerns itself with the latter problem through the home health activities of visiting nurses. At the present time, home nursing care under Medicare is provided only to six counties. The Visiting Nurse Association, where available, has taken over areas the Department of Health no longer serves.

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Health Centers	<u>\$ 682</u>	<u>\$ 713</u>	<u>\$ 907</u>	<u>\$ 957</u>	<u>\$1,009</u>	<u>\$1,065</u>	<u>\$1,122</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)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Fund			
General Government			
General Government Operations	\$5,477	\$5,427	\$5,999
Valley Forge State Park	653	200	75
Washington Crossing State Park	542	542	631
Brandywine Battlefield Park Commission	105	112	136
Anthracite Museum Complex . . . . .	. . . .	325	. . . .
Somerset Historical Center . . . . .	. . . .	50	. . . .
Subtotal	<u>\$6,777</u>	<u>\$6,656</u>	<u>\$6,841</u>
 Grants and Subsidies			
University of Pennsylvania Museum	\$ 100	\$ 50	\$ 100
Carnegie Museum	100	50	100
The Franklin Institute	400	200	400
Pennsylvania Academy of the Fine Arts	3	5	5
Academy of Natural Sciences of Philadelphia	225	112	225
Museum of the Philadelphia Civic Center	150	75	150
Buhl Planetarium and Institute of Popular Science	100	50	100
Philadelphia Museum of Art	100	50	100
Liberty Bell Shrine, Allentown	20	. . . .	. . . .
Allentown Museum of Art	50	50	50
Subtotal	<u>\$1,248</u>	<u>\$ 642</u>	<u>\$1,230</u>
Total State Funds	<u><u>\$8,025</u></u>	<u><u>\$7,298</u></u>	<u><u>\$8,071</u></u>
 Federal Funds	 \$ 103	 \$ 230	 \$ 252
Other Funds	141	99	74
GENERAL FUND TOTAL	<u><u>\$8,269</u></u>	<u><u>\$7,627</u></u>	<u><u>\$8,397</u></u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Government Operations			
State Funds	\$5,477	\$5,427	\$5,999
Federal Funds	103	230	252
Other Funds	85	99	74
TOTAL	<u>\$5,665</u>	<u>\$5,756</u>	<u>\$6,325</u>

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, Port of History and the Anthracite Museum.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
General Government Operations	\$5,477	\$5,427	\$5,999 ✓
Federal Funds:			
National Endowment for the Humanities	33	25	. . . .
Division of Historic Preservation	70	153	252
National Historical Publications and Records Commission . . . . .	. . . .	10	. . . .
Public Works Employment Act . . . . .	. . . .	8	. . . .
National Archives and Records Service Bouquet Papers . . . . .	. . . .	14	. . . .
National Archives and Record Service Regional Workshops and Publications . . . . .	. . . .	6	. . . .
Archives--National Endowment for the Humanities . . . . .	. . . .	14	. . . .
Other Funds:			
Photo Copy Service	1	1	1
Eckley Rent from Properties	9	8	9
Reimbursement from Land and Water Development Fund	67	90	64
State Records Center Reimbursement	8	. . . .	. . . .
TOTAL	<u>\$5,665</u>	<u>\$5,756</u>	<u>\$6,325</u>

GENERAL FUND

HISTORICAL AND MUSEUM COMMISSION

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Valley Forge State Park			
State Funds	\$ 653	\$ 200	\$ 75
Other Funds	56	. . . .	. . . .
TOTAL	<u>\$ 709</u>	<u>\$ 200</u>	<u>\$ 75</u>

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)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Valley Forge State Park	\$ 653	\$ 200	\$ 75 ✓
Other Funds:			
Rent from Properties	56	. . . .	. . . .
TOTAL	<u>\$ 709</u>	<u>\$ 200</u>	<u>\$ 75</u>

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Washington Crossing State Park			
State Funds	\$ 542	\$ 542	\$ 631

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.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Washington Crossing State Park	<u>\$ 542</u>	<u>\$ 542</u>	<u>\$ 631</u> ✓

GENERAL FUND

HISTORICAL AND MUSEUM COMMISSION

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Brandywine Battlefield Park Commission			
State Funds	\$ 105	\$ 112	\$ 136

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.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Brandywine Battlefield Park Commission	<u>\$ 105</u>	<u>\$ 112</u>	<u>\$ 136</u> ✓

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Anthracite Museum Complex			
State Funds	\$ 325	.....

Promotes and Commemorates Pennsylvania's historical heritage through the restoration and operation of the Anthracite Museum Complex consisting of four sites strategically located within the anthracite coal producing area at Scranton, Ashland and Eckley.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Anthracite Museum Complex	<u>\$ 325</u>	.....

GENERAL FUND

HISTORICAL AND MUSEUM COMMISSION

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Somerset Historical Center			
State Funds	\$ 50	. . . . .

Promotes and commemorates Pennsylvania's historical heritage through the restoration and operation of the Somerset Historical Center a series of period buildings devoted to the history of Southwestern Pennsylvania and Somerset County.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Somerset Historical Center	<u>\$ 50</u>	. . . . .

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Museum Development and Operation			
State Funds	\$1,248	\$ 642	\$1,230

Provides assistance to certain museums to carry out their cultural, scientific and educational programs.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
University of Pennsylvania Museum	\$ 100	\$ 50	\$ 100
Carnegie Museum	100	50	100
The Franklin Institute	400	200	400
Pennsylvania Academy of The Fine Arts	3	5	5
Academy of Natural Sciences of Philadelphia	225	112	225
Museum of the Philadelphia Civic Center	150	75	150
Buhl Planetarium and Institute of Popular Science	100	50	100
Philadelphia Museum of Art	100	50	100
Liberty Bell Shrine, Allentown	20	.	.
Allentown Museum of Art	50	50	50
TOTAL	\$1,248	\$ 642	\$1,230

RESTRICTED RECEIPTS

HISTORICAL AND MUSEUM COMMISSION

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Preservation of Historic Sites and Properties	\$691	\$700	\$800
TOTAL	<u>\$691</u>	<u>\$700</u>	<u>\$800</u>

HISTORICAL AND MUSEUM COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82		1982-83
General Administration and Support	\$ 795	\$ 779	\$ 871	\$ 1,150	\$ 1,215	\$ 1,265	\$ 1,300
Administration of Public Records	\$ 380	\$ 387	\$ 445	\$ 585	\$ 585	\$ 615	\$ 615
Preserving Valuable Records	380	387	445	585	585	615	615
Cultural Enrichment	\$6,850	\$6,132	\$6,755	\$7,045	\$7,425	\$7,806	\$8,162
Development and Promotion of Pennsylvania State and Local History	258	280	314	378	448	509	509
Museum Development and Operations	3,568	3,320	3,796	3,960	4,132	4,311	4,505
Development and Preservation of Historic Sites and Properties	3,024	2,532	2,645	2,707	2,845	2,986	3,148
DEPARTMENT TOTAL	<u>\$8,025</u>	<u>\$7,298</u>	<u>\$8,071</u>	<u>\$8,780</u>	<u>\$9,225</u>	<u>\$9,686</u>	<u>\$10,077</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$ 795</u>	<u>\$ 779</u>	<u>\$ 871</u>	<u>\$1,150</u>	<u>\$1,215</u>	<u>\$1,265</u>	<u>\$1,300</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$ 795</u>	<u>\$ 779</u>	<u>\$ 871</u>	<u>\$1,150</u>	<u>\$1,215</u>	<u>\$1,265</u>	<u>\$1,300</u>

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$380	\$387	\$445	\$585	\$585	\$615	\$615
Federal Funds	14	10	10	10	10	10	10
Other Funds	9	10	10	10	10	10	10
TOTAL	<u>\$403</u>	<u>\$397</u>	<u>\$445</u>	<u>\$585</u>	<u>\$585</u>	<u>\$615</u>	<u>\$615</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Cubic feet of permanent public records processed	3,800	4,000	4,000	4,000	4,000	4,000	4,300
Cubic feet of semi-active public records processed	33,400	34,800	36,000	38,000	38,000	38,000	40,000
Cubic feet of archival (permanent) material made available to researchers	51,800	54,000	59,000	60,000	65,000	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 preparation 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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$380</u>	<u>\$387</u>	<u>\$445</u>	<u>\$585</u>	<u>\$585</u>	<u>\$615</u>	<u>\$615</u>

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$258	\$280	\$314	\$378	\$448	\$509	\$509
Federal Funds	26	.....	.....	.....	.....	.....	.....
Other Funds	1	1	1	1	1	1	1
TOTAL	<u>\$285</u>	<u>\$281</u>	<u>\$315</u>	<u>\$379</u>	<u>\$449</u>	<u>\$510</u>	<u>\$510</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Pages of historical material published . . .	2,200	2,300	2,400	2,500	2,500	2,500	2,500
Pages of historical materials added to collections	180,000	185,000	185,000	190,000	190,000	195,000	195,000
Publications distributed	216,000	220,000	225,000	225,000	230,000	230,000	230,000
Reference service actions	17,000	17,500	17,500	18,000	18,000	18,500	19,000
Historical organizations involved in commission programs	250	260	275	290	310	330	350

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.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$258</u>	<u>\$280</u>	<u>\$314</u>	<u>\$378</u>	<u>\$448</u>	<u>\$509</u>	<u>\$509</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 of all citizens.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 3,568	\$ 3,320	\$ 3,796	\$ 3,960	\$ 4,132	\$ 4,311	\$ 4,505
Federal Funds . . . . .	. . . . .	. . . . .	. . . . .	10	. . . . .	. . . . .	. . . . .
Other Funds	19	23	23	19	19	19	19
TOTAL	<u>\$ 3,587</u>	<u>\$ 3,343</u>	<u>\$ 3,819</u>	<u>\$ 3,989</u>	<u>\$ 4,151</u>	<u>\$ 4,330</u>	<u>\$ 4,524</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
State-owned museums:							
Museums in operation	11	12	13	14	14	14	14
Exhibits developed, updated and maintained	1,500	1,500	1,500	1,700	1,850	2,000	2,000
Walk-in visitations at museums	533,000	895,000	945,000	1,135,000	1,160,000	1,340,000	1,370,000
Persons participating in group visitations	372,000	600,000	795,000	900,000	1,010,000	1,080,000	1,095,000
State-aided museums:							
Museums receiving financial assistance	9	9	9	9	9	9	9

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 increases caused by the opening of new facilities.

Museum Development and Operation (continued)

VISITATION AT STATE-OWNED MUSEUMS

Museum	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
William Penn Memorial Museum	306,000	350,000	400,000	400,000	400,000	450,000	450,000
Pennsylvania Farm Museum	96,000	125,000	150,000	175,000	200,000	200,000	225,000
Fort Pitt Museum	75,000	100,000	100,000	125,000	125,000	150,000	160,000
Pennsylvania Military Museum	67,000	75,000	75,000	80,000	80,000	100,000	100,000
Eckley Anthracite Museum	25,000	30,000	35,000	40,000	40,000	45,000	45,000
Railroad Museum of Pennsylvania	183,000	190,000	200,000	200,000	200,000	225,000	225,000
Pennsylvania Lumber Museum	55,000	60,000	65,000	65,000	70,000	70,000	75,000
Somerset Historical Center	36,000	40,000	40,000	45,000	50,000	50,000	50,000
Old Mill Village	11,000	15,000	15,000	20,000	20,000	25,000	25,000
Scranton Iron Furnace	7,000	10,000	10,000	15,000	15,000	20,000	20,000
Curtin Village	30,000	30,000	30,000	35,000	35,000	35,000	35,000
Lackawanna Anthracite Museum	14,000	15,000	20,000	20,000	20,000	25,000	25,000
Greater Meadows Amphitheatre . . . . .	.....	45,000	90,000	100,000	100,000	110,000	110,000
Penns Landing and Cultural Center . . . . .	.....	400,000	500,000	700,000	800,000	900,000	900,000
Schuylkill Anthracite Museum . . . . .	.....	10,000	10,000	15,000	15,000	15,000	20,000
TOTAL	<u>905,000</u>	<u>1,495,000</u>	<u>1,740,000</u>	<u>2,035,000</u>	<u>2,170,000</u>	<u>2,420,000</u>	<u>2,465,000</u>

One of the best indicators of the success of this program is the number of visitations. Visitation figures for the 1976-77 year vary considerably from those estimated in last year's budget due to the improved method of reporting visitations. From 1976-77 to 1978-79 there will be an estimated 835,000

additional visitors to all the museums owned and operated by the Commonwealth. During this time there will be conducted festivals, special events and dramatic productions which will contribute to a renewed desire to enjoy and preserve cultural and historical contributions from the past.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 2,320	\$ 2,303	\$ 2,566	\$ 2,730	\$ 2,866	\$ 3,009	\$ 3,159
University of Pennsylvania Museum	100	50	100	100	103	106	110
Carnegie Museum	100	50	100	100	103	106	110
The Franklin Institute	400	200	400	400	412	424	440
Pennsylvania Academy of The Fine Arts	3	5	5	5	6	6	6
Academy of Natural Sciences of Philadelphia	225	112	225	225	231	238	245
Museum of the Philadelphia Civic Center	150	75	150	150	155	160	165
Buhl Planetarium and Institute of Popular Science	100	50	100	100	103	106	110
Philadelphia Museum of Art	100	50	100	100	103	106	110
Liberty Bell Shrine, Allentown	20	.....	.....	.....	.....	.....	.....
Allentown Museum of Art	50	50	50	50	50	50	50
Anthracite Museum Complex . . . . .	.....	325	.....	.....	.....	.....	.....
Somerset Historical Center . . . . .	.....	50	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 3,568</u>	<u>\$ 3,320</u>	<u>\$ 3,796</u>	<u>\$ 3,960</u>	<u>\$ 4,132</u>	<u>\$ 4,311</u>	<u>\$ 4,505</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 3,024	\$ 2,532	\$ 2,645	\$ 2,707	\$ 2,845	\$ 2,986	\$ 3,148
Federal Funds	63	230	252	265	275	300	350
Other Funds	112	65	50	40	40	40	40
TOTAL	\$ 3,199	\$ 2,827	\$ 2,947	\$ 3,012	\$ 3,160	\$ 3,326	\$ 3,538

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Sites and properties operated	45	45	45	45	45	45	45
Annual visitors	3,622,000	2,907,000	3,575,000	4,162,000	4,402,000	4,472,000	4,817,000
Sites and properties surveyed	575	650	740	800	850	900	900
Historical markers erected, refurbished, replaced and/or maintained	1,387	1,397	1,407	1,405	1,407	1,410	1,415
Buildings to be maintained	231	231	231	231	231	231	231

Program Analysis:

The Pennsylvania Historical and Museum Commission is responsible for the care, preservation and maintenance of some 45 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. As indicated by the chart the visitation rates at these historic sites increased during the Bicentennial year. This increase was attributed to a renewed interest in history, art and science which was brought about and intensified by the Bicentennial celebration. These visitation rates have begun to taper off and return to a more normal level.

The significant drop in buildings to be maintained is accounted for by the fact that the administration of the Valley Forge State Park came under Federal jurisdiction during 1976-77.

Development and Preservation of Historical Sites and Properties (continued)

Program Analysis: (continued)

VISITATIONS AT SELECTED STATE HISTORICAL SITES AND PROPERTIES

Property	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Valley Forge	1,030,000						
Washington Crossing	1,859,000	2,000,000	2,500,000	3,000,000	3,200,000	3,200,000	3,500,000
Brandywine Battlefield	137,000	200,000	275,000	300,000	300,000	300,000	250,000
Ephrata Cloister	78,000	100,000	100,000	125,000	125,000	135,000	137,000
Old Economy	65,000	80,000	100,000	100,000	125,000	125,000	150,000
Flagship Niagara	50,000	70,000	70,000	70,000	70,000	75,000	75,000
Daniel Boone	84,000	100,000	105,000	110,000	110,000	115,000	115,000
Pennsbury Manor	39,000	50,000	75,000	80,000	85,000	85,000	90,000
Drake Well Museum	31,000	40,000	55,000	55,000	60,000	60,000	65,000
Bushy Run Battlefield	34,000	37,000	40,000	40,000	42,000	42,000	45,000
Conrad Weiser Park	27,000	30,000	30,000	32,000	35,000	35,000	40,000
All others	188,000	200,000	225,000	250,000	250,000	300,000	350,000
TOTAL	3,622,000	2,907,000	3,575,000	4,162,000	4,402,000	4,472,000	4,817,000

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.

Projected visitations are significantly lower than shown in last year's budget due to overly optimistic projections based upon Bicentennial activities.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 1,724	\$ 1,678	\$ 1,803	\$ 1,903	\$ 2,001	\$ 2,101	\$ 2,220
Valley Forge State Park	653	200	75				
Washington Crossing State Park	542	542	631	662	695	729	765
Brandywine Battlefield Park							
Commission	105	112	136	142	149	156	163
GENERAL FUND TOTAL	\$ 3,024	\$ 2,532	\$ 2,645	\$ 2,707	\$ 2,845	\$ 2,986	\$ 3,148

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.

HORSE RACING COMMISSION

Summary by Fund and Appropriation

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
State Horse Racing Fund			
General Government			
General Operations	\$ 945	\$ 1,082	\$ 1,129
Transfer to General Fund	14,297	13,888	15,686
Transfer to Pennsylvania Fair Fund	2,136	2,075	2,344
Total State Funds	<u><u>\$17,378</u></u>	<u><u>\$17,045</u></u>	<u><u>\$19,159</u></u>
Other Funds	\$ 3	.....	.....
DEPARTMENT TOTAL	<u><u>\$17,381</u></u>	<u><u>\$17,045</u></u>	<u><u>\$19,159</u></u>

State Horse Racing Fund

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Operations			
State Funds	\$ 945	\$ 1,082	\$ 1,129
Other Funds	3	.....	.....
TOTAL	<u>\$ 948</u>	<u>\$ 1,082</u>	<u>\$ 1,129</u>

Implements rules, regulations and procedures to insure the public of honest, safe and competitive thoroughbred horse races.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Executive Authorization:			
General Operations	\$ 945	\$ 1,082	\$ 1,129
Other Funds:			
Sale of Automobiles	3	.....	.....
TOTAL	<u>\$ 948</u>	<u>\$ 1,082</u>	<u>\$ 1,129</u>

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Transfer to General Fund			
State Funds	\$14,297	\$13,888	\$15,686

Eighty-seven percent of all monies derived from horse racing and not required for administrative expenses is transferred to the General Fund where it is received as miscellaneous revenue and does not support a specific program.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Executive Authorization:			
Transfer to General Fund	<u>\$14,297</u>	<u>\$13,888</u>	<u>\$15,686</u>

OTHER SPECIAL FUNDS

STATE HORSE RACING COMMISSION

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Transfer to Pennsylvania Fair Fund			
State Funds	\$ 2,136	\$2,075	\$2,344

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.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Executive Authorization:			
Transfer to Pennsylvania Fair Fund	<u>\$ 2,136</u>	<u>\$2,075</u>	<u>\$2,344</u>

HORSE RACING COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Consumer Protection	\$17,378	\$17,045	\$19,159	\$18,340	\$18,981	\$19,641	\$20,326
Regulation of Horse Racing	17,378	17,045	19,159	18,340	18,981	19,641	20,326
DEPARTMENT TOTAL	<u>\$17,378</u>	<u>\$17,045</u>	<u>\$19,159</u>	<u>\$18,340</u>	<u>\$18,981</u>	<u>\$19,641</u>	<u>\$20,326</u>

Regulation of Horse Racing

OBJECTIVE: To prevent consumer fraud in thoroughbred horse racing

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Special Funds	\$17,378	\$17,045	\$19,159	\$18,340	\$18,981	\$19,641	\$20,326
Other Funds	3	.....	.....	.....	.....	.....	.....
TOTAL	\$17,381	\$17,045	\$19,159	\$18,340	\$18,981	\$19,641	\$20,326

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Incidence of patron complaints	50	50	50	50	50	50	50
Incidence of noncompliance with established rules and regulations	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Participants to be licensed	25,000	25,000	25,000	25,000	25,000	25,000	25,000
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 5,500 thoroughbred horse races held within the Commonwealth in 1978-79, with 25,000 participants to be licensed. The number of consumer complaints has been minimal. As the data indicate they are estimated at 50 in 1977-78 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 1,700 incidences 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.

The general increase in the number of participants to be licensed is a result of greater purses, and an overall increase in the quality of racing in Pennsylvania. The incidence of noncompliance with established rules and regulation has increased from prior year estimates as a result of a more intensive investigation program and better data collection and forecasting.

Program Costs by Appropriations:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
STATE HORSE RACING FUND							
General Operations	\$ 945	\$ 1,082	\$ 1,129	\$ 1,180	\$ 1,235	\$ 1,290	\$ 1,350
Transfer to General Fund	14,297	13,888	15,686	14,929	15,439	15,965	16,509
Transfer to Pennsylvania Fair Fund	2,136	2,075	2,344	2,231	2,307	2,386	2,467
TOTAL	\$17,378	\$17,045	\$19,159	\$18,340	\$18,981	\$19,641	\$20,326

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

	1976-77	(Dollar Amounts in Thousands) 1977-78	1978-79
	Actual	Available	Budget
General Fund			
General Government			
General Government Operations	\$4,912	\$5,250	\$5,553
Flood Relief — Johnstown .....	.....	5	.....
Total State Funds	<u>\$4,912</u>	<u>\$5,255</u>	<u>\$5,553</u>
Federal Funds	\$ 70	.....	.....
Other Funds	81	\$ 97	\$ 83
GENERAL FUND TOTAL	<u>\$5,063</u>	<u>\$5,352</u>	<u>\$5,636</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Government Operations			
State Funds	\$4,912	\$5,255	\$5,553
Federal Funds	70	.....	.....
Other Funds	81	97	83
TOTAL	<u>\$5,063</u>	<u>\$5,352</u>	<u>\$5,636</u>

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; and supervises the liquidation of insolvent insurance companies.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
General Government Operations	\$4,912	\$5,250	\$5,553 ✓
Flood Relief — Johnstown .....	.....	5	.....
Federal Funds:			
Public Works Employment Act	70	.....	.....
Other Funds:			
Reimbursement for Companies in Liquidation	25	35	25
Reimbursement — Pennsylvania Bulletin and Code Regulations	40	44	40
Reimbursement — Duplicating and Mailing Services	16	18	18
TOTAL	<u>\$5,063</u>	<u>\$5,352</u>	<u>\$5,636</u>

INSURANCE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Consumer Protection	\$4,912	\$5,255	\$5,553	\$5,833	\$6,122	\$6,428	\$6,846
Regulation of Insurance Industry . . .	4,912	5,255	5,553	5,833	6,122	6,428	6,846
DEPARTMENT TOTAL	<u>\$4,912</u>	<u>\$5,255</u>	<u>\$5,553</u>	<u>\$5,833</u>	<u>\$6,122</u>	<u>\$6,428</u>	<u>\$6,846</u>

Regulation of Insurance Industry

OBJECTIVE: To assure the efficiency of the 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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$4,912	\$5,255	\$5,553	\$5,833	\$6,122	\$6,428	\$6,846
Federal Funds	70	.....	.....	.....	.....	.....	.....
Other Funds	81	97	83	85	87	92	97
TOTAL	<u>\$5,063</u>	<u>\$5,352</u>	<u>\$5,636</u>	<u>\$5,918</u>	<u>\$6,209</u>	<u>\$6,520</u>	<u>\$6,943</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Savings from departmental intervention (in thousands)	\$3,260	\$3,350	\$3,350	\$3,375	\$3,375	\$3,400	\$3,500
Companies audited annually	847	850	860	865	870	875	880
Companies audited quarterly	144	150	160	165	170	190	205
Companies in liquidation	22	14	14	14	14	14	14
Complaints received and processed	35,000	40,000	40,000	45,000	45,000	45,000	50,000

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 consumers, 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 1,112 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 which fail four solvency tests established by the National Association of Insurance Commissioners are audited quarterly for a period of five years. The economic downturn that began during 1974 resulted in an increase in the number of quarterly

audits during the past three years; and if this economic climate continues, it is likely that the number of quarterly audits will increase gradually over the next several years, 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. These examinations benefit the consumer as well as the insurance industry by identifying problem areas which, if unchecked, could lead to liquidation. Of course, even a thorough audit does not and cannot guarantee that a company will remain solvent. The primary cause of insolvency and liquidation is, of course, the economy itself. The measures shown above reflect the assumption that the return this year to a more stable economy will significantly decrease the number of liquidations required, and that continued stabilization will keep the insolvency rate low. A return to the more chaotic economic situation of the early 1970's would markedly affect this decline.

With the growth of public awareness, there has been a

Regulation of Insurance Industry (continued)

Program Analysis: (continued)

corresponding increase in the number of consumer complaints registered with the Insurance Department. Thus, an increased emphasis has been placed on evaluating and processing consumer complaints. Besides the Main Office in Harrisburg, branch offices are located in Erie, Pittsburgh and Philadelphia,

and traveling complaint teams periodically visit smaller communities throughout the Commonwealth. As the measures show, the number of complaints is expected to increase significantly during the next five years which in turn will result in an increase in dollars recovered for policyholders.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$4,912	\$5,250	\$5,553	\$5,833	\$6,122	\$6,428	\$6,846
Flood Relief — Johnstown . . . . .	.....	5	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$4,912</u>	<u>\$5,255</u>	<u>\$5,553</u>	<u>\$5,833</u>	<u>\$6,122</u>	<u>\$6,428</u>	<u>\$6,846</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; assists State and local agencies in developing more effective methods of dealing with crime, and offers financial assistance for certain victims injured during the commission of a crime.

SUMMARY OF PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Department/Appropriations	Program Revision Title	(Dollar Amounts in Thousands)	
		Page in Volume II	1977-78 State Funds
General Government Operations	Expansion of the Crime Commission	489	\$500

This Program Revision will provide funds to expand the investigative capability of the Crime Commission.

DEPARTMENT TOTAL	<u> </u> <u>\$500</u>
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DEPARTMENT OF JUSTICE
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
General Government			
General Government Operations	\$ 7,456	\$ 7,530	\$ 8,366
Flood Relief — Johnstown . . . . .	. . . . .	10	. . . . .
Office of Drug Law Enforcement	3,124	3,225	3,696
Pennsylvania Crime Commission	249	1,249	1,779
Juvenile Court Judges Commission	200	234	304
Crime Victims Compensation Board	83	250	275
Office of Consumer Advocate	374	100	. . . . .
Subtotal	<u>\$ 11,486</u>	<u>\$ 12,598</u>	<u>\$ 14,420</u>
Institutional			
State Correctional Institutions	<u>\$ 67,885</u>	<u>\$ 73,100</u>	<u>\$ 78,854</u>
Grants and Subsidies			
Improvement of County Juvenile			
Probation Services	\$ 1,568	\$ 1,452	\$ 1,452
Aid to Local Law Enforcement	1,110	1,091	725
Compensation to Crime Victims . . . . .	. . . . .	750	2,000
Subtotal	<u>\$ 2,678</u>	<u>\$ 3,293</u>	<u>\$ 4,177</u>
Capital Improvements			
Capital Improvements . . . . .	. . . . .	. . . . .	\$ 174
Subtotal	<u>.</u>	<u>.</u>	<u>\$ 174</u>
Total State Funds	<u>\$ 82,049</u>	<u>\$ 88,991</u>	<u>\$ 97,625</u>
Federal Funds	\$ 8,356	\$ 6,562	\$ 3,495
Other Funds	2,407	1,957	1,777
Other Funds — Restricted Revenue . . . . .	. . . . .	904	1,271*
GENERAL FUND TOTAL	<u>\$ 92,812</u>	<u>\$ 98,414</u>	<u>\$104,168</u>
Revenue Sharing Trust Fund			
General Government			
Medicaid Fraud Investigations . . . . .	. . . . .	\$ 65	. . . . .
Medicaid Fraud Prosecutions . . . . .	. . . . .	15	. . . . .
REVENUE SHARING TRUST FUND TOTAL	<u>.</u>	<u>\$ 80</u>	<u>.</u>
Department Total — All Funds			
General Fund	\$ 82,049	\$ 88,991	\$ 97,625
Special Funds . . . . .	. . . . .	80	. . . . .
Federal Funds	8,356	6,562	3,495
Other Funds	2,407	1,957	1,777
Other Funds — Restricted Revenue . . . . .	. . . . .	904	1,271
TOTAL ALL FUNDS	<u>\$ 92,812</u>	<u>\$ 98,494</u>	<u>\$104,168</u>

* Represents an estimate based upon seven percent of the Public Utility Commission's request. This is not the Governor's recommended amount.

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Government Operations			
State Funds	\$ 7,456*	\$ 7,540**	\$ 8,366
Federal Funds	3,425	4,562	3,117
Other Funds	1,833	1,318	1,108
TOTAL	\$12,714	\$13,420	\$12,591

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 employees. 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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
General Government Operations	\$ 7,456*	\$ 7,530**	\$ 8,366 ✓
Flood Relief — Johnstown . . . . .	.....	10	.....
Federal Funds:			
Public Assistance—Social Services	17	.....	.....
LEAA — Evaluation of the Office of the Special Prosecutor	45	.....	.....
LEAA — Community Advocate Unit	50	.....	.....
LEAA — Offender and Criminal Data System	165	405	677
LEAA — Investigation of Organized Crime and/or Official Corruption	62	30	.....
LEAA — Management Information Programs	341	350	213
LEAA — Plan for Juvenile Justice	97	307	190
LEAA — Comprehensive Planning Grant	1,484	1,543	930
LEAA — Technical Assistance to Units of Local Government	673	1,077	579
LEAA — Consumer Protection Prosecutions	52	13	.....
LEAA — Consumer Protection Low Income Area Programs	89	28	.....
LEAA — Office of the Special Prosecutor	177	425	.....
Public Works Employment Act	173	146	.....
Antitrust Enforcement Plan . . . . .	.....	98	198
Medicaid Fraud Investigations . . . . .	.....	117	225
Medicaid Fraud Prosecutions . . . . .	.....	23	105

*This reflects the total amount appropriated for General Government Operations. The funds were actually appropriated separately as follows: Attorney General \$466,000, Comptroller \$67,000, Regional Offices \$1,347,000, Community Advocate Unit \$384,000, Office of Management Services \$678,000, Office of Criminal Law \$158,000, Bureau of Investigation \$503,000, Governor's Justice Commission \$510,000, Office of Civil Law \$1,859,000, Bureau of Consumer Protection \$1,346,000, and Board of Pardons \$138,000.

**This reflects the total amount appropriated for General Government Operations. The funds were actually appropriated separately as follows: Attorney General \$439,000, Comptroller \$276,000, Regional Offices \$1,346,000, Community Advocate \$348,000, Management Services \$666,000, Criminal Law \$166,000, Investigations \$550,000, Governor's Justice Commission \$485,000, Civil Law \$1,768,000, Consumer Protection \$1,000,000, Consumer Protection—Scranton \$100,000, Consumer Protection—Erie \$85,000, Consumer Protection—Allentown \$150,000, Board of Pardons \$151,000.

GENERAL FUND

JUSTICE

Source of Funds (continued)	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Other Funds:			
Reimbursement for Comptroller's Services	\$ 786	\$ 603	\$ 343
Health Care Provider Assessment	943	619	652
Reimbursement Litigation Fees	31	32	32
Reimbursement to Task Force on Criminal Justice Information Systems	23	28	55
Reimbursement from PHEAA for Fraud Investigations	50	10	.. . .
Legal Services Reimbursement . . . . .	.. . .	26	26
TOTAL	<u>\$12,714</u>	<u>\$13,420</u>	<u>\$12,591</u>

Office of Drug Law Enforcement	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Funds	\$ 3,124	\$ 3,225	\$ 3,696
Federal Funds	856	274	.. . .
Other Funds	14	70	70
TOTAL	<u>\$ 3,994</u>	<u>\$ 3,569</u>	<u>\$ 3,766</u>

Protects the Commonwealth by enforcing the laws against the trafficking and distribution of narcotics and dangerous drugs.

Source of Funds	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Appropriation:			
Office of Drug Law Enforcement	\$ 3,124	\$ 3,225	\$ 3,696
Federal Funds:			
LEAA - Drug Law Enforcement in Philadelphia and Allegheny Areas	566	229	.. . .
LEAA - Financial Investigation of High Echelon Drug Traffickers	83	45	.. . .
LEAA - Organized Crime Strategies Unit	69	.. . .	.. . .
LEAA - Investigations of Higher Echelon Drug Traffickers	43	.. . .	.. . .
LEAA - Statewide Communication System	15	.. . .	.. . .
LEAA - Drug Diversion Investigation Unit	50	.. . .	.. . .
LEAA - Evaluation of the Office of Drug Law Enforcement	30	.. . .	.. . .
Other Funds:			
Sale of Seized Vehicles	14	16	16
Court Ordered Restitution . . . . .	.. . .	54	54
TOTAL	<u>\$ 3,994</u>	<u>\$ 3,569</u>	<u>\$ 3,766</u>

GENERAL FUND

JUSTICE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Pennsylvania Crime Commission			
State Funds	\$ 249	\$ 1,249	\$ 1,779
Federal Funds	925	195	. . . . .
TOTAL	<u>\$ 1,174</u>	<u>\$ 1,444</u>	<u>\$ 1,779</u>

Conducts investigations into organized crime activities and into the causes of such crime. Seeks to determine and combat causes of organized crime as well as prevent specific occurrences of it.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Pennsylvania Crime Commission	\$ 249	\$ 1,249	\$ 1,779 ✓
Federal Funds:			
LEAA – Organized Crime Control Program	925	195	. . . . .
TOTAL	<u>\$ 1,174</u>	<u>\$ 1,444</u>	<u>\$ 1,779</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Juvenile Court Judges Commission			
State Funds	\$ 200	\$ 234	\$ 304
Federal Funds	70	148	55
TOTAL	<u>\$ 270</u>	<u>\$ 382</u>	<u>\$ 359</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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Juvenile Court Judges Commission	\$ 200	\$ 234	\$ 304 ✓
Federal Funds:			
LEAA – Training for Juvenile Probation Officers	30	30	. . . . .
LEAA – Statistical Analysis Center for Juvenile Courts	40	118	55
TOTAL	<u>\$ 270</u>	<u>\$ 382</u>	<u>\$ 359</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Crime Victims Compensation Board			
State Funds	\$ 83	\$ 250	\$ 275

Provides financial assistance to crime victims who have suffered financial loss as a direct result of being injured during the commission of a crime.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Crime Victims Compensation Board	<u>\$ 83</u>	<u>\$ 250</u>	<u>\$ 275</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Office of Consumer Advocate			
State Funds	\$ 374	\$ 100	. . . .
Other Funds . . . . .	. . . .	904	<u>\$ 1,271</u>
TOTAL	<u>\$ 374</u>	<u>\$ 1,004</u>	<u>\$ 1,271</u>

The Office of Consumer Advocate has the responsibility to represent the interest of consumers before the Pennsylvania Public Utility Commission and before any court or agency initiating proceedings in connection with any matter involving regulation by the Commission or the corresponding regulatory agency of the United States Government.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Office of Consumer Advocate	\$ 374	\$ 100	. . . .
Other Funds:			
Office of Consumer Advocate* . . . . .	. . . .	904	<u>\$ 1,271</u>
TOTAL	<u>\$ 374</u>	<u>\$ 1,004</u> **	<u>\$ 1,271</u> ***

*Executive authorization from restricted revenue account.
 **The \$904,000 executive authorization is the maximum amount available because the State appropriation is a one-time cash advance which will be returned to the General Fund once funds are received in the restricted revenue account.
 ***Represents an estimate based upon seven percent of the Public Utility Commission's request. This is not the Governor's recommendation.

Institutional

	(Dollar Amounts in Thousands)		1978-79 Budget
	1976-77 Actual	1977-78 Available	
State Correctional Institutions			
State Funds	\$67,885	\$73,100	\$78,854
Federal Funds	3,080	1,383	323
Other Funds	560	569	599
TOTAL	\$71,525	\$75,052	\$79,776

Maintains a system providing care, rehabilitation and custody for those individuals committed to the Bureau of Correction by the courts. The Bureau of Correction operates seven State correctional institutions and one regional correctional facility. An additional regional facility at Mercer will be in operation in July, 1978. The State Correctional Institution 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. Part of this training is conducted through Correctional Industries which is financed through the Manufacturing Fund.

Additional opportunities for the inmates are provided through the community service centers. These facilities provide work release and special treatment programs to aid the individual in the crucial period that usually follows upon release.

The institutional population for the prior, current and upcoming year are:

Institutions	Inmate Capacity Oct. 1977	Population Oct. 1976	Population Oct. 1977	Projected Population Oct. 1978	Projected Percent of Capacity
Huntingdon	1,068	1,000	1,019	1,022	96%
Muncy	402	239	242	237	59%
Pittsburgh	1,176	1,050	1,094	1,185	101%
Camp Hill	1,414	983	1,193	1,208	85%
Rockview	1,014	974	885	906	89%
Graterford	2,039	1,737	1,756	1,812	89%
Dallas	1,004	909	930	984	98%
Greensburg	132	284	271	246	186%
Mercer	170	.....	.....	170	100%
Service Centers	388	238	296	388	100%
TOTAL	8,807	7,414	7,686	8,158	93%

Total Proposed expenditures by institution:

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Bureau of Correction			
State Funds	\$ 2,638	\$ 4,824	\$ 5,042
Federal Funds	1,406	110	18
Other Funds	19	. . . .	. . . .
TOTAL	<u><u>\$ 4,063</u></u>	<u><u>\$ 4,934</u></u>	<u><u>\$ 5,060</u></u>
SCI Huntingdon			
State Funds	\$ 8,018	\$ 8,350	\$ 8,679
Federal Funds	72	138	28
Other Funds	27	27	27
TOTAL	<u><u>\$ 8,117</u></u>	<u><u>\$ 8,515</u></u>	<u><u>\$ 8,734</u></u>
SCI Muncy			
State Funds	\$ 3,578	\$ 3,534	\$ 3,633
Federal Funds	130	58	12
Other Funds	54	57	57
TOTAL	<u><u>\$ 3,762</u></u>	<u><u>\$ 3,649</u></u>	<u><u>\$ 3,702</u></u>
SCI Pittsburgh			
State Funds	\$ 9,983	\$10,360	\$10,801
Federal Funds	10	172	35
Other Funds	44	41	41
TOTAL	<u><u>\$10,037</u></u>	<u><u>\$10,573</u></u>	<u><u>\$10,877</u></u>
SCI Camp Hill			
State Funds	\$ 9,798	\$10,530	\$11,049
Federal Funds	256	176	36
Other Funds	135	139	159
TOTAL	<u><u>\$10,189</u></u>	<u><u>\$10,845</u></u>	<u><u>\$11,244</u></u>
SCI Rockview			
State Funds	\$ 8,342	\$ 8,339	\$ 8,750
Federal Funds	13	139	28
Other Funds	44	45	45
TOTAL	<u><u>\$ 8,399</u></u>	<u><u>\$ 8,523</u></u>	<u><u>\$ 8,823</u></u>

Total Proposed expenditures by institutions: (continued)

SCI Graterford

State Funds	\$13,700	\$13,963	\$14,593
Federal Funds	40	230	48
Other Funds	59	61	61
TOTAL	<u>\$13,799</u>	<u>\$14,254</u>	<u>\$14,702</u>

SCI Dallas

State Funds	\$ 8,623	\$ 8,687	\$ 9,121
Federal Funds	84	223	30
Other Funds	51	54	64
TOTAL	<u>\$ 8,758</u>	<u>\$ 8,964</u>	<u>\$ 9,215</u>

SRCF Greensburg

State Funds	\$ 2,255	\$ 2,278	\$ 2,447
Federal Funds	7	37	8
Other Funds	7	10	10
TOTAL	<u>\$ 2,262</u>	<u>\$ 2,325</u>	<u>\$ 2,465</u>

SCRF Mercer

State Funds . . . . .	.....	\$ 135	\$ 2,485
Federal Funds . . . . .	.....	.....	.....
Other Funds . . . . .	.....	.....	.....
TOTAL . . . . .	.....	<u>\$ 135</u>	<u>\$ 2,485</u>

Community Service Centers

State Funds	\$ 950	\$ 2,100	\$ 2,254
Federal Funds	1,069	100	80
Other Funds	120	135	135
TOTAL	<u>\$ 2,139</u>	<u>\$ 2,335</u>	<u>\$ 2,469</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
State Correctional Institutions	\$67,885	\$73,100	\$78,854 ✓
Federal Funds:			
LEAA — Services to Inmates	688	432	68
LEAA — Community Service Centers	269	. . . . .	. . . . .
Comprehensive Employment and Training Act	377	500	. . . . .
Maintenance of Federal Prisoners	149	200	175
Public Works Employment Act — SCl State Correctional Institutions	750	. . . . .	. . . . .
Public Works Employment Act — Community Service Centers	800	. . . . .	. . . . .
Public Works Economic Development Act	47	. . . . .	. . . . .
LEAA — Community Service Center for Women . . . . .	. . . . .	100	80
LEAA — Utilization of Social Service Programs . . . . .	. . . . .	43	. . . . .
LEAA — Graphic Arts Program . . . . .	. . . . .	78	. . . . .
LEAA — County Statistics Program . . . . .	. . . . .	30	. . . . .
Other Funds:			
Community Treatment Centers — Room and Board	120	135	135
Sale of Institutional Scraps	32	26	28
Reimbursement for Educational Services	408	408	436
TOTAL	<u>\$71,525</u>	<u>\$75,052</u>	<u>\$79,776</u>

Grants and Subsidies

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Improvement of Juvenile Probation Services			
State Funds	\$ 1,568	\$ 1,452	\$ 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.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Improvement of Juvenile Probation Services	<u>\$ 1,568</u>	<u>\$ 1,452</u>	<u>\$ 1,452</u> ✓

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Aid to Local Law Enforcement			
State Funds	\$ 1,110	\$ 1,091	\$ 725

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.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Aid to Local Law Enforcement	<u>\$ 1,110</u>	<u>\$ 1,091</u>	<u>\$ 725</u> ✓

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Crime Victims Compensation Payments			
State Funds	\$ 750	\$ 2,000

Provides payments to alleviate economic hardships of persons who have been injured during the commission of a crime where the injured party is a victim or a bystander to that crime. In cases where the bystander or victim is killed, payments are made to the victim's dependents. Funds for this program were appropriated to the Treasury Department for fiscal year 1976-77.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Crime Victims Compensation Payments	<u>\$ 750</u>	<u>\$ 2,000</u> ✓

Capital Improvements

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Capital Improvements			
State Funds	\$ 174

Provided funds to make capital improvements at the State Correctional Institutions at Dallas and Camp Hill during 1977-78.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Capital Improvements	<u>\$ 174</u>

Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Medicaid Fraud Unit			
State Funds	80	.....

The funds are used to provide the State match for a Federal grant to establish an investigative and legal staff in the Justice Department. This unit will be responsible for investigating alleged abuses and wrong doing in the Medicaid Program. Funding for the Budget year is included in the General Fund appropriation for General Government Operations.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Medicaid Fraud Investigation (FR)	\$ 65	.....
Medicaid Fraud Prosecutions (FR)	15	.....
TOTAL	<u>\$ 80</u>	.....

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
Law Enforcement Assistance Grants	<u>\$35,846</u>	<u>\$40,256</u>	<u>\$30,648</u>

DEPARTMENT OF JUSTICE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support . . .	\$ 22,334	\$ 23,799	\$ 27,915	\$ 29,285	\$ 31,338	\$ 33,491	\$ 35,890
Fiscal Management	\$ 337	\$ 257	\$ 294	\$ 310	\$ 327	\$ 344	\$ 364
Collection of Delinquent Accounts . . .	337	257	294	310	327	344	364
Consumer Protection	\$ 1,720	\$ 1,435	\$ 1,426	\$ 1,501	\$ 1,582	\$ 1,667	\$ 1,756
Consumer Protection	1,720	1,435	1,426	1,501	1,582	1,667	1,756
Medical Malpractice Arbitration* . . . . .	.....	.....	.....	.....	.....	.....	.....
Control and Reduction of Crimes	\$ 57,575	\$ 62,580	\$ 65,715	\$ 68,656	\$ 71,920	\$ 75,367	\$ 75,745
Criminal Law Enforcement	4,986	6,195	6,882	7,193	7,519	7,863	8,221
Reintegration of Juvenile Delinquents . .	1,768	1,686	1,756	1,770	1,785	1,822	1,842
Reintegration of Offenders	50,821	54,699	57,077	59,693	62,616	65,682	65,682
Personal Economic Development	\$ 83	\$ 1,000	\$ 2,275	\$ 2,288	\$ 2,302	\$ 2,566	\$ 2,832
Income Maintenance	83	1,000	2,275	2,288	2,302	2,566	2,832
DEPARTMENT TOTAL	<u>\$ 82,049</u>	<u>\$ 89,071</u>	<u>\$ 97,625</u>	<u>\$102,040</u>	<u>\$107,469</u>	<u>\$113,435</u>	<u>\$116,587</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$22,334	\$23,799	\$27,915	\$29,285	\$31,338	\$33,491	\$35,890
Federal Funds	4,136	4,666	2,906	2,916	2,920	2,924	2,928
Other Funds	829	657	424	416	441	503	474
TOTAL	\$27,299	\$29,122	\$31,245	\$32,617	\$34,699	\$36,918	\$39,292

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. The Commission, acting as the State Planning Agency, administers all the Federal Funds from the Law Enforcement Assistance

Administration (LEAA). 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. This subcategory also includes funds to cover the costs of the department's operations following the Johnstown Flood of July, 1977.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 5,270	\$ 5,388	\$ 5,964	\$ 6,410	\$ 6,850	\$ 7,277	\$ 7,828
Flood Relief - Johnstown		10					
Correctional Institutions— State-owned	17,064	18,401	21,951	22,875	24,488	26,214	28,062
GENERAL FUND TOTAL	\$22,334	\$23,799	\$27,915	\$29,285	\$31,338	\$33,491	\$35,890

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 337	\$ 257	\$ 294	\$ 310	\$ 327	\$ 344	\$ 364
Other Funds	31	32	32	32	32	32	32
TOTAL	\$ 368	\$ 289	\$ 326	\$ 342	\$ 359	\$ 376	\$ 396

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Dollars collected (in thousands)	\$10,181	\$9,000	\$9,000	\$9,800	\$10,680	\$11,640	\$12,060
Cost per dollar collected (in cents) . . . . .	.04	.04	.05	.05	.05	.05	.05
New claims	12,403	25,000	15,000	15,000	15,000	15,000	15,000
Dollar amount of new claims (in thousands)	\$33,703	\$25,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000

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 had a decrease in the number of claims processed during 1976-77 due to improved collection procedures by the Department of Revenue as outlined in last year's program analysis. The number of claims received from the Department of Revenue should decrease even more this fiscal year. The reason for this is that a new program has been developed whereby the Department of Revenue will be mailing the Department of Justice's first dunning letter for sales and use tax and personal income tax claims, using Department of Justice letterhead. As past experience has shown, our first dunning letter is very effective, subsequently a large percentage of those claims should be collected by the Department of Revenue without actual referral of the claim to this Division.

As can be noted the total number of new claims projected to be received during 1977-78 is 25,000 which is unusually high. This prediction is based upon information from the Department of Public Welfare, Bureau of Institutional Collections, which has informed us that it has approximately 12,000 to 14,000 claims to be referred from the State General Hospitals in order to bring them current within the 90-day statutory period of referral. This Division has already received in excess of 8,000 of these claims through September. Upon completion of this project, new claims received by this Division should level at approximately 15,000.

Although the number of claims received by the Collections Division should decrease, the dollar value should remain about the same as only the larger claims will be referred for collection. This is due to the Revenue Department collecting the smaller claims through its own collection process.

The cost of collecting these overdue accounts is quite small. It costs about \$.04 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.

Collection of Delinquent Accounts (continued)

Program Costs by Appropriation:

(Dollar Amounts in Thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Civil Law	<u>\$ 337</u>	<u>\$ 257</u>	<u>\$ 294</u>	<u>\$ 310</u>	<u>\$ 327</u>	<u>\$ 344</u>	<u>\$ 364</u>

Consumer Protection

OBJECTIVE: To decrease the incidence of fraud and deceptive business practices and to provide for the representation of the consumer before regulatory agencies.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$1,720	\$1,435	\$1,426	\$1,501	\$1,582	\$1,667	\$1,756
Federal Funds	331	285	198	200	200	200	200
Other Funds		904	1,271	1,461	1,681	1,933	2,223
TOTAL	\$2,051	\$2,624	\$2,895	\$3,162	\$3,463	\$3,800	\$4,179

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Consumer complaints concerning business practices investigated and mediated	22,800	20,000	22,000	24,800	25,000	25,000	25,000
Dollar value of recoupment to consumers regarding business practices (in thousands)	\$1,500	\$1,300	\$1,400	\$1,500	\$1,600	\$1,600	\$2,200

Program Analysis:

The major emphasis of this program is on mediating consumer complaints. The mediation 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 estimate that 22,000 consumer complaints will be investigated and/or mediated for 1978-79. It is anticipated that the program will be able to recoup almost \$1.4 million. This is approximately \$63 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.

As the measure shows the number of mediated complaints has drastically declined. This reduction is due to the closing of one of the local offices and the severe reduction of personnel at the other locations. Another result has been the elimination of printed material as well as a reduction to the spot television and radio commercials.

The funding cutbacks have also drastically reduced the Bureau of Consumer Protection's ability to conduct its legal efforts. In 1971, the Bureau obtained 41 legal actions. By 1975 it had peaked to 126. Since that time, the legal actions have fallen precipitously.

The decrease in funding levels have also curtailed the reporting system. As a result, the data in this analysis is not as complete as in the previous years.

It is impossible to fully measure the impact of the Bureau's program. Whenever an individual case is settled in such a manner as to change an operating practice of a business, benefits are derived not only by the individual consumer involved in the case, but also by future customers of that business. Therefore, it seems reasonable to assume that this program produces savings for consumers several times greater than the known dollar value of recoupment shown above.

In addition to the Bureau of Consumer Protection, the Justice Department, as a result of the passage of Act 161, created in November, 1976, the Office of Consumer Advocate. This office has the responsibility of representing the consumers before the Public Utility Commission and other regulatory agencies. To date the Consumer Advocate has been involved in every major rate case that has been brought before the Public Utility Commission and has appeared before several Federal regulatory agencies. The amount shown for the next fiscal year reflects a Budget Office estimate of the cost of continuing the present program into the next fiscal year. The amount for this office will be determined later in the fiscal year in accordance with Act 15 of 1977. Act 15 requires the Consumer Advocate to submit his budget to the Governor, and

Consumer Protection (continued)

Program Analysis: (continued)

to the chairmen of both legislative appropriations committees. The amount that is allocated is the lowest recommended figure of the three. But in no instance can the amount be more than seven percent of the Public Utility Commission's assessment. The funds supporting the Consumer Advocate are received from billing utilities. The billings are treated as "other funds"

in this budget.

Lastly, the Justice Department has established with a Federal grant an Anti-Trust Division. This division will work to end many of the current business practices that restrict the free operation of the market place.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$1,346	\$1,335	\$1,426	\$1,501	\$1,582	\$1,667	\$1,756
Office of Consumer Advocate	374	100	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$1,720</u>	<u>\$1,435</u>	<u>\$1,426</u>	<u>\$1,501</u>	<u>\$1,582</u>	<u>\$1,667</u>	<u>\$1,756</u>

Medical Malpractice Arbitration

OBJECTIVE: To enable a person who has sustained injury or death as a result of tort or breach of contract by a health care provider to obtain prompt and just adjudication of his claim.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Other Funds	<u>\$ 943</u>	<u>\$ 619</u>	<u>\$ 652</u>	<u>\$ 701</u>	<u>\$ 755</u>	<u>\$ 813</u>	<u>\$ 876</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Cases filed	213	500	600	700	700	700	700
Cases settled	24	320	400	500	500	500	500
Cases discontinued	10	80	100	100	100	100	100
Cases to hearings		100	100	100	100	100	100
Cases appealed		30	30	30	30	30	30
Time incident to disposition (months)	18	18	18	18	18	18	18

Program Analysis:

This program was established by the Health Care Services Act of 1976 as a part of a comprehensive program to deal with the growing problem of the unavailability of medical malpractice insurance at reasonable rates. Before the enactment of this program, there was a concern that malpractice insurance would become so expensive and unavailable that health care providers would no longer be able to obtain it. Consequently, many believed that physicians would soon be forced either to curtail some of the procedures or stop practicing. Either alternative would pose difficult problems for the Commonwealth's medical care delivery system.

The Health Care Services Act established a new procedure to adjudicate claims. When an individual believes that he is entitled to damages as a result of improper medical treatment, he files his claim with the Office of the Administrator for legal proceedings before an arbitration panel. The panel, if it finds that breach of contract or tort has occurred, will award the plaintiff damages. These findings are legally binding unless overturned by a court. If the ruling is in favor of the plaintiff,

then the health care provider and his or her insurance company must pay for damages. Only if the award is in excess of \$100,000 per occurrence and \$300,000 annually for physicians and \$1,000,000 for hospitals, will the Commonwealth become involved through the Medical Professional Liability Catastrophe Loss Fund.

The program measures reflect the initial concern among the various parties not to be one of the first cases heard before a panel. So during the first fiscal year of operation, 213 claims were filed, but only 34 of these were resolved. These were settled outside the hearing process. This means that 179 cases are still pending. Many of these reflect the decisions of attorneys to postpone the convening of a panel as long as possible. Some of these cases will be heard during 1977-78.

The operating expenses of arbitration panels and the Medical Professional Liability Catastrophe Loss Fund are funded through assessments on the various health care providers. General Fund monies are not used to support this program.

Criminal Law Enforcement

OBJECTIVE: To minimize the incidence of crime through active enforcement of criminal law.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$4,986	\$6,115	\$6,882	\$7,193	\$7,519	\$7,863	\$8,221
Special Funds	80	80	80	80	80	80	80
Federal Funds	2,065	1,063	225	225	225	225	225
Other Funds	64	80	70	70	70	70	70
TOTAL	<u>\$7,115</u>	<u>\$7,338</u>	<u>\$7,177</u>	<u>\$7,488</u>	<u>\$7,814</u>	<u>\$8,158</u>	<u>\$8,516</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Investigations performed by the Bureau of Investigations	250	155	160	165	170	175	180
Value of State property saved and/or funds recoverable through Bureau of Investigations (in thousands)	\$133	\$400	\$410	\$415	\$420	\$425	\$430
Actions resulting from investigations of government employes	90	90	90	90	90	90	90
Drug inspections at pharmacies, hospitals, institutions, professional and retail locations	204	188	188	188	188	188	188
Drug Law arrests:							
Cannabis (marijuana and hashish)	966	889	889	889	889	889	889
Heroin	434	399	414	471	471	471	471
Stimulants	364	335	348	395	395	395	395
Hallucinogens	164	151	151	151	151	151	151
All other drugs	182	167	167	167	167	167	167
Criminal and financial arrests	350	322	322	322	322	322	322
Total Drug Law related arrests	<u>2,460</u>	<u>2,263</u>	<u>2,295</u>	<u>2,395</u>	<u>2,395</u>	<u>2,395</u>	<u>2,395</u>

Program Analysis:

Criminal law enforcement in the Department of Justice consists of four highly specialized investigative organizations and a local aid program.

The most general investigative organization is the Pennsylvania Crime Commission. That Commission presently is conducting investigations, holding public and private hearings and referring evidence of alleged organized criminal

activity and/or corruption to appropriate prosecuting authorities. Since the Crime Commission does not actually prosecute or arrest individuals, it is extremely difficult to measure the impact this agency has on organized criminal activity.

The second investigative organization is the Bureau of Investigations. This bureau was forced because of budget

Criminal Law Enforcement (continued)**Program Analysis: (continued)**

reductions to curtail many of its activities. As a result, last year's projection of 300 investigations to be performed this fiscal year has been reduced to approximately 155. This reduction has the potential of losing the Commonwealth some \$800,000 in unrecovered property or funds.

It should also be noted that fiscal year 1977-78 is the second year that this bureau has faced a reduction in staff. In response to the curtailments this bureau has established very stringent priorities for its investigations. As a result, during the first six months of 1977, a total of 107 requests for investigations were declined by the Bureau. This has forced agencies to either overlook criminal activities or in the case of Pennsylvania Higher Education Assistance Agency to seek legislative authority to develop their own investigative units.

The 1978-79 request for this bureau includes funds for the Medicaid fraud investigation unit that is to be established. This unit will concentrate exclusively on fraud actions arising in the Federal portion of that program. The unit will be funded from a Federal grant with a State match.

The third investigating function of the Department of Justice concentrates exclusively on 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 laws. 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 the State Police troopers assigned to this function.

Through improved measurement techniques, the official estimate of the number of Pennsylvanians illegally experimenting with drugs has been revised downward from the two million estimate used in the previous budget to nine hundred thousand. Even with this estimated reduction, it is obvious that there is still widespread disregard for drug laws. So any enforcement effort will deal with only a small portion of violations. In this regard, drug laws are similar to laws regulating other 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 nine months of 1977, 40 percent of the drug law arrests were for cannabis, 14 percent for heroin, 20 percent for stimulants, 17 percent for hallucinogenic drugs and 9 percent for all other drugs. These arrest records demonstrate

the de-emphasis of marijuana arrests. For the same period last year, marijuana arrests constituted 46 percent of the total drug arrests, heroin 22 percent, 18 percent for stimulants, 9 percent for hallucinogenic drugs, and 5 percent for all other drugs.

It should also be noted that a number of other arrests are made as an indirect result of this program. These arrests are for other than drug related offenses. Included in this category are arrests for carrying illegal weapons, income tax evasion and transporting stolen goods.

In addition to the standard undercover activities, two other approaches to drug law enforcement have been taken. The first involves investigation of alleged financiers and managers of the illicit drug distribution system. This group is relatively immune from prosecution under State or Federal drug statutes since these drug statutes are directed essentially to users and distributors. In order to prosecute these individuals an extensive financial background investigation is made in conjunction with agencies of the Federal Government, primarily the Internal Revenue Service and the Drug Enforcement Administration. This program has been very successful. During the first nine months of 1976, \$23,449,780 additional taxable income was disclosed with the assessment of additional taxes and penalties of \$634,098. In the first nine months of 1977 additional taxable income of \$101,311,971 with additional taxes and penalties of \$2,817,780. This increased impact of the program results from a reorganization, increased emphasis on the program and the prosecution of a number of large cases.

Secondly, inspections are made of pharmacies, hospitals and other institutions where dangerous drugs can be obtained. The Office anticipates that it will investigate 188 of these institutions. During the first nine months of 1977, 17 arrests were made in this program.

It should be noted, that this subcategory contains Federal funds for the Office of Special Prosecutor in the available year. These funds are to pay for the costs of closing that Office in fiscal year 1975-76.

The local aid portion of this program is conducted through the Governor's Justice Commission. The Commission uses these funds to meet the state matching requirements for the Law Enforcement Assistance Administration grants to local governments.

A Program Revision entitled expansion of the Crime Commission has been recommended and is described in the appendix to this subcategory.

Criminal Law Enforcement (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 503	\$ 550	\$ 682	\$ 726	\$ 772	\$ 820	\$ 870
Pennsylvania Crime Commission	249	1,249	1,779	1,866	1,957	2,053	2,153
Office of Drug Law Enforcement	3,124	3,225	3,696	3,876	4,065	4,265	4,473
Aid to Local Law Enforcement	1,110	1,091	725	725	725	725	725
GENERAL FUND TOTAL	<u><u>\$4,986</u></u>	<u><u>\$6,115</u></u>	<u><u>\$6,882</u></u>	<u><u>\$7,193</u></u>	<u><u>\$7,519</u></u>	<u><u>\$7,863</u></u>	<u><u>\$8,221</u></u>
REVENUE SHARING TRUST FUND							
Medicaid Fraud Investigation . . . . .	.....	\$65	.....	.....	.....	.....	.....
Medicaid Fraud Prosecution . . . . .	.....	15	.....	.....	.....	.....	.....
REVENUE SHARING TRUST							
FUND TOTAL . . . . .	.....	<u><u>\$80</u></u>	.....	.....	.....	.....	.....

**Criminal Law Enforcement
Program Revision: Expansion of the Crime Commission**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund			<u>\$500</u>	<u>\$518</u>	<u>\$537</u>	<u>\$557</u>	<u>\$578</u>

Program Analysis:

It has been well established that organized crime in Pennsylvania involves "core group" families as well as local crime syndicates. These organized groups not only deal in illegal goods and services such as loan sharking, narcotics, and prostitution, but also victimize society through the commission of such crimes as tax fraud, blackmail, and bribery. These activities are often carried out with threats of or actual violence.

The apprehension and detection of those involved in these activities is made more difficult because a large segment of our population desires these illicit goods and services. Consequently greater effort has to be exerted to educate the public to the harmful effects of patronizing those

organizations. Before an educational effort can be developed, further investigations must be accomplished to more clearly identify those who are involved.

To enhance the ability of the Crime Commission to carry out this effort, funds are recommended to increase their investigative capability. This will enable the Commission to more vigorously pursue such crime problems as State and local official corruption and the alleged infiltration of organized crime into cigarette smuggling operations. These activities are particularly odious because they not only rob the treasuries of the State and local governments but they also undermine the credibility of government.

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Justice							
General Government Operations			<u>\$500</u>	<u>\$518</u>	<u>\$537</u>	<u>\$557</u>	<u>\$578</u>

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$1,768	\$1,686	\$1,756	\$1,770	\$1,785	\$1,822	\$1,842
Federal Funds	70	148	55	50	30	10	.....
TOTAL	\$1,838	\$1,834	\$1,811	\$1,820	\$1,815	\$1,832	\$1,842

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Percentage of juveniles referred as delinquents more than once during the year*	53%	52%	52%	50%	48%	48%	48%
Average county probation officer case load	32	32	32	30	30	30	30
Courts participating in juvenile probation grant programs	59	60	60	62	63	63	63

* Excludes Allegheny County.

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. 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 analysis in the past budgets presented both measures of recidivism. In addition to the above measures, the budgets also showed "percentage of juveniles referred as delinquents who were referred in the previous year." However, analysis performed by the Justice Department revealed that the data submitted by the juvenile courts was too incomplete and unreliable for this measure to be at all meaningful. Of the 44,258 juveniles that were brought before the juvenile courts in 1976-77 the probation staffs could not verify whether or not approximately 27,000 of them had court appearances in previous years. With so many juveniles being characterized as "unknown", the measure was not valid.

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 was to reduce the high turnover rate in county juvenile probation officers by

Reintegration of Juvenile Delinquents (continued)

Program Analysis: (continued)

providing compensation which would be competitive with other social 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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Juvenile Court Judges Commission . . .	\$ 200	\$ 234	\$ 304	\$ 318	\$ 333	\$ 370	\$ 390
Improvement of County Juvenile Probation Services	1,568	1,452	1,452	1,452	1,452	1,452	1,452
GENERAL FUND TOTAL	<u>\$1,768</u>	<u>\$1,686</u>	<u>\$1,756</u>	<u>\$1,770</u>	<u>\$1,785</u>	<u>\$1,822</u>	<u>\$1,842</u>

Reintegration of Offender

OBJECTIVE: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$50,821	\$54,699	\$57,077	\$59,693	\$62,616	\$65,682	\$65,682
Federal Funds	1,754	400	111	100	100	100	100
Other Funds	540	569	599	599	599	599	599
TOTAL	\$53,115	\$55,668	\$57,787	\$60,392	\$63,315	\$66,381	\$66,381

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
State and local penal facilities requiring inspections	509	519	524	524	524	524	524
County and municipal jails not meeting State requirements	110	110	100	100	90	80	80
Annual receptions who are parole violators	561	575	575	600	600	625	625
Committed inmate population as of July 1	7,537	7,845	8,037	8,120	8,246	8,290	8,320

Program Analysis:

This program, conducted by the Bureau of Correction is for offenders who are sentenced by the courts to State 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 the average length of time that inmates are incarcerated is 21 months, efforts must be made to alter behavior patterns. This is particularly true since a significant portion of crime is committed by habitual offenders. Furthermore, there is some evidence to suggest that many individuals who recidivate, commit a more serious offense. 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. One 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. These data indicate 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 during 1974-75.

It should be noted there was a change in the program measures for this fiscal year. Last year, this analysis included the measure "average daily inmate population at State correctional institutions." However, a change in inmate records has made this information unavailable. In place of this measure, is the "committed inmate population as of July 1," which is the population for which the Bureau of Correction has legal responsibility. This includes those individuals who are in custody of the Bureau as well as others who are on work release, in other jails and prisons and in other programs. The physically present population, as shown in the appropriation detail is the population that is housed in the Bureau of Correction facilities. This number is substantially smaller than the committed population.

Reintegration of Offender (continued)

Institution	Average Cost Per Inmate for 1976-77
Muncy	\$15,997
Greensburg	11,687
Dallas	9,844
Camp Hill	9,439
Rockview	9,143
Pittsburgh	8,909
Huntington	7,581
Graterford	7,344
Institutional Average	<u>\$ 8,840</u>

The average cost of maintaining a prisoner during 1976-77, was, as the chart reveals, \$8,840, (this amount excludes most Federal funds and central office costs.) Of that amount 72 percent went to pay personnel costs, food consumed 8.7 percent, clothing and medical costs 5 percent, utility and heating costs 4 percent, and other related expenses 10 percent.

As the chart also shows there is a wide disparity in cost among the various institutions. This disparity can be directly related to the staffing patterns of the treatment staff, the physical facilities and the security arrangements.

The cost of maintaining a resident in a community service center averaged approximately \$7,628 for the same year. This average is not completely comparable to the institutional costs above because it includes a substantial amount of Federal funds.

In 1978-79 the only change from the current program level, is the opening of the State Regional Correctional Facility at Mercer. This facility was scheduled to open late in the current fiscal year. However, the mid year budget reductions forced a postponement of the opening until July 1, 1978.

Funds are included in this budget for the operation of that institution for a full year.

In addition to institutionalizing offenders, the Bureau has established 15 community service centers. These centers offer housing and counseling in a structured environment and serve as a reintegration process leading toward parole. Residents accepted into the Community Services Program remain under the jurisdiction of the Bureau of Correction and are subject to all rules and regulations. Failure to abide by these rules and regulations will result in administrative action and may cause a return to a correctional institution.

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 1976-77, there were 110 such facilities that did not meet State standards. This is approximately 21 percent of all local correctional facilities. 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.

At the present time, there are only rudimentary studies as to the recidivist rate. In a study done by the Office of the Budget, the recidivist rate for the offenders released in 1971, showed that 16.4 percent of them had been convicted of another crime by December 30, 1973. The study did not attempt to hypothesize how many additional individuals returned after the two year period. There are no reliable methods to estimate this returnee population.

It is hoped that future studies and improvements in the information systems will provide better data upon which to measure this program.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Correctional Institutions—							
State-Owned	\$50,821	\$54,699	\$56,903	\$59,693	\$62,616	\$65,682	\$65,682
Capital Improvements			174				
GENERAL FUND TOTAL	<u>\$50,821</u>	<u>\$54,699</u>	<u>\$57,077</u>	<u>\$59,693</u>	<u>\$62,616</u>	<u>\$65,682</u>	<u>\$65,682</u>

Income Maintenance

OBJECTIVE: To increase economic stability by providing financial assistance to those who have suffered financial loss as a result of being injured during commission of a crime.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$ 83</u>	<u>\$1,000</u>	<u>\$2,275</u>	<u>\$2,288</u>	<u>\$2,302</u>	<u>\$2,566</u>	<u>\$2,832</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Crime victims' claims	180	800	1,200	1,400	1,600	1,800	2,000

Program Analysis:

The Crime Victim's Compensation program was enacted in July, 1976, as a response to the suffering of crime victims. Individuals who are injured during commission of a crime not only have to bear physical and psychological pain but also any financial hardships that result from it. No program can erase the memories of a lost provider or any pain that was caused during the commission of a crime. This program can alleviate the financial hardships that result from unpaid medical expenses or loss of income.

For individuals to receive any compensation under this program, they must have incurred a minimum out-of-pocket loss of \$100 or have lost at least two continuous weeks' earnings or support. In cases where the crime victim incurs serious financial loss, the individual or dependents may receive up to \$25,000.

No individual can receive compensation for pain and suffering. Nor can anyone receive benefits who is not either a victim, an intervenor who acts to prevent the commission of a crime or one who assists in the apprehension of suspected criminals.

The program is not intended to reduce the incidence of crime or encourage bystander intervention in law enforcement. Its sole purpose is to relieve any financial hardship to innocent individuals who have been victimized by criminal acts.

This program started late in the 1976-77 fiscal year so as of December, 1977, a total of only 35 awards had been made. The actual payout was approximately \$30,000 for an average award of \$857.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Crime Victim's Compensation Board	\$ 83	\$ 250	\$ 275	\$ 288	\$ 302	\$ 316	\$ 332
Compensation to Crime Victims . . . . .	. . . . .	750	2,000	2,000	2,000	2,250	2,500
GENERAL FUND TOTAL	<u>\$ 83</u>	<u>\$1,000</u>	<u>\$2,275</u>	<u>\$2,288</u>	<u>\$2,302</u>	<u>\$2,566</u>	<u>\$2,832</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; and promoting apprenticeship training programs.

DEPARTMENT OF LABOR AND INDUSTRY

Summary by Fund and Appropriation

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
General Fund			
General Government			
General Government Operations	\$11,441	\$12,100	\$12,100
Flood Relief — Johnstown .....	.....	15	.....
Subtotal	<u>\$11,441</u>	<u>\$12,115</u>	<u>\$12,100</u>
Grants and Subsidies			
Occupational Disease Payments	\$22,245	\$20,500	\$20,000
Transfer to Vocational Rehabilitation Fund	7,923	9,230	9,000
Workmen's Compensation Payments	2,079	2,060	2,000
Subtotal	<u>\$32,247</u>	<u>\$31,790</u>	<u>\$31,000</u>
Total State Funds	<u>\$43,688</u>	<u>\$43,905</u>	<u>\$43,100</u>
Federal Funds	\$13,957	\$16,167	\$17,087
GENERAL FUND TOTAL	<u>\$57,645</u>	<u>\$60,072</u>	<u>\$60,187</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Government Operations			
State Funds	\$11,441	\$12,115	\$12,100
Federal Funds	1,038	1,167	914
TOTAL	<u>\$12,479</u>	<u>\$13,282</u>	<u>\$13,014</u>

Provides for 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 employes' retirement, disability and survivors insurance through the administration of the Federal Social Security Program for employes 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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
General Government Operations	\$11,441	\$12,100	\$12,100 ✓
Flood Relief - Johnstown .....	.....	15	.....
Federal Funds:			
Occupational Safety and Health Statistics	86	111	97
Nursing Home Inspection Contract	952	950	817
National Fire Prevention Act .....	.....	106	.....
TOTAL	<u>\$12,479</u>	<u>\$13,282</u>	<u>\$13,014</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Occupational Disease Payments			
State Funds	\$22,245	\$20,500	\$20,000

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Occupational Disease Payments	<u>\$22,245</u>	<u>\$20,500</u>	<u>\$20,000</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Transfer to Vocational Rehabilitation Fund			
State Funds	\$ 7,923	\$ 9,230	\$ 9,000
Federal Funds	12,919	15,000	16,173
TOTAL	<u>\$20,842</u>	<u>\$24,230</u>	<u>\$25,173</u>

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. Also responsible for making disability determinations for the Federal Social Security Disability Insurance (SSDI) program, the Supplemental Security Income (SSI) Program and the Federal Coal Mine Health and Safety Act.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Transfer to Vocational Rehabilitation Fund	\$ 7,923	\$ 9,230	\$ 9,000
Federal Funds:			
Disability Determination	12,919	15,000	16,173
TOTAL	<u>\$20,842</u>	<u>\$24,230</u>	<u>\$25,173</u>

GENERAL FUND

LABOR AND INDUSTRY

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Workmens Compensation Payments			
State Funds	\$ 2,079	\$ 2,060	\$ 2,000

Provides for payments to self-insured employers and insurance carriers to raise the compensation of those employees receiving compensation for injuries prior to January 17, 1968 to sixty (\$60) dollars per week.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Workmens Compensation Payments	<u>\$ 2,079</u>	<u>\$ 2,060</u>	<u>\$ 2,000</u> ✓

DEPARTMENT OF LABOR AND INDUSTRY
Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82		1982-83
General Administration and Support	\$ 2,206	\$ 2,601	\$ 2,698	\$ 2,835	\$ 2,979	\$ 3,130	\$ 3,290
Personal Economic Development	\$33,900	\$33,483	\$32,728	\$32,785	\$32,873	\$32,969	\$33,178
Employability Development—Socially and Economically Disadvantaged* . . . . .	.....	.....	.....	.....	.....	.....	.....
Employability Development—Physically and Mentally Handicapped	7,923	9,230	9,000	9,450	9,920	10,400	10,920
Income Maintenance	25,977	24,253	23,728	23,335	22,953	22,569	22,258
Labor Management Relations	\$ 1,981	\$ 1,980	\$ 1,991	\$ 2,090	\$ 2,198	\$ 2,310	\$ 2,425
Labor Relations Stability	1,981	1,980	1,991	2,090	2,198	2,310	2,425
Community and Housing Hygiene and Safety	\$ 5,237	\$ 5,518	\$ 5,308	\$ 5,575	\$ 5,850	\$ 6,145	\$ 6,450
Accident Prevention in Multiple Dwellings	5,237	5,518	5,308	5,575	5,850	6,145	6,450
Consumer Protection	\$ 364	\$ 323	\$ 375	\$ 395	\$ 415	\$ 436	\$ 458
Regulation of Consumer Products and Promotion of Fair Business Practices	364	323	375	395	415	436	458
DEPARTMENT TOTAL	<u>\$43,688</u>	<u>\$43,905</u>	<u>\$43,100</u>	<u>\$43,680</u>	<u>\$44,315</u>	<u>\$44,990</u>	<u>\$45,801</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$2,206</u>	<u>\$2,601</u>	<u>\$2,698</u>	<u>\$2,835</u>	<u>\$2,979</u>	<u>\$3,130</u>	<u>\$3,290</u>

Program Analysis:

This subcategory contains those necessary services which cannot reasonably be charged directly to 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. Also contained in this subcategory for the 1977-78 fiscal year are the costs connected with the Johnstown Flood primarily in the area of inspections.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$2,206	\$2,586	\$2,698	\$2,835	\$2,979	\$3,130	\$3,290
Flood Relief-Johnstown . . . . .	.....	15	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$2,206</u>	<u>\$2,601</u>	<u>\$2,698</u>	<u>\$2,835</u>	<u>\$2,979</u>	<u>\$3,130</u>	<u>\$3,290</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Other Funds	<u>\$11,306</u>	<u>\$12,159</u>	<u>\$12,159</u>	<u>\$12,159</u>	<u>\$12,159</u>	<u>\$12,159</u>	<u>\$12,159</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Work Incentive Program:							
Total registrants	114,567	90,000	90,000	90,000	90,000	90,000	90,000
New persons registered	43,666	40,000	40,000	40,000	40,000	40,000	40,000
Successful completions	10,464	11,257	12,000	12,000	12,000	12,000	12,000
Participants placed in employment	15,152	13,244	14,000	14,000	14,000	14,000	14,000

Program Analysis:

In 1974 Congress passed the Comprehensive Employment and 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 31 local prime sponsors and the State acts as prime sponsor for 22 counties which do not meet the criteria for operation as independent prime sponsors. In addition the following programs were created by the 1977 amendments to CETA: (1) a five percent Youth Services Grants program and (2) a Youth Adult Conservation Corps. A variety of youth programs will also be run under CETA Title III. There is approximately \$11.5 million for these programs.

While the 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 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 (BES). This program is not supported by any State funds. The Bureau has been successful in using in-kind matching services to draw down an estimated \$12,000,000 in Federal funds for 1977-78. This use of in-kind matching for services from such sources as Public Service Employment contracts has allowed the Bureau to draw down all Federal funds available to it. However, Federal guidelines have eliminated Public Service Employment contracts and therefore, it will be necessary for BES to seek out other sources in 1978-79 and future years. The in-kind match estimated for 1978-79 is over a million dollars.

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 nonjob-ready enrollees in a suitable

training program. Each enrollee is paid \$30 a month by the Department of Labor and Industry as an incentive to continue the program.

Since fiscal 1973-74, registration in the WIN Program is a mandatory requirement for certain aid to families with dependent children (AFDC) recipients. Due to the decline in the economy, AFDC recipients increased and this resulted in a corresponding rise in WIN registrants. As the economy improves, the WIN target group should diminish somewhat.

With WIN program emphasis on job placement, participation is limited to one year at which time the person is either a successful completion or returned to the general case load. 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 six months in duration. This emphasis has reduced the department's potential to secure in-kind matching funds to match available Federal dollars. This shortened program length will, however, increase participation. In addition to increased participation great improvement has been made in the number of successful completions and placements. This improvement was possible due to administrative and procedural changes that began in 1975-76 and bore fruit during fiscal year 1976-77.

The ultimate measure of the impact of this program is the amount of savings to the Commonwealth when recipients become self-sufficient and no longer dependent upon the welfare system. It is estimated 9,000 remained employed one year after placement and that \$30,000,000 will be saved in either reduced payments or recipients removed from the roles. Since the target group of the WIN program is the hard-core unemployed, the lagging 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. All funds presented in this subcategory are federal funds which augment the Bureau of Employment Security fund (a nonbudgeted special fund).

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 7,923	\$ 9,230	\$ 9,000	\$ 9,450	\$ 9,920	\$10,400	\$10,920
Federal Funds	12,919	15,000	16,173	17,790	19,569	21,526	23,679
TOTAL	<u>\$20,842</u>	<u>\$24,230</u>	<u>\$25,173</u>	<u>\$27,240</u>	<u>\$29,489</u>	<u>\$31,926</u>	<u>\$34,599</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Handicapped persons of employable age	430,000	445,000	460,000	475,000	490,000	500,000	515,000
Case load carry-over from previous years	65,980	67,271	66,946	69,146	71,746	73,746	76,246
New referrals	72,635	76,000	78,000	80,000	82,000	84,000	86,000
Total case load	138,615	143,271	144,946	149,146	153,746	157,746	162,246
Cases closed:							
Ineligible	38,460	43,000	42,000	43,000	44,000	44,000	43,000
Rehabilitated	22,535	22,325	22,600	23,000	24,000	25,000	26,000
Competitive	15,324	15,181	15,368	15,640	16,320	17,000	17,680
Noncompetitive	7,211	7,144	7,232	7,360	7,680	8,000	8,320
Nonrehabilitated	10,349	11,000	11,200	11,400	12,000	12,500	13,000
Total cases closed	71,344	76,325	75,800	77,400	80,000	81,500	82,000
Cases carried over	67,271	66,946	69,146	71,746	73,746	76,246	80,246

Program Analysis:

An objective statement of this program in much simpler terms is vocational rehabilitation of the physically and mentally disabled. Vocational rehabilitation is a public service program provided by the Commonwealth in cooperation with the Federal Government. The target group of this program is the estimated 460,000 citizens of the Commonwealth having a physical or mental disability, which results in a handicap to competitive or noncompetitive employment. This number was previously developed by a method known as the "Delphi Method". However, the Bureau has adopted a variation of this estimating procedure which more realistically projects the target group for Pennsylvania. This target group also includes alcoholics, drug addicts and public offenders. 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.

It should be noted that all statistics presented are based on the Federal fiscal year which runs October 1 to September 30 of each year. The Federal Government continues to place added emphasis on rehabilitating the severely disabled client. Those clients require more extensive and varied services. In 1974-75, 32 percent of the cases closed rehabilitated were severely disabled, 38 percent in 1975-76 and 43 percent in 1976-77. It is anticipated that by 1982, 50 percent of the case load will be severely disabled. Although serving the severely disabled has a history of being more costly, it appears this has leveled and the average cost of serving the severely disabled now amounts to \$1,057 per rehabilitation compared to \$926 for the nonseverely disabled.

Employability Development—Physically and Mentally Handicapped (continued)

Program Analysis: (continued)

The program measures for 1976-77 indicate the active case load was 138,615 and 71,344 were processed and closed. The remainder of 67,271 are carried over to next fiscal year and become part of that year's case load. Of 71,344 cases closed for 1976-77, 38,460 were closed ineligible for services meaning that, after a thorough medical evaluation, it could not be determined that a disability existed or the disability was not a vocational handicap, or there was no reasonable expectation that the client could go to work. It was originally estimated that 42,000 clients would be closed ineligible for 1976-77 but, due to adequate case services money being available, the counselors were able to exert extra efforts in attempts to

rehabilitate those clients showing questionable potential. With the leveling off of available Federal money, it can be predicted that case service monies will decline and more cases will be closed ineligible. Of the remaining 38,844, closed eligible, 22,535 cases were closed rehabilitated and 10,349 closed as nonrehabilitated. Although the impact of the leveling off of Federal funding will be felt in "cases closed rehabilitated" and those engaging in "competitive employment", it will be felt most in the noncompetitive employment measure. With the influx of clients who have questionable potential, the tendency toward more clients rehabilitated but working in a noncompetitive status increases.

TABLE 1:
BUREAU OF VOCATIONAL REHABILITATION
CASE LOAD DATA
1976-77

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. Com- petitive Employ- ment	(7) Average Cost of Client Services Per Rehab.
	Total	Number	% of Col. 1	Number	% of Col. 2	Number	% of Col. 2	Number	% of Col. 2	Amount	Amount
Visual	3,179	2,742	86%	1,379	50%	1,899	69%	843	31%	\$ 63.00	\$ 354.00
Hearing	2,422	2,170	90%	693	32%	1,252	58%	918	42%	\$ 58.00	\$ 652.00
Orthopedic Deformities	6,983	4,875	70%	3,426	70%	2,971	61%	1,904	39%	\$118.00	\$1,279.00
Amputee or Loss of Limb	1,192	966	81%	429	44%	525	54%	441	46%	\$ 73.00	\$1,250.00
Mental Disorders	9,039	4,894	54%	4,015	82%	3,797	78%	1,097	22%	\$112.00	\$ 888.00
Mental Retardation	2,351	1,219	52%	1,133	93%	885	73%	334	27%	\$ 95.00	\$1,400.00
Other Disabling Conditions	7,718	5,669	73%	3,288	58%	4,379	77%	1,290	23%	\$ 81.00	\$ 878.00
TOTAL	32,884	22,535	69%	14,363	64%	15,708	70%	6,827	30%	\$ 93.00	\$ 926.00
Drug and Alcohol	2,200	1,206	55%	994	82%	1,030	85%	176	15%	\$133.00	\$ 719.00
Public Assistance	8,993	4,974	55%	3,866	78%	2,739	55%	2,235	45%	\$108.00	\$ 823.00
Public Offender	1,473	627	43%	564	90%	589	94%	38	6%	\$118.00	\$ 706.00
Severely Disabled	15,064	9,738	65%	6,583	68%	5,228	54%	4,510	46%	\$101.00	\$1,057.00
Social Security Disability Insurance Beneficiaries	4,199	2,352	56%	1,813	77%	795	34%	1,557	66%	\$136.00	\$1,118.00

Employability Development--Physically and Mentally Handicapped (continued)

The program measures take you through the normal progression a participant would follow starting with cases accepted for services and finishing either rehabilitated or nonrehabilitated. Once accepted the client must show up as successfully rehabilitated or nonrehabilitated. As the measures indicate 71,344 clients received service and their cases were closed in 1976-77. Of the number of cases closed eligible, 69 percent were successfully rehabilitated with 70 percent of those rehabilitated placed in competitive employment. Thirty percent were employed in sheltered and protected employment and as homemakers. Statewide, 23 percent of the rehabilitants in 1977 were Public Assistance recipients. The Bureau of Vocational Rehabilitation and the Department of Public Welfare operate under the terms of a joint agreement known as the Integrated Action Program Plan. This joint agreement, written in 1969 and revised in 1972, sets down guidelines and delineates areas of responsibility and emphasizes the need for a close working relationship.

Table 1 indicates the varying degrees of success accomplished with different categories of disability. Certain handicaps are more susceptible to rehabilitation than others. 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 reason, e.g., refused services, death, institutionalization of client, transferred to another agency or moved.

District Offices also experience varying degrees of success as indicated in Table 2 which shows rehabilitation ratios by district offices over a three year period. 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. Although variations do exist in success ratios, the program

remains capable of maintaining uniform interpretation of law and policies at central, regional and district levels.

In addition to the ongoing vocational rehabilitation programs, during fiscal year 1976 the Bureau of Vocational Rehabilitation (BVR) in coordination with the Office of Mental Retardation developed program plans to implemented the State Regulations (Standards) for Rehabilitation Facilities. These plans provide for survey teams consisting of two or three rehabilitation specialists. The survey teams are composed of representatives from BVR and the Office of Mental Retardation at least ninety percent of the time. Representatives from the Bureau of the Visually Handicapped, the Department of Education and the Office of Mental Health are also called upon to serve upon each survey team from time to time. These survey teams review each rehabilitation facility providing sheltered employment, evaluation, personal and work adjustment training and job placement on a yearly basis.

It is anticipated this program will receive approximately \$53,000,000 in total Federal funds during 1977-78, which is lower than last year's estimate. The Federal funding formula allocation is becoming more inequitable in heavily populated states with relatively high per capita income such as Pennsylvania. The result is we receive a disproportionately smaller amount of money than do states with a marginal per capita income. These Federal monies are not shown in this subcategory because they augment the Vocational Rehabilitation Fund (a nonbudgeted special fund). The Federal funds, which are displayed in this subcategory, are those supporting the Federal Disability Determination responsibility. The Disability Determination Division (DDD) is responsible for making disability determinations for the Social Security Disability Insurance program (SSDI), the Supplemental Security Income (SSI) program, and the Federal Coal Mine Health and Safety Act. The division also does an initial evaluation of applicants for rehabilitation potential and makes referral to the Bureau of Vocational Rehabilitation for possible services.

Employability Development—Physically and Mentally Handicapped (continued)

**TABLE 2:
CASES ACCEPTED FOR VOCATIONAL REHABILITATION SERVICES AND
CLOSED PER 100,000 POPULATION BY DISTRICT OFFICE**

District Office	1974-75		1975-76		1976-77	
	Cases Per 100,000 Population	Rehab. Ratio	Cases Per 100,000 Population	Rehab. Ratio	Cases Per 100,000 Population	Rehab. Ratio
Allentown	271.0	2.6	353.8	1.5	306.3	1.4
Altoona	631.1	2.1	668.8	2.3	588.3	3.1
DuBois	439.0	3.9	483.8	5.1	451.6	4.4
Erie	375.1	1.7	388.5	1.4	354.6	1.9
Harrisburg	374.4	2.4	433.0	1.9	399.0	2.1
Johnstown	298.7	2.3	205.3	2.3	303.3	2.2
New Castle	378.1	3.0	468.7	1.6	412.8	2.0
North Philadelphia	133.4	1.5	137.4	1.6	170.8	1.7
Philadelphia Center City	241.6	1.2	219.2	1.3	170.8	1.7
Pittsburgh	325.4	2.2	333.2	1.9	356.3	2.3
Rading	239.3	2.4	235.6	1.7	293.7	1.6
Rosemont	99.2	2.3	107.0	1.3	109.0	1.7
Washington	N/A	N/A	404.7	1.3	211.5	2.5
Wilkes-Barre	274.8	3.4	264.8	3.4	328.8	4.2
Williamsport	307.4	3.7	366.3	3.4	355.2	2.4
York	226.8	2.4	215.7	2.8	250.4	2.0

Program Costs by Appropriations:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Vocational Rehabilitation	<u>\$ 7,923</u>	<u>\$ 9,230</u>	<u>\$ 9,000</u>	<u>\$ 9,450</u>	<u>\$ 9,920</u>	<u>\$10,400</u>	<u>\$10,920</u>

Income Maintenance

OBJECTIVE: To increase the economic stability of citizens of the Commonwealth by protecting and insuring the earnings of employes from factors over which they have no control.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$25,977	\$24,253	\$23,728	\$23,335	\$22,953	\$22,569	\$22,258
Other Funds	5,911	6,902	7,164	7,525	7,900	8,295	8,715
TOTAL	\$31,888	\$31,155	\$30,892	\$30,860	\$30,853	\$30,864	\$30,973

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Minimum wage violations cited	1,481	1,216	1,155	855	1,513	1,558	1,573
Persons receiving subminimum rates	2,918	3,540	2,541	1,881	2,269	3,163	3,303
Claims for nonpayment of wages	2,261	2,472	2,546	2,571	2,596	2,621	2,647
Nonpayment of wage claims settled	1,480	1,688	1,731	1,748	1,765	1,782	1,799
Inspections made to insure prevailing rates used and paid on public works projects	5,250	5,263	4,230	4,030	4,000	4,000	4,000
Occupational disease payments out of Commonwealth funds	8,891	8,773	8,300	8,100	7,900	7,700	7,500
Workmen's compensation payments	113,780	115,000	116,000	117,000	118,000	119,000	200,000
Individuals filing for unemployment compensation	929,714	850,000	800,000	750,000	750,000	750,000	700,000

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 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

Income Maintenance (continued)**Program Analysis: (continued)**

routine and complaint investigations and wage claim investigations. The State's minimum hourly wage has been raised to \$2.20 per hour effective January 1, 1976 and increased again on January 1, 1977 to \$2.30. Recent amendments to the law increase the dollar volume of gross sales for enterprises which would be affected by this mandatory rate from \$250,000 to \$362,500 in three steps. Effective July 1, 1978, it is raised to \$275,000; on July 1, 1980 to \$325,000; and on December 31, 1981 to \$362,500.

The minimum wage violations cited are projected to decrease through 1979-80 due to the leveling off of the minimum wage requirements. The enactment of a new Federal minimum wage law effective January 1, 1978 points up the need for a higher wage scale at the State level; a new State minimum wage law is projected for 1980-81. Passage of the new law will increase the probability of violation thereafter, and this is reflected in the measures for both violations cited and "persons receiving subminimum rates." Claims for unpaid wages and settlement of these claims are impacted upon by the economy, and as the economy makes slight gains, claims will increase slightly. Settlements remain high as a result of intensive investigation and follow through.

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.

Inspections made to insure prevailing rates are paid will decline due to several factors; temporary furloughing of staff due to budget cuts; anticipated retirements; decline in the economy; and high unemployment in the building crafts.

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. In the past, these administrative costs were covered by the Commonwealth; Act 2 of 1976 shifted the responsibility for these costs from the State to assessments upon industry. Act 2 sets a special fund for this purpose and provides for legislative approval of the level of expenditure and corresponding assessment for the fund each year. The \$7,164,000 recommended is shown above as other funds.

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 further increased benefits to new claimants by raising the maximum payment to 100 percent of the statewide average weekly wage effective July 1, 1975. This act also provides for the first time in the history of workmen's compensation for payment from the General Fund. Effective July 1, 1975 the State was 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 2,340 persons at a 1977-78 cost to the State of \$2,060,000. 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 to the law in 1973, industry is gradually assuming the costs of these payments. In 1975-76, seventy-five percent of the costs for new claimants was being paid by industry. New claimants are now 100 percent the responsibility of industry. Persons who stopped working prior to July 1, 1973 may still be eligible under other programs for lower rates of compensation.

Due to the gradual assumption of costs by industry the level of required funding for occupational disease payments is starting to show a decreasing trend. This trend should continue with some leveling off due to stricter Federal payment requirements causing fewer transfers to the Federal program.

This program also includes public employe's retirement, disability and survivor's 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 unemployment compensation program is also an integral part of this subcategory. The base 30 week benefit period for which most employes are eligible can be extended by nine weeks if the rate of insured unemployment exceeds four percent. Presently, these additional nine weeks are 50 percent Federally funded; effective January 1, 1979, the full cost of the nine weeks extended benefits program will be changed to employers. Throughout 1977-78, 850,000 individuals are expected to file a new claim for unemployment compensation. The rate of compensation is approximately two-thirds of the worker's normal earnings up to a maximum of \$143 a week. This amount is 66 2/3 percent of the statewide average weekly wage (\$213.40 effective January 1, 1978).

Income Maintenance (continued)

Program Analysis: (continued)

The economy has a direct and almost immediate impact on the State's Unemployment Compensation Fund. The Fund has incurred a deficit as a result of the recession and has borrowed \$926.3 million from the Federal Government as of December, 1977. A request has been made for an additional amount of \$85 million for January, 1978. This action was necessary to maintain benefits for claimants drawing under regular unemployment compensation programs and for 50 percent of the extended benefit program. In an attempt to rectify the existing situation for not only the Commonwealth but other states as well, Congress has recently passed into law a bill (P.L. 94-566). In response to this in July 1977, Pennsylvania enacted amendments to its Unemployment Compensation Law which took effect January 1, 1978. These amendments deal with paying back the Federal loan as well as extending coverage to include local governments, public schools, most nonprofit organizations and nonprofit educational institutions as well as agricultural and domestic workers. The amendments will raise the taxable wage base from \$4,200 to \$6,000 per annum. In addition, they allow public and nonprofit employers an option for financing their unemployment compensation coverage, either by tax contributions or reimbursement.

With regard to repayment of these loans from the Federal Government, Pennsylvania has been permitted a deferral on the starting date. The current agreement allows Pennsylvania to begin paying on January 31, 1979 on wages paid in calendar year 1978 unless the State qualifies for another deferral.

The first repayment method raises the rate of Federal Unemployment Tax for Pennsylvania employers by 0.3 percent, beginning calendar year 1979, due and payable

January 31, 1980. This same tax will increase each year by 0.3 percent for each of the three years — 1979 through 1981. In 1982, instead of an increase of another 0.3 percent a projected net increase of 0.9 percent is forecast. Since Pennsylvania's cost rate will have exceeded the average tax rate during the base period by 0.6 percent if this tax credit method is used exclusively, the debt is projected to be satisfied sometime in 1983, assuming that repayment begins in 1979.

The new amendment to the Pennsylvania law also adds an additional method of repayment which is as follows: When the Unemployment Compensation Fund balance exceeds the average annual benefit payment for the immediate prior five year period, any amount over this average annual benefit payment amount will be used to also pay off the indebtedness to the Federal Government. For example, the average annual payment for the past five years prior to 1977 was \$614.18 million. If and when the Fund balance exceeds this amount, any of the monies over and above the \$614.18 million will go towards satisfying the debt.

The forecasts and projections used in calculating payback and recovery of the Fund are based on the most current information available. However, it must be stressed that these projections involve the use of economic assumptions provided by the Federal Government and therefore the reliability of this data is only as good or accurate as the assumptions upon which they are based. This applies particularly with regard to projections on unemployment. In addition, other unforeseen and uncontrolled circumstances such as policy changes, legislative changes and energy crisis impact are but a few of the reasons for using the data with tempered reservations.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 1,653	\$ 1,693	\$ 1,728	\$ 1,815	\$ 1,910	\$ 2,000	\$ 2,110
Occupational Disease Payments	22,245	20,500	20,000	19,600	19,200	18,800	18,450
Workmen's Compensation Payments	2,079	2,060	2,000	1,920	1,843	1,769	1,698
GENERAL FUND TOTAL	\$25,977	\$24,253	\$23,728	\$23,335	\$22,953	\$22,569	\$22,258

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$1,981</u>	<u>\$1,980</u>	<u>\$1,991</u>	<u>\$2,090</u>	<u>\$2,198</u>	<u>\$2,310</u>	<u>\$2,425</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Public bargaining units:							
Dispute notices received	871	900	900	1,000	1,000	1,000	1,000
Cases mediated	688	700	700	900	900	900	900
Percent of cases mediated	79%	78%	78%	90%	90%	90%	90%
Private bargaining units:							
Dispute notices received	3,951	3,600	3,600	3,600	3,600	3,600	3,600
Cases mediated	151	396	432	432	432	432	432
Percent of cases mediated	4%	11%	11%	11%	12%	12%	12%
Total dispute notices resulting in strike activity	118	120	120	120	120	120	120
Percent of labor force organized:							
Public	52%	52.5%	53%	53.5%	54%	54.5%	55%
Private	22%	23%	24%	25%	26%	27%	28%
Unfair charges filed	418	310	325	325	330	335	340

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 occurred 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. Projections indicate a slight yearly growth rate in the organized private labor force. The projections are being affected by the decision of the Supreme Court of Pennsylvania which placed administrative responsibility for collective bargaining for police and fireman with the Pennsylvania Labor Relations Board. Although the number of cases involving police and firemen is significant, when that total is added to the private sector labor force eligible to organize, it affects only a

moderate change.

The percent of the public sector organized, as the measure indicates, has been revised to show increases occurring at a much slower rate. This is largely due to two factors, namely, although the representation proceedings remain relatively constant, the number of employees with in groups trying to organize is smaller, plus the fact that the largest groups such as teachers and Commonwealth employees are already organized. The second reason is due to updated statistics from the Governor's Study Commission on Public Employee Relations indicating a much larger number of public employees eligible to bargain under the Commonwealth's Public Employee Relations Act, commonly referred to as Act 195 (of 1970). This larger base is reflected in the percentages.

Certification is only one of the duties of the Board. In addition, unfair labor practices charges are filed with the Board for disposition. An increase in charges filed was anticipated in 1976-77 due to the organizational effort at the lower municipal level where bargaining sophistication is

Labor Relations Stability (continued)

Program Analysis: (continued)

lacking, and due to the potential increase in county bargaining units. As a consequence, more contracts would be negotiated thereby increasing the potential for unfair practice cases. These municipal bargaining units were the source of some of the increases, however, the major portion of the increase in unfair labor charges filed was due to an influx of approximately 100 charges filed by individual employes against the Commonwealth, their employe organizations and the Pennsylvania Social Services Union, concerning dues collection. Such a series of charges is unique and does not indicate an upward trend in charge volume for the coming fiscal year.

The legal framework of labor mediation in Pennsylvania rests on two acts: The Pennsylvania Labor Mediation Act of 1937 and the Public Employe Relations Act, 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 activity, the Labor Relations Act did exclude public employes. 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 work load 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 seventy-nine percent of active mediation cases. This shift is reflected in the cases mediated in the private sector. The demand for mediators in the public sector has been great. However, no adjustment has been made to the future years' measures as the Board's objective is to restore their level of service to the private sector as it was prior to Act 195.

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. The Bureau is currently only involved in 79 percent of the negotiations. In numbers this means that out of the 871 dispute notices received in 1976-77, mediation was provided in 688 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. Inflation caused an increase in the receipt of dispute notices as a rash of settled contracts were opened for renegotiation. Since most of these contracts had cost-of-living clauses built into them, this situation should not occur again unless the economy takes a downturn. A level of 3,600 disputes is normal. 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 3.8 percent of the mediation services.

Of the number of cases where State mediation is involved only about two percent result in strike activity. Thus as mediation involvement increases it can only have a beneficial effect on the economy.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$1,981</u>	<u>\$1,980</u>	<u>\$1,991</u>	<u>\$2,090</u>	<u>\$2,198</u>	<u>\$2,310</u>	<u>\$2,425</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$5,237	\$5,518	\$5,308	\$5,575	\$5,850	\$6,145	\$6,450
Federal Funds	1,038	1,167	914	924	935	947	960
TOTAL	\$6,275	\$6,685	\$6,222	\$6,499	\$6,785	\$7,092	\$7,410

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Places of public habitation and assembly:							
Units examined or inspected	93,544	100,000	100,550	100,550	100,550	100,550	100,550
Violations cited	13,885	14,000	14,500	14,500	14,500	14,500	14,500
Violations abated	9,009	10,000	10,000	10,000	10,000	10,000	10,000
Health care buildings examined or inspected	1,644	1,700	1,720	1,740	1,760	1,780	1,780
Health care buildings revealing violations	1,367	1,190	865	735	505	475	450
Health care buildings that comply completely with the Life Safety Code	257	500	750	1,000	1,250	1,300	1,350
Health care facilities closed	20	10	5	5	5	5	5

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 in recent 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 the Social Security Act. A survey is conducted on each individual building at a facility. The total number of facilities under the health care program is 647 licensed nursing homes and 300 licensed or approved hospitals. There are 1,579 individual buildings. Follow-up inspections are made to each facility where violations have been cited to insure that corrective measures are being taken.

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

Accident Prevention in Multiple Dwellings (continued)

Program Analysis: (continued)

compliance, some existing nursing homes may be forced to close. With the current nursing home shortage, the situation may become critical if too many homes are forced to close. Health care facilities may be approved if they have acceptable plans of correction indicating the actions that will be undertaken to eliminate code violations. This means that a facility may have an approval without correcting 100 percent of the violations cited. Of the 1,644 health care buildings inspected in 1976-77, 1,367 revealed violations. In the past this measure only reflected facilities that revealed major violations, it now includes any violation regardless of severity. This causes a corresponding decrease in the buildings that comply. i.e. only 257 are in total compliance. Health care facilities will have great difficulty meeting 100 percent of all the regulations.

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. Even with this assistance 20 health care facilities closed in 1976-77. However, some of these closures were due to reasons other than code violations.

Projections to 1983 show a continuous decrease in the number of buildings revealing violations. These projections assume that the regulations will not be altered during this time period. Any changes in Federal or State regulations would impact on this projection. The Federal Government at this time is considering changes to its regulations.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$5,237</u>	<u>\$5,518</u>	<u>\$5,308</u>	<u>\$5,575</u>	<u>\$5,850</u>	<u>\$6,145</u>	<u>\$6,450</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 364	\$ 323	\$ 375	\$ 395	\$ 415	\$ 436	\$ 458

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Activities under the Bedding and Upholstery and the Stuffed Toy Laws:							
Manufacturers, importers and dealers	4,658	4,700	4,700	4,700	4,800	4,800	4,800
Registrations, licenses and certificates	7,470	7,500	7,500	7,500	7,600	7,600	7,600
Inspections	6,027	6,000	6,000	6,200	6,200	6,400	6,400
Violations for misrepresented or adulterated products	796	800	800	850	850	900	900
Percent of total	13.2%	13%	13%	14%	14%	15%	15%
Articles in violation of regulations	29,661	30,000	30,000	30,000	30,000	30,000	30,000
Articles brought into compliance	14,048	15,000	15,000	20,000	20,000	25,000	25,000
Private employment agencies:							
Agency representatives registered	2,160	2,500	4,000	4,000	4,000	4,000	4,000
Complaints resulting in refunds	45	60	200	200	200	200	200
Dollars refunded	\$34,590	\$40,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000
Violations cited	1,000	300	400	400	1,000	1,500	1,500
Violations abated	600	50	60	60	500	1,000	1,000

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 2,500 representatives who work for these agencies.

The impact in both areas is reflected by the number of compliances resulting from violations cited. Under the Bedding and Upholstery Law and Stuffed Toy Law, the impact of a

diminished inspection effort due to the loss of several inspectors is seen in the measures in last year's budget. However, this situation has been rectified and the measures adjusted to reflect not only renewed effort but concentration in those areas where violations are more prevalent. Increases can be seen in violations cited, articles in violation and articles brought into compliance. The number of compliances shown reflects the total number of individual articles brought into compliance and includes carry-over violations that are rectified during the indicated year. For this reason compliances may out number violations in any given fiscal year.

The reverse, however, is true in the employment services area. Violations are normally cited at a rate of 1,500 annually including carry-over violations that are not abated in the same year as citing. In 1976-77 citations dropped due to a large number of employment agencies declaring themselves "exempt" from investigation. The basis for the exemption is

Regulation of Consumer Products and Promotion of Fair Business Practices (continued)

Program Analysis: (continued)

the change in statute exempting any employment agency not binding an applicant to the payment of a fee. These agencies are still committing violations but until State jurisdiction is established, no violations can be cited. Having further impact on the measures in 1977-78 is the loss of fifty percent of the inspection force in the Department's Division of Private Employment due to budgetary cuts in 1977-78. The reduction in staff between 1976-77 and 1977-78 substantially lowered the number of violations cited and abated. It is anticipated with the gradual restoration of the investigative personnel

these measures will improve accordingly. A decrease in the complaints resulting in refunds is the result of a decision in a civil suit that has hampered our ability to take legal action to have refunds made. The Department was not involved in the suit and must move to negate the decision by the legal remedies available. Anticipated legislative changes should correct this problem and dollars refunded due to complaints will return to the higher level reflected in fiscal year 1978-79. These refunds are indicators of the more serious violations in the employment services areas.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$ 364</u>	<u>\$ 323</u>	<u>\$ 375</u>	<u>\$ 395</u>	<u>\$ 415</u>	<u>\$ 436</u>	<u>\$ 458</u>

Liquor Control Board

The Pennsylvania Liquor Control Board controls the manufacture, possession, sale, consumption, importation, use, storage, transportation and delivery of liquor, alcohol and malt or brewed beverages in the Commonwealth.

The Board consists of three members appointed by the Governor with Senate confirmation.

The dollar amounts shown are from the State Stores Fund, a special enterprise fund, and are reflected herein as "Other Funds."

LIQUOR CONTROL BOARD
Summary by Fund and Appropriation

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Other Funds*	\$139,024	\$139,411	\$137,077
DEPARTMENT TOTAL	<u>\$139,024</u>	<u>\$139,411</u>	<u>\$137,077</u>

*All funds are other than General Fund or Special Funds

Other Funds

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Pennsylvania Liquor Stores			
Other Funds	\$112,024	\$119,411	\$121,077

Operates the Pennsylvania Liquor Stores system. Licenses alcoholic beverage dealers. Enforces the Commonwealth's alcoholic beverage laws and regulations.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Other Funds:			
General Operations	<u>\$112,024</u>	<u>\$119,411</u>	<u>\$121,077</u>

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Transfers to the General Fund			
Other Funds	\$ 27,000	\$ 20,000	\$ 16,000

Provides for the statutory transfer to the General Fund of surpluses in the State Stores Fund.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Other Funds:			
Transfer of State Stores Fund Surplus	<u>\$ 27,000</u>	<u>\$ 20,000</u>	<u>\$ 16,000</u>

LIQUOR CONTROL BOARD

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Consumer Protection
Liquor Control*

*All funds are other than General or Special Funds.

Liquor Control

OBJECTIVE: To protect the public welfare, health, peace, and morals of the people of the Commonwealth by controlling the manufacture of and transactions in liquor, alcohol and malt or brewed beverages.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Other Funds	\$139,024	\$139,411	\$137,077	\$142,525	\$148,220	\$149,170	\$154,390
Subtotal	\$139,024	\$139,411	\$137,077	\$142,525	\$148,220	\$149,170	\$154,390
Transfer of Sales Tax to General Fund† . .	\$ 31,853	\$ 32,600	\$ 33,775	\$ 34,800	\$ 35,825	\$ 36,900	\$ 37,750
Transfer of Emergency Tax to General Fund†	80,585	82,500	85,500	88,100	90,700	93,400	96,200
TOTAL	\$251,462	\$254,511	\$256,352	\$265,425	\$274,745	\$279,470	\$288,340

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Pennsylvania State Liquor Stores	739	733	735	735	735	735	735
Gross sales (includes taxes) (in thousands)	\$561,757	\$587,876	\$594,130	\$608,983	\$624,207	\$639,812	\$655,807
Licenses and permits issued (all types) . .	23,950	23,950	23,950	23,950	23,950	23,950	23,950
Enforcement investigations	25,400	25,425	25,450	25,500	25,550	25,600	25,600

Program Analysis:

Pennsylvania is one of 18 states that are referred to as "control states" in the sale of alcoholic beverages. In Pennsylvania, all bottle sales (with a few exceptions) of both wines and spirits are made through Pennsylvania Liquor Stores (State Stores). Private establishments may be licensed to sell by the drink only and they must purchase their bottle stock from the State. Malt and brewed beverages are not handled through State Stores but dealers must be licensed. Pennsylvania law also embodies the principle of local option whereby citizens of any municipality have the right to decide by referendum whether they shall live in a "wet" or "dry" community.

In implementing such a control policy, the Liquor Control Board operates approximately 735 retail and/or wholesale stores supported by a regional warehouse system. These stores range from one-man counter operations to large self-service outlets. With annual purchases of over \$300 million, Pennsylvania is the largest single buyer of wines and spirits in the United States.

Licenses and/or permits are required for nearly everyone handling alcoholic beverages in Pennsylvania except retail customers and even they may be issued age identification cards upon request.

The Board is also instrumental in the enforcement of Commonwealth alcoholic beverage laws and regulations.

Given this background it is ironic to note that in recent years the greater concern has been shown the liquor control system for its capacity as a revenue generator. It currently provides three sources of revenue to the General Fund.

The first is the Commonwealth's general sales and use tax which provided \$31.8 million in 1976-77.

The second revenue source is the emergency tax on liquor. This tax was established in 1936 at 10 percent on the cost plus mark-up of spirits and wines and raised to 15 percent in 1963 and 18 percent in 1968. In 1976-77, \$80.7 million in emergency liquor taxes was transferred to the General Fund.

The third is the surplus from the State Stores Fund, the Board's general operating fund. For the most part, this represents the balance of the 48 percent mark-up on wines and spirits after Board expenses are deducted. Income from licensing and enforcement activities are also included; however, these activities actually operate at a loss primarily because the majority of fees are statutorily returned to municipalities.

Transfers from this source amounted to \$27 million in 1976-77 and are projected to decline steadily in future years. This is due to the fact that the Board's expenses, which are labor intensive and therefore highly correlative to general inflationary trends, are paid from fixed mark-up on a merchandise line which does not keep pace with increases in

† Excluded from all summary presentations.

LIQUOR CONTROL BOARD

Liquor Control (continued)

Program Analysis: (continued)

other consumer prices. One of the reasons for the latter is that the liquor industry has an alternative to price increases and that is to cut profit.

What the Commonwealth has now is a liquor control program that was designed for protective control but which has been called upon to provide revenues upon which the Commonwealth's general spending program has become increasingly dependent. The Board's only alternatives are to increase prices or cut expenses. The former is always

extremely unpopular while the latter is not possible to any great extent due to the nature of a government-run system which dictates certain minimum service levels.

The alternative of increasing sales through marketing techniques is not available due to statutory limitations.

The future of the current system of liquor control in Pennsylvania depends upon the results of the imminent confrontation of control versus revenue.

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; and 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, the State Veterans' Commission, the Soldiers and Sailors Home at Erie, and the Veterans Home at Hollidaysburg.

DEPARTMENT OF MILITARY AFFAIRS

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
General Government			
General Government Operations	\$ 7,367	\$ 7,800	\$ 8,319
Helicopter Liability Insurance	135	200	150
Emergency Energy Crisis — 1977	132	. . . .	. . . .
Emergency Flood Relief — July, 1977 . . . . .	. . . .	200	. . . .
Flood Relief — Johnstown . . . . .	. . . .	1,329	. . . .
American Battle Monuments . . . . .	. . . .	. . . .	3
Subtotal	<u>\$ 7,634</u>	<u>\$ 9,529</u>	<u>\$ 8,472</u>
 Institutional			
Soldiers and Sailors Home	\$ 835	\$ 738	\$ 772
Hollidaysburg Veterans Home . . . . .	. . . .	600	2,056
Subtotal	<u>\$ 835</u>	<u>\$ 1,338</u>	<u>\$ 2,828</u>
 Grants and Subsidies			
Education of Veterans Children	\$ 62	\$ 70	\$ 70
Veterans Assistance	650	650	650
Blind Veterans Pension	76	80	80
National Guard Pension	7	10	10
Subtotal	<u>\$ 795</u>	<u>\$ 810</u>	<u>\$ 810</u>
Total State Funds	<u>\$ 9,264</u>	<u>\$11,677</u>	<u>\$12,110</u>
Federal Funds	\$ 610	\$ 683	\$ 771
Other Funds	178	2,081	739
GENERAL FUND TOTAL	<u>\$10,052</u>	<u>\$14,441</u>	<u>\$13,620</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Government Operations			
State Funds	\$ 7,502	\$ 8,000	\$ 8,469
Federal Funds	108	50	. . . . .
Other Funds	153	120	75
TOTAL	<u>\$ 7,763</u>	<u>\$ 8,170</u>	<u>\$ 8,544</u>

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)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
General Government Operations	\$ 7,367	\$ 7,800	\$ 8,319 ✓
Helicopter Liability Insurance	135	200	150 ✓
Federal Funds:			
Military Construction — Army National Guard	108	50	. . . . .
Other Funds:			
Rentals of Armories and Other Facilities	153	120	75
TOTAL	<u>\$ 7,763</u>	<u>\$ 8,170</u>	<u>\$ 8,544</u>

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Energy Crisis Relief			
State Funds	\$ 132	. . . . .	. . . . .

Provided manpower in western Pennsylvania for emergency delivery of fuel and home heating oil following a severe winter cold front in January and February of 1977.

GENERAL FUND

MILITARY AFFAIRS

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Emergency Energy Crisis — 1977	\$ 132	. . . . .	. . . . .

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Emergency Flood Relief			
State Funds	\$ 1,529	. . . . .

Provided for emergency services performed by the National Guard during the Johnstown Flood.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Flood Relief — Johnstown	\$ 1,329	. . . . .
Emergency Flood Relief — July, 1977	200	. . . . .
TOTAL	<u>\$ 1,529</u>	. . . . .

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
American Battle Monuments Maintenance			
State Funds	\$ 3

Provides for routine maintenance and caretaking of grounds in foreign lands wherever American battle monuments are located.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
American Battle Monuments	<u>\$ 3</u> ✓

Institutional

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Veterans Homes			
State Funds	\$ 835	\$ 1,338	\$ 2,828
Federal Funds	502	633	771
Other Funds	25	1,961	664
TOTAL	<u>\$ 1,362</u>	<u>\$ 3,932</u>	<u>\$ 4,263</u>

Provides for the operation of the Soldiers and Sailors Home at Erie and the Veterans Home at Hollidaysburg, including 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 populations for the prior, current and upcoming years are:

Institution	Capacity	Population Oct. 1976	Population Oct. 1977	Projected Population Oct. 1978	Projected Percent of Capacity
Soldiers and Sailors Home	175	162	175	175	100%
Hollidaysburg Veterans Home	275	7	7	275	100%

Total Proposed Expenditures by Institution	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Soldiers and Sailors Home			
State Funds	\$ 835	\$ 738	\$ 772
Federal Funds	502	493	485
Other Funds	25	255	264
TOTAL	<u>\$ 1,362</u>	<u>\$ 1,486</u>	<u>\$ 1,521</u>

Hollidaysburg Veterans Home			
State Funds	600	\$ 600	\$ 2,056
Federal Funds	140	140	286
Other Funds	1,706	1,706	400
TOTAL	<u>2,446</u>	<u>\$ 2,446</u>	<u>\$ 2,742</u>

Source of Funds	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Appropriation:			
Soldiers and Sailors Home	\$ 835	\$ 738	\$ 772 ✓
Hollidaysburg Veterans Home	600	600	2,056 ✓
Federal Funds:			
Domiciliary and Nursing Home Care			
Reimbursements	502	633	771
Other Funds:			
Aid and Attendance Payments for Nursing			
Care Patients	60	60	120
Residents Fees	25	215	328
Reimbursement from Department of Public Welfare	1,686	1,686	216
TOTAL	<u>\$ 1,362</u>	<u>\$ 3,932</u>	<u>\$ 4,263</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Education of Veterans Children			
State Funds	\$ 62	\$ 70	\$ 70

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Education of Veterans Children	<u>\$ 62</u>	<u>\$ 70</u>	<u>\$ 70</u> ✓

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Veterans Compensation and Assistance			
State Funds	\$ 726	\$ 730	\$ 730

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Veterans Assistance	\$ 650	\$ 650	\$ 650 ✓
Blind Veterans Pension	76	80	80 ✓
TOTAL	<u><u>\$ 726</u></u>	<u><u>\$ 730</u></u>	<u><u>\$ 730</u></u>

GENERAL FUND

MILITARY AFFAIRS

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
National Guard Pension			
State Funds	\$ 7	\$ 10	\$ 10

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
National Guard Pension	<u>\$ 7</u>	<u>\$ 10</u>	<u>\$ 10</u> ✓

DEPARTMENT OF MILITARY AFFAIRS

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 1,295	\$ 1,438	\$ 1,443	\$ 1,516	\$ 1,594	\$ 1,674	\$ 1,758
Physical Health Treatment	\$ 835	\$ 1,338	\$ 2,828	\$ 2,865	\$ 2,859	\$ 2,800	\$ 3,033
Long Term Domiciliary and Nursing Home Maintenance and Care	835	1,338	2,828	2,865	2,859	2,800	3,033
Maintenance of Public Order	\$ 6,010	\$ 7,758	\$ 6,683	\$ 7,106	\$ 7,507	\$ 7,927	\$ 8,378
Disaster Assistance	6,010	7,758	6,683	7,106	7,507	7,927	8,378
Veterans Compensation	\$ 1,124	\$ 1,143	\$ 1,156	\$ 1,267	\$ 1,284	\$ 1,352	\$ 1,372
Veterans Compensation and Assistance	1,124	1,143	1,156	1,267	1,284	1,352	1,372
DEPARTMENT TOTAL	<u>\$ 9,264</u>	<u>\$11,677</u>	<u>\$12,110</u>	<u>\$12,754</u>	<u>\$13,244</u>	<u>\$13,753</u>	<u>\$14,541</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$1,295</u>	<u>\$1,438</u>	<u>\$1,443</u>	<u>\$1,516</u>	<u>\$1,594</u>	<u>\$1,674</u>	<u>\$1,758</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 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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$1,295	\$1,438	\$1,440	\$1,513	\$1,591	\$1,671	\$1,755
American Battle Monuments . . . . .	.....	.....	3	3	3	3	3
GENERAL FUND TOTAL	<u>\$1,295</u>	<u>\$1,438</u>	<u>\$1,443</u>	<u>\$1,516</u>	<u>\$1,594</u>	<u>\$1,674</u>	<u>\$1,758</u>

Long-Term Domiciliary and Nursing Home Maintenance and Care

OBJECTIVE: To provide skilled nursing and domiciliary care for veterans.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 835	\$1,338	\$2,828	\$2,865	\$2,859	\$2,800	\$3,033
Federal Funds	502	633	771	785	900	1,085	1,085
Other Funds	25	1,961	664	839	960	1,075	1,075
TOTAL	\$1,362	\$3,932	\$4,263	\$4,489	\$4,719	\$4,960	\$5,193

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Veterans in Pennsylvania	1,760,000	1,760,000	1,760,000	1,760,000	1,760,000	1,760,000	1,760,000
Capacity of Pennsylvania veterans homes:							
Soldiers and Sailors Home	175	175	175	250	250	250	250
Hollidaysburg Veterans Home		100	275	350	425	500	500
Total	175	275	450	600	675	750	750
Skilled nursing care days	27,375	30,075	91,250	109,500	127,750	127,750	127,750
Domiciliary care days	36,500	44,000	73,000	109,500	118,625	146,000	146,000

Program Analysis:

The Department of Military Affairs maintains the Soldiers and Sailors Home at Erie, and effective September 1, 1977, the Department opened a second veterans home at Hollidaysburg. Both homes provide nursing and domiciliary facilities to those veterans who are disabled, indigent or in need of care. The programs receive assistance from the Federal Government: \$5.50 per capita per day for domiciliary patients, \$10.50 per patient day for nursing home care, and \$6.00 per day for aid and attendance given directly to the patient. Also, for the first time in 1977-78, residents were charged a fee to help offset the costs of services rendered to them.

The facility at Erie now supports 175 beds. This capacity is not projected to increase until late 1979, when the new nursing wing will be completed. In the meantime, the Soldiers and Sailors Home maintains a waiting list of 100 veterans. The Hollidaysburg Veterans Home opened with a targeted capacity of 100 residents by June 30, 1978, projected to increase to a full capacity of 500 residents in 1982-83. But due to

construction delays, Hollidaysburg will have accepted only 20 veterans by mid-December, 1977. The future year nursing and domiciliary care days shown above are based on capacity as opposed to actual population. The sporadic increases in these measures are due to the future completions of Rush Hall, Neal Hall, Summer Hall at Hollidaysburg and the new wing at Erie.

A criticism of this program is that no real effort is provided towards rehabilitating the veteran and the Department has appointed therapy specialists to counteract this criticism. However, 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 and expansion of this program by the Department of Military Affairs should be re-evaluated.

Long-Term Domiciliary and Nursing Home Maintenance and Care (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Soldiers and Sailors Home	\$ 835	\$ 738	\$ 772	\$ 851	\$ 872	\$ 863	\$ 959
Hollidaysburg Veterans Home . . . . .	. . . .	600	2,056	2,014	1,987	1,937	2,074
GENERAL FUND TOTAL	<u>\$ 835</u>	<u>\$1,338</u>	<u>\$2,828</u>	<u>\$2,865</u>	<u>\$2,859</u>	<u>\$2,800</u>	<u>\$3,033</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$6,010	\$7,758	\$6,683	\$7,106	\$7,507	\$7,927	\$8,378
Federal Funds	108	50	.....	.....	.....	.....	.....
Other Funds	153	120	75	80	80	85	85
TOTAL	\$6,271	\$7,928	\$6,758	\$7,186	\$7,587	\$8,012	\$8,463

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Operating facilities	540	540	540	540	540	540	540
Pennsylvania National Guard personnel . .	17,738	21,714	21,714	21,714	21,714	21,714	21,714
Federally recognized units of Pennsylvania Army and Air National Guard	215	228	228	228	228	228	228
Units maintaining satisfactory annual general inspection and training ratings	215	228	228	228	228	228	228

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.

During February 1977, the Pennsylvania National Guard was called to State active duty to transport fuel during the energy crisis in western Pennsylvania. Then again in July 1977, the Guard was called on to provide emergency services during the Johnstown Flood. Because of the unpredictability of such 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.

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.

Included within this program is the operation of the statewide armory network consisting of 107 units which serve as training sites for National Guardsmen, places of refuge for disaster victims and all purpose community halls. Most of the armories are old and in various states of disrepair. As a matter of fact, 32 of the armories are considered beyond repair by the Department of Military Affairs. In the days when most of these armories were constructed, the transportation network in Pennsylvania was not as extensive and there existed a valid reason for building "community" armories. Through the years, significant improvements have occurred in the Commonwealth's road network providing for greater accessibility to remote areas. This, coupled with decreasing National Guard strength, resulted in armories being located within less than 25 miles of each other and being maintained for an authorized strength of less than 100 men. There is no rationale for not consolidating the armories to facilitate upkeep. Even the Federal Government has recognized the changing requirements of today's Guard and imposed a restriction on new construction of armories, not allowing them to be built within 25 miles of existing armories.

Disaster Assistance (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$5,743	\$6,029	\$6,533	\$6,956	\$7,357	\$7,777	\$8,228
Helicopter Liability Insurance	135	200	150	150	150	150	150
Emergency Energy Crisis-1977	132	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Emergency Flood Relief - July, 1977 . . . . .	. . . . .	200	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Flood Relief - Johnstown . . . . .	. . . . .	1,329	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
GENERAL FUND TOTAL	<u>\$6,010</u>	<u>\$7,758</u>	<u>\$6,683</u>	<u>\$7,106</u>	<u>\$7,507</u>	<u>\$7,927</u>	<u>\$8,378</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$1,124</u>	<u>\$1,143</u>	<u>\$1,156</u>	<u>\$1,267</u>	<u>\$1,284</u>	<u>\$1,352</u>	<u>\$1,372</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Veterans in Pennsylvania	1,760,000	1,760,000	1,760,000	1,760,000	1,760,000	1,760,000	1,760,000
Veterans and dependents assisted	16,000	16,500	17,00	17,000	17,500	17,500	17,500
Blind veterans	150	150	150	150	150	150	150
Blind veterans assisted	130	135	135	135	135	135	135
Students receiving financial aid	160	160	165	180	180	185	185
Students completing courses of instruction	60	60	65	80	80	85	85

Program Analysis:

The Department of Military Affairs administers several 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 1976-77, there were 4,857 veterans covered under this program.

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 1976-77, there were 130 veterans on the rolls.

Vietnam bonus —This program was responsible for the payment of the Vietnam Bonus to those Pennsylvania veterans who served during this conflict. Payments consisted of \$25 per month of service, up to a maximum of \$750, which was 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 was made to the next of kin. As of September 1977,

there were 195,957 claims paid. Applications were received until March 28, 1977.

Payment of National Guard pension —It provides for payments to families of National Guardsmen killed while on duty. The payments vary, but cannot exceed \$150 per month nor extend beyond ten years duration.

Financial aid to students —This program provides financial assistance to children of deceased or disabled veterans attending postsecondary institutions of 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. It is possible for a student to receive aid from both the Department of Military Affairs and The Pennsylvania Higher Education Assistance Agency (PHEAA), although the amount from PHEAA might be adjusted by the \$200 per semester, depending on individual circumstances. See Department of Education subcategory Financial Assistance to Students for further information on PHEAA.

Veterans Compensation and Assistance (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 329	\$ 333	\$ 346	\$ 362	\$ 379	\$ 397	\$ 417
Veterans Assistance	650	650	650	700	700	750	750
Blind Veterans Pensions	76	80	80	120	120	120	120
Payment of National Guard Pension . .	7	10	10	10	10	10	10
Education of Veterans' Children	62	70	70	75	75	75	75
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
GENERAL FUND TOTAL	<u>\$1,124</u>	<u>\$1,143</u>	<u>\$1,156</u>	<u>\$1,267</u>	<u>\$1,284</u>	<u>\$1,352</u>	<u>\$1,372</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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
Grants and Subsidies			
Transfer to Milk Marketing Board	\$ 717	\$ 717	\$ 750
GENERAL FUND TOTAL	<u>\$ 717</u>	<u>\$ 717</u>	<u>\$ 750</u>
Milk Marketing Fund			
General Government			
General Operations	\$ 651	\$ 429	\$ 336
Total State Funds	<u>\$ 651</u>	<u>\$ 429</u>	<u>\$ 336</u>
Other Funds	\$ 1	. . . . .	. . . . .
MILK MARKETING FUND TOTAL	<u>\$ 652</u>	<u>\$ 429</u>	<u>\$ 336</u>
Department Total – All Funds			
General Fund	\$ 717	\$ 717	\$ 750
Special Funds	651	429	336
Other Funds	1	. . . . .	. . . . .
TOTAL ALL FUNDS	<u>\$1,369</u>	<u>\$1,146</u>	<u>\$1,086</u>

Grants and Subsidies

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Transfer to Milk Marketing Board			
State Funds	\$717	\$717	\$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.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Transfer to Milk Marketing Board	<u>\$717</u>	<u>\$717</u>	<u>\$750</u> ✓

Milk Marketing Fund

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Operations			
State Funds	\$ 651	\$ 429	\$ 336
Other Funds	718*	717*	750*
TOTAL	<u>\$1,369</u>	<u>\$1,146</u>	<u>\$1,086</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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Executive Authorization:			
General Operations	\$ 651	\$ 429	\$ 336
Other Funds:			
Transfer from General Fund	717	717	750
Sale of Motor Vehicles	1	.....	.....
TOTAL	<u>\$1,369</u>	<u>\$1,146</u>	<u>\$1,086</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 accounting.

MILK MARKETING BOARD

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Consumer Protection	\$1,368	\$1,146	\$1,086	\$1,150	\$1,220	\$1,300	\$1,375
Regulation of Milk Industry	1,368	1,146	1,086	1,150	1,220	1,300	1,375
DEPARTMENT TOTAL	<u>\$1,368</u>	<u>\$1,146</u>	<u>\$1,086</u>	<u>\$1,150</u>	<u>\$1,220</u>	<u>\$1,300</u>	<u>\$1,375</u>

Regulation of Milk Industry

OBJECTIVE: To maintain an adequate supply of wholesome fluid milk.

Recommended Program Costs:

(Dollar Amounts in Thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 717	\$ 717	\$ 750	\$ 762	\$ 804	\$ 884	\$ 959
Special Funds	651	429	336	388	416	416	416
Other Funds	1	.....	.....	.....	.....	.....	.....
TOTAL	<u>\$1,369</u>	<u>\$1,146</u>	<u>\$1,086</u>	<u>\$1,150</u>	<u>\$1,220</u>	<u>\$1,300</u>	<u>\$1,375</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Supply of fluid milk to demand for fluid milk	126%	127%	127%	126%	126%	126%	126%
Public hearings held	5	6	7	7	7	7	7
Licenses and permits issued	3,900	3,900	3,900	3,900	3,900	3,900	3,900
Dealer audits made to determine compliance with rules and regulations	2,546	1,545	1,545	1,545	1,545	1,545	1,545
Citations issued against license violators	134	84	84	84	84	84	84

Program Analysis:

Milk price control in Pennsylvania had its origin in the economic depression of the early 1930's. It was a popular reaction to those who claimed the dairy industry would be destroyed without market intervention. The conceptual framework of the program remains essentially unchanged even though the structure of the industry has changed substantially since the inception of milk price control.

Accomplishment of the objective of insuring an adequate milk supply is attained through setting of a minimum price paid to farmers, minimum prices dealers can charge wholesale and retail customers and minimum prices stores can charge consumers. It has been argued that the consumer interest would be best served by the abolishment of price regulation on all levels. Conversely, support has arisen for having the Milk Marketing Board establish maximum as well as minimum prices.

The regulation process is further complicated by the existence of Federal Marketing Orders. More than 80 percent of the Commonwealth's farmers are covered by Federal Orders. Federal Orders are prices, established by Washington, which must be paid to producers. Pennsylvania's Milk

Marketing Board, however, establishes prices that must be paid to producers as well as minimum prices, dealers can charge wholesale and retail customers, and minimum prices stores can charge consumers.

Two innovations in the Board's pricing orders have been completed in recent Board orders. First in areas influenced by Federal Orders, the Federal Order pricing system has been adopted. In these areas the Federal Order producer class price and the Pennsylvania Milk Marketing Board producer class price are the same.

The second innovation was to implement a bracketing system for consumer prices. Under this system the consumer's price for milk is set in a bracketing system so that a twenty cent increase or decrease in the producer price will increase or decrease the price of a gallon of standard milk two cents, a half-gallon one cent, and a quart one half cent.

Both these changes speed up the price setting process and make the system more responsive to changing conditions.

The ratio between the supply of fluid milk to demand for fluid milk is one of the Board's key impact indicators. This ratio, based on a long term established economic policy,

Regulation of Milk Industry (continued)

Program Analysis: (continued)

assumes that when supplies of fluid milk approximate 125 percent of fluid sales a proper balance exists between supply and demand for milk. If the ratio exceeds the 125 percent level by more than eight percentage points it would alert the Board that supply is out of line with demand, calling for a review of producer and resale prices. Conversely, if the ratio drops by more than eight percentage points it would alert the Board that demand is out of line with supply and producer prices should be reviewed to provide sufficient incentive to farmers for expanded production.

In addition to price policy, the Board licenses milk dealers of various classes, milk haulers, weighers and testers. Milk dealers are also required to be bonded, thereby insuring proper payments to producers. Additional service is provided to farmers through a program of test checks in the weights and butterfats which determine producer payments.

The last two measures drop significantly due to the furlough of over one-third of the staff which was necessitated by insufficient revenues.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Transfer to Milk Marketing Fund	<u>\$ 717</u>	<u>\$ 717</u>	<u>\$ 750</u>	<u>\$ 762</u>	<u>\$ 804</u>	<u>\$ 884</u>	<u>\$ 959</u>
MILK MARKETING FUND							
General Operations	<u>\$ 651</u>	<u>\$ 429</u>	<u>\$ 336</u>	<u>\$ 388</u>	<u>\$ 416</u>	<u>\$ 416</u>	<u>\$ 416</u>

Board of Probation and Parole

The Board of Probation and Parole rehabilitates and supervises persons on probation or parole, helping them to reintegrate 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.

BOARD OF PROBATION AND PAROLE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
General Government			
General Government Operations	\$ 9,015	\$ 9,789	\$10,680
Grants and Subsidies			
Improvement of Adult Probation Services	\$ 1,679	\$ 1,763	\$ 1,900
Total State Funds	<u>\$10,694</u>	<u>\$11,552</u>	<u>\$12,580</u>
Federal Funds	\$ 5,493	\$ 4,232	\$ 3,019
Other Funds	10	.....	.....
GENERAL FUND TOTAL	<u>\$16,197</u>	<u>\$15,784</u>	<u>\$15,599</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Government Operations			
State Funds	\$ 9,025	\$ 9,789	\$10,680
Federal Funds	4,074	4,016	3,019
TOTAL	<u>\$13,099</u>	<u>\$13,805</u>	<u>\$13,699</u>

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
General Government Operations	\$ 9,025	\$ 9,789	\$10,680
Federal Funds:			
LEAA — Drug Control and Treatment in the Philadelphia District Office	159	133	32
LEAA — Intensive Pre-Parole and Parole Services	306	233	39
LEAA — Services to Former Offenders	405	347	57
LEAA — Philadelphia-Delaware-Chester District Office	372	297	49
LEAA — Administration County Grant Program	43	5	.....
CETA — Community Employment Advocacy Program	104	141	72
Work Incentive Program	86	99	.....
SRS — Title XX	2,599	2,635	2,770
National Institute of Corrections — Research Interns .....	.....	5	.....
Title XX — Social Services — Staff Training .....	.....	51	.....
Title XX — Social Services — Project 60 .....	.....	70	.....
TOTAL	<u>\$13,099</u>	<u>\$13,805</u>	<u>\$13,699</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Improvement of Adult Probation Services			
State Funds	\$ 1,679	\$ 1,763	\$ 1,900
Federal Funds	1,419	216	. . . . .
	<u>3,098</u>	<u>1,979</u>	<u>1,900</u>
TOTAL	\$ 3,098	\$ 1,979	\$ 1,900

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)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Improvement of Adult Probation Services	\$ 1,679	\$ 1,763	\$ 1,900 ✓
Federal Funds:			
LEAA – Improvement of Adult Probation Services	1,419	216	. . . . .
	<u>1,419</u>	<u>216</u>	<u>.</u>
TOTAL	\$ 3,098	\$ 1,979	\$ 1,900

BOARD OF PROBATION AND PAROLE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support . . .	\$ 1,421	\$ 2,030	\$ 2,136	\$ 2,243	\$ 2,355	\$ 2,473	\$ 2,596
Control and Reduction of Crime	9,273	9,522	10,444	10,966	11,515	12,090	12,694
Reintegration of Adult Offenders . . .	9,273	9,522	10,444	10,966	11,515	12,090	12,694
DEPARTMENT TOTAL	<u>\$10,694</u>	<u>\$11,552</u>	<u>\$12,580</u>	<u>\$13,209</u>	<u>\$13,870</u>	<u>\$14,563</u>	<u>\$15,290</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$1,421	\$2,030	\$2,136	\$2,243	\$2,355	\$2,473	\$2,596
Federal Funds	80	107	19	.....	.....	.....	.....
TOTAL	<u>\$1,501</u>	<u>\$2,137</u>	<u>\$2,155</u>	<u>\$2,243</u>	<u>\$2,355</u>	<u>\$2,473</u>	<u>\$2,596</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$1,421</u>	<u>\$2,030</u>	<u>\$2,136</u>	<u>\$2,243</u>	<u>\$2,355</u>	<u>\$2,473</u>	<u>\$2,596</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 9,273	\$ 9,522	\$10,444	\$10,966	\$11,515	\$12,090	\$12,694
Federal Funds	5,413	4,125	3,000	2,842	2,842	2,842	2,842
Other Funds	10	.....	.....	.....	.....	.....	.....
TOTAL	\$14,696	\$13,647	\$13,444	\$13,808	\$14,357	\$14,932	\$15,536

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Probationers and parolees in case load . . .	13,870	14,621	15,365	16,109	16,853	17,597	18,341
Inmates released on parole or reparole (new parolees)	2,892	2,855	2,887	2,964	2,989	3,035	3,086
New parolees likely to successfully complete parole	1,735	1,713	1,761	1,838	1,853	1,882	1,913
and as percentage of new parolees . . .	60%	60%	61%	62%	62%	62%	62%
New parolees likely to abscond	260	257	231	237	239	243	247
and as percentage of new parolees . . .	9%	9%	8%	8%	8%	8%	8%
New parolees likely to return to prison for technical and/or new offense violations	896	885	895	889	897	911	926
and as percentage of new parolees . . .	31%	31%	31%	30%	30%	30%	30%
Cases in which investigations were conducted:							
Preparole	4,447	4,311	4,423	4,570	4,612	4,716	4,818
Presentence	1,101	1,210	1,331	1,464	1,610	1,771	1,948
Offenders under supervision of county probation offices	49,411	51,402	54,486	56,447	58,479	60,584	62,765

Program Analysis:

The goal of probation and parole is to provide effective street supervision which protects the community from crime by impacting upon client behavior and consequently affects a reintegration into the social and economic life of society. Community based supervision in corrections has two forms. Parole provides a conditional release from a prison under supervision until the completion of a maximum sentence, while probation is technically a conditional suspension of sentence in lieu of imprisonment and contingent upon a satisfactory

adjustment to supervision. In both probation and parole situations, it is the legal power of the supervising agent to recommend institutionalization which is an important factor in an offenders behavioral equation.

The Pennsylvania Board of Probation and Parole has statutory authority to parole incarcerated offenders who have served their minimum sentences and have maximum sentences which exceed two years. The Board also has statutory authority to supervise special probation and parole clientele where county

Reintegration of the Adult Offender (continued)

Program Analysis (continued)

courts request Board supervision. Approximately one-third of the Board's fourteen thousand cases in August, 1977, were special probation and parole court referrals. Among the Commonwealth's total probation and parole case load of sixty-four thousand, Board supervised clientele constitute only about twenty-two percent. However, the Board administers a State funded County Grant-In-Aid Program to provide county probation departments with financial assistance in order to maintain minimum staff capabilities and improve probation effectiveness. Thus, the Pennsylvania Board of Probation and Parole has a significant role in the State's correctional and criminal justice systems.

Probation and parole services involve a process which encompasses client counseling and referral, case evaluation through social investigations, and client surveillance in the community. Among client counseling responsibilities there are many factors in case load management which affect the economics and reintegrative impact of supervision; among these factors are case load size, agent-client geographic dispersion, frequency of contact with the client and specialized programming targeted on different types of clientele with unique needs and capabilities. The nationally recommended standard for optional supervisory effectiveness is fifty clients per agent. In June of 1977, the average case load size for the Pennsylvania Board of Probation and Parole was fifty-eight clients per agent. The most serious problem confronting the Pennsylvania Board of Probation and Parole in the near future will be the difficult management problem of providing effective supervision with an increasing demand for service and a decreasing supply of manpower. While a six percent case load growth has occurred each year for the past two fiscal years, fiscal resources and, consequently, manpower have become proportionately more limited. At current manpower levels, reliable case load growth estimates indicate that average agent case load size will realize sixty clients per agent by June 30, 1978. Current data and analysis of parole performance in Pennsylvania suggest that a continuation of this trend will ultimately affect the quality of services being provided and their overall cost-effectiveness in the form increased recidivism.

In addition to case load assignments, agents have work assignments in social investigations which are designed to provide decision-makers with evaluative client information to determine the most effective disposition for different types of offenders. Among these work load tasks are the following categories of investigative reports: preparole investigations, presentence investigations, pardon investigations, classification

summaries and background investigations for out-of-state cases. The total number of investigative reports completed by agents for fiscal year 1976-77 was 9,240, a six percent increase in investigation reports from the previous year. The largest proportion of these investigations, forty-eight percent, were preparole investigative reports. These investigative reports play an integral part in the determination of effective offender treatment programming and reflect important Agency outputs for other members of the criminal justice community.

Preparole investigations demonstrated substantial growth trends in the past three years and parallels recent growth trends in unconditional releases. For a second consecutive year, however, estimates of preparole investigations proved lower than actual counts of preparole reports completed. To a large degree, the recent rapid growth in preparole reports may be attributable to the past rapid growth which occurred in prison populations in 1975 and 1976.

Presentence investigations completed by the Board continued to decrease in number for a second consecutive year. It was anticipated last year that the Pennsylvania Supreme Court's amended rules of criminal procedure requiring presentence investigations would greatly increase the demand for Board presentence investigations. Clearly, this has not happened, presumably because of increased county capacity under Federal funds enabling them to share an increased proportion of the presentence work load. It is anticipated that current decreasing trends in Board conducted presentences will not continue because of the increasing scarcity of state and LEAA resources in a period of increasing demand for presentence reports.

A projection based on the current average monthly growth rate yields an estimated 51,402 county clients by June of 1978. For purposes of estimation, future growth might be assumed at lower average growth rates because of slightly decreasing crime rates which are suggested by trends in uniform crime reports. Thus, average monthly case load growth was conservatively estimated a 0.5% monthly in 1978-79 and 0.3% monthly for subsequent years. The budget fiscal year estimated county probation and parole case load is therefore 54,486 clients by June, 1978.

The correctional concepts of probation and parole must be evaluated in terms of their cost-effectiveness in maximizing the number of offenders who adjust successfully to society and minimizing new crime. The process of probation and parole fails undeniably when an offender is returned to prison for new convictions and crimes. However, it is the ability of agents to

Reintegration of the Adult Offender (continued)

Program Analysis (continued)

detect unstable or illicit behavior prior to committing new crime, to detain, and subsequently to bring about revocation for technical violations that affords the community maximum safeguards and consequently, program effectiveness. Nevertheless, the overall measure of program success must be the proportionate number of offenders who benefit from the rehabilitative effects of probation and parole and subsequently become productive law abiding citizens in society.

Evaluative research indicates steady improvements in program effectiveness have occurred. The Pennsylvania Board of Probation and Parole measures program performance and effectiveness by tracking parolees for one, two and three years after their release and accounting for changes in status in terms of parole outcome. Since the probability of case failure is greatest during the first year of supervision, a year-by-year analysis of parolee records provides a valid measure of both short and long-term program performance. Parolee outcome data for one year of follow-up indicates that the probability of being a case failure, i.e. being returned to prison or absconding, has decreased from approximately thirty-two percent of new parolees in 1971, to twenty-two percent in 1973 and sixteen percent of new parolees in 1975. Significantly, when aggregate data is examined for five years, the probability of case failure was twenty-two percent during the first year of supervision, increasing to thirty-six percent after two years of supervision and only forty percent after three years of supervision for five thousand clients followed for one year to over two thousand clients followed for three complete years. Since the likelihood of absconding is six percent during the first year for a follow-up parolee, eight percent after two years and nine percent after three years, the probability of being returned to prison after the first, second and third years of follow-up were sixteen percent, twenty-eight percent and thirty-one percent respectively. These values represent general recidivism rates for Board parolees since they are offenders who are returned to prison for technical and/or criminal violations.

In terms of cost-effectiveness, evaluative three year follow-up

program data demonstrates that sixty percent of a parolee population are likely to successfully reintegrate into society while thirty-one percent are recidivists and nine percent are absconders. Those sixty percent who benefit from parole represent a substantial savings in tax dollars since the annual costs of parole are in the order of \$1,000 per offender in contrast with over \$9,000 per inmate for institutionalization. In addition, the parolee provides substantial economic benefit to society by maintaining employment and paying taxes, a factor foregone if incarceration was the only correctional alternative. Approximately seventy percent of the Board's case load remains employed on the average during a fiscal year.

The Pennsylvania Board of Probation and Parole is currently in a period of program stability. Its program objectives reflect a real concern to develop the major program initiatives of the past half decade, and to continue the refinement of organizational structure for maximum efficiency in the service delivery system and a conservation of limited manpower resources without jeopardy to program effectiveness. Notable programmatic and organizational achievements include the implementation of a full program of hearing examiners to provide professional case decision making capability and guarantee offenders due process rights in violation proceedings, the integration of general supervision services and social rehabilitation services for maximum supervision efficiency, the expansion and refinement of the Philadelphia Drug Program and urinalysis testing, expanded use of reduced supervision case loads and group counseling, and continued specialization in intensive supervision for high risk clientele. Despite the adversity of manpower constraints, the Board is pledged to continue pursuing its objectives of (a) improving the parole decision making process, (b) providing offenders with maximum due process rights prior to revocation, (c) improving case management and program specialization for maximum impact on client behavior, and (d) continuing assistance to county probation departments to develop effective alternatives to crime and institutionalization.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 7,594	\$ 7,759	\$ 8,544	\$ 8,971	\$ 9,420	\$ 9,891	\$10,385
Improvement of Adult Probation Services	1,679	1,763	1,900	1,995	2,095	2,199	2,309
GENERAL FUND TOTAL	<u>\$ 9,273</u>	<u>\$ 9,522</u>	<u>\$10,444</u>	<u>\$10,966</u>	<u>\$11,515</u>	<u>\$12,090</u>	<u>\$12,694</u>

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. 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

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
General Fund			
General Government			
Federal Funds	\$ 104	\$ 204	\$ 236
Other Funds—Restricted Revenue	10,961	13,196	17,924 *
GENERAL FUND TOTAL	\$11,065	\$13,400	\$18,160

* Represents the Departmental request, not the recommended figure.

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Government Operations			
Federal Funds	\$ 104	\$ 204	\$ 236
Other Funds	10,961	13,196	17,924
TOTAL	<u>\$11,065</u>	<u>\$13,400</u>	<u>\$18,160</u>

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Other Funds:			
General Government Operations*	\$10,961	\$13,196	\$17,924
Federal Funds:			
Natural Gas Pipeline Safety	\$ 65	\$ 95	\$ 101
Railroad Safety	39	109	135
TOTAL	<u>\$11,065</u>	<u>\$13,400</u>	<u>\$18,160</u>

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

PUBLIC UTILITY COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Consumer Protection
Regulation of Public Utilities*
DEPARTMENT TOTAL

* All funds are other than General or Special Funds.

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Federal Funds	\$ 104	\$ 204	\$ 236	\$ 254	\$ 265	\$ 275	\$ 285
Other Funds	10,961	13,196	17,924	20,631	23,755	27,344	31,475
TOTAL	<u>\$11,065</u>	<u>\$13,400</u>	<u>\$18,160</u>	<u>\$20,885</u>	<u>\$24,020</u>	<u>\$27,619</u>	<u>\$31,760</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Percent of utilities not meeting safety standards	2%	2%	2%	2%	2%	2%	2%
Formal and informal complaints resolved	8,932	11,170	20,160	28,224	35,280	42,336	50,800
Investigations resulting from service terminations	1,638	4,158	4,989	5,986	7,183	8,619	10,257
Investigations conducted on order of the Commission	5	4	4	5	6	6	7
Railroad crossings upgraded on order of the Commission	136	202	243	281	311	335	370

Program Analysis:

The primary duty and obligation of the Pennsylvania Public Utility Commission is to insure that safe and adequate service is available to the public at fair and reasonable rates. The Commission has regulatory power over the following types of utilities: electric, gas, steam heat, water, telephone, telegraph, and sewage-collection and disposal services; transportation of passengers and property by railroad, aircraft, boat or ferry as a common carrier; and transportation of certain products by pipeline.

Supplemental to its primary concern for rate regulation the Commission is empowered to establish accounting and service requirements for utilities, regulate their formation, merger and consolidations, determine whether a public utility should be permitted to discontinue service to the public, regulate crossings of public highways by utilities, and inspect utility properties, test equipment and examine all books and records of utilities. Beginning in 1978-79, the Commission will use consultants to conduct management audits of the major utilities.

The Commission conducts studies for possible adverse

impact on the public interest in contracts between public utilities and their affiliates; holds 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 hearings and/or oral argument is indicated; studies the pleadings, evidence and briefs submitted to it; and enters appropriate written orders. A primary area of concern for this program is the review of all rate requests, with particular emphasis on adequate service and continued supply in view of the continuing energy crisis.

Acts 215 and 216 of 1976 created two new bureaus within the Commission, the Bureau of Conservation, Economics and Energy Planning (CEEP) and the Bureau of Consumer Services. These acts also called for the establishment of the Office of Administrative Law Judge which replaced the Attorney Examiner system.

The Office of Administrative Law Judge was created to provide an independent cadre of full-time professional administrative law judges. The responsibilities of this Office

Regulation of Public Utilities (continued)**Program Analysis: (continued)**

are to schedule and conduct hearings in all formally contested matters before the Public Utility Commission and prepare initial decisions for review by the Commissioners. During the 1978-79 fiscal year, this area will be strengthened to provide adequate staffing in Harrisburg and the regional offices in Philadelphia and Pittsburgh.

The Bureau of Conservation, Economic and Energy Planning is responsible for analysis of the Commonwealth's present and future energy needs, and for the development of policies which will ensure that those needs are satisfied in the most efficient and equitable fashion.

A comprehensive data base of energy sources, needs, costs, locations and environmental effects will be gathered by this Bureau, which will also formulate economic models for projecting energy needs. Economic modeling will be used to develop and apply methodologies to determine how various policies would affect Pennsylvania's future supply-demand equilibrium so that economic problems can be avoided or mitigated. The highest priority target of this effort is to detect and quantify the inadvertent side effects which often accompany narrowly-based policy choices.

CEEP will be concerned with the development of rate structures, regulations, and jurisdictional definitions that

encourage healthier and more efficient growth in energy-related sectors of Pennsylvania's economy. Energy policies will be formulated in the area of transportation and communications, as well as conservation policies for all areas of regulation. It is this area that will assist utilities, homeowners and businesses in funding and using the best possible method for achieving conservation targets.

The Bureau of Consumer Services will continue to investigate and reply to all informal consumer complaints and advise the Commission of any need for formal action. The Mediation Unit within this bureau will continue to provide consumers with toll free numbers for the settlement of impending service terminations. The unit's toll free number, issued on all termination notices, provides customer access to the Commission. As utility rates increase it is anticipated that the volume of complaints will increase dramatically, which is reflected in the sharp increases in "formal and informal complaints resolved" and the new "investigations resulting from service terminations" shown in the measures above. The "Investigations resulting from complaints" measure shown in previous budgets is no longer collected by the Commission.

The funds supporting this subcategory are received from billing utilities. These billings are treated as other funds.

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	1978-79 State Funds (in thousands)
Medical Assistance	Reduction of Various Medical Benefits	619	\$-15,399

This Program Revision will make three program changes which will reduce services: 1) the requirement of a copay for all drug services and for clinic services provided to the medically needy; 2) the elimination of several nonmandated services for those persons receiving General Assistance effective January 1, 1979; and 3) the elimination of reimbursement for various Valium related drugs.

Community Living Arrangements	Expansion of Community Living Arrangements for the Mentally Retarded	660	2,000
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This Program Revision will provide community residential services for approximately 800 mentally retarded persons.

DEPARTMENT TOTAL	<u><u>\$-13,399</u></u>
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DEPARTMENT OF PUBLIC WELFARE

Summary by Fund and Appropriation

		(Dollar Amounts in Thousands)	
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Fund			
General Government			
General Government Operations	\$ 19,772	\$ 18,000	\$ 19,325
Office of Information Systems	3,216	3,014	5,641
County Administration	92,498	62,112	95,504
Office of Program Accountability	4,609	4,901	5,335
Subtotal	<u>\$ 120,095</u>	<u>\$ 88,027</u>	<u>\$ 125,805</u>
Institutional			
Youth Development Institutions and			
Forestry Camps	\$ 17,428	\$ 18,823	\$ 18,436
Secure Facilities for Delinquent Youth	4,183	4,323	4,982
Community Based Treatment for Youth Offenders	1,626	1,712	1,104
State Restoration Centers	5,657	7,572	8,000
State General Hospitals	7,243	6,500	. . . .
Mental Health and Mental Retardation			
Services	338,827	347,000	342,495
Subtotal	<u>\$ 374,964</u>	<u>\$ 385,930</u>	<u>\$ 375,017</u>
Grants and Subsidies			
Cash Assistance	\$ 532,000	\$ 538,507	\$ 594,064
Medical Assistance	286,816	334,300	441,540
Public Nursing Homes	10,000	21,863	38,072
Private Nursing Homes	59,045	60,000	62,988
Supplemental Grants—Aged, Blind and			
Disabled	57,926	61,460	64,704
Flood Relief — Johnstown . . . . .	. . . .	910	. . . .
Community Services for the Mentally Ill			
and Mentally Retarded	91,261	99,456	105,849
Community Living Arrangements	15,000	22,022	30,129
Aging Programs	8,058	8,300	8,798
Training Personnel at Geriatric Homes	50	50	50
Blind Programs	840	940	940
Pennsylvania Association for the Blind,			
Pittsburgh	25	25	. . . .
Center for the Blind, Philadelphia	25	25	. . . .
Beacon Lodge Camp	25	25	. . . .
Center for Blind, Delaware	25	25	. . . .
Office of Visually Handicapped Radio			
Receivers . . . . .	. . . .	50	. . . .
Rudolphy Residence for Blind — Renovations . . . . .	. . . .	66	. . . .
County Child Welfare Programs	32,689	65,000	70,000
Day Care Services	18,500	18,500	19,244
Arsenal Family and Children's Center	100	100	. . . .
Juvenile Delinquency Programs	1,500	. . . .	. . . .
Gangwork and Outreach . . . . .	. . . .	96	100
Youth Service System Grants . . . . .	. . . .	167	. . . .
Regional Detention Facilities . . . . .	. . . .	1,500	. . . .

DEPARTMENT OF PUBLIC WELFARE

Summary by Fund and Appropriation
(continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Grants and Subsidies (continued)			
Home for Crippled Children, Pittsburgh	\$ 400	\$ 440	\$ 440
Children's Heart Hospital, Philadelphia	800	880	880
Society for Crippled Children, Blair County		25	
Mentally Disabled Advocacy Project		240	
Western Psychiatric Institute and Clinic	4,500	4,500	4,500
Social Services	2,533	2,483	2,728
Subtotal	<u>\$1,122,118</u>	<u>\$1,241,955</u>	<u>\$1,445,026</u>
Capital Improvements			
Capital Improvements			\$ 129
Gas Line - C.H. Marcy		61	
Handicapped Standards Improvements			2,000
Subtotal		\$ 61	\$ 2,129
Total State Funds	<u>\$1,617,177</u>	<u>\$1,715,973</u>	<u>\$1,947,977</u>
Federal Funds	\$1,150,789	\$1,458,459	\$1,450,760
Other Funds	98,221	88,239	113,285
GENERAL FUND TOTAL	<u>\$2,866,187</u>	<u>\$3,262,671</u>	<u>\$3,512,022</u>
Revenue Sharing Trust Fund			
Grants and Subsidies			
Cash Assistance		\$ 24,400	
Private Nursing Homes			\$ 17,500
REVENUE SHARING TRUST FUND			
TOTAL		<u>\$ 24,400</u>	<u>\$ 17,500</u>
Department Total - All Funds			
General Fund	\$1,617,177	\$1,715,973	\$1,947,977
Special Funds		24,400	17,500
Federal Funds	1,150,789	1,458,459	1,450,760
Other Funds	98,221	88,239	113,285
TOTAL ALL FUNDS	<u>\$2,866,187</u>	<u>\$3,287,071</u>	<u>\$3,529,522</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Government Operations			
State Funds	\$ 22,988	\$ 21,014	\$ 24,966
Federal Funds	15,710	25,825	23,946
Other Funds	1,209	2,022	2,123
TOTAL	\$ 39,907	\$ 48,861	\$ 51,035

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, institutions for the mentally ill, and the Office of Information Systems.

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.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
General Government Operations	\$ 19,772	\$ 18,000	\$ 19,325 ✓
Office of Information Systems	3,216	3,014	5,641 ✓
Federal Funds:			
Child Welfare Services	1,649	1,728	1,692
Special Programs for the Aging Administration	566	1,000	875
Rehabilitation Services and Facilities			
Administration	683	730	730
Medical Assistance Program — Administration	2,835	3,130	3,037
Maintenance Assistance — Training	215	237	307

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds (continued)			
Federal Funds: (continued)			
Title XX -- Social Services	\$ 4,672	\$ 5,672	\$ 5,442
Maintenance Assistance Administration	2,608	3,894	4,749
Foster Grandparent Program -- Administration	32	34	36
Social Services Training .....	.....	1	1
Food Stamp Program	660	838	880
Supplemental Security Income --			
Administrative Expenses	67	.....	.....
Work Incentive Program	135	200	199
CETA -- General Government	12	2,515	515
ESEA, Title I -- Administration	171	210	259
Vocational Rehabilitation Facilities --			
Statewide Criteria	42	120	.....
Health Insurance Benefit Program	41	.....	.....
Aging Administration -- Title IX .....	.....	93	.....
Aging Administration -- Title IVA .....	.....	19	.....
Child Abuse Prevention -- Training .....	.....	89	.....
Developmental Disabilities Data System .....	.....	20	.....
CETA -- Prime Sponsor .....	.....	303	.....
Maintenance Assistance -- Information			
Systems	1,050	2,473	2,198
Medical Assistance -- Information Systems	262	1,984	2,574
Child Support Enforcement -- Information			
Systems .....	.....	62	.....
Food Stamp -- Information Systems	10	473	452
Other Funds:			
Comptroller's Billing	298	1,047	1,099
Reimbursement for Institutional Collection	517	590	620
Non-Governmental Project Grants	5	.....	.....
Reimbursement for Processing Center	343	385	404
Non-Federal Salary Reimbursement	20	.....	.....
Flood Disaster -- Administration	26	.....	.....
TOTAL	<u>\$ 39,907</u>	<u>\$ 48,861</u>	<u>\$ 51,035</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
County Administration			
State Funds	\$ 97,107	\$ 67,013	\$ 100,839
Federal Funds	106,906	192,797	138,059
Other Funds	1,842	162	294
TOTAL	<u>\$ 205,855</u>	<u>\$ 259,972</u>	<u>\$ 239,192</u>

Provides staff to determine eligibility to receive cash grants, medical assistance and food stamps. Provides the social services intended to strengthen family life and help persons realize their maximum potential for achieving self-sufficiency. The new Office of Program Accountability provides staff to make collections from financially responsible relatives of recipients as well as audit various public assistance programs.

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
County Administration	\$ 92,498	\$ 46,736	\$ 95,504 ✓
County Administration – Recommended Deficiency		15,376	
Office of Program Accountability	4,609*	4,901*	5,335 ✓
Federal Funds:			
Title XX – Social Services – County Administration	22,333	36,815	33,680
Maintenance Assistance – County Administration	36,240	39,718	41,882
Public Assistance – State and Local Training	2,100	2,582	2,620
Title XX – Social Services – Training – County Administration		54	10
Medical Assistance – County Administration	16,012	17,092	16,297
Work Incentive Program – County Administration	4,167	4,518	3,804
Food Stamp Program – County Administration	13,517	12,274	13,248
Rehabilitation Services and Facilities – County Administration	1,589	1,969	1,975
CETA – Title VI – County Administration	293	764	587
PWEDA – County Administration	15		
CETA – Prime Sponsor		238	
Emergency Energy Grant – County Administration	460	15,000	
PWEA – County Administration		50,000	8,000
Maintenance Assistance – Office of Program Accountability	1,241	1,794	1,918
Child Support Enforcement – Office of Program Accountability	8,711	8,801	12,994
Food Stamps – Office of Program Accountability	188	214	254
Medical Assistance – Office of Program Accountability	16	934	670
Title XX – Social Services – Office of Program Accountability	24	30	120
Other Funds:			
County Contributions – Food Stamp Plan	1,411		
Non-Federal Salary Reimbursements	17	12	12
Public Assistance Flood Disaster – Administrative Costs	280		
Child Support Incentive Receipts	134	150	282
TOTAL	\$ 205,855	\$ 259,972	\$ 239,192

* Represents the amount allocated from County Administration, Claims Settlement and Internal Audit and Investigation Unit appropriations.

Institutional

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Youth Development Centers and Forestry Camps			
State Funds	\$ 23,237	\$ 24,858	\$ 24,522
Federal Funds	2,825	5,334	4,173
Other Funds	79	25	30
TOTAL	\$ 26,141	\$ 30,217	\$ 28,725

Maintains a system to socially rehabilitate and train youths, ages 10 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.

Youth Development Centers	Capacity Oct. 1977	Population Oct. 1976	Population Oct. 1977	Projected Population Oct. 1978	Projected Percent of Capacity
Cornwells Heights					
General Residential	96	99	49	86	90%
Secure	76	50	69	76	100%
Subtotal	172	149	118	162	94%
Loysville					
General Residential	88	93	93	79	90%
Secure	42	20	18	42	100%
Community Based	77	59	44	.....	.....
Subtotal	207	172	155	121	93%*
New Castle					
General Residential	168	179	145	151	90%
Secure	82	73	106	82	100%
Community Based	10	8	9	10	100%
Subtotal	260	260	260	243	93%
Waynesburg					
General Residential	144	89	113	130	90%
Community Based .....	.....	9	.....	.....	.....
Subtotal	144	98	113	130	90%

*The 77 community based beds at Loysville are expected to be phased out by October 1978, thus reducing total program capacity.

GENERAL FUND

PUBLIC WELFARE

	Capacity Oct. 1977	Population Oct. 1976	Population Oct. 1977	Projected Population Oct. 1978	Projected Percent of Capacity
Youth Development Centers					
Warrendale					
General Residential	22	78	19	20	91%
Community Based	225	47	119	225	100%
Subtotal	<u>247</u>	<u>125</u>	<u>138</u>	<u>245</u>	<u>99%</u>
Philadelphia Day Treatment Center					
General Residential	60	18	18	54	90%
Community Based	200	199	269	200	100%
Subtotal	<u>260</u>	<u>217</u>	<u>287</u>	<u>254</u>	<u>98%</u>
Youth Forestry Camps					
Camp No. 1					
General Residential	52	78	61	47	90%
Camp No. 2					
General Residential	52	52	48	47	90%
Camp No. 3					
General Residential	26	42	20	23	88%
TOTAL					
General Residential	708	728	566	637	90%
Secure	200	143	193	200	100%
Community Based	512	322	441	435	100%*
TOTAL	<u>1,420</u>	<u>1,193</u>	<u>1,200</u>	<u>1,272</u>	<u>95%*</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Total Proposed Expenditures by Institution:			
YDC Cornwells Heights			
State Funds	\$ 4,434	\$ 5,212	\$ 5,395
Federal Funds	312	583	486
Other Funds	16	6	7
TOTAL	<u>\$ 4,762</u>	<u>\$ 5,801</u>	<u>\$ 5,888</u>

*The 77 community based beds at Loysville are expected to be phased out by October 1978, thus reducing total program capacity.

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Total Proposed Expenditures by Institution: (continued)			
YDC Loysville			
State Funds	\$ 3,298	\$ 3,414	\$ 3,433
Federal Funds	353	674	670
Other Funds	4	4	5
TOTAL	\$ 3,655	\$ 4,092	\$ 4,108
YDC New Castle			
State Funds	\$ 5,461	\$ 5,834	\$ 6,130
Federal Funds	427	769	696
Other Funds	21	6	7
TOTAL	\$ 5,909	\$ 6,609	\$ 6,833
YDC Warrendale			
State Funds	\$ 2,488	\$ 2,069	\$ 1,962
Federal Funds	605	1,422	969
Other Funds .....	.....	.....	.....
TOTAL	\$ 3,093	\$ 3,491	\$ 2,931
YDC Waynesburg			
State Funds	\$ 2,540	\$ 2,836	\$ 2,697
Federal Funds	242	910	576
Other Funds	9	4	5
TOTAL	\$ 2,791	\$ 3,750	\$ 3,278
YF Camp No. 1—Raccoon Creek			
State Funds	\$ 716	\$ 783	\$ 736
Federal Funds	29	71	80
Other Funds	3	1	1
TOTAL	\$ 748	\$ 855	\$ 817
YF Camp No. 2—Hickory Run			
State Funds	\$ 722	\$ 780	\$ 736
Federal Funds	24	66	74
Other Funds .....	.....	.....	.....
TOTAL	\$ 746	\$ 846	\$ 810

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Total Proposed Expenditures by Institution: (continued)			
YF Camp No. 3—Trough Creek			
State Funds	\$ 642	\$ 710	\$ 736
Federal Funds	22	245	72
Other Funds .....	.....	.....	.....
TOTAL	\$ 664	\$ 955	\$ 808
Philadelphia Day Treatment Center			
State Funds	\$ 2,936	\$ 3,220	\$ 2,697
Federal Funds	811	594	550
Other Funds	26	4	5
TOTAL	\$ 3,773	\$ 3,818	\$ 3,252

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Youth Development Institutions and			
Forestry Camps	\$ 17,428*	\$ 18,823	\$ 18,436 ✓
Secure Facilities for Delinquent Youth	4,183*	4,323	4,982 ✓
Community Based Treatment for Youth Offenders	1,626*	1,712	1,104 ✓
Federal Funds:			
Title XX — Social Services — Youth			
Institutions	582**	1,034	1,214
Title XX — Social Services — Secure			
Programs	473**	833	489
Title XX — Social Services — Community			
Based Programs	765**	1,383	1,547
LEAA — Juvenile Community Based Programs	582	775	150
Food Nutrition Service	423	430	475
CETA — Juvenile Institutions .....	.....	544	298
CETA — Prime Sponsor .....	.....	335	.....
Other Funds:			
Cafeteria Receipts	20	25	30
Miscellaneous Reimbursements	59	.....	.....
TOTAL	\$ 26,141	\$ 30,217	\$ 28,725

* Represents the amount allocated from the \$23,237,000 appropriated for Youth Development Centers and Forestry Camps.
 ** Represents the amount allocated from the \$1,820,000 appropriated for the Youth Development Centers and Forestry Camps.

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Restoration Centers			
State Funds	\$ 5,657	\$ 7,572	\$ 8,000
Federal Funds	9,598	9,093	9,598
Other Funds	364	1,071	356
TOTAL	\$ 15,619	\$ 17,736	\$ 17,954

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. 1976	Population Oct. 1977	Projected Population Oct. 1978	Projected Percent of Capacity
Western	104	94	79	95	91%
South Mountain	1,000	842	791	900	90%
TOTAL	1,104	936	870	995	90%

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Total Proposed Expenditures by Institution			
Western Restoration Center			
State Funds	\$ 945	\$ 1,222	\$ 1,300
Federal Funds	1,564	1,550	1,636
Other Funds	90	90	90
TOTAL	\$ 2,599	\$ 2,862	\$ 3,026
South Mountain Restoration Center			
State Funds	\$ 4,712	\$ 6,350	\$ 6,700
Federal Funds	8,034	7,543	7,962
Other Funds	274	981	266
TOTAL	\$ 13,020	\$ 14,874	\$ 14,928

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
State Restoration Centers	\$ 5,657	\$ 7,572	\$ 8,000 ✓
Federal Funds:			
Medical Assistance Program	9,348	8,967	9,598
Public Works Employment Act	250	.....	.....
CETA — Restoration Centers .....	.....	126	.....
Other Funds:			
Cafeteria Reimbursements	40	28	28
Institutional Collections	320	1,026	311
Canteen Reimbursements	2	17	17
Sale of Reclaimable Material	1	.....	.....
Miscellaneous Institutional Reimbursements	1	.....	.....
TOTAL	<u>\$ 15,619</u>	<u>\$ 17,736</u>	<u>\$ 17,954</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State General Hospitals			
State Funds	\$ 7,243	\$ 6,500	.....
Federal Funds	20,609	30,219	\$ 25,488
Other Funds	20,282	17,332	28,530
TOTAL	<u>\$ 48,134</u>	<u>\$ 54,051</u>	<u>\$ 54,018</u>

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 the hospitals over.

The institutional populations for the prior, current and upcoming years are:

State General Hospital	Patient Capacity	Population Oct. 1976	Population Oct. 1977	Projected Population Oct. 1978	Projected Percent of Capacity
Ashland	200	116	154	158	79%
Coaldale	166	111	104	110	66%
Connellsville	106	64	58	59	56%
Hazleton	142	117	131	132	93%
Locust Mountain	86	59	53	54	63%
Nanticoke	100	54	54	55	55%
Philipsburg	118	80	85	97	82%
Scranton	107	79	79	94	88%
Shamokin	116	49	61	60	52%
TOTAL	<u>1,141</u>	<u>729</u>	<u>779</u>	<u>819</u>	<u>72%</u>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Total Proposed Expenditures by Institution			
Ashland			
State Funds	\$ 825	\$ 1,325	.....
Federal Funds	3,365	5,461	\$ 4,186
Other Funds	3,519	2,352	4,444
TOTAL	\$ 7,709	\$ 9,138	\$ 8,630
Coaldale			
State Funds	\$ 563	\$ 692	.....
Federal Funds	2,379	3,288	\$ 2,773
Other Funds	2,434	2,115	3,323
TOTAL	\$ 5,376	\$ 6,095	\$ 6,096
Connellsville			
State Funds	\$ 1,369	\$ 1,191	.....
Federal Funds	1,332	1,960	\$ 1,582
Other Funds	2,029	2,281	3,804
TOTAL	\$ 4,730	\$ 5,432	\$ 5,386
Hazleton			
State Funds	\$ 523	\$ 486	.....
Federal Funds	2,847	4,048	\$ 3,543
Other Funds	3,837	3,428	4,580
TOTAL	\$ 7,207	\$ 7,962	\$ 8,123
Locust Mountain			
State Funds	\$ 314	\$ 281	.....
Federal Funds	1,997	2,841	\$ 2,443
Other Funds	992	445	1,145
TOTAL	\$ 3,303	\$ 3,567	\$ 3,588
Nanticoke			
State Funds	\$ 564	\$ 501	.....
Federal Funds	1,408	2,103	\$ 1,753
Other Funds	1,517	1,280	2,107
TOTAL	\$ 3,489	\$ 3,884	\$ 3,860

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Total Proposed Expenditures by Institution (continued)			
Philipsburg			
State Funds	\$ 1,305	\$ 359	. . . . .
Federal Funds	2,140	3,388	\$ 2,966
Other Funds	2,716	3,191	4,112
TOTAL	\$ 6,161	\$ 6,938	\$ 7,078
Scranton			
State Funds	\$ 1,665	\$ 1,447	. . . . .
Federal Funds	2,907	4,132	\$ 3,618
Other Funds	1,874	1,347	3,447
TOTAL	\$ 6,446	\$ 6,926	\$ 7,065
Shamokin			
State Funds	\$ 115	\$ 218	. . . . .
Federal Funds	2,234	2,998	\$ 2,624
Other Funds	1,364	893	1,568
TOTAL	\$ 3,713	\$ 4,109	\$ 4,192

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
State General Hospitals	\$ 7,243	\$ 6,500	. . . . .
Federal Funds:			
Medical Assistance Program	4,239	6,750	\$ 5,674
Medicare Services at State General Hospitals	16,000	22,023	19,470
Public Works Employment Act	250	. . . . .	. . . . .
CETA - Title VI - General Hospitals	120	473	344
CETA - Prime Sponsors . . . . .	. . . . .	973	. . . . .
Other Funds:			
Sale of Reclaimable Materials	25	. . . . .	. . . . .
Cafeteria Reimbursements	104	90	90
Miscellaneous Institutional Reimbursements	39	. . . . .	. . . . .
Institutional Collections	20,114	17,082	28,310
Tuition Fees - Schools of Nursing . . . . .	. . . . .	160	130
TOTAL	\$ 48,134	\$ 54,051	\$ 54,018

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Mental Health and Mental Retardation Services			
Institutions for the Mentally Ill and Mentally Retarded			
State Funds	\$338,827	\$347,000	\$342,495
Federal Funds	131,571	167,818	169,945
Other Funds	24,957	25,000	46,650
TOTAL	\$495,355	\$539,818	\$559,090

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 Ill	Patient Capacity	Population Oct. 1976	Population Oct. 1977	Projected Population Oct. 1978	Projected Percent of Capacity
Allentown	797	676	605	570	72%
Clark Summit	971	509	526	580	60%
Danville	1,499	942	846	820	55%
Dixmont	416	376	355	320	77%
Eastern Pennsylvania Psychiatric Institute	110	84	78	80	73%
Eastern State School and Hospital	268	218	146	180	67%
Embreeville .....	..	216	110	70	..
Farview	230	294	174	170	74%
Harrisburg	659	606	485	480	73%
Haverford	560	425	413	430	77%
Mayview	1,929	1,503	1,383	1,300	67%
Norristown	1,647	1,356	1,292	1,200	73%
Philadelphia	1,100	1,047	1,006	970	88%
Retreat	250	435	384	300	120%
Somerset	564	412	399	360	64%
Torrance	1,021	1,074	890	790	77%
Warren	1,280	770	803	750	59%
Wernersville	789	681	629	600	76%
Woodville	1,114	1,009	885	820	74%
TOTAL	15,204	12,633	11,409	10,790	71%

GENERAL FUND

PUBLIC WELFARE

Institutions for the Mentally Retarded	Patient Capacity	Population Oct. 1976	Population Oct. 1977	Projected Population Oct. 1978	Projected Percent of Capacity
Cresson	366	406	330	297	81%
Ebensburg	932	940	951	843	90%
Hamburg	789	813	773	692	88%
Laurelton	515	365	322	290	56%
Pennhurst	900	1,260	1,196	900	100%
Polk	1,510	2,073	1,803	1,493	99%
Selinsgrove	1,430	1,413	1,315	1,186	83%
Western	803	601	607	537	67%
White Haven	742	837	809	724	98%
Embreeville	360	305	293	325	90%
Woodhaven	300	288	266	266	89%
Marcy	173	171	173	170	98%
TOTAL	8,820	9,472	8,838	7,723	88%

(Dollar Amounts in Thousands)

	1976-77 Actual	1977-78 Available	1978-79 Budget
Total Proposed Expenditures by Institution:			
IMI Allentown			
State Funds	\$ 9,702	\$ 10,992	\$ 10,787
Federal Funds	3,575	3,729	3,395
Other Funds	933	960	1,910
TOTAL	\$ 14,210	\$ 15,681	\$ 16,092
IMI Clarks Summit			
State Funds	\$ 6,569	\$ 8,296	\$ 7,106
Federal Funds	2,865	3,251	3,996
Other Funds	555	575	1,065
TOTAL	\$ 9,989	\$ 12,122	\$ 12,167
IMI Danville			
State Funds	\$ 11,762	\$ 11,918	\$ 11,731
Federal Funds	5,083	6,679	6,345
Other Funds	1,170	1,043	2,129
TOTAL	\$ 18,015	\$ 19,640	\$ 20,205
IMI Dixmont			
State Funds	\$ 5,570	\$ 5,509	\$ 5,923
Federal Funds	2,271	2,861	2,605
Other Funds	260	272	602
TOTAL	\$ 8,101	\$ 8,642	\$ 9,130

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Eastern Pennsylvania Psychiatric Institute			
State Funds	\$ 7,456	\$ 8,677	\$ 9,020
Federal Funds	2,376	1,163	1,142
Other Funds	228	201	214
TOTAL	\$ 10,060	\$ 10,041	\$ 10,376
IMI Eastern State School and Hospital			
State Funds	\$ 7,716	\$ 5,415	\$ 6,672
Federal Funds	1,684	4,794	3,975
Other Funds	319	390	350
TOTAL	\$ 9,719	\$ 10,599	\$ 10,997
IMI Embreeville			
State Funds	\$ 5,458	\$ 6,252	. . . . .
Federal Funds	2,127	1,313	. . . . .
Other Funds	371	361	. . . . .
TOTAL	\$ 7,956	\$ 7,926	. . . . .
IMI Farview			
State Funds	\$ 5,293	\$ 7,312	\$ 7,736
Federal Funds	3,237	1,309	991
Other Funds	3,280	3,297	3,714
TOTAL	\$ 11,810	\$ 11,918	\$ 12,441
IMI Harrisburg			
State Funds	\$ 8,613	\$ 10,043	\$ 10,296
Federal Funds	3,954	3,525	3,237
Other Funds	872	881	1,716
TOTAL	\$ 13,439	\$ 14,449	\$ 15,249
IMI Haverford			
State Funds	\$ 6,867	\$ 10,213	\$ 9,068
Federal Funds	3,998	2,549	3,909
Other Funds	2,027	2,184	2,377
TOTAL	\$ 12,892	\$ 14,946	\$ 15,354

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
IMI Hollidaysburg			
State Funds	\$ 4,185	\$ 4,875	\$ 3,582
Federal Funds	1,869	654	577
Other Funds	275	274	229
TOTAL	\$ 6,329	\$ 5,803	\$ 4,388
IMI Mayview			
State Funds	\$ 15,820	\$ 19,285	\$ 20,280
Federal Funds	6,545	6,244	5,380
Other Funds	1,551	1,538	2,906
TOTAL	\$ 23,916	\$ 27,067	\$ 28,566
IMI Norristown			
State Funds	\$ 19,542	\$ 24,323	\$ 23,175
Federal Funds	8,972	7,581	8,768
Other Funds	2,199	2,108	3,469
TOTAL	\$ 30,713	\$ 34,012	\$ 35,412
IMI Philadelphia			
State Funds	\$ 21,067	\$ 23,812	\$ 25,112
Federal Funds	8,163	6,821	6,486
Other Funds	2,477	2,632	3,324
TOTAL	\$ 31,707	\$ 33,265	\$ 34,922
IMI Retreat			
State Funds	\$ 7,657	\$ 7,823	\$ 7,793
Federal Funds	394	35	31
Other Funds	417	459	1,086
TOTAL	\$ 8,468	\$ 8,317	\$ 8,910
IMI Somerset			
State Funds	\$ 3,916	\$ 5,006	\$ 5,058
Federal Funds	1,604	963	938
Other Funds	379	355	601
TOTAL	\$ 5,899	\$ 6,324	\$ 6,597

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
IMI Torrance			
State Funds	\$ 11,505	\$ 13,473	\$ 12,930
Federal Funds	4,229	4,845	4,727
Other Funds	899	900	1,869
TOTAL	\$ 16,633	\$ 19,218	\$ 19,526
IMI Warren			
State Funds	\$ 11,944	\$ 12,624	\$ 12,696
Federal Funds	4,527	4,851	5,175
Other Funds	1,401	1,494	2,263
TOTAL	\$ 17,872	\$ 18,969	\$ 20,134
IMI Wernersville			
State Funds	\$ 8,623	\$ 7,475	\$ 7,866
Federal Funds	3,303	5,450	4,885
Other Funds	730	788	1,560
TOTAL	\$ 12,656	\$ 13,713	\$ 14,311
IMI Woodville			
State Funds	\$ 13,566	\$ 14,809	\$ 15,698
Federal Funds	5,096	5,634	5,287
Other Funds	886	878	1,567
TOTAL	\$ 19,548	\$ 21,321	\$ 22,552
IMR Cresson			
State Funds	\$ 7,460	\$ 4,191	\$ 3,882
Federal Funds	2,605	6,004	6,661
Other Funds	115	84	420
TOTAL	\$ 10,180	\$ 10,279	\$ 10,963
IMR Ebensburg			
State Funds	\$ 11,973	\$ 7,765	\$ 7,445
Federal Funds	5,106	10,999	12,340
Other Funds	162	108	469
TOTAL	\$ 17,241	\$ 19,872	\$ 20,254

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
IMR Hamburg			
State Funds	\$ 9,860	\$ 6,663	\$ 5,902
Federal Funds	3,512	8,462	8,855
Other Funds	335	330	1,035
TOTAL	\$ 13,707	\$ 15,455	\$ 15,792
IMR Laurelton			
State Funds	\$ 6,287	\$ 3,952	\$ 3,716
Federal Funds	2,601	5,429	5,696
Other Funds	157	154	536
TOTAL	\$ 9,045	\$ 9,535	\$ 9,948
IMR Pennhurst			
State Funds	\$ 24,472	\$ 28,460	\$ 27,045
Federal Funds	9,783	10,121	10,422
Other Funds	605	581	2,160
TOTAL	\$ 34,860	\$ 39,162	\$ 39,627
IMR Polk			
State Funds	\$ 31,687	\$ 43,572	\$ 37,191
Federal Funds	10,917	3,382	7,538
Other Funds	855	759	3,740
TOTAL	\$ 43,459	\$ 47,713	\$ 48,469
IMR Selinsgrove			
State Funds	\$ 17,169	\$ 8,522	\$ 10,322
Federal Funds	6,793	19,076	16,293
Other Funds	597	546	1,784
TOTAL	\$ 24,559	\$ 28,144	\$ 28,399
IMR Western			
State Funds	\$ 10,232	\$ 7,541	\$ 7,806
Federal Funds	3,315	7,076	7,764
Other Funds	235	205	531
TOTAL	\$ 13,782	\$ 14,822	\$ 16,101

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
IMR White Haven			
State Funds	\$ 11,336	\$ 7,403	\$ 6,463
Federal Funds	4,624	10,872	11,018
Other Funds	357	329	1,417
TOTAL	<u>\$ 16,317</u>	<u>\$ 18,604</u>	<u>\$ 18,898</u>
IMR Embreeville			
State Funds	\$ 3,886	\$ 1,750	\$ 10,130
Federal Funds	1,305	3,829	2,972
Other Funds	109	110	1,138
TOTAL	<u>\$ 5,300</u>	<u>\$ 5,689</u>	<u>\$ 14,240</u>
IMR Woodhaven			
State Funds	\$ 8,100	\$ 6,140	\$ 7,020
Federal Funds	4,038	6,472	6,613
Other Funds	84	84	133
TOTAL	<u>\$ 12,222</u>	<u>\$ 12,696</u>	<u>\$ 13,766</u>
IMR Marcy			
State Funds	\$ 3,534	\$ 2,909	\$ 3,044
Federal Funds	1,100	1,845	1,924
Other Funds	117	120	336
TOTAL	<u>\$ 4,751</u>	<u>\$ 4,874</u>	<u>\$ 5,304</u>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Mental Health and Mental Retardation			
Services	\$338,827	\$347,000	\$ 342,495 ✓
Federal Funds:			
CETA — MH/MR Institutions	903	6,952	3,829
CETA — Prime Sponsor		2,428	
Hospital Improvement Grants at MH/MR			
Institutions	206	194	56
Foster Grandparents Program at MH/MR Institutions	511	564	564
Medical Assistance at MH/MR Institutions	121,172	151,725	160,212
ESEA Title I — MH/MR Institutions	1,271	1,300	1,206
PWEDA — MH/MR Institutions	303		
Medicare Services at MH/MR Institutions	2,219	3,493	2,573
Public Health Service Grant	20		
Indirect Cost Reimbursement	180		
Public Works Employment Act — MH/MR			
Institutions	4,100		
Food Nutrition Services at MH/MR Institutions	562	1,080	1,380
Library Services and Construction Act — Title I —			
MH/MR Institutions	94	82	125
Hospital/Community Training to Integrated			
Services	30		
Other Funds:			
Cafeteria Reimbursements	584	590	688
Canteen Reimbursements	671	560	662
Sale of Reclaimable Materials	161		
Institutional Collections	22,830	23,850	44,800
Miscellaneous Institutional Reimbursements	683		500
Sale of Automobiles	4		
Flood Disaster Relief	24		
TOTAL	<u>\$495,355</u>	<u>\$539,818</u>	<u>\$559,090</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Cash Assistance			
State Funds	\$ 532,000	\$ 538,507	\$ 594,064
Federal Funds	397,619	435,369	416,248
Other Funds	47,176	34,032	23,200
TOTAL	<u>\$ 976,795</u>	<u>\$1,007,908</u>	<u>\$1,033,512</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. Funding for the available year is also provided out of the Revenue Sharing Trust Fund.

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Cash Assistance	\$ 532,000	\$ 533,600	\$ 594,064 ✓
Cash Assistance--Recommended Deficiency .....	.....	4,907	.....
Federal Funds:			
Maintenance Assistance -- Cash Grants	389,338	424,129	405,008
Public Works Employment Act	8,281	.....	.....
Social Security Amendments -- 1977 .....	.....	11,240	11,240
Other Funds:			
Public Assistance Payments -- Restitutions and Overpayments	12,334	10,500	10,500
Child Support Program	22,842	11,700	12,700
Medical Assistance Reimbursements	12,000	11,832	.....
TOTAL	<u>\$ 976,795</u>	<u>\$1,007,908</u>	<u>\$1,033,512</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Medical Assistance			
State Funds	\$ 355,861	\$ 416,163	\$ 542,600
Federal Funds	332,660	428,022	501,674
Other Funds .....	.....	6,168	10,000
TOTAL	<u>\$ 688,521</u>	<u>\$ 850,353</u>	<u>\$1,054,274</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. Funding for Private Nursing Homes for the budget year is also provided out of the Revenue Sharing Trust Fund.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Medical Assistance	\$ 286,816	\$ 334,300	\$ 441,540 ✓
Public Nursing Homes	10,000	21,863	38,072 ✓
Private Nursing Homes	59,045	60,000	62,988 ✓

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds (continued)			
Federal Funds:			
Medical Assistance Payments	\$ 198,006	\$ 265,313	\$ 326,191
Medical Assistance — Public Nursing Homes	61,873	78,796	77,109
Medical Assistance — Private Nursing Homes	72,781	83,913	98,374
Other Funds:			
Medical Assistance Reimbursements . . . . .	. . . . .	6,168	. . . . .
Money Returned as Settlement of Law Suit 74-860 . . . . .	. . . . .	. . . . .	10,000
TOTAL	<u><u>\$ 688,521</u></u>	<u><u>\$ 850,353</u></u>	<u><u>\$1,054,274</u></u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Supplemental Grants—Aged, Blind and Disabled			
State Funds	\$ 57,926	\$ 61,460	\$ 64,704

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Supplemental Grants—Aged, Blind and Disabled	<u><u>\$ 57,926</u></u>	<u><u>\$ 61,460</u></u>	<u><u>\$ 64,704</u></u> ✓

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Emergency Flood Relief			
State Funds	\$ 910	.....
Federal Funds	7,120	.....
TOTAL	\$ 8,030	.....

Funds are made available by the Governor, under emergency powers, to provide relief in time of natural disaster or civil disturbance. Provides essential services and facilities during periods of emergency.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Flood Relief — Johnstown	\$ 910	.....
Federal Funds:			
Emergency Flood Relief — October, 1976	120	.....
Emergency Flood Relief — July, 1977	7,000	.....
TOTAL	\$ 8,030	.....

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Community Services for the Mentally III and Mentally Retarded			
State Funds	\$ 91,261	\$ 99,456	\$ 105,849
Federal Funds	729	825	825
Other Funds	2	2	2
TOTAL	\$ 91,992	\$ 100,283	\$ 106,676

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)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Community Services for the Mentally III and Mentally Retarded	\$ 91,261	\$ 99,456	\$ 105,849 ✓

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds (continued)			
Federal Funds:			
Comprehensive Public Health Services —			
Formula Grants	\$ 539	\$ 625	\$ 625
Developmental Disabilities — Mental Health/ Mental Retardation Community Services	190	200	200
Other Funds:			
PASS Program — Tuition and Book Fees	2	2	2
TOTAL	<u>\$ 91,992</u>	<u>\$ 100,283</u>	<u>\$ 106,676</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Community Living Arrangements			
State Funds	\$ 15,000	\$ 22,022	\$ 30,129

Provides for the purchase of residential services for the mentally retarded at the community level.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Community Living Arrangements	<u>\$ 15,000</u>	<u>\$ 22,022</u>	<u>\$ 30,129</u> ✓

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Aging Program			
State Funds	\$ 8,108	\$ 8,350	\$ 8,848
Federal Funds	39,457	52,754	52,498
Other Funds	626	511	183
TOTAL	<u>\$ 48,191</u>	<u>\$ 61,615</u>	<u>\$ 61,529</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-service centers throughout the State, homemakers and chore services. Also provides for contracts with appropriate institutions for training nursing home personnel.

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Aging Programs	\$ 8,058	\$ 8,300	\$ 8,798
Training Personnel at Geriatric Homes	50	50	50
Federal Funds:			
Title XX - Social Services - Aging	16,992	17,777	21,680
Programs for the Aging - Title III	7,773	11,152	9,465
Nutrition Program for the Aging - Title VII	14,068	18,736	14,118
Programs for the Aging - Training - Title IVA	119	582	450
Title XX - Social Services - Aging - Training	405	1,450	1,450
Programs for Aging - Employment .....	.....	1,560	2,280
Programs for Aging - Senior Center Facilities .....	.....	1,184	2,955
Medical Assistance - Training for Geriatric Homes	100	188	100
Social Services - Title XX - Training - Post Baccalaureate .....	.....	125	.....
Other Funds:			
Local Contribution for Aging Services	626	511	183
TOTAL	<u>\$ 48,191</u>	<u>\$ 61,615</u>	<u>\$ 61,529</u>



	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Blind Programs			
State Funds	\$ 940	\$ 1,156	\$ 940
Federal Funds	3,721	4,274	4,274
Other Funds	102	110	110
TOTAL	<u>\$ 4,763</u>	<u>\$ 5,540</u>	<u>\$ 5,324</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.

The blind centers provide an opportunity for blind individuals to participate in summer recreational programs at Beacon Lodge Camp near Lewistown. Also provided is financial support for other centers and associations for the blind which are located throughout the State.

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Blind Programs	\$ 840	\$ 940	\$ 940 ✓
Pennsylvania Association for the Blind, Pittsburgh	25	25	. . . .
Center for the Blind, Philadelphia	25	25	. . . .
Beacon Lodge Camp	25	25	. . . .
Center for the Blind, Delaware	25	25	. . . .
Office of Visually Handicapped — Radio Receivers . . . . .	. . . .	50	. . . .
Rudolphy Residence for Blind — Renovations . . . . .	. . . .	66	. . . .
Federal Funds:			
Rehabilitation Services and Facilities for the Blind — Basic Support	1,892	2,086	2,086
Vocational Rehabilitation Services for Social Security Disability Beneficiaries	599	600	600
Title XX — Social Services to the Blind	1,003	1,183	1,183
Vocational Rehabilitation Services for Supplement Security Income Recipients	227	405	405
Other Funds:			
Local Contributions for Blind Services	102	110	110
TOTAL	<u>\$ 4,763</u>	<u>\$ 5,540</u>	<u>\$ 5,324</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
County Child Welfare Programs			
State Funds	\$ 32,689	\$ 65,000	\$ 70,000
Federal Funds	20,869	20,470	20,470
TOTAL	<u>\$ 53,558</u>	<u>\$ 85,470</u>	<u>\$ 90,470</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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
County Child Welfare Programs	\$ 32,689	\$ 65,000	\$ 70,000 ✓

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
County Child Welfare Programs (continued)			
Federal Funds:			
Child Welfare Services	\$ 557	\$ 1,056	\$ 1,056
Maintenance Assistance — Child Welfare	7,145	6,246	6,246
Title XX — Social Services — Child Welfare	12,568	12,568	12,568
Indochinese Refugee Program	599	600	600
TOTAL	<u>\$ 53,558</u>	<u>\$ 85,470</u>	<u>\$ 90,470</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Day Care Services			
State Funds	\$ 18,600	\$ 18,600	\$ 19,244
Federal Funds	41,666	48,681	53,415
Other Funds	662	662	662
TOTAL	<u>\$ 60,928</u>	<u>\$ 67,943</u>	<u>\$ 73,321</u>

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 and provides balanced meals, medical care, and needed counseling services to other family members.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Day Care Services	\$ 18,500	\$ 18,500	\$ 19,244 ✓
Arsenal Family and Children's Center	100	100	. . . . .
Federal Funds:			
Title XX — Social Services — Day Care	40,016	45,731	50,465
Indochinese Refugee Program — Day Care	15	15	15
Title XX — Social Services — Training — Day Care	1,635	2,135	2,135
Work Incentive Program . . . . .	. . . . .	800	800
Other Funds:			
Local Contributions — Day Care Services	662	662	662
TOTAL	<u>\$ 60,928</u>	<u>\$ 67,943</u>	<u>\$ 73,321</u>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Juvenile Delinquency Programs			
State Funds	\$ 1,500	\$ 1,763	\$ 100
Federal Funds	3,090	3,065	3,065
Other Funds	85	307	310
TOTAL	<u>\$ 4,675</u>	<u>\$ 5,135</u>	<u>\$ 3,475</u>

The purpose of this activity is to promote and maintain effective handling of children to assure that they receive appropriate police services and to redirect juvenile gang activities toward socially acceptable conduct. Grants are provided to more effectively coordinate and utilize county resources, through the development and maintenance of youth service systems. Also provides grants for the planning and development of needed regional detention facilities.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Juvenile Delinquency Programs	\$ 1,500	. . . . .	. . . . .
Gangwork and Outreach . . . . .	. . . . .	\$ 96	\$ 100 ✓
Youth Service System Grants . . . . .	. . . . .	167	. . . . .
Regional Detention Facilities . . . . .	. . . . .	1,500	. . . . .
Federal Funds:			
Title XX — Social Services — Gangwork and Outreach	3,090	3,065	3,065
Other Funds:			
Local Contributions for Juvenile Delinquency	85	307	310
TOTAL	<u>\$ 4,675</u>	<u>\$ 5,135</u>	<u>\$ 3,475</u>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Medical Facilities Chronic Disease			
Hospitals-State Aided			
State Funds	\$ 1,200	\$ 1,345	\$ 1,320

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Home for Crippled Children, Pittsburgh	\$ 400	\$ 440	\$ 440
Children's Heart Hospital, Philadelphia	800	880	880
Society for Crippled Children, Blair County .....	.....	25	.....
TOTAL	<u>\$ 1,200</u>	<u>\$ 1,345</u>	<u>\$ 1,320</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Mental Health and Mental Retardation			
Western Psychiatric Institute and Clinic			
State Funds	\$ 4,500	\$ 4,500	\$ 4,500

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Western Psychiatric Institute and Clinic	<u>\$ 4,500</u>	<u>\$ 4,500</u>	<u>\$ 4,500</u>

*Special
Bill - Non Prof.*

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Mentally Disabled Advocacy Project			
State Funds	\$ 240	. . . . .

This program provides for a continuation of a pilot project to operate an institution based mental health legal advocacy project in a three county region of Southeastern Pennsylvania.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Mentally Disabled Advocacy Project	<u>\$ 240</u>	. . . . .

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Social Services			
State Funds	\$ 2,533	\$ 2,483	\$ 2,728
Federal Funds	23,759	26,793	27,082
Other Funds	835	835	835
TOTAL	<u>\$ 27,127</u>	<u>\$ 30,111</u>	<u>\$ 30,645</u>

This appropriation provides various services, such as legal services and family planning, to those individuals determined eligible, as mandated by the Federal Government.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Social Services	\$ 2,533	\$ 2,483	\$ 2,728 ✓
Federal Funds:			
Title XX — Social Services	23,173	24,207	24,496
Title XX — Social Service — Training	586	2,586	2,586
Other Funds:			
Non-Governmental Agencies Project Grants	835	835	835
TOTAL	<u>\$ 27,127</u>	<u>\$ 30,111</u>	<u>\$ 30,645</u>

Capital Improvements

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Public Welfare Institutions			
State Funds	\$ 61	\$ 2,129

This will provide for demolition and minor construction projects at the State Restoration Centers, State Centers and State Mental Hospitals, as identified in the Capital Budget Section.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Capital Improvements	\$ 129
Gas Line - C.H. Marcy	\$ 61	. . . . .
Handicapped Standards Improvements	2,000
TOTAL	\$ 61	\$ 2,129

Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Cash Assistance			
State Funds	\$24,400	. . . . .

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. Additional funding for all years is provided out of the General Fund.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Cash Assistance — Recommended Deficiency	<u>\$24,400</u>	. . . . .

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Private Nursing Homes			
State Funds	\$17,500

Provides all eligible persons with private nursing home care. Additional funding for all years is provided out of the General Fund.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Private Nursing Homes	<u>\$17,500</u>

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Fund			
Public Assistance – Social Services	\$17,697	\$18,582	\$19,511
Southeastern Pennsylvania Institutional Unit	5,261	5,524	5,800
Assets of Former Pennsylvania Rural Rehabilitation Corporation . . . . .	. . . . .	110	116
Earned Interest on Guardian Account	50	53	55
TOTAL	<u><u>\$23,008</u></u>	<u><u>\$24,269</u></u>	<u><u>\$25,482</u></u>

DEPARTMENT OF PUBLIC WELFARE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 19,390	\$ 17,809	\$ 21,470	\$ 22,543	\$ 23,672	\$ 24,854	\$ 26,096
Medical Programs	\$ 389,600	\$ 456,445	\$ 590,871	\$ 624,526	\$ 685,365	\$ 752,210	\$ 825,653
Medical Facilities Review	163	350	371	390	409	429	451
Health Services Support and Development	18,218	23,376	20,110	21,228	22,413	23,667	24,997
Prevention—Physical Health	703	192	224	246	271	298	328
Screening, Diagnosis and Referral	8,047	10,072	10,895	11,837	12,865	13,988	15,215
Outpatient Services—Physical Health	97,764	98,938	115,794	127,373	140,110	154,120	169,532
Inpatient Hospital Services	189,416	230,792	307,056	304,425	334,798	368,205	404,949
Long Term Care	75,289	92,725	136,421	159,027	174,499	191,503	210,181
Mental Health	\$ 250,622	\$ 281,076	\$ 280,221	\$ 304,675	\$ 319,689	\$ 335,441	\$ 351,985
Mental Health Systems Support	12,040	13,337	13,844	14,465	14,964	15,486	16,035
Primary Prevention—Mental Health	2,559	2,801	2,999	3,150	3,310	3,475	3,650
Early Intervention and Evaluation	11,266	12,329	13,285	13,950	14,645	15,375	16,145
Outpatient Services—Mental Health	26,914	29,452	31,605	33,185	34,845	36,585	38,415
Partial Hospitalization	3,689	4,038	4,353	4,570	4,800	5,040	5,290
Short-Term Inpatient Services (Community)	4,647	5,085	5,398	5,665	5,950	6,245	6,555
Inpatient Services (State Mental Hospitals)	189,507	214,034	208,737	229,690	241,175	253,235	265,895
Social Development of Individuals	\$ 95,524	\$ 122,317	\$ 126,958	\$ 141,579	\$ 148,658	\$ 156,091	\$ 163,896
Youth Development Services	23,237	24,858	24,542	25,748	27,036	28,388	29,807
Services to the Community	9,988	10,457	9,478	9,952	10,449	10,972	11,521
Family Support Services	62,299	87,002	92,938	105,879	111,173	116,731	122,568
Mental Retardation	\$ 200,181	\$ 193,389	\$ 205,928	\$ 222,649	\$ 233,773	\$ 245,451	\$ 257,721
Mental Retardation Systems Support	4,250	5,013	5,461	5,732	6,018	6,316	6,631
Prevention—Mental Retardation	2,559	2,800	3,019	3,170	3,330	3,495	3,670
Early Identification, Diagnosis and Case Management	2,884	3,156	3,402	3,570	3,750	3,935	4,130
Independent and Family Living Arrangements	16,417	17,643	18,548	19,475	20,445	21,465	22,540
Community Living Arrangements	15,225	22,613	30,744	34,380	36,095	37,900	39,795
Residential Services (Private Licensed Facilities)	12,850	13,235	13,765	14,450	15,170	15,930	16,725
State Centers	145,996	128,929	130,989	141,872	148,965	156,410	164,230
Economic Development of the Disadvantaged and Handicapped	\$ 661,860	\$ 669,337	\$ 740,029	\$ 815,387	\$ 875,768	\$ 940,736	\$ 1,010,645
Income Maintenance	661,860	669,337	740,029	815,387	875,768	940,736	1,010,645
DEPARTMENT TOTAL	<u>\$1,617,177</u>	<u>\$1,740,373</u>	<u>\$1,965,477</u>	<u>\$2,131,359</u>	<u>\$2,286,925</u>	<u>\$2,454,783</u>	<u>\$2,635,996</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$19,390	\$17,809	\$21,470	\$22,543	\$23,672	\$24,854	\$26,096
Federal Funds	13,053	21,687	20,593	21,622	22,703	23,836	25,027
Other Funds	1,209	2,022	2,123	2,229	2,340	2,457	2,580
TOTAL	\$33,652	\$41,518	\$44,186	\$46,394	\$48,715	\$51,147	\$53,703

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$15,188	\$13,746	\$14,687	\$15,421	\$16,193	\$17,002	\$17,851
Office of Information services	3,216	3,014	5,641	5,923	6,219	6,530	6,857
Office of Program Accountability	986	1,049	1,142	1,199	1,260	1,322	1,388
GENERAL FUND TOTAL	\$19,390	\$17,809	\$21,470	\$22,543	\$23,672	\$24,854	\$26,096

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 163	\$ 350	\$ 371	\$ 390	\$ 409	\$ 429	\$ 451
Federal Funds	2,671	3,250	3,445	3,617	3,798	3,988	4,187
TOTAL	<u><u>\$2,834</u></u>	<u><u>\$3,600</u></u>	<u><u>\$3,816</u></u>	<u><u>\$4,007</u></u>	<u><u>\$4,207</u></u>	<u><u>\$4,417</u></u>	<u><u>\$4,638</u></u>

Program Analysis:

Long-term care medical facilities are faced with the responsibility of caring for a mostly aged clientele who are 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. Prior to September 1, 1975, the Department of Public Welfare had the ultimate responsibility for licensing and certifying such institutions for long-term cases. With the implementation of Reorganization Plan No. 3, effective September 1, 1975, the functions were transferred to the Department of Health. A major difficulty in regulating nursing facilities has been the separation of licensure responsibilities of hospitals and nursing homes between the two State Departments, and the often conflicting separation of certification responsibilities for facilities under the Medicare and Medicaid laws. Through the transfer of the license and certification functions to the Department of Health such difficulties should be alleviated. For further discussion on this subject and program measures see the Medical Facilities Review subcategory in the Department of Health.

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. As of October, 1977, the agency has made loan commitments to 71 nursing homes for a total amount of over \$40 million. It is hoped that, through these loans, facilities can be upgraded to meet State and Federal standards and that nursing beds can continue to be available. For further information see the Industrial Development subcategory in the Department of Commerce.

The nursing care situation is further complicated by Federal regulations requiring administration of Medicare and Medicaid by a single state agency. The Department of Health is the single state agency for Medicare and the Department of Public Welfare administers the Medicaid program. In order to maintain the Medicaid single state status, the Department of Public Welfare continues to issue provider agreements establishing stringent service program standards to those nursing facilities licensed and certified by the Department of Health.

For further discussion of the programmatic implications, the causes and possible solutions to the nursing home problem, refer to the subcategory Long-Term Care.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
County Administration	<u><u>\$ 163</u></u>	<u><u>\$ 350</u></u>	<u><u>\$ 371</u></u>	<u><u>\$ 390</u></u>	<u><u>\$ 409</u></u>	<u><u>\$ 429</u></u>	<u><u>\$ 451</u></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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$18,218	\$23,376	\$20,110	\$21,228	\$22,413	\$23,667	\$24,997
Federal Funds	14,016	16,593	17,596	18,563	19,589	20,677	21,833
Other Funds	1,163	1,250	3,044	3,196	3,355	3,523	3,699
TOTAL	\$33,397	\$41,219	\$40,750	\$42,987	\$45,357	\$47,867	\$50,529

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Persons enrolled in health maintenance organizations or health plans	4,787	5,825	8,333	9,200	10,100	11,100	12,200
Nursing school graduates from State general hospital nursing schools	109	109	.....	.....	.....	.....	.....
Medical Assistance nursing care cases reviewed	47,168	49,500	52,000	54,600	57,300	60,200	63,200
Nursing care cases, alternate care placement recommended	4,384	4,600	4,800	5,100	5,300	5,600	5,900
and as a percent of all placements	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%
Inpatient hospital care admissions	296,206	320,640	323,556	331,645	339,935	348,435	357,145

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 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, suspected cases of fraud, abuse and misutilization are forwarded to the State 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. From 1971 to 1974, inpatient hospital expenditures, as a percentage of total Medical Assistance expenditures declined from 44.3 percent (1970-71) to 23.2 percent (1973-74). This was due primarily to the Department's tightened review of claims for hospital care and to the expansion of outpatient services which decreased the need for inpatient care. During 1976-77, inpatient hospital expenditures were 43 percent of total Medical Assistance expenditures, while the average hospital stay per case remained constant. This was caused by several factors. The number of persons eligible for Medical Assistance continued to rise during

Health Services Support and Development (continued)

Program Analysis: (continued)

1976-77 as the national recession's effect began to be felt in Pennsylvania. In addition, inpatient hospital costs have continued to rise since wage and price controls were rescinded in 1973-74. These factors only emphasize the need for effective review functions in order to assure that those services provided are indeed necessary and appropriate. For further discussion on this subject see the subcategory Inpatient Hospital Services.

To reduce abuse and eventually eliminate the need to review all hospital claims, the Department implemented a statewide Predischarge 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. The PDUR function is currently being assumed by professional standards review organizations throughout Pennsylvania as they become operational. The measure for inpatient hospital days of care determined inappropriate for Medical Assistance reimbursement has been eliminated. Because length of stay is approved as described above, the number of days determined inappropriate should be zero. This differs from a retrospective examination of inpatient usage in which care may be rendered in excess of that deemed appropriate or necessary.

The 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. During 1976-77, 4,384 alternate care placements were recommended as a result of this review activity. The data for the program measure Medical Assistance nursing care cases reviewed has increased significantly from that printed last year. This increase reflects a greater emphasis on such review activities as well as an increased number of nursing care beds available to Medical Assistance eligibles.

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 is appropriate.

Another agency program provides for a form of control and

feedback by delivering health care service training. Training for personnel at geriatric homes has been 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 1976-77, 109 nurses were graduated and 109 are estimated to graduate from State general hospitals in 1977-78. Beginning in 1978-79, no State funding will be provided to the general hospitals. For this reason, the measure nursing school graduates from State general hospital nursing schools indicates no graduates from this program beginning in 1978-79.

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. The Department currently participates in three HMO projects. These HMOs are quite new, thus, there are little available data. The measure describing the number of persons enrolled in health maintenance organizations or health plans is substantially

Health Services Support and Development (continued)

Program Analysis: (continued)

higher than that printed previously. This increase represents the continuation of the three current plans.

During 1978-79, the Department does not plan to contract with any additional HMOs. The ability of the current HMOs to

deliver health care economically is being assessed after an initial period of operation. After the assessment, decisions will be made regarding whether the contracts should be continued and whether new HMOs should be established.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 1,216	\$ 1,116	\$ 1,159	\$ 1,217	\$ 1,278	\$ 1,342	\$ 1,409
County Administration	15,436	19,975	16,236	17,048	17,900	18,795	19,735
Office of Program Accountability	336	358	389	408	430	450	473
State General Hospitals	415	376	.....	.....	.....	.....	.....
Medical Assistance	765	1,501	2,276	2,505	2,755	3,030	3,330
Training Personnel at Geriatric Homes	50	50	50	50	50	50	50
GENERAL FUND TOTAL	<u>\$18,218</u>	<u>\$23,376</u>	<u>\$20,110</u>	<u>\$21,228</u>	<u>\$22,413</u>	<u>\$23,667</u>	<u>\$24,997</u>

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 703	\$ 192	\$ 224	\$ 246	\$ 271	\$ 298	\$ 328
Federal Funds	898	1,729	2,020	2,222	2,444	2,689	2,957
TOTAL	\$ 1,601	\$ 1,921	\$ 2,244	\$ 2,468	\$ 2,715	\$ 2,987	\$ 3,285

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Infant mortality rate per 1,000 live births	15.4	15.0	14.4	14.2	14.0	13.8	13.7
Family planning medical services:							
Physician and clinic invoices	63,034	66,200	69,500	72,900	76,500	80,300	84,300
Drug prescriptions	189,461	243,200	255,400	268,200	281,600	295,700	310,500

Program Analysis:

The theoretical health care delivery system incorporates several stages of treatment into 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. The data representing infant mortality rate per 1,000 live births has decreased substantially from that

printed previously. This data, which comes from the Department of Health, has been updated from prior years. Through family planning clinics under the Medical Assistance program, prevention services, such as 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. The data presented in the measure relating to family planning medical services have been changed from that printed previously. These data provide a more accurate assessment of the type and number of services provided. The number of drug prescriptions has increased substantially between 1976-77 and 1977-78. This increase is due to the first full impact of extending family planning pharmaceutical services to the medically needy.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Medical Assistance	<u>\$ 703</u>	<u>\$ 192</u>	<u>\$ 224</u>	<u>\$ 246</u>	<u>\$ 271</u>	<u>\$ 298</u>	<u>\$ 328</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 8,047	\$10,072	\$10,895	\$11,837	\$12,865	\$13,988	\$15,215
Federal Funds	7,643	8,859	9,645	10,442	11,310	12,257	13,289
TOTAL	<u>\$15,690</u>	<u>\$18,931</u>	<u>\$20,540</u>	<u>\$22,279</u>	<u>\$24,175</u>	<u>\$26,245</u>	<u>\$28,504</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Persons eligible for Medical Assistance . . .	1,120,601	1,155,800	1,166,000	1,177,400	1,186,300	1,190,600	1,194,800
Percentage of total cases screened with physical, mental or dental abnormalities	48%	48%	48%	48%	48%	48%	48%
Cases with physical, mental or dental abnormalities referred for and receiving treatment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Children eligible for screening	450,000	537,800	537,800	537,800	537,800	537,800	537,800
Children screened	174,528	210,000	210,000	210,000	210,000	210,000	210,000
Diagnostic lab and radiological services	566,675	580,900	600,000	615,000	630,400	646,200	662,400
Visually handicapped:							
Impaired persons in Pennsylvania . . .	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Persons referred for treatment	5,168	5,569	6,295	6,490	6,719	6,881	7,019
Persons referred to vocational rehabilitation	3,520	2,231	2,984	3,017	3,049	3,081	3,094
Persons receiving vocational rehabilitation	6,624	6,994	7,068	7,142	7,216	7,290	7,332

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 of the Department of Public Welfare's medical programs are directed toward the screening, diagnosis and referral type of health care. A program begun in the 1973-74 fiscal year periodically screens and treats all categorical Medical Assistance eligible children. Effective September 1,

1977, screening and diagnosis was provided for general assistance recipients less than 21 years of age and as of October 1, 1977 medically needy children less than age 21 were included in this program. This increase in program coverage explains the increase in the program measures indicating the number of children eligible for screening and the number of children screened from that printed previously. 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

Screening, Diagnosis and Referral (continued)

Program Analysis: (continued)

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 1976-77 there were approximately 450,000 children eligible for screening. Approximately 174,500 screenings were completed during 1976-77 and it is estimated that 210,000 will be screened during 1978-79. By far the largest number of health defects found have been dental problems. Consequently, the Department has increased efforts to treat these problems. Data presented by the Department last year concerning cases referred for and receiving treatment were incorrect. However, the Department is unable to supply a more accurate number. Therefore, no data are presented this year. The Department of Health also conducts a screening program. For further discussion of this program refer to the subcategory Detection and Diagnosis in that Department.

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. The program measure representing diagnostic lab and radiological services has increased from that printed previously due to a growing population eligible for Medical Assistance and an increased utilization of such services by physicians.

Other screening activities within this agency are directed specifically towards an individual's visual capacity. Through the Office 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. The data presented for the visually handicapped have changed substantially from that printed previously. The number of impaired persons in Pennsylvania has decreased due to a change in the statistical estimate of the number of impaired persons to the general population. The Department has provided more accurate data for several of the other measures.

Program Costs by Appropriation:

	1976-77	1977-78	(Dollar Amounts in Thousands)				
			1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
County Administration	\$ 2,218	\$ 2,668	\$ 2,828	\$ 2,969	\$ 3,118	\$ 3,274	\$ 3,437
Medical Assistance	5,609	7,031	7,935	8,729	9,601	10,561	11,618
Blind Programs	120	132	132	139	146	153	160
Pennsylvania Association for the Blind, Pittsburgh	25	25	.....	.....	.....	.....	.....
Center for the Blind, Philadelphia	25	25	.....	.....	.....	.....	.....
Center for the Blind, Delaware	25	25	.....	.....	.....	.....	.....
Beacon Lodge Camp	25	25	.....	.....	.....	.....	.....
Radio Receivers — Visually Handicapped . . . . .	.....	50	.....	.....	.....	.....	.....
Rudolph Residence for the Blind . . . . .	.....	66	.....	.....	.....	.....	.....
Society for Crippled Children— Blair County . . . . .	.....	25	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$8,047	\$10,072	\$10,895	\$11,837	\$12,865	\$13,988	\$15,215

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 97,764	\$ 98,938	\$115,794	\$127,373	\$140,110	\$154,120	\$169,532
Federal Funds	79,662	106,715	93,400	102,637	112,792	123,959	136,234
Other Funds	1,588	765	2,171	2,280	2,393	2,512	2,639
TOTAL	\$179,014	\$206,418	\$211,365	\$232,290	\$255,295	\$280,591	\$308,405

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Eligible Medical Assistance persons	1,120,601	1,155,800	1,166,000	1,177,400	1,186,300	1,190,600	1,194,800
Routine outpatient clinic services provided	2,631,389	2,632,000	2,697,800	2,765,200	2,834,300	2,905,200	2,977,800
Outpatient physician visits	4,596,499	4,600,000	4,800,000	5,040,000	5,292,000	5,556,600	5,834,400
Pharmaceutical services provided	10,038,923	10,628,000	9,099,206	10,009,100	11,010,000	12,111,000	13,322,100
General or ambulance transportation services	50,000	76,700	79,000	88,900	99,900	112,500	126,500
Home health care visits	176,299	201,800	206,845	212,000	217,300	222,700	228,300
Post-hospitalization days of care	56,049	57,500	60,400	63,400	66,600	69,900	73,400
Restoration centers:							
Persons receiving outpatient services	600	600	600	600	600	600	600
Average visits per patient	12	12	12	12	12	12	12
State general hospitals:							
Persons receiving outpatient services	157,000	159,800	162,500	165,200	165,200	165,200	165,200
Average visits per patient	1.12	1.12	1.12	1.12	1.12	1.12	1.12
Outpatient visits	175,630	179,000	182,000	185,000	185,000	185,000	185,000

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

Outpatient Services — Physical Health (continued)

Program Analysis: (continued)

function as a means of eliminating unnecessary inpatient care.

Outpatient services include clinic and office care (medical, psychiatric, dental, renal dialysis, drug and alcohol, podiatric and chiropractic), pharmaceutical services, transportation, home health care, medical appliance and prosthetic services, and posthospital care. Under the Medical Assistance program the medically needy are excluded from pharmaceutical, medical appliances 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 measure representing general or ambulance transportation services provided has increased substantially from that printed previously. Fees for ambulance services were increased during 1975-76 which had the effect of increasing the number of vendors providing services to Medical Assistance eligibles.

The Department also provides outpatient services at one restoration center. 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.

Beginning in the 1978-79 fiscal year, general hospitals will receive no State funding. It is expected that emergency room treatment and clinical visits will continue to be provided to the community with funds received from patient fees and third party reimbursements.

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.

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.

Another method of improvement is to expand compensable outpatient medical and surgical procedures. This was done during the 1976-77 fiscal year. By expanding the number of compensable medical and surgical procedures performed in the emergency room or outpatient department of a hospital, rather than on an inpatient basis, costs can be reduced and a more appropriate level of care can be rendered. In addition, effective August 1, 1977, Act 11-A provided for a three dollar increase per service for all outpatient hospital visits for all those clinics meeting the Department's special participation criteria.

Outpatient services are particularly affected by the Commonwealth Medical Fees 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.

A Program Revision Request has been recommended to make three program changes which will reduce services under this subcategory. Those changes are: 1) requirement of a copay for all drug services and for clinic services provided to the medically needy; 2) elimination of several nonmandated services for those persons receiving general assistance effective January 1, 1979; and 3) the elimination of reimbursement for various Valium related drugs. For further discussion see The Program Revision entitled Reduction of Various Medical Benefits in the appendix to this subcategory.

Outpatient Services – Physical Health (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Restoration Centers	\$ 4	\$ 10	\$ 11	\$ 12	\$ 13	\$ 13	\$ 14
Medical Assistance	97,193	98,409	115,783	127,361	140,097	154,107	169,518
State General Hospitals	567	519	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$97,764</u>	<u>\$98,938</u>	<u>\$115,794</u>	<u>\$127,373</u>	<u>\$140,110</u>	<u>\$154,120</u>	<u>\$169,532</u>

**Outpatient Services – Physical Health
Program Revision: Reduction of Various Medical Benefits**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund			<u>\$-15,399</u>	<u>\$-16,170</u>	<u>\$-16,977</u>	<u>\$-17,826</u>	<u>\$-18,720</u>

Program Analysis:

Significant expenditure increases have been experienced in the Medical Assistance program over the past several years. In order to reduce the impact of these increases, three program changes have been proposed to reduce services and State fund expenditures. These program changes include: 1) requirement of a copay for all drug services and for general medical clinic services provided to the medically needy; 2) elimination of several nonmandated services for those persons on General Assistance effective January 1, 1979; and 3) the elimination of reimbursement for various Valium related drugs.

Federal regulations allow for the establishment of a co-payment for certain services under the Medical Assistance program. A copay can be imposed upon the categorically needy for services not mandated by Title XIX such as drug and dental services, and upon the medically needy for all services. This program revision calls for a \$.50 copay for all drug services and a \$1.00 copay for services provided to the medically needy in all general medical clinics.

Effective April 1, 1978, benzodiazepines (Valium, Serax, Tranxene, etc.) will no longer be compensable under the Medical Assistance drug program, with the exception of chlordiazepoxide (generic Librium) and flurazepam (Dalmane). Of the brand name benzodiazepines, Valium is the most frequently prescribed, and is also the drug that is most

frequently abused. Moreover, Valium and other brand name benzodiazepines cost about five times as much as chlordiazepoxide on an equivalent dose basis. Generic Librium and Dalmane have been retained since overdoses of these benzodiazepines are seldom lethal: if all benzodiazepines were eliminated, the alternative sedatives that would have to be utilized (i.e. barbiturates) involve properties where tolerances are quickly developed, withdrawal symptoms are likely to be severe, and overdoses are often fatal. Continued coverage of generic Librium is thus recommended since alternative drugs are less safe and sometimes less effective.

Beginning January 1, 1979, medical services available to General Assistance recipients will be reduced to those available to the medically needy. This means that drug, dental, medical appliances and prosthetic, and podiatric services will no longer be provided to General Assistance recipients. However, General Assistance eligibles will continue to receive Medicaid services mandated by Federal law as well as many optional Medicaid services. Although these optional services can be eliminated for all recipients without amending the Public Welfare Code, such services cannot be denied to selected recipient groups without amending the law. Therefore, the reduction of services for General Assistance recipients cannot be implemented without amendatory legislation.

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Public Welfare							
Medical Assistance			<u>\$-15,399</u>	<u>\$-16,170</u>	<u>\$-16,977</u>	<u>\$-17,826</u>	<u>\$-18,720</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$189,416	\$230,792	\$307,056	\$304,425	\$334,798	\$368,205	\$404,949
Federal Funds	130,823	173,915	235,917	212,861	232,945	254,977	279,150
Other Funds	17,042	21,485	32,546	23,673	24,857	26,100	27,405
TOTAL	\$337,281	\$426,192	\$575,519	\$540,959	\$592,600	\$649,282	\$711,504

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Persons eligible for Medical Assistance . . .	1,120,601	1,155,800	1,166,000	1,177,400	1,186,300	1,190,600	1,194,800
Inpatient hospital care admissions	296,206	320,640	323,556	331,645	339,935	348,435	357,145
Average length of stay in days:							
Statewide	8.4	8.4	8.4	8.3	8.3	8.3	8.2
Medical Assistance	6.4	6.4	6.4	6.4	6.4	6.4	6.4
State general hospitals	8.4	8.4	8.3	8.3	8.3	8.2	8.2
Average cost per day per hospital stay:							
Statewide	\$142.36	\$156.60	\$176.96	\$199.96	\$225.95	\$255.33	\$288.53
Medical Assistance	\$154.56	\$177.74	\$200.85	\$226.96	\$256.46	\$289.81	\$327.48
State general hospitals	\$190.56	\$212.00	\$239.56	\$270.70	\$305.89	\$345.66	\$390.60
Persons receiving inpatient services:							
State general hospitals	31,055	30,500	30,500	30,500	30,500	30,500	30,500

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. For this reason, no State funds are included in 1978-79 for these institutions. The Commonwealth assists two chronic disease hospitals, the Children's Heart Hospital and the Home for Crippled Children, which care for chronically ill indigent patients.

Clearly the largest cost item in this subcategory is the care delivered under Medical Assistance. Inpatient hospital services (inpatient hospital care, reasonable cost adjustments to hospitals and inpatient physician services) represent the largest expenditure of any of the Medical Assistance service providers, accounting for 43 percent of total actual Medical Assistance expenditures for 1976-77. Among nonnursing home providers this proportion is likely to increase even more as inpatient per

Inpatient Hospital Services (continued)

Program Analysis: (continued)

diem rates continue to increase at a faster rate than do unit costs for almost any other provider. In fiscal year 1976-77, for example, inpatient per diem rates for Medical Assistance, including Medicare deductibles, rose 17 percent over the 1975-76 levels.

Coverage is provided to eligible Medical Assistance recipients on a 24 hour basis for 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 admission 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 shows recent trends in the use of inpatient services by Medical Assistance recipients as compared to selected characteristics of statewide inpatient hospital usage. The data for Medical Assistance shows the actual total as reflected in monthly reports, which include Medicare deductible cases at zero days per case and also include the Medicare deductible expenditures. As can be seen in the table,

the number of Medical Assistance cases maintained a downward trend from 1971-72 to 1973-74. Beginning in 1974-75, the number of cases increased as the effects of the national recession were reflected in additional persons eligible for Medical Assistance. Average days of stay have declined from 7.5 in 1971-72 to 6.4 in 1977-78 despite the overall increase in cases. The average cost per patient has risen steadily throughout the period showing an average annual increase of 16.8 percent. The statewide figures show a similar persistent drop in average length of stay although the pattern is less consistent. At this point in time, the length of stay for Medical Assistance recipients is substantially less than the statewide hospital length of stay. While length of stay declines have continued in the Medical Assistance program, such declines cannot be sustained forever. At some point, reductions in length of stay for Medical Assistance patients achieved through Predischarge Utilization Review activity will be negligible. Moreover, Act 202 of 1976 eliminated the 60 day maximum benefit period for inpatient hospital care, and the overall average length of stay may rise as some patients are hospitalized for more than sixty days. The data presented in the table pertaining to Medical Assistance recipients have been changed from that printed last year. The data printed previously were estimated adjustments due to a change in the accounting system in which zero days of care were counted for those persons for whom the Department pays the Medicare deductible. The new data come from monthly reports produced by various fiscal intermediary agencies such as Blue Cross and Intercounty.

INPATIENT HOSPITAL UTILIZATION CHARACTERISTICS

Fiscal Year	STATEWIDE			MEDICAL ASSISTANCE		
	Number of Cases	Length of Stay(days)	Cost Per Day	Number of Cases	Length of Stay(days)	Cost Per Day
1971-72	1,737,587	8.3	76.32	260,239	7.5	\$78.44
1972-73	1,739,774	8.5	85.71	248,680	7.8	80.41
1973-74	1,741,500	8.4	93.68	236,786	7.3	89.15
1974-75	1,814,303	8.6	119.92	250,648	6.8	108.08
1975-76	1,886,875	8.5	131.91	277,449	6.4	132.02
1976-77	1,896,130	8.4	142.36	296,206	6.4	154.56
1977-78	1,991,000	8.4	156.60	320,640	6.4	177.74

Inpatient Hospital Services (continued)

Program Analysis: (continued)

While several new programs have been developed to encourage the use of less intensive care, the Department has also instituted the PredischARGE 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 PDUR function is currently being assumed by Professional Standards Review Organizations as they become operational. These organizations consist of local groups of doctors throughout the State.

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.

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, 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 Department of Public Welfare pays hospitals for services rendered to Medical Assistance recipients. The hospitals are payed 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 1978-79 budget. During the four years since wage and price controls on the medical services industry were lifted, inpatient hospital costs have increased by an average of 18.9 percent annually. Costs are expected to continue to increase substantially throughout 1978-79, though at a somewhat reduced rate.

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. The Department of Public Welfare is conducting a three year prospective reimbursement project in Western Pennsylvania. As of October, 1977, there are 25 hospitals participating. The purpose of this project is to control hospital costs through an intensive review of the hospital's budget. Once the budget is approved, the hospital must keep expenditures within the projected cost. Also included are incentives for reducing costs and penalties for exceeding the budgeted amount. The Department will review the results of this project to determine whether or not it has statewide applicability. Since the project was initiated July, 1977, it is too early at this time for analysis.

Another alternative is to establish health maintenance organizations (HMOs). Experience with HMOs is too limited at this time to allow for comparison. For further discussion concerning health maintenance organizations, refer to the subcategory Health Services Support and Development.

Program Costs by Appropriation:

	1976-77	1977-78	(Dollar Amounts in Thousands)				
			1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Medical Assistance	\$182,130	\$223,867	\$305,490	\$303,039	\$333,343	\$366,677	\$403,345
State General Hospitals	6,086	5,605	.....	.....	.....	.....	.....
Home for Crippled Children, Pittsburgh	400	440	440	462	485	509	535
Children's Heart Hospital Philadelphia	800	880	880	924	970	1,019	1,069
Capital Improvements . . . . .	.....	.....	86	.....	.....	.....	.....
Handicapped Standards Improvements . . . . .	.....	.....	160	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$189,416</u>	<u>\$230,792</u>	<u>\$307,056</u>	<u>\$304,425</u>	<u>\$334,798</u>	<u>\$368,205</u>	<u>\$404,949</u>

Long-Term Care

OBJECTIVE: To insure the availability of high quality care in skilled nursing facilities (SNF) or intermediate care facilities (ICF) for those who do not require intensive care but cannot be maintained within a family/household unit.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 75,289	\$ 92,725	\$118,921	\$159,027	\$174,499	\$191,503	\$210,181
Special Funds			17,500				
Federal Funds	144,743	176,752	197,264	208,416	228,727	251,038	275,558
Other Funds	853	1,071	1,125	1,189	1,255	1,326	1,401
TOTAL	<u>\$220,885</u>	<u>\$270,548</u>	<u>\$334,810</u>	<u>\$368,632</u>	<u>\$404,481</u>	<u>\$443,867</u>	<u>\$487,140</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Persons eligible for Medical Assistance . . .	1,120,601	1,155,800	1,166,000	1,177,400	1,186,300	1,190,600	1,194,800
Average monthly number of eligible persons receiving:							
Skilled nursing care	22,389	22,830	23,200	23,580	23,970	24,370	24,800
Intermediate care	8,844	8,970	9,100	9,230	9,360	9,500	9,640
State restoration centers:							
Persons receiving skilled nursing care . .	152	172	172	172	172	172	172
Average length of stay for skilled nursing patients	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons receiving intermediate care . . .	792	932	932	932	932	932	932
Average length of stay for intermediate care patients	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State general hospitals:							
Persons receiving skilled nursing care . .	121	121	121	121	121	121	121
Average length of stay for skilled nursing patients	96.8	96.8	96.8	96.8	96.8	96.8	96.8

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.

Nursing homes certified to participate in the Medical Assistance program must provide one or both of two levels of care in accordance with established standards. The most intense level, skilled nursing care, involves services rendered under the general direction of a licensed physician. Such services are furnished by or under the supervision of licensed professional nursing personnel or by other professional health personnel. The less intense level of care, intermediate care, also involves services rendered under the direction of a licensed physician, but such services are likely to be in the nature of assisting patients who are partially self-sufficient in the activities of daily living. Therefore, these services may be administered by nonprofessional health personnel. The program measures eligible persons receiving skilled nursing and intermediate care printed previously have been changed to the average monthly number of persons receiving skilled nursing and intermediate care. Data presented previously were an estimate of the aggregate number of persons receiving different levels of care during the fiscal year. Data as currently presented represent the average monthly number of persons based on invoices received and provide a more accurate indication of the services provided.

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. Moreover, the need for nursing homes will not diminish in the next few years. In fact, by most indicators it will increase. For instance, the total population of the Commonwealth is projected to increase by .5 percent between 1977 and 1980, whereas the over-65 population, which overwhelmingly dominates the nursing home population, is expected to increase 5.2 percent by 1980. Also, the popularity of nursing homes for the aged is not decreasing. Formerly, the primary 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. 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 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 40 percent or over would not seem unreasonable since 49 percent of existing nursing home beds 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 has implemented a Federally mandated cost-related reimbursement system for nursing homes participating in the Medical Assistance program effective July 1, 1976. A defined, allowable cost reimbursement system has been developed by the Department in cooperation with the Ad Hoc Nursing Advisory Committee, comprised of representatives from proprietary, nonprofit and public facilities. The system includes definitions and standards for specific allowable and unallowable cost, including general administration, consultant,

Long-Term Care (continued)**Program Analysis: (continued)**

staffing revenue and interest, depreciation and capital construction costs. Also included are profit allowance standards and bed occupancy levels. The system provides for regional ceilings to control excessive daily rates above the norm. Costs unrelated to patient care will be disallowed and the fiscal abuse of the program experienced in other states will be precluded.

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 problem is not definitely known. The size of this problem, however, is indicated by the fact that of 47,168, cases reviewed in 1976-77 by Department of Welfare medical review teams, 4,384 alternate care placements were

recommended. 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 13,200 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 Community.

PUBLIC WELFARE

Long-Term Care (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
State Restoration Centers	\$ 5,653	\$ 7,562	\$ 7,989	\$ 8,381	\$ 8,792	\$ 9,223	\$ 9,676
State General Hospitals	175						
Public Nursing Homes	10,000	21,863	38,072	57,891	63,680	70,050	77,055
Private Nursing Homes	59,045	60,000	62,988	88,540	97,390	107,130	117,840
Medical Assistance	416	3,300	9,832	4,215	4,637	5,100	5,610
Handicapped Standards Improvements			40				
GENERAL FUND TOTAL	\$ 75,289	\$ 92,725	\$118,921	\$159,027	\$174,499	\$191,503	\$210,181
REVENUE SHARING TRUST FUND							
Private Nursing Homes			\$ 17,500				

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$12,040	\$13,337	\$13,844	\$14,465	\$14,964	\$15,486	\$16,035
Federal Funds	2,325	1,832	1,772	1,829	1,890	1,953	2,020
Other Funds	382	101	107	64	67	70	74
TOTAL	\$14,747	\$15,270	\$15,723	\$16,358	\$16,921	\$17,509	\$18,129

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Unduplicated persons provided mental health services	211,099	217,431	223,954	230,673	237,593	244,721	252,063

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.

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. During 1977, a comprehensive review of all mental health program measures in the seven mental health subcategories was completed. As a result of this review, seven measures for which data have been unavailable were deleted and replaced with ten new measures with data. Measures which are intended to indicate the need or demand for program services or reflect the impact of the services were retained, even though in some

Mental Health Systems Support (continued)

Program Analysis: (continued)

instances data are still unavailable. 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 deemphasis 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, and the development of policies and mechanisms by which personnel can transfer from part of the system to another.

In July 1976, the General Assembly passed Act 143, known as the Mental Health Procedures Act. This act establishes specific criteria and procedures to be used when involuntary examination and treatment is sought for an individual. The long-term impact of this act should be reflected in reduced admissions to and increased discharges from State mental hospitals.

The data for unduplicated persons provided mental health services have been changed this year to reflect a projection of persons reported to be receiving services during 1975-76. The projection in last year's budget was based on persons reported to be receiving services during 1974-75.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 680	\$ 605	\$ 580	\$ 609	\$ 639	\$ 671	\$ 705
Mental Health and Mental Retardation Services	3,324	4,338	4,592	4,976	5,225	5,485	5,760
Community Services for Mentally Ill and Mentally Retarded	3,536	3,894	4,172	4,380	4,600	4,830	5,070
Western Psychiatric Institute and Clinic	4,500	4,500	4,500	4,500	4,500	4,500	4,500
GENERAL FUND TOTAL	<u>\$12,040</u>	<u>\$13,337</u>	<u>\$13,844</u>	<u>\$14,465</u>	<u>\$14,964</u>	<u>\$15,486</u>	<u>\$16,035</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$2,559</u>	<u>\$2,801</u>	<u>\$2,999</u>	<u>\$3,150</u>	<u>\$3,310</u>	<u>\$3,475</u>	<u>\$3,650</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Incidence of mental disability	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Average monthly percentage of admissions that are referred by the individual, family, or friend	39%	39%	39%	39%	39%	39%	39%

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 nonmental health professionals such as doctors, clergy, law enforcement officers and others and through consultations with community service agencies.

The measure average monthly percentage of admissions that are referred by the individual, family, or friend attempts to quantify the success of primary prevention activities in developing community awareness.

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 population at high risk of developing mental disabilities. This type of information is not systematically collected or evaluated.

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 reasonable 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

Primary Prevention—Mental Health (continued)

Program Analysis: (continued)

“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. Currently, there is no valid data available from the Department of Public Welfare on the incidence of mental disability.

Program Costs by Appropriations:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Community Services for Mentally Ill and Mentally Retarded	<u>\$2,559</u>	<u>\$2,801</u>	<u>\$2,999</u>	<u>\$3,150</u>	<u>\$3,310</u>	<u>\$3,475</u>	<u>\$3,650</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$11,266</u>	<u>\$12,329</u>	<u>\$13,285</u>	<u>\$13,950</u>	<u>\$14,645</u>	<u>\$15,375</u>	<u>\$16,145</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Percent of crises resolved without referral	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percent of crises resolved and referred to appropriate services	N/A	N/A	N/A	N/A	N/A	N/A	N/A
First time contacts with mental health system as a result of crisis intervention	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Average monthly contacts with mental health system	6,628	6,958	7,306	7,671	8,055	8,458	8,880
Clients receiving crisis intervention as monthly average	4,580	4,809	5,050	5,302	5,567	5,845	6,138
Facilities providing crisis intervention services	18	21	24	27	30	33	36
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

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.

Early Intervention and Evaluation (continued)

Program Analysis: (continued)

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 nonmental 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. It is estimated that for fiscal year 1978-79, in any given month 5,050 persons will be provided crisis intervention services.

The effectiveness measure, percent of crises resolved without referral, would indicate 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 would also indicate 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, would indicate the success of crisis intervention in alleviating temporary crises and either bringing people into the mental health system or diverting them to generic service.

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. 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. With the exception of one measure, information is not collected and tabulated for the measures discussed above. It will be necessary to actively seek this information to measure the effectiveness of this subcategory.

Program Costs by Appropriation:

	1976-77	1977-78	(Dollar Amounts in Thousands)				
			1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Community Services for Mentally III and Mentally Retarded	\$11,266	\$12,329	\$13,285	\$13,950	\$14,645	\$15,375	\$16,145

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$26,914</u>	<u>\$29,452</u>	<u>\$31,605</u>	<u>\$33,185</u>	<u>\$34,845</u>	<u>\$36,585</u>	<u>\$38,415</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Persons receiving services on an outpatient basis as monthly average	48,930	50,339	51,910	53,467	55,072	56,723	58,425
Average length of treatment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Average outpatient visits per month	112,225	115,583	119,060	122,631	126,311	130,099	134,003
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 receiving vocational rehabilitation and social training services as monthly average	3,688	3,797	3,912	4,030	4,151	4,275	4,403
Facilities providing outpatient services	280	282	284	286	288	290	292

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 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.

Outpatient Services – Mental Health (continued)

Program Analysis: (continued)

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 discharged 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 individual adjustment 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: cases closed; persons referred to more intensive services; and other measures of program effectiveness.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Community Services for Mentally Ill and Mentally Retarded	<u>\$26,914</u>	<u>\$29,452</u>	<u>\$31,605</u>	<u>\$33,185</u>	<u>\$34,845</u>	<u>\$36,585</u>	<u>\$38,415</u>

Partial Hospitalization

OBJECTIVE: To reduce mental disability through a planned program of various treatment modalities by providing care and treatment (more than three hours and less than twenty-four 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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$3,689</u>	<u>\$4,038</u>	<u>\$4,353</u>	<u>\$4,570</u>	<u>\$4,800</u>	<u>\$5,040</u>	<u>\$5,290</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Persons receiving services in a partial hospitalization setting as monthly average	4,648	4,861	5,125	5,381	5,650	5,933	6,229
Average days of treatment per month per patient	7	7	7	7	7	7	7
Average days of service per month	33,506	35,180	36,939	38,787	40,726	42,762	44,900
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
Facilities providing partial hospitalization services	103	105	107	109	111	113	115

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. Partial hospitalization services are mandated 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.

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 reflects the success of the life management program activities.

The effectiveness of services provided in a partial hospitalization setting cannot be determined until data for these measures is obtained.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Community Services for Mentally Ill and Mentally Retarded	<u>\$3,689</u>	<u>\$4,038</u>	<u>\$4,353</u>	<u>\$4,570</u>	<u>\$4,800</u>	<u>\$5,040</u>	<u>\$5,290</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$4,647</u>	<u>\$5,085</u>	<u>\$5,398</u>	<u>\$5,665</u>	<u>\$5,950</u>	<u>\$6,245</u>	<u>\$6,555</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Persons receiving services on a short-term inpatient basis as monthly average . . .	2,107	2,170	2,234	2,302	2,371	2,442	2,516
Average days of treatment per month . . .	11	11	11	11	11	11	11
Average days of service per month	23,601	24,308	25,038	25,789	26,563	27,360	28,180
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
Facilities providing short-term inpatient services	102	104	106	108	110	112	114

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 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

Short-Term Inpatient Services (Community) (continued)

Program Analysis: (continued)

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 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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Community Services for Mentally Ill and Mentally Retarded	<u>\$4,647</u>	<u>\$5,085</u>	<u>\$5,398</u>	<u>\$5,665</u>	<u>\$5,950</u>	<u>\$6,245</u>	<u>\$6,555</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$189,507	\$214,034	\$208,737	\$229,690	\$241,175	\$253,235	\$265,895
Federal Funds	74,547	73,669	71,264	74,945	78,692	82,625	86,755
Other Funds	20,848	21,489	32,844	22,445	23,568	24,745	25,980
TOTAL	\$284,902	\$309,192	\$312,845	\$327,080	\$343,435	\$360,605	\$378,630

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
State mental hospital:							
Rated bed capacity in State mental hospitals	16,192	15,204	15,204	15,204	15,204	15,204	15,204
Institutional population at end of fiscal year	11,814	10,980	9,900	9,500	9,200	8,950	8,700
Average daily census of State mental hospitals	12,344	11,413	10,229	9,875	9,563	9,303	9,044
Admissions to State mental hospitals	6,222	6,844	6,520	6,400	6,400	6,400	6,400
Discharges from State mental hospitals	8,278	7,678	7,600	6,800	6,700	6,650	6,650
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	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 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.

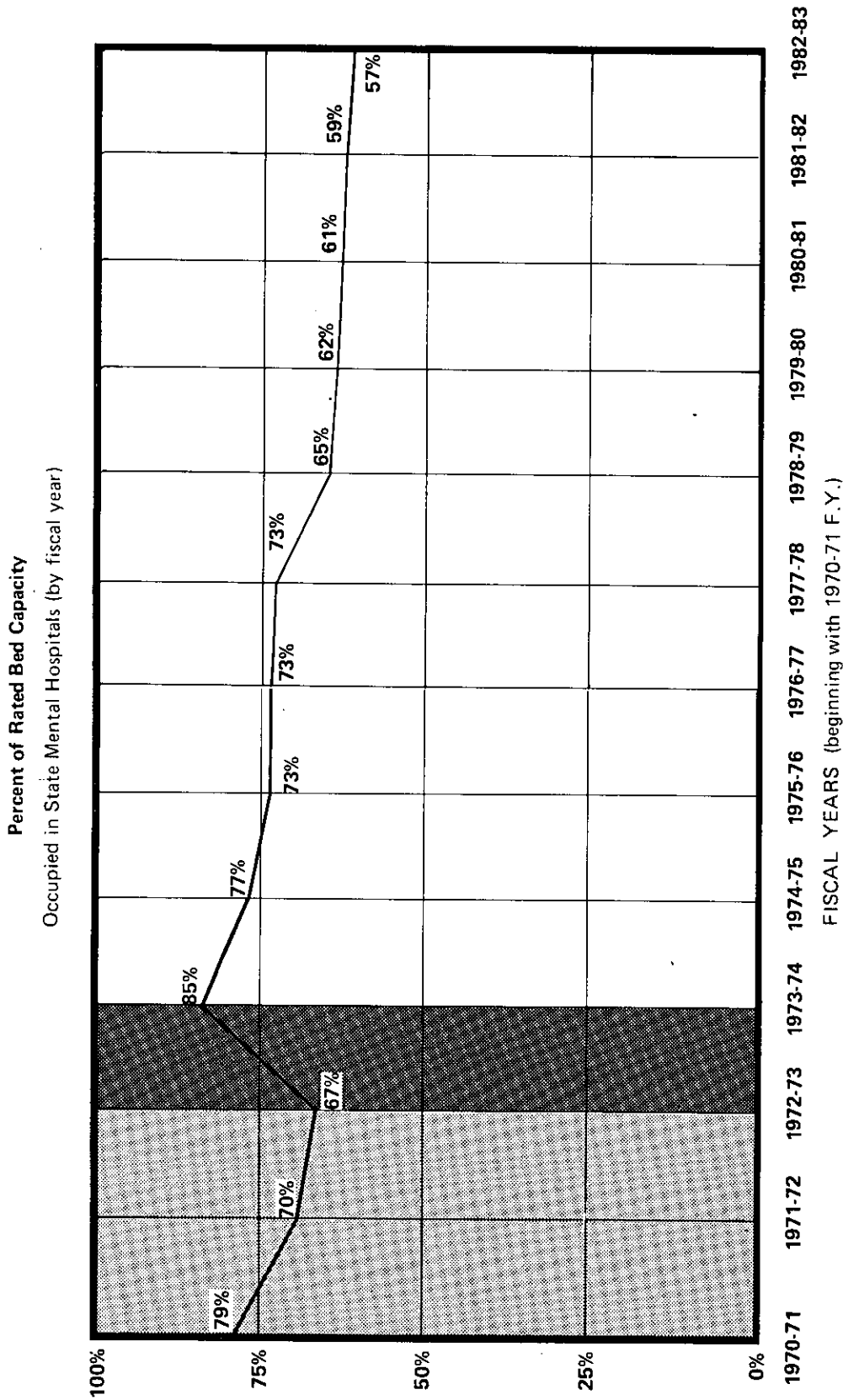
Utilization of State mental hospital services is considered the least desirable of all services provided in the system. This is because it requires the removal of the individual from the family and community, it can lead to long-term institutionalization, it is the most costly of all services, and it

is probably the most ineffective in terms of therapeutic impact on the individual.

Since 1955, there has been a 66 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.

Inpatient Services (State Mental Hospitals) (continued)



■ Due to Department of Public Welfare revision in square feet per bed criteria.

Inpatient Services (State Mental Hospitals) (continued)**Program Analysis: (continued)**

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, institutional staffing, which comprises approximately 80 percent of total operating 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. The cost of personnel services has increased significantly in the past several years due to employe salary and benefits increases. These increases have a substantial impact on this program where over 15,000 positions are authorized.

Second, the fixed costs of operating an institution do not decrease when occupancy decreases unless discrete units of the hospital are closed. Operating costs, which include such items as fuel, food, electricity, drugs and medical care are particularly subject to inflation.

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 ten 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.

During 1976-77, the Department of Public Welfare established long-term care units at six State mental hospitals to provide general nursing care for institutionalized persons no longer in need of inpatient psychiatric care. This approach has provided needed services not generally available for former psychiatric patients while at the same time earning Federal medical assistance funds for skilled nursing or intermediate care. It is anticipated that during 1977-78, four additional

long-term care units will be established.

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 revision in the rated bed capacity in State mental hospitals in 1976-77 is due to greater decrease in the capacity of Farview Mental Hospital than was originally anticipated, due to Life Safety Code renovations. The reduction in rated bed capacity in 1977-78 and subsequent years is due to the phase out of Embreeville Mental Hospital as a mental health facility and the transfer of Hollidaysburg Mental Hospital to the Department of Military Affairs.

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. Cases closed, persons referred to outpatient services, persons referred to partial hospitalization services, and persons referred to short-term inpatient services in the community 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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Mental Health and Mental Retardation Services	\$189,507	\$213,794	\$207,937	\$229,690	\$241,175	\$253,235	\$265,895
Mentally Disabled Advocacy Project . . . . .	. . . . .	240	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Handicapped Standards' Improvement . . . . .	. . . . .	. . . . .	. 800	. . . . .	. . . . .	. . . . .	. . . . .
GENERAL FUND TOTAL	\$189,507	\$214,034	\$208,737	\$229,690	\$241,175	\$253,235	\$265,895

Youth Development Services

OBJECTIVE: To minimize the incidence of juvenile delinquency and to develop the capacity for constructive community living among court adjudicated youths that come to the State's attention.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$23,237	\$24,858	\$24,542	\$25,748	\$27,036	\$28,388	\$29,807
Federal Funds	2,825	5,334	4,173	4,381	4,600	4,831	5,072
Other Funds	79	25	30	32	34	36	38
TOTAL	\$26,141	\$30,217	\$28,745	\$30,161	\$31,670	\$33,255	\$34,917

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Court adjudicated juveniles in Commonwealth	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Court adjudicated juveniles admitted to State children and youth programs	2,400	2,300	1,500	1,000	1,000	1,000	1,000
Average daily census of State-operated residential, security and community programs	1,031	1,040	960	915	865	815	770
Rate of recidivism of institutionalized youths	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Youths incarcerated over six months in State children and youth programs	678	610	400	260	260	260	260

Program Analysis:

This program's primary objective is to bring about a more positive change in behavior patterns among court adjudicated delinquent juveniles.

Pennsylvania's juvenile justice system consists of two sections: juvenile court services and juvenile correctional facilities. The court's jurisdiction may be categorized into three separate services: administration, probation and placement. The basic components of the correctional program are residential institutions, secure facilities and community based facilities.

The institutional component is a series of public, private and semi-private facilities. The Commonwealth operates three youth forestry camps and six youth development centers which provide opportunities for vocational training, academic education, medical and dental services and psychological counseling. The forestry camps are designed to promote the concept that hard work in a rural setting promotes behavior patterns acceptable to society.

Three of the institutions also operate secure programs. In recent years, several youth development centers were expanded to provide security beds for youths previously sent to the State Correctional Institution at Camp Hill which is now closed to juveniles. Plans call for the full operation of approximately 200 beds during 1978-79.

Community based care consists principally of group homes, foster homes and day treatment centers. The department currently maintains responsibility for community programs associated with four of the residential institutions. A breakout of the services provided by each institution can be found in the traditional budget presentation for the youth institutions and youth forestry camps.

This three tiered correctional program enables a youth to receive the intensity of treatment he requires in the least restrictive setting possible. This strategy is in keeping with the Department of Public Welfare's efforts to minimize widespread institutionalization while recognizing that confinement is

Youth Development Services (continued)

Program Analysis: (continued)

necessary for certain juveniles who pose a threat to themselves or others. A commitment to this effect was made in 1975-76 and is expected to continue into the future.

Act 148, of 1976 effective January 1, 1978 provides fiscal incentives to encourage this policy through the increased use of community based care. Under this Act counties are reimbursed at least 75 percent of the cost of a juvenile placed in the community while institutional placements receive 50 percent reimbursement. In the past counties were not assessed for institutional placements. It is hoped that this fiscal incentive will result in a decline in the number of State operated residential and community based beds. This is reflected in the projected decrease in the number of admissions and the daily census figures shown in the program measures. The operation of secure beds for serious offenders will remain primarily a State function because of the difficulty and expense associated with this type of operation.

In addition, Act 41 of 1977 effective August 3, 1977, classifies status offenders as dependent rather than delinquent

juveniles. Status offenses include truancy, curfew violation and incorrigibility; actions which if committed by an adult would not constitute a crime. This change in definition means that this class of offenders can no longer be committed to facilities operated for delinquent children.

The Department of Public Welfare now has in place a statewide management monitoring system which provides basic data on delinquent youths in the service system. The system is designed to improve the management and delivery of services and also meets Federal reporting requirements.

In the upcoming budget year, the Department will be developing new standards for measuring the rehabilitation of youths in the State's youth development centers. The objective is to quantify rehabilitation by measuring performance levels against set goals.

In the past recidivism rates were used to measure effectiveness. It has been acknowledged, however, that recidivism is difficult to accurately determine, and the measure has been dropped this year as being unreliable.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Youth Development Institutions and Forestry Camps	\$17,428	\$18,823	\$18,436	\$19,358	\$20,326	\$21,342	\$22,409
Secure Facilities for Delinquent Youth	4,183	4,323	4,982	5,231	5,493	5,768	6,056
Community Based Treatment for Youth Offenders	1,626	1,712	1,104	1,159	1,217	1,278	1,342
Handicapped Standards Improvements . . . . .	.....	.....	20	.....	.....	.....	.....
GENERAL FUND TOTAL	\$23,237	\$24,858	\$24,542	\$25,748	\$27,036	\$28,388	\$29,807

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 9,988	\$10,457	\$ 9,478	\$ 9,952	\$10,449	\$10,972	\$11,521
Federal Funds	42,740	56,047	55,837	58,629	61,561	64,639	67,871
Other Funds	711	818	493	518	544	571	600
TOTAL	\$53,439	\$67,322	\$65,808	\$69,099	\$72,554	\$76,182	\$79,992

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Pennsylvanians 5 to 17 years of age	2,643,290	2,591,000	2,537,000	2,480,000	2,426,000	2,375,000	2,325,000
Persons over 65	1,467,625	1,497,000	1,524,000	1,550,000	1,575,000	1,599,000	1,624,000
Aged persons provided:							
Supportive services	752,073	873,190	880,010	887,040	894,240	900,840	906,980
Center services	304,626	472,490	474,480	476,530	478,630	480,540	482,320
In-home services	38,389	70,070	70,120	70,160	70,210	70,250	70,290
Employment services	1,223	2,750	2,950	3,190	3,420	3,650	3,880
Alternative living arrangements	3,372	4,060	4,110	4,160	4,210	4,260	4,310
Aged persons presently living at home as a result of home services	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Program Analysis:

This program is aimed at the development and strengthening of community resources for the elderly and certain youths in need of treatment. Particular emphasis has been placed on diverting these groups from traditional institutional settings by providing services at the community level. Institutional care places 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 Commonwealth will no longer be funding the Youth Service System project which was designed to divert juveniles from the juvenile court system. The project was intended as a demonstration to help communities develop and coordinate

services for youths between the time of probation and commitment to an institution. Many of the youth service systems proved to be successful and it is hoped that those communities will incorporate the system into their local planning process. The Commonwealth will continue to provide funds to reduce gang activities in the larger metropolitan areas by providing counseling, information, referral and outreach services.

Beginning January 1, 1980 dependent and delinquent children may not be detained in jails or other facilities intended for use by adults. Funds are therefore included in this program to assist counties in developing regional detention facilities where appropriate.

Services to the Community (continued)

Program Analysis: (continued)

Comprehensive services to the aged continue to be a high priority. The number of edlerly in Pennsylvania is increasing more rapidly than any other age group. By 1980, there will be 1,550,000 Pennsylvanians over the age of sixty-five and 2,184,000 over sixty.

The needs of the aged are being met by forty-eight county based area agencies on aging functioning as providers and administrators of a variety of services. The primary goal continues to be the creation of viable alternatives to institutional care through a system of community based care and in-home social services. Services include transportation, escort, domiciliary care, legal services, day care, homemaker/health aid services, chore services, recreation and the provision of meals. The program measures show a projected increase in the number of aged persons provided services. The number of aged persons receiving meals on wheels is now included in the measure aged persons receiving in-home services. Unfortunately, data supplied in prior years by the Department of Public Welfare for the measure aged persons presently living at home as a result of home services has not been provided again this year. Hopefully, tabulation of this data will be resumed in the future.

Program emphasis continues to be on assisting the "frail elderly". This high risk group is determined by five established criteria: (1) advanced age, (2) functional disability, (3) living alone, (4) low income and (5) minority group status. Priority has been given to in-home services, transportation, protective services and development of alternative living arrangements in order to assure that these aged are able to remain in the community.

Statewide plans for 1978-79 indicate five new or expanded program areas which will be addressed through the aging services system. They are increasing domiciliary care and foster care for disabled and frail adults; expanding in-home services; establishing a legal foundation for the expansion of protective services; developing a better management information system; and coordinating a system of services to the chronically ill and disabled with the input of health systems agencies.

In addition, Federal money has been made available to provide low income senior citizens with subsidized employment. Approximately two hundred older persons will be employed in community service jobs in the first year of this program. Area agencies for aging will also be administering a Federal program to upgrade facilities through renovation and elimination of barriers which prohibit participation by the handicapped.

Besides 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 Bureau of Mass Transportation is coordinating and structuring the Commonwealth's efforts towards providing an adequate level of transportation for all rural residents throughout the Commonwealth.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 430	\$ 394	\$ 580	\$ 609	\$ 639	\$ 671	\$ 705
Aging Programs	8,058	8,300	8,798	9,238	9,700	10,185	10,694
Youth Service System Grants	167	167	167	167	167	167	167
Juvenile Delinquency Programs	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Gangwork and Outreach	96	96	100	105	110	116	122
Regional Detention Facilities	1,500	1,500	1,500	1,500	1,500	1,500	1,500
GENERAL FUND TOTAL	\$ 9,988	\$ 10,457	\$ 9,478	\$ 9,952	\$ 10,449	\$ 10,972	\$ 11,521

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 62,299	\$ 87,002	\$ 92,938	\$105,879	\$111,173	\$116,731	\$122,568
Federal Funds	109,349	131,858	133,490	131,870	138,464	145,387	152,658
Other Funds	1,497	1,497	1,497	1,572	1,651	1,734	1,820
TOTAL	\$173,145	\$220,357	\$227,925	\$239,321	\$251,288	\$263,852	\$277,046

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Public Assistance recipients needing casework services	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Public Assistance recipients receiving casework services	445,000	441,000	390,000	445,000	450,000	450,000	450,000
Eligible persons receiving homemaker services	32,565	35,500	20,000	17,000	17,000	17,000	17,000
Units of day care provided	21,300	22,200	22,200	22,200	22,200	22,200	22,200
Children receiving child welfare services:							
Outside of home	17,170	16,600	16,100	15,600	15,100	14,600	14,100
Inside of home	38,483	41,000	43,700	46,600	49,700	53,000	56,500
Incidence of reported child abuse:							
Suspected	10,000	15,000	19,000	23,000	25,000	26,000	27,000
Confirmed	4,710	7,130	9,030	10,930	11,880	12,350	12,830
Children receiving care in foster family homes:	8,841	8,580	8,320	8,070	7,830	7,570	7,330
Agency arranged adoptions:							
Subsidized:	136	60	55	45	45	40	40
Total:	636	650	700	680	640	640	640
Clients receiving legal services	100,761	105,800	111,100	116,650	122,500	128,600	135,000

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. 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.

Casework services 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 number

Family Support Services (continued)**Program Analysis: (continued)**

of persons receiving casework services is expected to drop in the upcoming year as a result of separating these services. By 1979-80, this should be accomplished and casework services will be increased.

Homemaker services are designed to eliminate family breakdown in the time of crises and reestablish broken homes. The services provided make it possible for the family to maintain a semblance of ordinary activities despite particularly disruptive circumstances. The number of persons served is expected to decrease and then level off in future years as the available homemakers are replaced by income maintenance workers.

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. For the budget year, funds are requested to serve approximately 111,000 people with legal services in civil cases. This is projected to increase in future years.

Day care services are an integral part of family support services, and are very much in demand throughout the Commonwealth. Day care is provided through a community based delivery program which includes family day care, infant-toddler care, preschool and school-age care and special needs programs. The primary focus of day care is to provide a comprehensive developmental approach to child care. However, a strong secondary purpose is to assist families to achieve and maintain economic self-sufficiency, thus reducing dependency on other parts of the welfare system. The Department now measures the delivery of day care services in terms of units with one unit equalling four or more hours of day care delivered. For the next fiscal year the Department of Public Welfare will attempt to increase their comprehensive child care and day care services to children of migrant workers. In addition, the Department has broadened the scope of child day care to include services to welfare eligible families, as well as families who are identified as the "working poor." This effort is an attempt by the Department and the Federal Government to aid this segment of the population in their move into the mainstream of the Commonwealth's working class.

Children are frequently the unfortunate victims when emotional, social or economic problems strike a family unit.

Last year's budget presentation showed the number of reports of suspected child abuse. This year the number of confirmed cases is also shown. Actual child abuse reports increased by 2,420 or over 50 percent between 1976-77 and 1977-78 and the number is expected to increase in the future. The Child Abuse Hotline and improved public awareness have contributed greatly to this increase.

The Department of Public Welfare emphasizes treatment in a child's home when outside intervention and care of any sort is considered necessary. Protective services, homemaker services and counseling are all delivered with this objective in mind. The program measure children receiving child welfare services reflects this approach as the numbers of children receiving services in their homes increases and services delivered outside the home decreases. Overall the number of children receiving child welfare services appears to be reduced from previous years. In part, this is because prior year figures included child abuse reports. The Department has also introduced a new reporting system which in the future should more accurately reflect services delivered.

In the event that removal from the home is required, the Department is striving to develop alternative placements which resemble as closely as possible the child's natural environment. These alternatives include foster home care, group home care, adoption, community based residential programs and supervised independent living. These services will be provided through county children and youth agencies.

Act 148, of 1976 effective January 1, 1978 provides fiscal incentives for the counties to utilize these types of services rather than institutional placements. The counties will receive a minimum of 75 percent reimbursement for utilization of these services while institutional services will be reimbursed at only 50 percent.

A major problem confronting this subcategory is collecting accurate measures of the effort and effectiveness of the services which are delivered. Traditionally the Department of Public Welfare, due to the lack of a data system, has never been fully cognizant of what services were being provided, or to what particular client group. Consequently, there was no way to assess the actual needs of the local programs. A revised client/data information system is now in operation and will enable a closer and more accurate scrutiny of the costs and benefits of specific services.

Family Support Services (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 1,025	\$ 919	\$ 966	\$ 1,014	\$ 1,065	\$ 1,118	\$ 1,174
County Administration	7,452	.....	.....	8,295	8,710	9,145	9,602
County Child Welfare Programs	32,689	65,000	70,000	73,500	77,175	81,034	85,086
Day Care Services	18,500	18,500	19,244	20,206	21,216	22,277	23,391
Social Services	2,533	2,483	2,728	2,864	3,007	3,157	3,315
Arsenal Family and Children Center	100	100	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$62,299</u>	<u>\$87,002</u>	<u>\$92,938</u>	<u>\$105,879</u>	<u>\$111,173</u>	<u>\$116,731</u>	<u>\$122,568.</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
State Funds	\$4,250	\$5,013	\$5,461	\$5,732	\$6,018	\$6,316	\$6,631
Federal Funds	554	825	762	790	820	851	884
Other Funds	2	2	2	2	2	2	2
TOTAL	<u>\$4,806</u>	<u>\$5,840</u>	<u>\$6,225</u>	<u>\$6,524</u>	<u>\$6,840</u>	<u>\$7,169</u>	<u>\$7,517</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Persons requiring mental retardation services	217,718	218,633	219,550	220,472	222,675	223,450	224,225
Unduplicated persons receiving specialized mental retardation services:							
Number	35,101	36,448	38,806	40,451	41,872	43,311	44,563
Percent of those needing services	16.1%	16.7%	17.7%	18.3%	18.8%	19.4%	19.9%
Persons requiring specialized services who are institutionalized	10,673	9,899	9,899	9,151	8,486	8,039	7,605

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 Centers) 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, Residential Services (Private Licensed Facilities) and State Centers. 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.

A requisite component of an improved system of services

Mental Retardation Systems Support (continued)

Program Analysis: (continued)

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 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.

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), and in State centers. Because of expanded funding, the revised policy which results in services now being provided to "at risk" children and refinements in the management information systems, the number of unduplicated persons receiving specialized mental retardation services has increased.

The number of persons requiring specialized services who are institutionalized has changed substantially from the number shown in the 1977-78 budget. This is because the previous year's data did not include the residents at the mental retardation units in the mental hospitals, in private licensed facilities and at C. Howard Marcy hospital. Current data does include these residents.

Program Costs by Appropriation:

	1976-77	1977-78	(Dollar Amounts in Thousands)				
			1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 535	\$ 581	\$ 773	\$ 812	\$ 853	\$ 896	\$ 941
Community Services for Mentally Ill and Mentally Retarded	3,715	4,432	4,688	4,920	5,165	5,420	5,690
GENERAL FUND TOTAL	<u><u>\$4,250</u></u>	<u><u>\$5,013</u></u>	<u><u>\$5,461</u></u>	<u><u>\$5,732</u></u>	<u><u>\$6,018</u></u>	<u><u>\$6,316</u></u>	<u><u>\$6,631</u></u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$2,559</u>	<u>\$2,800</u>	<u>\$3,019</u>	<u>\$3,170</u>	<u>\$3,330</u>	<u>\$3,495</u>	<u>\$3,670</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Infants born with organic mental retardation	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Births with birth defects or prematurity	12,000	11,960	11,920	11,880	11,840	11,800	11,760
Organic mentally retarded infants born to high risk mothers	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Pregnancies with potential high risk	30,000	31,500	32,075	33,000	33,000	33,000	33,000
Potential State population requiring comprehensive prevention services	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Live births to high risk mothers	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total live births in Pennsylvania	150,000	149,500	149,000	148,500	148,000	147,500	147,000

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 is not yet 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.

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

Prevention—Mental Retardation (continued)

Program Analysis: (continued)

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, would 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.

Pregnancies with potential high risk, potential State population requiring comprehensive preventive services and live births to high risk mothers would indicate the high risk population which is in need of prevention services. The trend in the data for the measure, pregnancies with high risk 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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Community Services for Mentally Ill and Mentally Retarded	<u>\$2,559</u>	<u>\$2,800</u>	<u>\$3,019</u>	<u>\$3,170</u>	<u>\$3,330</u>	<u>\$3,495</u>	<u>\$3,670</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$2,884</u>	<u>\$3,156</u>	<u>\$3,402</u>	<u>\$3,570</u>	<u>\$3,750</u>	<u>\$3,935</u>	<u>\$4,130</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Estimated unidentified mentally retarded persons	186,529	187,648	187,907	188,129	190,778	191,191	192,150
Estimated unidentified mentally retarded persons requiring services	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Active clients in State Centers and C. Howard Marcy Hospital	8,369	7,669	7,957	7,557	7,137	6,757	6,397
Active clients in county mental retardation program	30,369	30,329	31,296	31,596	31,897	32,259	32,673
New clients added to the county mental retardation system	7,725	7,957	8,196	8,442	8,695	8,956	9,225

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.

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 actively identifying 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

Early Identification, Diagnosis and Case Management (continued)

Program Analysis: (continued)

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 to which the objective of early identification is being met. The data for this measure has changed substantially from data presented in the 1977-78 Governor's Budget. The Department of Public Welfare is now

estimating a three percent annual increase rather than a ten percent increase previously used.

The number of active cases in the county mental retardation program is estimated to increase from 31,296 in 1978-79 to 32,673 in 1982-83. 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 life long nature of mental retardation and the fact that it is not something that can be "cured". The number of active clients in State Centers and C. Howard Marcy Hospital is projected to decrease as more clients are returned to the community.

The Department of Public Welfare cannot provide data for estimated unidentified mentally retarded persons requiring service at this time.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Community Services for Mentally Ill and Mentally Retarded	<u>\$2,884</u>	<u>\$3,156</u>	<u>\$3,402</u>	<u>\$3,570</u>	<u>\$3,750</u>	<u>\$3,935</u>	<u>\$4,130</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$16,417</u>	<u>\$17,643</u>	<u>\$18,548</u>	<u>\$19,475</u>	<u>\$20,445</u>	<u>\$21,465</u>	<u>\$22,540</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
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	56.9%	54.5%	50.6%	47.9%	46.0%	44.2%	43.1%
Percent of mentally retarded persons served who live in community living arrangements, private licensed facilities or State Centers	43.1%	45.5%	49.4%	52.1%	54.0%	55.8%	56.9%
Families and/or individuals provided:							
Respite care services	919	919	919	919	919	919	919
Family aid sitter services	4,484	4,484	4,484	4,484	4,484	4,484	4,484
Homemaker services	593	593	593	593	593	593	593
In-home therapy	1,210	1,210	1,210	1,210	1,210	1,210	1,210
Transportation services	9,167	9,167	9,167	9,167	9,167	9,167	9,167
Family education and training services	2,909	2,909	2,909	2,909	2,909	2,909	2,909
Recreation and socialization services	8,634	8,634	8,634	8,634	8,634	8,634	8,634
Preschool mentally retarded clients provided early intervention services	3,061	3,361	3,661	3,961	4,261	4,567	4,867
Handicapped children of preschool age referred for diagnostic evaluation	2,544	2,544	2,544	2,544	2,544	2,544	2,544
Children in special needs day care	1,033	1,033	1,033	1,033	1,033	1,033	1,033
Unidentified handicapped children of preschool age	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Mentally retarded persons needing but not receiving vocational habilitation programs	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Clients in mental retardation system sponsored vocational habilitation programs	6,250	6,690	7,360	7,950	8,425	8,760	9,115

Independent and Family Living Arrangements (continued)

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 nonretarded 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 underterminable at this time. The program effectiveness measures used in this subcategory indicate the achievement of the desired outcome of family and independent living.

Family resource services is a major group among the services provided by the mental retardation service system in this subcategory. 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 who are 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) homemaker services--the provision of homemakers to perform essential household duties when family members are unable to manage effectively; (4) in-home therapy--the provision of occupational, physical or other rehabilitative therapies to the homebound mentally retarded; (5) transportation services--the provision of assistance to families in transporting their child or adult retarded family member to various developmental programs; (6) family education and socialization services - the provision of programs for mentally retarded persons which will benefit other members of the family by having periods of relief while knowing that the retarded family member is engaging in recreational or leisure time activities which are beneficial to his or her psycho - social development. The data for these measures has changed significantly from the data presented in the 1977-78 budget. The data presented in the 1977-78 budget was derived from county reports of clients served during the previous year with a projection of that data for ensuing years. A number of the county reports included duplicated counts of clients receiving the same service more than one time. The data presented here is based upon reports of unduplicated numbers of clients receiving services from all county programs. In addition, further refining of the reporting mechanism has resulted in the retrieval of more reliable data.

Another group of services provided in this subcategory are early intervention services for preschool aged mentally retarded and "at risk" children, which are usually conducted in a day care center. At risk children include any child who exhibits neurological impairment or dysfunction, physical handicap, sensory handicap, special learning disability, language disability, development delay or behavioral/socio personal disorder and who is determined by a licensed or certified appropriate authority of the base unit as having a potential for the development of a mental disability and who has been assigned a case management number. It also includes those children known to have a medical illness, disease or trauma usually associated with a mental disorder. Retarded children from birth through five years of age are evaluated and enrolled in such programs and provided with instruction 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

Independent and Family Living Arrangements (continued)

Program Analysis: (continued)

classes and are, thereby, prevented from entering the State institutional system. Preschool mentally retarded clients provided early intervention services and children in special needs day care indicates the number of children served, while unidentified handicapped children of preschool age demonstrates the potential need for these types of 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 and 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 dependence on the elaborate network of special supportive services.

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Community Services for Mentally III and Mentally Retarded	<u>\$16,417</u>	<u>\$17,643</u>	<u>\$18,548</u>	<u>\$19,475</u>	<u>\$20,445</u>	<u>\$21,465</u>	<u>\$22,540</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$15,225</u>	<u>\$22,613</u>	<u>\$30,744</u>	<u>\$34,380</u>	<u>\$36,095</u>	<u>\$37,900</u>	<u>\$39,795</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Potential clients for community living arrangements	15,140	14,313	12,916	12,916	12,916	12,916	12,916
Duplicated clients served in noninstitutional community living settings	3,007	3,964	5,600	5,465	5,340	5,220	5,100
Clients residing in community living arrangements at the end of the fiscal year	2,338	3,171	4,590	4,590	4,590	4,590	4,590
Percent of clients served who are transferred to an independent or family living arrangement	18%	16%	14%	12%	10%	8%	6%
Percent of clients served who are transferred to a private licensed facility . . . . .	.....	.....	.....	.....	.....	.....	.....
Percent of clients served who are transferred to a State center	2%	2%	2%	2%	1%	1%	1%

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 culturally normative and typical community residential 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. This objective is being met through the Community Living Arrangements program. This program provides a progressive continuum of eight 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 and services are considered a viable alternative 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 Living Arrangements (continued)

Program Analysis: (continued)

community in vocational training settings, sheltered workshops or competitive employment. Residents receive training and instruction in such areas as money management, telling time, reading, 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 as the general population.

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; and (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.

The measure, potential clients for community living arrangements includes residents in State institutions, publicly funded residences in private licensed facilities, and mentally retarded persons residing in the community who may at some time be in need of services.

The number of duplicated clients served in noninstitutional community living arrangements was 3,007 for the 1976-77 fiscal year. This figure is less than that amount shown in last year's budget, however that figure was a projection, and the new figure represents actual data for 1976-77 fiscal year.

The term "duplicated", which is used in these measures, means the same individual may be included in the data for more than one fiscal year, but no more than once in a single fiscal year.

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 18 percent (or 531 persons) of all persons served during 1976-77 were dispersed to independent or family living arrangements. This represents a two percent increase in dispersal data over percentages shown in the 1977-78 budget. Percent of clients served who are transferred to a State center and percent of clients served who are transferred to a private licensed facility indicate the failure of the program to meet part of its objective.

A Program Revision entitled Expansion of Community Living Arrangements for the Mentally Retarded has been recommended and is described in the appendix to this subcategory.

Program Costs by Appropriation:

	1976-77	1977-78	(Dollar Amounts in Thousands)				
			1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Community Living Arrangements . . .	\$15,000	\$22,022	\$30,129	\$33,735	\$35,420	\$37,190	\$39,050
Community Services for the Mentally III and Mentally Retarded	225	591	615	645	675	710	745
GENERAL FUND TOTAL	<u>\$15,225</u>	<u>\$22,613</u>	<u>\$30,744</u>	<u>\$34,380</u>	<u>\$36,095</u>	<u>\$37,900</u>	<u>\$39,795</u>

**Community Living Arrangements
Program Revision: Expansion of Community Living Arrangements for Mentally Retarded**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund			<u>\$2,000</u>	<u>\$4,200</u>	<u>\$4,410</u>	<u>\$4,630</u>	<u>\$4,860</u>

Program Measures:

	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82
Potential clients for community living arrangements							
Current	15,140	14,313	13,471	13,471	13,471	13,471	13,471
Program Revision			12,916	12,916	12,916	12,916	12,916
Duplicated clients served in noninstitutional community living settings							
Current	3,007	3,964	4,820	4,800	4,690	4,583	4,480
Program Revision			5,600	5,465	5,340	5,220	5,100
Clients residing in community living arrangements at the end of the fiscal year							
Current	2,338	3,171	4,033	4,033	4,033	4,033	4,033
Program Revision			4,590	4,590	4,590	4,590	4,590
Percent of clients served who are transferred to an independent family living arrangement							
Current	18%	16%	14%	12%	10%	8%	6%
Program Revision			14%	12%	10%	8%	6%
Percent of clients served who are transferred to a State center							
Current	2%	2%	2%	2%	1%	1%	1%
Program Revision			2%	2%	1%	1%	1%

Program Analysis:

This Program Revision will 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 provides a progressive continuum of eight 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 pattern 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 uses a five year plan for de-institutionalization as its guide. The five year goal of the Community Living Arrangements Program beginning in the 1978-79 fiscal year and ending in the 1982-83 fiscal year, is to promote the residential continuum and establish programs providing for a total of 7,000 new slots.

As of December 31, 1977, 4,761 persons had been served through this program since its inception. Of this number 2,389

had been dispersed to other living arrangements (2,106 to more independent living situations, 49 to nursing homes and 234 to State centers) and 2,372 were residing in living arrangements funded through this program. Approximately 50 to 60 percent of those persons served have been from State institutions and private licensed facilities. During 1978-79, it is anticipated that this will be increased to 80 percent.

It is estimated that 3,964 persons will have been served during the 1977-78 fiscal year. This would include 3,171 in residences as of June 30, 1978 and 793 dispersed from the program during the fiscal year.

For 1978-79, the funding of 557 new community living arrangement slots, serving 780 additional persons is recommended. Funds recommended for 1978-79 represent one-half of the 12 month cost. This is because the program will be phased in during the course of the fiscal year.

Many of the mentally retarded persons served through this program will be from Polk Center and Pennhurst Center. The reduction in the resident population at these centers will result in the certification of additional beds for Medical Assistance earnings.

Community Living Arrangements

Program Revision: Expansion of Community Living Arrangements for Mentally Retarded (continued)

Program Revision Costs by Appropriation:

	1976-77	1977-78	(Dollar Amounts in Thousands)			1981-82	1982-83
			1978-79	1979-80	1980-81		
GENERAL FUND							
Public Welfare							
Community Living Arrangements	<u>\$2,000</u>	<u>\$4,200</u>	<u>\$4,410</u>	<u>\$4,630</u>	<u>\$4,860</u>

Residential Services (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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$12,850</u>	<u>\$13,235</u>	<u>\$13,765</u>	<u>\$14,450</u>	<u>\$15,170</u>	<u>\$15,930</u>	<u>\$16,725</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Publicly funded clients:							
Provided services in private licensed facilities	1,574	1,574	1,495	1,420	1,349	1,282	1,208
Transferred to an independent or family living arrangement	244	244	268	295	324	356	392
Transferred to a community living arrangement	81	81	97	117	132	158	190
Clients transferred to State centers	7	4	4	.....	.....	.....	.....

Program Analysis:

The activities of this subcategory provide a wide range of residential living arrangements for a variety of developmentally disabled persons who have been diagnosed as in need of inpatient care in a State center but for whom such care cannot be provided. 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 and are mandated by the Mental Health and Mental Retardation Act of 1966.

For many individuals, the private licensed facility represents a service where requisite skills are developed before placement in a smaller and less structured community-based residential setting. Since the majority of residents are children, placement to the natural home continues to be an ongoing goal of this service. The average population of 35 persons per facility serves to ensure residents an appropriate degree of individualized treatment and habilitation necessary for dispersal to occur. Placement of persons to private licensed facilities is determined by the responsible county mental health and mental retardation administrator when that facility is most appropriate to the resident's needs. The county administrator is also responsible for monitoring the appropriateness of that placement.

The disabilities of individuals served in private licensed

facilities range from mild to profound levels of retardation and cover the gamut of physical, neurological and emotional dysfunction. Residents range in age from birth through adulthood. Services provided in private licensed facilities include medical, dental, educational, social, diagnostic, evaluative and program services.

During 1977, the Department of Public Welfare has stressed the importance of collecting appropriate third party payments for persons residing in private licensed facilities. There has also been an emphasis on assisting private licensed facilities to seek funding under the Medical Assistance program and sponsor group home and apartment programs under the Community Living Arrangements subcategory.

The program measures reflect the success these facilities have had in moving individuals to their homes and less restrictive residential settings. It should be noted that the number of referrals to State centers has been minimal and that no such transfers are anticipated in future years. Publicly funded clients provided services in private licensed facilities is projected to decrease in 1978-79 and subsequent fiscal years. This reduction is predicated on the assimilation of some facilities into the Community Living Arrangements program and others, as they are certified, into the Medical Assistance program.

Residential Services (Private Licensed Facilities.) (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Community Services for Mentally Ill and Mentally Retarded	<u>\$12,850</u>	<u>\$13,235</u>	<u>\$13,765</u>	<u>\$14,450</u>	<u>\$15,170</u>	<u>\$15,930</u>	<u>\$16,725</u>

State Centers

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$145,996	\$128,929	\$130,989	\$141,872	\$148,965	\$156,410	\$164,230
Federal Funds	55,700	93,567	98,096	102,881	108,025	113,426	119,095
Other Funds	3,727	3,410	13,699	9,558	10,035	10,535	11,060
TOTAL	\$205,423	\$225,906	\$242,784	\$254,311	\$267,025	\$280,371	\$294,385

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Bed capacity:							
State centers	8,226	8,226	8,155	7,038	7,038	7,038	7,038
Mental retardation units in State mental hospitals	918	918	518	518	.....	.....	.....
Client population:							
State centers (Average daily census)	8,369	7,669	7,645	7,262	6,900	6,555	6,227
Mental retardation units in State mental hospitals	820	656	347	174	.....	.....	.....
Percent of State center institutional population:							
Transferred to independent or family living arrangements	1.7%	2.2%	2.6%	3.4%	4.4%	4.2%	4.0%
Transferred to community living arrangements	8.2%	10.8%	13.0%	13.3%	13.7%	13.7%	13.8%
Ready for alternative placement	19%	35%	51%	53%	55%	57%	59%
State center institutional clients who are trainable and unemployed	1,452	1,336	1,389	1,320	1,254	1,191	1,131

Program Analysis:

This program includes the operation of eleven State-owned centers which serve the mentally retarded. These centers have traditionally been the primary provider of service and therefore had assumed a custodial and, in many instances, life maintenance role. A survey of clients served in the State centers reveals approximately 18 percent are 20 years of age or

younger, 38 percent are between the ages of 21 and 34, and the remainder are 35 years of age or older. Approximately 8 percent of the clients are diagnosed borderline or mildly retarded, 17 percent are moderately retarded, and 73 percent are severely or profoundly retarded. The average length of stay is 15 years. The realization that mental retardation does not

State Centers (continued)

Program Analysis: (continued)

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 has changed the role of the centers to one type of service provider among many. 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.

The percent of State center institutional population ready for alternative placement quantifies the need for the development of community services. The data represents actual identification of institutionalized persons ready for placement in 1976-77 and persons who will be ready through 1978-79. The data for 1979-80 through 1982-83 is projected at a modest two percent increase each year. The projection reflects the increased difficulty encountered when preparing the more severely handicapped for community placement.

Major planning efforts were initiated during 1976-77 and 1977-78 to both identify the present resident population and at the same time plan for the changes in the physical environment of each State center necessary to achieve Medicaid compliance. Specific references to types of residential alternatives needed as well as the supportive services indicated have been developed by each center and each mental retardation unit in a mental hospital. These resident profiles will serve as a major planning thrust to better assist the facility in identifying residents who can best be served in other programs while at the same time providing needed planning information to the county mental health and mental retardation programs. The success of the centers and the mental retardation units in meeting their demands is reflected in the overall resident reduction anticipated for 1978-79 and the successive fiscal years. The anticipated increase in the percent of former residents served in community living

arrangement programs and in independent family living is also indicative of the facility's emphasis toward preparing residents for alternative placements. The data for these measures has substantially changed due to the availability of actual data for the 1976-77 year. The measure indicating the reduction in the total number of beds available is brought about by compliance to the Medicaid standards for facilities. The requirements of four beds to a bedroom maximum and the specific allocation of space within each building will continue to reduce the overall capacity of all mental retardation facilities. Additionally, the Department of Public Welfare continues to emphasize its overall reduction in the number of residents within the mental retardation units. Removal of Embreeville as a mental retardation unit and its inclusion as a transitional facility represents the major change in the mental retardation unit reduction indicated for 1978-79. It is anticipated that the mental retardation units will be phased out by 1980-81. The measure clients awaiting admission to State Centers has been deleted. The data presented for that measure was invalid since it included many persons for whom publicly funded mental retardation services of some type may be needed in the future, but not necessarily institutional services. With the change in emphasis from institutional to community services, the maintenance of such a list is inappropriate and unnecessary for institutional services.

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 centers develops and the demand for institutional services diminishes, the need for 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.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)					1981-82	1982-83
	1976-77	1977-78	1978-79	1979-80	1980-81		
GENERAL FUND							
Mental Health and Mental Retardation Services	\$145,996	\$128,868	\$129,966	\$141,872	\$148,965	\$156,410	\$164,230
Gas Line—C. Howard Marcy .....	.....	61	.....	.....	.....	.....	.....
Capital Improvements .....	.....	.....	43	.....	.....	.....	.....
Handicapped Standards' Improvement .....	.....	.....	980	.....	.....	.....	.....
GENERAL FUND TOTAL	\$145,996	\$128,929	\$130,989	\$141,872	\$148,965	\$156,410	\$164,230

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 661,860	\$ 644,937	\$ 740,029	\$ 815,387	\$ 875,768	\$ 940,736	\$1,010,645
Special Funds		24,400					
Federal Funds	469,240	585,707	505,486	522,710	561,966	604,239	649,757
Other Funds	49,120	34,304	23,604	24,826	26,049	27,274	28,499
TOTAL	\$1,180,220	\$1,289,348	\$1,269,119	\$1,362,923	\$1,463,783	\$1,572,249	\$1,688,901

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Persons receiving cash grants	793,422	799,200	797,600	797,600	797,600	797,600	797,600
Aged, blind and disabled persons receiving supplemental grants	160,358	171,100	185,400	192,800	197,620	197,620	197,620
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)	\$35,171	\$43,000	\$47,000	\$49,500	\$52,000	\$54,500	\$57,000
Cash value of food stamps issued each month (in thousands)	\$34,904	\$36,651	\$37,934	\$39,072	\$40,049	\$40,850	\$41,463
Persons eligible who have been referred to Work Incentive (WIN) Program	40,844	40,000	40,000	40,000	40,000	40,000	40,000

Program Analysis:

The Public Assistance person load is composed of three categories of assistance: Aid for Dependent Children (AFDC), General Assistance (GA) and State Blind Pension (SBP). 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 assistance, AFDC represents about 80 percent of the total person load with about 68 percent children, GA represents about 19.5 percent and SBP less than one percent. In addition, a number of persons receive Supplemental Security Income (SSI) supplemental grants.

Inflationary and recessionary trends have had a significant effect on the person load. This has been reflected in the measure persons receiving cash grants. Beginning in December,

1974, the person load, particularly in the GA category, began rising sharply. This increase could be attributed to a number of reasons. One factor had been those individuals who were laid off during the recession due to an industry slowdown and who were ineligible for unemployment compensation. In addition, there had been an increase in the number of young individuals who upon graduation were unable to secure employment and were forced to accept assistance due to the lack of other available resources. As the general state of the economy has improved, the overall average person load has reflected that improvement by increasing at a decreasing rate of growth. Assuming that the economy will improve, the overall average person load is projected to decline during the 1978-79 fiscal year.

Income Maintenance (continued)**Program Analysis: (continued)**

The Commonwealth's assistance grant level does not automatically adjust to the rise in inflation. During 1977, the grant level is at 79 percent of the Commonwealth's defined minimally acceptable standard of living. This standard, known as the Woodbury Standard, is a standard of living developed by an advisory committee to determine the cost of basic living needs and is used as the basis for granting cash assistance to eligible persons in Pennsylvania.

Federal regulations require that a statewide standard of assistance be uniformly applied. However, the Supreme Court in *Wyman vs Boddie* determined that states may have area differentials in their statewide standard which are based on actual and appreciable cost differences. On August 1, 1976, the Commonwealth came into conformity with the Federal regulations by reducing its 51 different standards to one statewide standard with three upward variations as a result of shelter costs.

For the most part, employment opportunities are not good for those in poverty. These persons often 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. Nevertheless, those AFDC recipients who are found to be employable are required to register with the Bureau of Employment Security in the Work Incentive (WIN) Program in order to be eligible for cash assistance. The WIN program provides training and/or employment for those who are registered in the program. The separate administrative units of the county boards of assistance arrange for needed social services to the recipient while the Bureau of Employment Security provides the training and/or job placement activities. During 1977-78, approximately 40,000 persons will enter the program. Of these, approximately 13,200 persons will enter employment.

The Department is currently working toward implementation of employment provisions of State Act 202 enacted in July, 1976. The Act establishes the Pennsylvania Employables Program. This program will require that all assistance applicants or recipients, except those in or exempt from the WIN program must register for employment within ten days of authorization of assistance as a condition of eligibility. A registered individual must accept bonafide employment if offered. Failure to register or accept a bonafide offer of employment will disqualify that person, although other members of the family may continue to receive assistance in the form of protective payments.

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 presently is being operated in the cities of Allentown, Bethlehem, Bristol, Chester, Easton, Erie, Harrisburg, Lancaster, Norristown, Philadelphia, Pittsburgh, Reading, Scranton, Warminster and York. Participating in this program are 130,000 GA and AFDC cases which represent approximately 40 percent of the caseload.

In February, 1976, a modification of the Direct Delivery System was initiated in three areas of Philadelphia where there are no banking facilities. City banks have opened modified issuing offices in these areas and an additional 6,000 checks are processed through these offices each month. Again the result has been to eliminate duplicate and replacement checks. Another variation is underway in Allentown where a local bank at certain times of the month has a facility in a housing project. The bank cashes checks, issues food stamps, prepares money orders and processes payments for utilities and rent.

Beginning in the 1977-78 fiscal year, a number of audit, investigation and collection activities in the Department of Welfare have been consolidated into the Office of Program Accountability. This new office, composed of the former claims settlement internal audit and investigation, and components of the county administration appropriations provides staff to make collections from financially responsible relatives of recipients as well as to audit and/or investigate various public assistance programs. One example of the activities of this office include the collection activities of the Bureau of Claims Settlement. The scope of activities of the Bureau has been dramatically increased by the passage of Federal legislation during the spring of 1975. This legislation strengthened the Bureau's role in the area of child support. Effective August 1, 1975, all court orders for the support of children are to be made payable to the Department with the Bureau responsible, in coordination with the domestic relations offices of the courts, for their enforcement. This increased responsibility has greatly increased the work load of the Bureau as well as increased the dollar amount of collections. In 1978-79, the amount of reimbursement collections is estimated to be \$47 million as compared to \$35.1 million during 1976-77.

Efforts to increase the food purchasing power of Pennsylvania's economically indigent were continued during 1977 through implementation of the Food Stamp Outreach Program. The purpose of this program is to inform low and

Income Maintenance (continued)

Program Analysis: (continued)

moderate income persons of the benefits of food stamps in providing a healthier and more nutritious diet. Success of the program is evidenced by a five percent increase in the cash value of food stamps spent in Pennsylvania during 1977-78 over 1976-77.

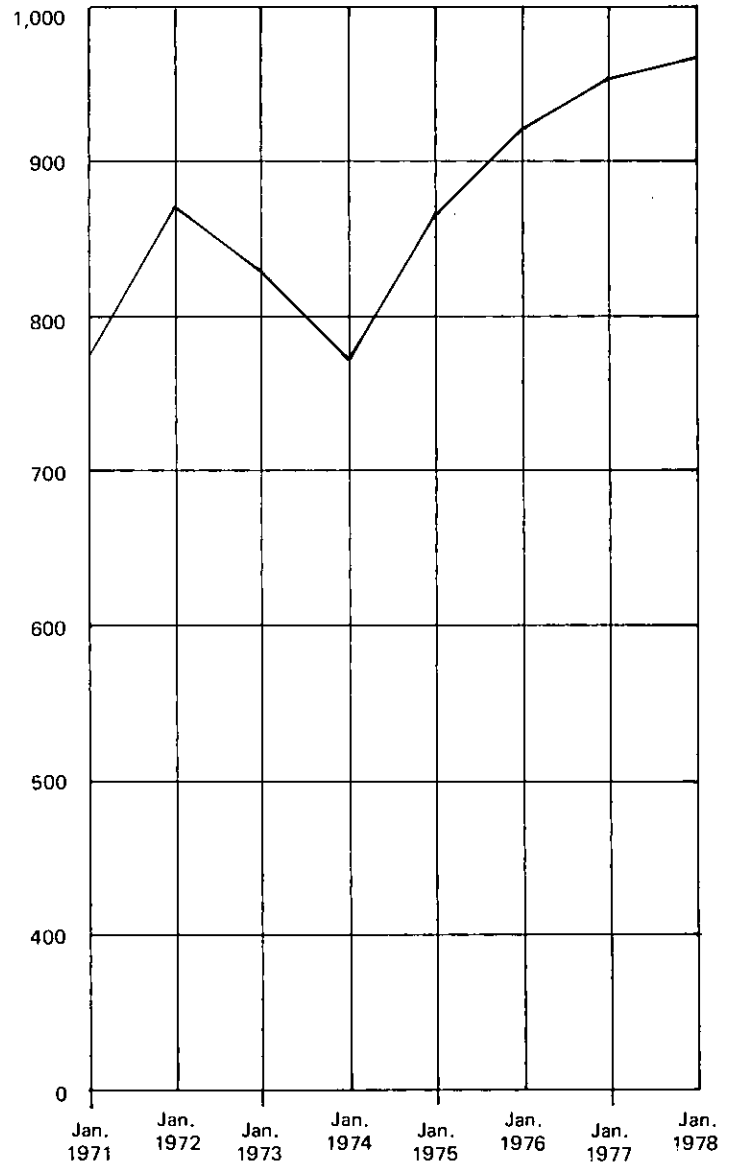
A related but different program of assistance is the supplemental grants contributed to Supplemental Security Income (SSI), a Federal program for aged, blind and disabled low income persons. The Federal Government is administering this program and supplying the basic monthly grant of \$177.80 for an individual and \$266.70 for a couple.

To these Federal levels the Commonwealth adds \$32.30 and \$48.70 respectively. Enactment of State Act 28 in April, 1976, made three significant changes relevant to the SSI program: it enabled the Department to make special need allowances to SSI recipients; it mandated that increases in the Federal SSI payment level be passed on to the recipient and not be used to reduce the State supplement levels; and it provided that the State supplement be paid to clients otherwise eligible for SSI, whose income is less than the combined Federal and State levels. This latter provision removed the requirement of at least \$1 Federal eligibility before the State supplement was paid.

The demonstration domiciliary care program became operational with the placement of its first clients in May, 1976. This program intends to provide those SSI recipients aged 18 and over with functional limitations with the opportunity to live in the community, in a home approved by a State certified placement agency as a domiciliary home. The primary program goals are to provide an appropriate level of care to meet essential needs without inducing avoidable dependency, and to provide an alternative to institutional care for those whose needs can be met more appropriately in the community. Placement sites were developed during 1976-77 in all four regions of the Commonwealth.

As of December, 1977, there are nine operation plans with 447 clients in placement, one plan approved but not yet operational, and two programs in the planning stage. Numerous problems have arisen which have slowed implementation of this program. Counties have not participated heavily in the program, and some counties have experienced difficulties in receiving approval for their plans. In addition, there have been difficulties finding homes that meet standards for client placement.

Public Assistance Average Person Load
(in Thousands)
January 1971 to January 1978



Income Maintenance (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 698	\$ 639	\$ 580	\$ 609	\$ 639	\$ 671	\$ 705
Cash Assistance	532,000	538,507	594,064	653,728	706,027	762,510	823,510
County Assistance	67,229	39,119	76,069	88,272	92,686	97,320	102,186
Supplemental Grants—Aged, Blind and Disabled	57,926	61,460	64,704	67,939	71,336	74,903	78,648
Services to the Blind	720	808	808	845	886	927	971
Office of Program Accountability . . .	3,287	3,494	3,804	3,994	4,194	4,405	4,625
Flood Relief—Johnstown . . . . .	.....	910	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$661,860</u>	<u>\$644,937</u>	<u>\$740,029</u>	<u>\$815,387</u>	<u>\$875,768</u>	<u>\$940,736</u>	<u>\$1,010,645</u>
REVENUE SHARING TRUST FUND							
Cash Grants . . . . .	.....	<u>\$24,400</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

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
General Fund			
General Government			
General Government Operations	\$ 47,139	\$ 48,810	\$ 58,547
Inheritance Tax	3,924	7,654	. . . .
Subtotal	<u>\$ 51,063</u>	<u>\$ 56,464</u>	<u>\$ 58,547</u>
Grants and Subsidies			
Distribution of Public Utility Realty Tax	\$ 27,006	\$ 31,165	\$ 34,000
Total State Funds—General Fund	<u>\$ 78,069</u>	<u>\$ 87,629</u>	<u>\$ 92,547</u>
Federal Funds	\$ 250	. . . . .	. . . . .
Other Funds	2,046	\$ 2,840	\$ 2,418
GENERAL FUND TOTAL	<u>\$ 80,365</u>	<u>\$ 90,469</u>	<u>\$ 94,965</u>
Motor License Fund			
General Government			
Collection—Liquid Fuels Tax	\$ 2,883	\$ 3,276	\$ 3,436
MOTOR LICENSE FUND TOTAL	<u>\$ 2,883</u>	<u>\$ 3,276</u>	<u>\$ 3,436</u>
Boating Fund			
General Government			
Collecting Motorboat Registration Fees	\$ 255	\$ 162	. . . . .
BOATING FUND TOTAL	<u>\$ 255</u>	<u>\$ 162</u>	<u>.</u>
State Harness Racing Fund			
General Government			
Administration of Collections—Harness			
Racing	\$ 164	\$ 174	\$ 198
STATE HARNESS RACING FUND			
TOTAL	<u>\$ 164</u>	<u>\$ 174</u>	<u>\$ 198</u>
State Horse Racing Fund			
General Government			
Administration of Collections—Horse			
Racing	\$ 111	\$ 173	\$ 197
STATE HORSE RACING FUND			
TOTAL	<u>\$ 111</u>	<u>\$ 173</u>	<u>\$ 197</u>

DEPARTMENT OF REVENUE
Summary by Fund and Appropriation
(continued)

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Lottery Fund			
General Government			
General Operations	\$ 15,642	\$ 18,039	\$ 18,232
Reimbursement to General Fund .....	.....	1,261	.....
Payment of Prize Money	32,800	31,000	31,000
Payment of Commissions	700	700	700
Subtotal	<u>\$ 49,142</u>	<u>\$ 51,000</u>	<u>\$ 49,932</u>
Grants and Subsidies			
Property Tax and Rent Assistance for the Elderly	\$ 58,250	\$ 59,275	\$ 60,000
Total State Funds—State Lottery Fund	<u><u>\$107,392</u></u>	<u><u>\$110,275</u></u>	<u><u>\$109,932</u></u>
Other Funds	\$ 194	\$ 354	\$ 381
STATE LOTTERY FUND TOTAL	<u><u>\$107,586</u></u>	<u><u>\$110,629</u></u>	<u><u>\$110,313</u></u>
Department Total — All Funds			
General Fund	\$ 78,069	\$ 87,629	\$ 92,547
Special Funds	110,805	114,060	113,763
Federal Funds	250	.....	.....
Other Funds	2,240	3,194	2,799
TOTAL ALL FUNDS	<u><u>\$191,364</u></u>	<u><u>\$204,883</u></u>	<u><u>\$209,109</u></u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Government Operations			
State Funds	\$47,139	\$48,810	\$58,547
Federal Funds	250	.....	.....
Other Funds	2,046	2,840	2,418
TOTAL	\$49,435	\$51,650	\$60,965

Directs enforcement of all tax statues 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.

It is recommended that the Inheritance Tax function be appropriated as a part of General Government Operations effective July 1, 1978, rather than executively authorized separately.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
General Government Operations	\$47,139	\$48,810	\$58,547 ✓
Federal Funds:			
Public Works Employment Act	250	.....	.....
Other Funds:			
Audit of State Authorities	16	14	13
Charges to Special Funds	1,945	2,564	2,140
Cigarette Fines and Penalties	49	42	36
Sale of Tax Data	28	30	22
Reimbursement for Graphic Arts Services	8	8	8
Reimbursement for Cost of Services Provided to Special Funds .....	.....	182	199
TOTAL	\$49,435	\$51,650	\$60,965

GENERAL FUND

REVENUE

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Inheritance Tax			
State Funds	\$ 3,924	\$ 7,654	.....

Provides for the administration of the Commonwealth's inheritance tax collections. Legislation placing this operation under budgetary control was enacted in December, 1976 (Act 283) and, therefore, the actual year amount reflects only seven months of operation. Previously, these costs had been paid prior to the tax revenue being remitted to the Commonwealth. It is recommended that this function be appropriated as a part of General Government Operations effective July 1, 1978, rather than executively authorized separately.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Executive Authorization:			
Inheritance Tax	<u>\$ 3,924</u>	<u>\$ 7,654</u>	<u>.....</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Distribution of Public Utility Realty Tax			
State Funds	\$27,006	\$31,165	\$34,000

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.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Distribution of Public Utility Realty Tax	\$27,006	\$28,575	\$34,000 ✓
Distribution of Public Utility Realty Tax – Recommended Additional . . . . .	. . . . .	2,590	. . . . .
TOTAL	<u>\$27,006</u>	<u>\$31,165</u>	<u>\$34,000</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Collection—Liquid Fuels Tax			
State Funds	\$ 2,883	\$ 3,276	\$ 3,436

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Collection—Liquid Fuels Tax	<u>\$ 2,883</u>	<u>\$ 3,276</u>	<u>\$ 3,436</u>

**Boating Fund
General Government**

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Collecting Motorboat Registration Fees			
State Funds	\$ 255	\$ 162	.....

Prepares and supplies counties with the forms for the registration of motorboats and collects the fees for the Boating Fund. Act 87 of 1977 transferred this function and funds to the Fish Commission effective December 1977.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Executive Authorization:			
Collecting Motorboat Registration Fees	<u>\$ 255</u>	<u>\$ 162</u>	.....

**State Harness Racing Fund
General Government**

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Administration of Collections— Harness Racing			
State Funds	\$ 164	\$ 174	\$ 198

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.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Executive Authorization:			
Administration of Collections— Harness Racing	<u>\$ 164</u>	<u>\$ 174</u>	<u>\$ 198</u>

State Horse Racing Fund

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Administration of Collections— Horse Racing			
State Funds	\$ 111	\$ 173	\$ 197

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Executive Authorization:			
Administration of Collections— Horse Racing	<u>\$ 111</u>	<u>\$ 173</u>	<u>\$ 197</u>

**State Lottery Fund
General Government**

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Operations			
State Funds	\$15,642	\$19,300	\$18,232
Other Funds	194	354	381
TOTAL	<u>\$15,836</u>	<u>\$19,654</u>	<u>\$18,613</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.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Executive Authorization:			
General Operations	\$15,642	\$18,039	\$18,232
Reimbursement General Fund .....	.....	1,261	.....
Other Funds:			
License Fees	118	117	114
Charges to Other Agencies	22	22	20
Sale of Vehicles	10	2	.....
Reimbursement for Telephone Lines	44	213	247
TOTAL	<u>\$15,836</u>	<u>\$19,654</u>	<u>\$18,613</u>

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Payment of Prize Money			
State Funds	\$32,800	\$31,000	\$31,000

Provides funds to pay the winners of the Commonwealth lottery.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Executive Authorization:			
Payment of Prize Money	<u>\$32,800</u>	<u>\$31,000</u>	<u>\$31,000</u>

OTHER SPECIAL FUNDS

REVENUE

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Payment of Commissions			
State Funds	\$ 700	\$ 700	\$ 700

Provides for commissions on sales of lottery tickets.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Executive Authorization:			
Payment of Commissions	<u>\$ 700</u>	<u>\$ 700</u>	<u>\$ 700</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Property Tax and Rent Assistance for the Elderly			
State Funds	\$58,250	\$59,275	\$60,000

Allows for a partial rebate of both the property taxes and rent that is paid by the elderly.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Executive Authorization:			
Property Tax and Rent Assistance for the Elderly	<u>\$58,250</u>	<u>\$59,275</u>	<u>\$60,000</u>

DEPARTMENT OF REVENUE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support . . .	\$ 6,207	\$ 6,368	\$ 7,531	\$ 7,907	\$ 8,303	\$ 8,718	\$ 9,154
Fiscal Management	\$120,391	\$130,353	\$133,982	\$140,948	\$147,960	\$155,320	\$163,051
Revenue Collection and Administration	93,385	99,188	99,982	105,248	110,475	115,961	121,724
Public Utility Realty Payments	27,006	31,165	34,000	35,700	37,485	39,359	41,327
Support and Care of the Aged	\$ 62,276	\$ 64,968	\$ 64,797	\$ 65,042	\$ 65,294	\$ 65,560	\$ 65,837
Property Tax and Rent Assistance	62,276	64,968	64,797	65,042	65,294	65,560	65,837
DEPARTMENT TOTAL	<u>\$188,874</u>	<u>\$201,689</u>	<u>\$206,310</u>	<u>\$213,897</u>	<u>\$221,557</u>	<u>\$229,598</u>	<u>\$238,042</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 6,207	\$ 6,368	\$ 7,531	\$ 7,907	\$ 8,303	\$ 8,718	\$ 9,154
Other Funds	1,934	2,595	2,186	2,296	2,380	2,531	2,657
TOTAL	\$ 8,141	\$ 8,963	\$ 9,717	\$10,203	\$10,683	\$11,249	\$11,811

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 6,207	\$ 6,368	\$ 7,531	\$ 7,907	\$ 8,303	\$ 8,718	\$ 9,154

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 44,856	\$ 50,096	\$ 51,016	\$ 53,567	\$ 56,245	\$ 59,057	\$ 62,010
Special Funds	48,529	49,092	48,966	51,681	54,230	56,904	59,714
Federal Funds	250						
Other Funds	306	599	613	644	676	710	746
TOTAL	\$ 93,941	\$ 99,787	\$100,595	\$105,892	\$111,151	\$116,671	\$122,470

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Total revenue collected (in thousands)	\$4,784,012	\$5,410,568	\$5,873,828	\$6,241,500	\$6,601,300	\$7,140,000	\$7,700,900
Personal income tax annual returns processed	4,790,000	4,860,000	4,930,000	5,000,000	5,050,000	5,100,000	5,150,000
Sales and use tax returns processed	3,341,446	3,400,000	3,500,000	3,600,000	3,700,000	3,800,000	3,900,000
Corporation tax accounts	139,000	139,000	139,500	139,500	140,000	140,000	140,500

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 Commonwealth Lottery. This involves the printing and marketing of tickets, validating winning numbers, promoting sales and devising new and innovative approaches to lotteries.

Act 283 of 1976 placed the administration of the

inheritance tax collections under direct State budgetary control for the first time. Prior to the passage of Act 283, administrative costs were withheld from the revenues remitted to the Commonwealth. The 1976-77 fiscal year represents only seven months of operations while 1977-78 and later years represent 12 months. It is recommended that Inheritance Tax be appropriated as part of the General Government Operations Appropriation in 1978-79.

By placing this activity under budgetary control, the Department will be able to streamline and economize the collection process thereby making it a more cost effective operation.

The reason for the minor change in the number of corporate accounts is because of a more accurate filing system which resulted in dormant accounts being purged.

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.

Revenue Collection and Administration (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$40,932	\$42,442	\$51,016	\$53,567	\$56,245	\$59,057	\$62,010
Inheritance Tax	3,924	7,654	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$44,856</u>	<u>\$50,096</u>	<u>\$51,016</u>	<u>\$53,567</u>	<u>\$56,245</u>	<u>\$59,057</u>	<u>\$62,010</u>
MOTOR LICENSE FUND							
Collections – Liquid Fuels Tax	\$ 2,883	\$ 3,276	\$ 3,436	\$ 3,856	\$ 4,049	\$ 4,250	\$ 4,463
BOATING FUND							
Collecting Motorboat Registration Fees	\$ 255	\$ 162	.....	.....	.....	.....	.....
STATE HARNESS RACING FUND							
Administration of Collections	\$ 164	\$ 174	\$ 198	\$ 208	\$ 218	\$ 229	\$ 241
STATE HORSE RACING FUND							
Administration of Collections	\$ 111	\$ 173	\$ 197	\$ 207	\$ 217	\$ 228	\$ 239
STATE LOTTERY FUND							
General Operations	\$11,616	\$13,607	\$13,435	\$14,160	\$14,868	\$15,611	\$16,391
Payment of Prize Money	32,800	31,000	31,000	32,550	34,178	35,886	37,680
Payment of Commissions	700	700	700	700	700	700	700
STATE LOTTERY FUND TOTAL	<u>\$45,116</u>	<u>\$45,307</u>	<u>\$45,135</u>	<u>\$47,410</u>	<u>\$49,746</u>	<u>\$52,197</u>	<u>\$54,771</u>

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$27,006</u>	<u>\$31,165</u>	<u>\$34,000</u>	<u>\$35,700</u>	<u>\$37,485</u>	<u>\$39,359</u>	<u>\$41,327</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Taxing authorities receiving funds	2,962	2,997	3,137	3,137	3,137	3,137	3,137

Program Analysis:

Pursuant to an amendment to the State Constitution 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.

During 1976-77 this program received a significant increase in funding for two primary reasons. First, some utilities

undertook major renovations during the 1975-76 fiscal year thereby increasing the assessed value of their property and the 1976-77 fiscal year is the first one in which the increased assessment is reflected in the distribution formula. Secondly, 1976-77 also reflected for the first time, increases in the tax rates of various taxing authorities.

The difference in measures is due to the fact that the first two years reflect the exact numbers of utilities receiving funds, while the remaining years indicate the total number of authorities eligible to receive funds. Generally there is less than 100 percent participation as some authorities who are eligible for only nominal amounts do not file a request for their share.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Distribution of Public Utility							
Realty Tax	<u>\$27,006</u>	<u>\$31,165</u>	<u>\$34,000</u>	<u>\$35,700</u>	<u>\$37,485</u>	<u>\$39,359</u>	<u>\$41,327</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Special Funds	<u>\$62,276</u>	<u>\$64,968</u>	<u>\$64,797</u>	<u>\$65,042</u>	<u>\$65,294</u>	<u>\$65,560</u>	<u>\$65,837</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Applications for property tax or rent assistance	428,000	430,500	435,000	435,000	435,000	435,000	435,000
People provided property tax or rent assistance	422,000	426,000	430,000	430,000	430,000	430,000	430,000

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 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.

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.

Since property tax and rent assistance payments are made early in the fiscal year, legislation is needed to allow the Lottery Fund to anticipate revenues.

The Lottery Fund is reimbursing the General Fund in the 1977-78 fiscal year for funds which were used in a prior year to support the functions of the Property Tax and Rent Assistance Bureau.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
STATE LOTTERY FUND							
General Operations	\$ 4,026	\$ 4,432	\$ 4,797	\$ 5,042	\$ 5,294	\$ 5,560	\$ 5,837
Reimbursement to General Fund		1,261					
Property Tax and Rent Assistance for Elderly	<u>58,250</u>	<u>59,275</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>
STATE LOTTERY FUND TOTAL	<u>\$62,276</u>	<u>\$64,968</u>	<u>\$64,797</u>	<u>\$65,042</u>	<u>\$65,294</u>	<u>\$65,560</u>	<u>\$65,837</u>

Securities Commission

The Securities Commission oversees the State controlled securities industry to ensure compliance with Commonwealth statutes.

SECURITIES COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
General Government Operations	\$855	\$890	\$950
GENERAL FUND TOTAL	<u>\$855</u>	<u>\$890</u>	<u>\$950</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Government Operations			
State Funds	\$855	\$890	\$950

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
General Government Operations	<u>\$855</u>	<u>\$890</u>	<u>\$950</u> ✓

SECURITIES COMMISSION

Summary of Agency Program By Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Consumer Protection	\$ 855	\$ 890	\$ 950	\$ 997	\$1,044	\$1,090	\$1,138
Regulation of Securities Industry . . .	855	890	950	997	1,044	1,090	1,138
DEPARTMENT TOTAL	<u>\$ 855</u>	<u>\$ 890</u>	<u>\$ 950</u>	<u>\$ 997</u>	<u>\$1,044</u>	<u>\$1,090</u>	<u>\$1,138</u>

Regulation of Securities Industry

OBJECTIVE: To reduce the incidence of fraud to the investing public in securities transactions.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$ 855</u>	<u>\$ 890</u>	<u>\$ 950</u>	<u>\$ 997</u>	<u>\$1,044</u>	<u>\$1,090</u>	<u>\$1,138</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Dollar amount of securities registered (in billions)	\$25	\$28	\$31	\$34	\$37	\$40	\$43
Securities filings processed	1,826	2,000	2,250	2,500	2,750	3,000	3,250
Broker-dealers registered	456	470	485	500	515	530	545
Agents registered	10,341	10,500	10,700	10,900	11,180	11,300	11,500

Program Analysis:

This program seeks to protect the public from unfair or fraudulent practices in the securities industry; to require the registration of broker-dealers, agents, investment advisors and securities; and to establish regulatory procedures for making other filings under the law.

In order for securities to be offered for sale in Pennsylvania, the issuer must comply with the registration requirements of the Pennsylvania Securities Act of 1972. Securities offered and sold in Pennsylvania must be registered under this Act unless granted a special exemption. This applies to all securities sold in Pennsylvania, including securities which have been registered under Federal requirements. In all cases of registration, and in most cases of exemption, a filing must be made with the Pennsylvania Securities Commission. Filings are then analyzed and reviewed for full accurate disclosure of all relevant data to determine completeness, correctness and compliance with registration requirements, and to determine fairness of the offering. In addition to enforcing the Securities Act of 1972, the Commission has the responsibility for administering the provisions of the Takeover Disclosure Law

of 1976. This law provides protection for Pennsylvania corporations; shareholders, employees and the public from the use of takeover offers without a complete disclosure of information concerning them. The Commission enforces this Act by requiring the offeror to submit extensive financial, personnel and other pertinent data. This information is evaluated to ensure that the information given to the offeree is correct and reflects the true intent of the takeover corporation.

The measures show a substantial increase in securities registered and processed over the previous budget. This is due to an increase in the number and amount of the applications. Most notably there have been increases in energy related offerings and in tax sheltered annuities. Conversely, because of the sluggish activity of the stock market, the number of broker-dealers and of agents registered has fallen off precipitously. Last year the Commission anticipated that 600 broker-dealers were to be registered in 1976-77, however only 456 were registered. The same phenomenon occurred with agents. In 1976-77, the Commission estimated that 13,500

Regulation of Securities Industry (continued)

Program Analysis: (continued)

individuals were to be registered. By the end of the fiscal year, only 10,341 had been registered.

Lastly, the Commission requires the companies to make post effective filings. The purpose of these filings is to

determine whether investors' funds were illegally used by a company, and to make information available to the security holders with reference to the current status of a company in which they invested.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$ 855</u>	<u>\$ 890</u>	<u>\$ 950</u>	<u>\$ 997</u>	<u>\$1,044</u>	<u>\$1,090</u>	<u>\$1,138</u>

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 noncorporate business laws; administers the professional and occupational licensing boards; and regulates solicitation activities, boxing and wrestling matches.

The Department of State is administered by the Secretary of the Commonwealth and includes the State Athletic Commission, the Commission on Charitable Organizations, and 22 professional and occupational licensing boards.

DEPARTMENT OF STATE
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
General Government			
General Government Operations	\$5,439	\$5,506	\$5,995
Publishing Constitutional Amendments	59	40	40
Electoral College Expenses	3	. . . .	. . . .
Subtotal	<u>\$5,501</u>	<u>\$5,546</u>	<u>\$6,035</u>
 Grants and Subsidies			
Voting of Citizens in Military Service	\$ 14	\$ 20	\$ 16
Voter Registration by Mail	1,155	525	538
Subtotal	<u>\$1,169</u>	<u>\$ 545</u>	<u>\$ 554</u>
Total State Funds	<u>\$6,670</u>	<u>\$6,091</u>	<u>\$6,589</u>
Other Funds	\$ 702	\$1,055	\$1,124
GENERAL FUND TOTAL	<u>\$7,372</u>	<u>\$7,146</u>	<u>\$7,713</u>
 Revenue Sharing Trust Fund			
General Government .			
General Government Operations . . . . .	. . . .	\$ 200	. . . .
REVENUE SHARING TRUST FUND			
TOTAL . . . . .	. . . .	<u>\$ 200</u>	. . . .
 Department Total -- All Funds			
General Fund	\$6,670	\$6,091	\$6,589
Special Funds . . . . .	. . . .	200	. . . .
Other Funds	702	1,055	1,124
TOTAL ALL FUNDS	<u>\$7,372</u>	<u>\$7,346</u>	<u>\$7,713</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Government Operations			
State Funds	\$5,439	\$5,506	\$5,995
Other Funds	702	1,055	1,124
TOTAL	<u>\$6,141</u>	<u>\$6,561</u>	<u>\$7,119</u>

Provides intra-agency administrative support; maintains current information on corporations and charitable organizations; monitors the 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)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
General Government Operations	\$5,439	\$5,506	\$5,995 ✓
Other Funds:			
Fees—Registration of Charitable Organizations	70	70	75
Auctioneers Licenses	38	40	40
Medical, Osteopathic, Optometric and			
Podiatry Fees	507	800	883
Boxing and Wrestling Fees	87	120	92
Barbers Examiners Fees .....	.....	25	34
TOTAL	<u>\$6,141</u>	<u>\$6,561</u>	<u>\$7,119</u>

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Publishing Constitutional Amendments			
State Funds	\$ 59	\$ 40	\$ 40

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.

GENERAL FUND

STATE

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Publishing Constitutional Amendments	<u>\$ 59</u>	<u>\$ 40</u>	<u>\$ 40</u> ✓

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Electoral College Expenses			
State Funds	\$ 3	. . . . .	. . . . .

Provides for the expenses of the members of the electoral college.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Electoral College Expenses	<u>\$ 3</u>	. . . . .	. . . . .

Grants and Subsidies

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Voting of Citizens in Military Services			
State Funds	\$ 14	\$ 20	\$ 16

Reimburses county boards of election at the rate of \$.40 per ballot for each military absentee ballot cast during an election.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Voting of Citizens in Military Service	<u>\$ 14</u>	<u>\$ 20</u>	<u>\$ 16</u> ✓

GENERAL FUND

STATE

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Voter Registration by Mail			
State Funds	\$1,155	\$ 525	\$ 538

Reimburses county boards of election and the United States Post Office for all mailing costs incurred in registering voters by mail.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Voter Registration by Mail	<u>\$1,155</u>	<u>\$ 525</u>	<u>\$ 538</u> ✓

REVENUE SHARING TRUST FUND
General Government

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Department of State			
State Funds	\$200	. . . . .

Enabled the Department to maintain its vigilance over the various professional and skilled service areas licensed by the Department and, thereby, protect the public from unqualified practitioners.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
General Government Operations —			
Recommended Deficiency	<u>\$200</u>	. . . . .

DEPARTMENT OF STATE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$1,067	\$1,196	\$1,252	\$1,306	\$1,364	\$1,425	\$1,489
Consumer Protection	\$4,066	\$4,202	\$4,398	\$4,744	\$4,960	\$5,370	\$5,627
Regulation of Consumer Products and Promotion of Fair Business Practices	997	992	1,065	1,082	1,150	1,223	1,298
Maintenance of Professional and Occupational Standards	3,069	3,210	3,333	3,662	3,810	4,147	4,329
Electoral Process	\$1,537	\$ 893	\$ 939	\$ 957	\$1,021	\$1,064	\$1,118
Maintenance of Electoral Process	1,537	893	939	957	1,021	1,064	1,118
DEPARTMENT TOTAL	<u>\$6,670</u>	<u>\$6,291</u>	<u>\$6,589</u>	<u>\$7,007</u>	<u>\$7,345</u>	<u>\$7,859</u>	<u>\$8,234</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$1,067</u>	<u>\$1,196</u>	<u>\$1,252</u>	<u>\$1,306</u>	<u>\$1,364</u>	<u>\$1,425</u>	<u>\$1,489</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. 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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$1,067</u>	<u>\$1,196</u>	<u>\$1,252</u>	<u>\$1,306</u>	<u>\$1,364</u>	<u>\$1,425</u>	<u>\$1,489</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 997	\$ 992	\$1,065	\$1,082	\$1,150	\$1,123	\$1,298
Other Funds	157	190	167	220	220	200	200
TOTAL	\$1,154	\$1,182	\$1,232	\$1,302	\$1,370	\$1,443	\$1,518

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Fictitious names, businesses and corporations on file	819,000	862,280	907,780	940,000	970,000	999,000	1,050,000
Currently soliciting groups requiring licensing	11,049	12,000	12,500	13,000	13,500	14,000	14,000
Currently soliciting groups complying with regulations	8,250	8,750	9,250	9,750	10,250	10,800	10,800
Exhibitions held for purse requiring regulation	326	350	350	350	350	350	350

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 an estimated 819,000 fictitious names, businesses and corporations on file in the Bureau and, as indicated in the measures, this number is growing by approximately five percent per year. The Corporation Bureau is also responsible for Uniform Commercial Code filings and service of process filings, which together total about 85,000 per year. Corporate search and reservation requests have averaged another 25,000 per year.

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 represents an educated guess as this is still a relatively new field for government regulation and accurate statistics are not available. One area of difficulty has been that charities not soliciting are not required to register.

The State Athletic Commission is charged with the regulation of boxing and wrestling exhibitions. The figure is projected to level off at 350 exhibitions per year, because public interest and support has remained fairly constant.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$ 997</u>	<u>\$ 992</u>	<u>\$1,065</u>	<u>\$1,082</u>	<u>\$1,150</u>	<u>\$1,223</u>	<u>\$1,298</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78-	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$3,069	\$3,010	\$3,333	\$3,662	\$3,810	\$4,147	\$4,329
Special Funds .....	.....	200	.....	.....	.....	.....	.....
Other Funds	545	865	957	875	965	885	975
TOTAL	\$3,614	\$4,075	\$4,290	\$4,537	\$4,775	\$5,032	\$5,304

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Licenses and renewals issued	321,509	438,786	365,000	485,000	415,000	540,000	470,000
Entrants failing examinations for license	18,070	19,875	21,850	22,500	26,400	29,000	32,000
Schools and shops newly licensed							
Investigations and routine inspections ...	34,647	38,000	42,000	46,000	51,000	55,000	60,000
Minor violations corrected as a result of inspections	3,465	3,800	4,200	4,600	5,100	5,500	6,000
Establishments prosecuted for violations .	141	190	210	230	255	280	305
Punitive actions taken by boards	52	60	75	65	63	55	53

Program Analysis:

The intent of this program is to protect and raise the quality of service to the citizenry of the Commonwealth by ensuring that practitioners are competent, honest and providing adequate legalized services. Towards this end, twenty-two boards have been established with various licensing, administrative and enforcement powers over different professions and occupations.

One method used in achieving that aim is the placement of restrictions at the entry level. While each year the number of new licensees grows by six percent, the examination requirement yearly accounts for about one-fifth of new applications being rejected. However, the examination

approach itself is not extensive enough in that an individual, once licensed, can continue to practice his profession without ever again being required to demonstrate competence. Therefore, there is a growing demand that as a precedent condition for renewal of a license, a specified number of hours of professional education be required in continuing education.

Currently, routine inspections and in-depth investigations are still the principal means of monitoring the vast numbers of licensees. Investigators average approximately 700 routine inspections and in-depth investigations per year. The effectiveness of this effort, due to the numerically small force of inspectors, has been dubious considering the fact that there

Maintenance of Professional and Occupational Standards (continued)

Program Analysis: (continued)

were only 34,647 combined investigations and routine inspections in 1976-77 for 636,000 licenses. This effort uncovered 1,373 formal complaints representing more serious violations. Of these, 197 led to formal hearings that resulted in 52 violations being unresolved and requiring punitive action, usually license revocation by one of the boards. It is difficult to assess the total picture regarding degree and number of violations, although the estimated figure of lesser correctable violations runs well into the tens of thousands.

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$3,069</u>	<u>\$3,010</u>	<u>\$3,333</u>	<u>\$3,662</u>	<u>\$3,810</u>	<u>\$4,147</u>	<u>\$4,329</u>
REVENUE SHARING TRUST FUND							
General Government Operations		<u>\$ 200</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$1,537</u>	<u>\$ 893</u>	<u>\$ 939</u>	<u>\$ 957</u>	<u>\$1,021</u>	<u>\$1,064</u>	<u>\$1,118</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Voters registered in Pennsylvania	5,749,000	5,672,000	5,700,000	5,650,000	6,050,000	5,650,000	5,700,000
Percent of registered population voting	79%	62%	72%	65%	78%	66%	74%
Unregistered voting population	2,749,000	2,882,000	2,911,000	3,017,000	2,675,000	3,132,000	3,140,000
Vacant offices	375	75	279	75	375	70	300
Persons filing for vacant offices	3,500	275	2,600	275	3,200	290	3,000
Gubernatorial commissions issued	600	600	600	650	800	700	600
Notary public commissions issued	14,000	14,000	14,000	14,500	15,000	14,000	14,500

Program Analysis:

Public policy is formulated by citizens through electoral participation. Voters choose officeholders based on how closely the candidates relate to their outlook on government. Likewise they demonstrate their displeasure with current officeholders through the use of the ballot. Because the electoral process is our basic public policymaking mechanism, it is important to insure that this process conforms to legally defined specifications. In essence, to permit the abuse of the electoral process is to subvert public policymaking. Abuse causes decline in voter participation, which becomes particularly destabilizing to democracy because those who do not vote may be interested but regard the franchise as a useless exercise.

Efforts in this program are therefore keyed towards ensuring efficiency, honesty and uniformity in the administration of the Election Code. Some of the more serious problems still plaguing the election system include often burdensome registration and voting procedures, the lack of easily obtainable published information concerning the State's electoral process, instances of unfair and unjust administration

of election processes, and a pervading lack of consistency in activities at all levels of election administration.

A number of programs have been developed towards improving the electoral system. Efficiency oriented solutions include administration of the voter registration by mail program, enfranchising new groups of citizens not formerly accessible to registration and voting, comprehensive revision of the Election Code, and distribution of various public information publications detailing election laws and procedures. To make elections more honest, efforts have been keyed towards implementing a monitoring system for campaign finance reports, detailed examination of petitions to ensure all requirements are met, and continuing certification of ballot information concerning candidates and their status throughout the election year. Towards achieving more uniformity, a training program for county officials has been developed and implemented, biennial meetings with county officials are held, and detail rules and regulations are promulgated.

Other functions within this program fall under the

Maintenance of the Electoral Process (continued)

Program Analysis: (continued)

commissioning area and include commissioning gubernatorial appointees to boards and commissions and preparing commissions for judges, justices of the peace and notaries public. In addition, extraditions are prepared for the Governor and bond issues for the Commonwealth are processed. Finally, all legislation passed by the General Assembly is maintained whereby bills are docketed and act numbers are assigned. All of these activities are highly clerical responsibilities primarily involving efficiency and effectiveness. Several measures have been revised to more accurately reflect the electoral process, particularly a measure concerning the unregistered voting age population in Pennsylvania. This figure was derived from population data supplied by the Bureau of Statistics in the Pennsylvania Department of Commerce. A measure regarding

the number of persons filing for elective office has been expanded to also show the number of offices vacant. A separate measure has been included showing the number of gubernatorial commissions issued each year. Gubernatorial commissions include cabinet officials and members of all boards and commissions including county boards of assistance and board of trustees for State institutions, and logically increase in the first half of a new administration. Finally, the measure showing persons found in violation of expenditure reporting requirements has been eliminated because of the small number of violators involved (an anticipated 5 to 10 per year) and because the actual decision on whether to prosecute lies with the Department of Justice.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 306	\$ 308	\$ 345	\$ 347	\$ 365	\$ 383	\$ 402
Publishing Constitutional Amendments	59	40	40	40	40	40	40
Voting Citizens in Military Service	14	20	16	10	22	20	20
Electoral College Expenses	3	.....	.....	.....	5	.....	.....
Voter Registration by Mail	1,155	525	538	560	589	621	656
GENERAL FUND TOTAL	<u>\$1,537</u>	<u>\$ 893</u>	<u>\$ 939</u>	<u>\$ 957</u>	<u>\$1,021</u>	<u>\$1,064</u>	<u>\$1,118</u>

State Employees' Retirement System

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; and the State's share of medical/hospital insurance costs for eligible Commonwealth annuitants.

STATE EMPLOYES' RETIREMENT SYSTEM

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	Details On Page	1978-79 State Funds (in thousands)
Administration of State Employees' Retirement System*	Multiple Money Managers	720	*

This Program Revision will enable the State Employees' Retirement System to utilize six money managers instead of the present one, with the resultant investment diversification presumably resulting in a higher yield.

* Recommended \$700,000 Program Revision is from the State Employees' Retirement Fund, which is not shown as a State Fund in this Budget.

STATE EMPLOYES' RETIREMENT SYSTEM

Summary by Fund and Appropriation

	1976-77	(Dollar Amounts in Thousands)	1978-79
	Actual	1977-78 Available	Budget
General Fund			
Grants and Subsidies			
Annuitants Medical — Hospital Insurance	\$4,300	\$11,140	\$15,347
GENERAL FUND TOTAL	<u>\$4,300</u>	<u>\$11,140</u>	<u>\$15,347</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Annuitants Medical – Hospital Insurance			
State Funds	\$ 4,300	\$11,140	\$15,347

Provides for State subsidization of the medical – hospital insurance costs for Commonwealth annuitants who have elected such coverage. Effective January 1, 1977, the Commonwealth's share was raised from \$10 per month to fully State paid coverage for most annuitants with such coverage.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Annuitants Medical – Hospital Insurance	<u>\$ 4,300</u>	<u>\$11,140</u>	<u>\$15,347</u> ✓

STATE EMPLOYEES' RETIREMENT SYSTEM

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support . . .	\$ 4,300	\$11,140	\$15,347	\$17,648	\$20,296	\$23,340	\$26,841
General Administration and Support . .	4,300	11,140	15,347	17,648	20,296	23,340	26,841
DEPARTMENT TOTAL	<u>\$ 4,300</u>	<u>\$11,140</u>	<u>\$15,347</u>	<u>\$17,648</u>	<u>\$20,296</u>	<u>\$23,340</u>	<u>\$26,841</u>

STATE EMPLOYEES' 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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 4,300	\$11,140	\$15,347	\$17,648	\$20,296	\$23,340	\$26,841
Other Funds	1,596	1,736	2,555	2,789	3,068	3,375	3,713
TOTAL	\$ 5,896	\$12,876	\$17,902	\$20,437	\$23,364	\$26,715	\$30,554

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Member accounts	129,104	130,000	131,000	132,000	133,000	134,000	135,000
Annuitants	36,007	39,118	42,159	45,200	48,241	51,282	54,323

Program Analysis:

The State Employees' Retirement System (SERS) was established to administer the pension plan created by statute in 1924 for employees of the Commonwealth. Close inspection reveals that the business of retirement begins not when an employee 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 approximately 2,000 transactions a month. Once an employee 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 129,000 active account records and credits interest to these accounts quarterly. 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 employee has. This function entails researching an employee's service and salary records, computing the cost of the request, reporting same to the employee, and processing the payments for the purchase.

There are several functions required by the retirement process itself. The revised Retirement Code requires all agencies to have a retirement counselor to act as a liaison between the employee and the Retirement System. Presently there are 140 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 450

retirement applications each month. Each new retiree is put on the monthly payroll, which now numbers over 36,000 checks totaling over ten million dollars. The SERS also processes about 250 death benefits each month, for both deceased retirees and employees who die in service.

The Retirement System oversees a portfolio of investments valued at more than two 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. Beginning in 1978-79, the Retirement Board plans to expand the number of investment advisors. This accounts for the bulk of the increase in administrative costs; however, it is believed that increased earnings from this program will more than offset the additional costs involved and will result in a net cash gain to the system. This proposed program is discussed in the appendix to this subcategory. The administrative costs, shown as "other funds" above, are generated from earnings on SERS investments.

On January 1, 1977, the Commonwealth's medical-hospital insurance program for annuitants was expanded to extend fully State-paid coverage to most annuitants, replacing the former \$10 per month State contribution. The \$15,347,000 recommended for 1978-79 reflects the full cost to the Commonwealth of medical-hospital coverage for eligible annuitants — adjusted for inflation and increased usage.

STATE EMPLOYEES' RETIREMENT SYSTEM

General Administration and Support (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Annuitants Medical—Hospital							
Insurance	<u>\$ 4,300</u>	<u>\$11,140</u>	<u>\$15,347</u>	<u>\$17,648</u>	<u>\$20,296</u>	<u>\$23,340</u>	<u>\$26,841</u>

**General Administration and Support
Program Revision: Multiple Money Managers**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Other Funds			<u>\$700</u>	<u>\$735</u>	<u>\$772</u>	<u>\$810</u>	<u>\$850</u>

Program Analysis:

Currently, the State Employees' Retirement System, using Mellon Bank as the sole investment portfolio manager, receives a return of 6.71 percent on investments. The theory is that by adding five money managers this percentage of return can increase by .05 percent. By engaging a total of six money managers in competition with each other, portfolio

diversification will occur, and presumably a better return on the investment dollar.

It is estimated that the additional \$9.5 million generated for the State Employees' Retirement System will more than offset the \$700,000 for the six money managers and the investment coordinator.

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 certain 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 1978-79 the ratio will be 30 percent General Fund and 70 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

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
General Government			
General Government Operations	\$ 27,439	\$ 29,000	\$ 37,689*
Municipal Police Training	857	1,000	1,300
Flood Relief — Johnstown . . . . .	. . . . .	286	. . . . .
Nonservice Disability and Death Benefits . . . . .	. . . . .	80	. . . . .
Total State Funds	<u>\$ 28,296</u>	<u>\$ 30,366</u>	<u>\$ 38,989</u>
Federal Funds	\$ 522	\$ 736	\$ 228
Other Funds	6,503	7,100	6,644
GENERAL FUND TOTAL	<u>\$ 35,321</u>	<u>\$ 38,202</u>	<u>\$ 45,861</u>
Motor License Fund			
General Government			
Transfer to General Fund—General Government Operations	\$ 83,484	\$ 93,641	\$ 87,942 *
Transfer to General Fund—Municipal Police Training	1,400	1,353	1,300
MOTOR LICENSE FUND TOTAL	<u>\$ 84,884</u>	<u>\$ 94,994</u>	<u>\$ 89,242</u>
Department Total — All Funds			
General Fund	\$ 28,296	\$ 30,366	\$ 38,989
Special Funds	84,884	94,994	89,242
Federal Funds	522	736	228
Other Funds	6,503	7,100	6,644
TOTAL ALL FUNDS	<u>\$120,205</u>	<u>\$133,196</u>	<u>\$135,103</u>

*In past years the breakdown between the Motor License Fund and the General Fund has averaged 75 percent versus 25 percent. This percentage was derived from State Police activity reports. For the budget year, the percentage has been revised to 70 percent versus 30 percent based on an updated study of State Police activity reports.

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Government Operations			
State Funds	\$ 28,296	\$ 30,366	\$ 38,989
Federal Funds	522	736	228
Other Funds*	91,387	102,094	95,886
TOTAL	\$120,205	\$133,196	\$135,103

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
General Government Operations	\$ 27,439	\$ 29,000	\$ 37,689 ✓
Municipal Police Training	857	1,000	1,300 ✓
Nonservice Disability and Death Benefits . . . . .	. . . . .	80	. . . . .
Flood Relief — Johnstown . . . . .	. . . . .	286	. . . . .
Federal Funds:			
FHWA — Northwestern University Traffic			
Institute Training	21	46	46
FHWA — Highway Traffic Safety Educational			
Training Program	31	53	52
FHWA — Automated Driver License Testing . . . . .	. . . . .	208	. . . . .
FHWA — Accident Investigation and Reporting	42	116	116
FHWA — Highway Safety Planning and			
Administrative Costs	3	5	5
FHWA — Motorcycle Examiner Seminars			
Breathalyzer Instructor Training . . . . .	. . . . .	12	. . . . .
Training New Vehicle Code	70	. . . . .	. . . . .
Upgrading of Breath Testing Equipment	31	. . . . .	. . . . .
Hand Held Traffic Radar System	120	. . . . .	. . . . .
Instruction in Basic Spanish	4	. . . . .	. . . . .
Anti-Burglary Program	200	. . . . .	. . . . .
LEAA — Updating and Expansion of			
Laboratory Equipment . . . . .	. . . . .	296	. . . . .

*Other funds include transfer from the Motor License Fund which are not carried forward to the Summary by Fund and Appropriation to avoid double counting.

Source of Funds (continued)	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Other Funds:			
From Turnpike Commission for Traffic Control	\$ 5,486	\$ 6,000	\$ 5,800
Transfer from Motor License Fund—General			
Government Operations*	83,484	93,641	87,942
Transfer from Motor License Fund—Municipal			
Police Training*	1,400	1,353	1,300
Reimbursement for Tuition of Municipal			
Police	427	425	400
Sale of Automobiles	454	550	240
Reimbursement for Comptroller Services	104	120	200
Reimbursement for Lethal Weapons Training			
Costs	1	5	4
Highway Safety Act	30	.....	.....
Omnibus Crime Control	1	.....	.....
TOTAL	<u>\$120,205</u>	<u>\$133,196</u>	<u>\$135,103</u>

Emergency Flood Relief	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Funds	\$ 286	.....

Provided for emergency services, direction of traffic and maintenance of security by the State Police during the Johnstown Flood.

Source of Funds	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Appropriation:			
Flood Relief — Johnstown	\$ 286	.....

* These transfers from the Motor License Fund are not carried forward as "Other Funds" to the Summary by Fund and Appropriation to avoid double counting.

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Government Operations			
State Funds	\$ 84,884	\$ 94,994	\$ 89,242

Provides reimbursement to the General Fund for State Police activities relating to highway safety, traffic patrol and municipal police training.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Transfer to General Fund—General Government			
Operations	\$ 83,484	\$ 93,641	\$ 87,942
Transfer to General Fund—Municipal Police			
Training	1,400	1,353	1,300
TOTAL	<u><u>\$ 84,884</u></u>	<u><u>\$ 94,994</u></u>	<u><u>\$ 89,242</u></u>

STATE POLICE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$ 12,043	\$ 14,385	\$ 14,600	\$ 15,601	\$ 16,389	\$ 17,217	\$ 18,087
Traffic Safety and Supervision	\$ 73,248	\$ 81,040	\$ 79,022	\$ 82,998	\$ 87,501	\$ 91,694	\$ 96,172
Operator Qualifications	2,609	2,806	2,674	2,808	2,948	3,095	3,249
Vehicle Standards Control	1,206	1,234	1,196	1,244	1,295	1,347	1,400
Traffic Supervision	69,433	77,000	75,152	78,946	83,258	87,252	91,523
Control and Reduction of Crime	\$ 26,649	\$ 28,611	\$ 33,520	\$ 35,600	\$ 37,940	\$ 40,403	\$ 43,016
Crime Prevention	526	588	603	624	645	666	688
Criminal Law Enforcement	26,123	28,023	32,917	34,976	37,295	39,737	42,328
Maintenance of Public Order	\$ 939	\$ 1,031	\$ 772	\$ 805	\$ 839	\$ 875	\$ 912
Prevention and Control of Civil Disorders	658	735	758	790	823	858	894
Disaster Assistance	281	296	14	15	16	17	18
Community Safety	\$ 301	\$ 293	\$ 317	\$ 333	\$ 350	\$ 368	\$ 394
Fire Prevention	301	293	317	333	350	368	394
DEPARTMENT TOTAL	<u>\$113,180</u>	<u>\$125,360</u>	<u>\$128,231</u>	<u>\$135,337</u>	<u>\$143,019</u>	<u>\$150,557</u>	<u>\$158,581</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 407	\$ 431	\$ 4,380	\$ 4,870	\$ 5,121	\$ 5,386	\$ 5,664
Special Funds	11,636	13,954	10,220	10,731	11,268	11,831	12,423
Federal Funds	47	51	51	51	51	51	51
Other Funds	104	120	200	214	229	245	262
TOTAL	\$12,194	\$14,556	\$14,851	\$15,866	\$16,669	\$17,513	\$18,400

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.

In 1977-78, the Legislature provided \$80,000 to the State Police for the nonservice related disability and death benefits awarded by an arbitrator in the Gershenfeld Award of December 27, 1973.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$ 407	\$ 351	\$ 4,380	\$ 4,870	\$ 5,121	\$ 5,386	\$ 5,664
Nonservice Disability and Death Benefits . . . . .	.....	80	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 407	\$ 431	\$ 4,380	\$ 4,870	\$ 5,121	\$ 5,386	\$ 5,664
MOTOR LICENSE FUND							
Transfer to General Fund	\$11,636	\$13,954	\$10,220	\$10,731	\$11,268	\$11,831	\$12,423

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Special Fund	<u>\$2,609</u>	<u>\$2,806</u>	<u>\$2,674</u>	<u>\$2,808</u>	<u>\$2,948</u>	<u>\$3,095</u>	<u>\$3,249</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Traffic Accidents							
Individual fatalities	2,006	2,033	2,054	2,068	2,075	2,085	2,096
Individual injuries	138,735	141,646	146,890	152,748	157,562	164,353	172,519
Accidents involving injuries	89,283	90,653	94,000	97,750	100,840	105,180	110,410
Total accidents	302,142	229,145	238,507	248,556	259,161	274,464	288,948
Accidents attributable to unqualified drivers:							
Fatalities	381	350	340	330	320	310	300
Injuries	20,078	20,000	20,000	20,000	20,000	20,000	20,000
Total Accidents	51,347	53,000	53,000	54,000	55,000	55,000	56,000
Licensed operators	8,318,000	8,443,000	8,570,000	8,699,000	8,829,000	8,961,000	9,005,000
Operators reexamined	149,781	125,000	125,000	125,000	125,000	125,000	125,000
Vehicle miles driven (in billions)	69.5	71.1	72.7	74.3	75.9	77.6	79.7

Program Analysis:

This subcategory is comprised of a series of preventive programs. Prior to enactment of the new State Motor Vehicle Code, these included: public safety presentations, examination of new operators, special driver examinations as directed by the Bureau of Traffic Safety, examination of school bus operators and motorcycle driver examinations.

Now as a result of the new Code, effective July 1, 1977, the State Police are required to examine licensees in three classes, replacing the previous one class that covered all automobile, truck and tractor-trailer drivers. The three new classes are: operator of vehicle not over 30,000 pounds gross weight and pulling a trailer not over 10,000 pounds; operator of vehicle over 30,000 pounds and pulling a trailer not over 10,000 pounds; and operators of vehicles pulling a trailer over 10,000 pounds. Additionally, a new class was established for operators

of motorized pedacycles or motor-driven cycles. These combine with bus and motor cycle classifications to make six classes of operators instead of the previous three (school busses, motor cycles, and all other vehicles).

These additional responsibilities of determining if a person is properly qualified to operate these specific classes of vehicles, in addition to the former testing requirements, should add significantly to the other preventative programs presently in effect to promote traffic safety. In order to complete these tasks, the State Police presently have 43 troopers and 98 civilian driver license examiners stationed at various locations around the Commonwealth; because of fiscal limitations, this represents a slight decrease from staffing prior to enactment of the new Vehicle Code.

Numerous studies have shown that youthful drivers, ages 16

Operator Qualifications Control (continued)

Program Analysis: (continued)

to 24, 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 of this subcategory, however, 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. As a supplement to this effort, the Bureau of Traffic Safety in the Pennsylvania Department of Transportation schedules operators randomly for reexamination. However, due to staff reductions the level of reexaminations has been reduced to 125,000 operators rather than the 150,000 projected last 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's influence is difficult to ascertain, since such defects as alcoholism, drug dependency and mental illness are practically impossible to detect in a cursory examination.

The State Police did not anticipate the great rebound of miles driven from the low years of the energy crisis. Likewise, considerably less than the five percent increase in total accidents was anticipated. Monetary inflation can, however, disproportionately increase the reported property damage due to accidents and might have been a contributing factor in this case since the accidents involving injuries went up only one half of one percent and the fatal accidents actually decreased.

Major reductions from last year's figures occurred because the State Police have reanalysed the causal factors as reported by PennDOT and feel that many of those formerly attributed to this subcategory were better assigned to operator error in the Traffic Supervision subcategory.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1982-82	1982-83
MOTOR LICENSE FUND							
Transfer to General Fund	<u>\$2,609</u>	<u>\$2,806</u>	<u>\$2,674</u>	<u>\$2,808</u>	<u>\$2,948</u>	<u>\$3,095</u>	<u>\$3,249</u>

Vehicle Standards Control

OBJECTIVE: To minimize the number of traffic accidents attributable to vehicle mechanical defects.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Special Funds	<u>\$1,206</u>	<u>\$1,234</u>	<u>\$1,196</u>	<u>\$1,244</u>	<u>\$1,295</u>	<u>\$1,347</u>	<u>\$1,400</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Statewide vehicle registrations	8,553,000	8,895,000	9,251,000	9,621,000	10,006,000	10,406,000	10,822,000
Traffic accidents:							
Individual fatalities							
Individual injuries	2,006	2,033	2,054	2,068	2,075	2,085	2,096
Accidents involving injuries	138,735	141,646	146,890	152,748	157,562	164,353	172,519
Total accidents	91,565	93,480	96,950	100,810	103,990	108,470	113,860
Accidents resulting from mechanical failure (primary cause):							
Fatalities	14	20	20	20	20	20	20
Accidents involving injuries	1,516	1,750	1,775	1,800	1,825	1,850	1,875
Total accidents	4,505	5,200	5,250	5,300	5,350	5,400	5,450
Inspection stations	16,175	16,000	16,000	16,000	16,000	16,000	16,000
Inspection station visitations	31,469	31,500	31,500	31,500	31,500	31,500	31,500

Program Analysis:

The major activities of this program involve the regulation of inspection stations. Every inspection station should be visited twice a year. During such visits the station's inspection records are audited and a check is made of the station's facilities. 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.

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. A comprehensive study conducted on the effectiveness of vehicle inspection systems was done by the National Highway Traffic Safety Administration (NHTSA) in

1971. That analysis revealed no pattern either before or after adoption of an inspection program. The NHTSA stated in its conclusion that "there was no significant reduction in highway fatalities attributable to periodic motor vehicle inspections."

A task force associated with Carnegie-Mellon University released in December 1975 a study which dealt both with the Pennsylvania inspection program and with a comparison of programs of other states. That study confirmed the NHTSA's finding that inspection systems have a very limited effect on accident rates. In fact, the study found that "states using a random system appear to have lower accident fatality rates than those requiring either mandatory inspections or none at all." It must be emphasized that these studies, as the accident data above, deal only with the efficacy of the inspection concept itself, not with the supervision by the State Police.

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. It is estimated that Pennsylvanians will spend approximately \$94 million on inspection fees this year, plus an incalculable amount for unneeded repairs at dishonest or incompetent inspection stations. If there was some way that a portion of these funds could be diverted to other traffic safety activities the results would, in all likelihood, be more effective. The Department of Transportation is presently reviewing the Carnegie-Mellon

report and considering possible changes to the inspection program. Changes that may be considered include simplification of the inspection procedure to look only for the most critical areas of mechanical failure and adoption of an annual inspection program.

Major changes from last year's program measures occurred because the State Police have reanalysed the causal factors as reported by PennDOT; as a result, statewide accident figures are from PennDOT data while mechanical failure data is supplied by the State Police and is not necessarily consistent with that provided by PennDOT.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
MOTOR LICENSE FUND							
Transferred to General Fund	<u>\$1,206</u>	<u>\$1,234</u>	<u>\$1,196</u>	<u>\$1,244</u>	<u>\$1,295</u>	<u>\$1,347</u>	<u>\$1,400</u>

Traffic Supervision

OBJECTIVE: To minimize the number of traffic accidents.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Special Funds	\$69,433	\$77,000	\$75,152	\$78,946	\$83,258	\$87,252	\$91,523
Federal Funds	275	389	177	177	177	177	177
Other Funds	6,262	6,600	6,170	6,793	7,254	7,748	8,276
TOTAL	\$75,970	\$83,989	\$81,499	\$85,916	\$90,689	\$95,177	\$99,976

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Traffic accidents:							
Individual fatalities	2,006	2,033	2,054	2,068	2,075	2,085	2,096
Individual injuries	138,735	141,646	146,890	152,748	157,562	164,353	172,519
Accidents involving injuries	91,565	93,490	96,950	100,080	103,990	108,470	113,690
Total accidents	302,142	229,145	238,507	248,556	259,161	274,464	288,948
Accidents investigated by State Police attributable to actions of the motor vehicle operator:							
Fatalities	743	760	770	780	790	800	810
Injuries	18,187	19,000	19,000	19,000	19,000	20,000	20,000
Total accidents	41,177	42,000	43,000	43,000	44,000	45,000	45,000
State Police arrests for hazardous moving violations	366,995	330,000	335,000	360,000	365,000	370,000	375,000
Local police trained by State Police in basic course	570	600	640	680	720	750	780
Responses by State Police for assistance in traffic cases	30,958	40,000	41,000	42,000	43,000	44,000	45,000
State Police arrests for intoxication	2,674	2,700	2,700	2,800	2,800	2,800	2,800

Program Analysis:

The purpose of this program is to reduce traffic accidents by providing a deterrent to improper actions of motor vehicle operators. The primary methods of deterrence consist of traffic supervision activities such as highly visible highway patrol, warning motorists that continued illegal behavior will result in arrest, and outright arrests for illegal behavior resulting in fines and/or suspension of driving privileges. The measure showing arrests for hazardous moving violations is considerably reduced from the previous year, due primarily to two reductions in the allocation of manpower in the field.

The fundamental concept of patrol is to eliminate both the opportunity and belief in the opportunity that the motorist can violate traffic regulations without apprehension. In an effort to determine the effect of patrolling activities on the accident level, a study was carried out by the Office of the Budget in cooperation with the State Police employing data prior to the energy crisis.

The study centered on eighteen well-traveled highway patrol zones throughout the Commonwealth, ranging from two-lane State roads to controlled access interstate routes as

Traffic Supervision (continued)

Program Analysis: (continued)

well as sections of the Pennsylvania Turnpike. The study included several measures of patrol activity: arrests, radar patrol hours, and, most importantly, in-view patrol hours—which are defined as the number of hours a patrol vehicle is located on the chosen segment of highway. In addition, several highway environmental factors were included to determine their effect on accident levels; these were traffic volume, season of the year and type of highway construction.

By far, the most important determiner of traffic accident levels was traffic volume. That is, the effect of traffic volume on accidents quite easily overshadows any effect that police operations may have. It was found that a 1.0 percent increase in traffic volume produced a 0.99 percent increase in traffic accidents; nearly a 1 to 1 ratio. By contrast, an increase of 1.0 percent in in-view patrol hours resulted in a 0.20 percent decrease in accidents. Traffic arrests were found to have essentially the same effect as patrol hours. Within classes of accidents (property damage accidents and injury accidents) a weaker but still significant relationship was found with the same factors in the same order of importance. That is, traffic volume is of overwhelming importance with police patrol

activities ascendant among the remaining factors. No significant influence on fatal accident levels was found for any of the factors included in the study.

As has been noted, traffic accident levels are very sensitive to changes in traffic volume. It would therefore seem that, for the purpose of reducing traffic accidents, broad continuous supervision would be less effective than patrols within the highest traffic volume areas. This suggests that the allocation of police patrol activities may currently be the most important consideration.

In addition, this program includes incidents of assistance to motorists, serving warrants for traffic violations, investigating accidents and a wide variety of special assignments. PennDOT is inaugurating a program of increased truck weight enforcement and it must utilize policemen to direct traffic, confirm weights and make arrests.

Major increases from last year's program measures occurred because the State Police have reanalysed the causal factors as reported by PennDOT and feel that many of those formerly attributed to unqualified drivers in the Traffic Supervision subcategory were better assigned to this subcategory.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
MOTOR LICENSE FUND							
Transfer to General Fund—General Government Operations	\$66,982	\$74,490	\$72,856	\$76,457	\$80,587	\$84,395	\$88,474
Transfer to General Fund—Municipal Police Training	2,451	2,510	2,296	2,489	2,671	2,857	3,049
MOTOR LICENSE FUND							
TOTAL	<u>\$69,433</u>	<u>\$77,000</u>	<u>\$75,152</u>	<u>\$78,946</u>	<u>\$83,258</u>	<u>\$87,252</u>	<u>\$91,523</u>

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$526</u>	<u>\$588</u>	<u>\$603</u>	<u>\$624</u>	<u>\$645</u>	<u>\$666</u>	<u>\$688</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Student population (11 - 17 year olds) . . .	1,560,700	1,534,000	1,492,000	1,432,000	1,364,000	1,320,000	1,300,000
Juveniles arrested by State Police	12,747	13,500	14,300	15,000	15,700	16,400	17,000
Recidivism rate for youths (12 - 16)	54%	N/A	N/A	N/A	N/A	N/A	N/A
Juveniles receiving State Police preventive contacts	2,352	1,575	1,430	1,280	1,130	980	950
Juvenile offenders handled informally	9,644	8,700	7,800	7,000	6,300	5,600	5,400
Liaison visits to courts, schools, police departments etc.	4,566	3,075	2,800	2,500	2,300	2,000	1,800
Attendance at youth aid programs	25,400	17,175	15,450	13,900	12,500	11,300	10,000

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. Some of the more notable State Police presentations have dealt with safeguarding against bunco artists, rape and robbery.

Another approach to reducing the crime rate, that is followed in this subcategory, is to aim preventive programs at youth before crime becomes an established way of life. It has been established that, next to opportunity, desire for excitement appears to be the main basis of most juvenile crimes. Thus, it is hoped that with a relevant information campaign and personal contacts with an enforcement officer, in a nonpunishing capacity, the desire for excitement can be directed away from crime and its incidence lowered.

In the past, the State Police have tried to use a dual approach to the juvenile crime prevention program. First have been 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; the idea being that leniency in the first contact with the law might prevent further incidents. But, as the measures show, there has been a continuing de-emphasis in these approaches as limited funding and manpower reductions have necessitated reallocation of troopers to other programs.

Perhaps the most meaningful measure in this program was the recidivism rate for youths. The State Police, in cooperation with municipalities across the State, spent several years developing a "Juvenile Index Card" to provide this measure. The measure was skewed somewhat because only adjudicated cases were reported, low crime areas responded more heavily, and underage drinking was included. Rather than refine the measure, it has been abandoned and the Index discontinued because of unreliability. What the brief use of the measure did show was that the recidivism rate remained at a level of 54 percent regardless of the effort exerted by the State Police within this program.

Crime Prevention (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$526</u>	<u>\$588</u>	<u>\$603</u>	<u>\$624</u>	<u>\$645</u>	<u>\$666</u>	<u>\$688</u>

Criminal Law Enforcement

OBJECTIVE: To maximize the percentage of sound crime case clearances and the percentage of convictions.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$26,123	\$28,023	\$32,917	\$34,976	\$37,295	\$39,737	\$42,328
Federal Funds	200	296	.....	.....	.....	.....	.....
Other Funds	137	380	274	367	379	391	404
TOTAL	\$26,460	\$28,699	\$33,191	\$35,343	\$37,674	\$40,128	\$42,732

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Statewide crimes against persons	34,807	33,000	35,000	36,000	37,000	38,000	39,000
Statewide crimes against property	359,966	330,000	350,000	360,000	370,000	380,000	390,000
Crimes against persons investigated by State Police:							
Clearances	63%	63%	63%	63%	63%	63%	63%
Convictions	53%	50%	50%	50%	50%	50%	50%
Crimes against property investigated by State Police:							
Clearances	20%	20%	20%	20%	20%	20%	20%
Convictions	83%	80%	80%	80%	80%	80%	80%

Program Analysis:

Efforts in this program are keyed towards controlling 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 cannot be viewed in isolation from other social and behavioral dilemmas; nor can crime be reduced without the cooperation of the other branches of government that comprise the legal system. As a result, the question of whether volume of police services is related to the level of crime is a subject of conjecture.

Perhaps the best measures of the intensity and competency of the police investigative effort are clearance and conviction records. 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, kidnapping 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.

In an effort to improve on their conviction rate, the State Police have concentrated more effort in certain areas, particularly auto theft and homicides. Preliminary figures show that such extra effort has had a positive effect on conviction rates, especially for larceny and auto theft. Conviction rates have also increased for murder, but the effect on overall conviction rates is diluted because the number of murders is small when compared to other crimes.

The State Police accept responsibility for criminal investigation anywhere in the Commonwealth where they are requested to give assistance. Technical assistance is provided to any municipality requesting it, at no charge. An increasing number of municipal police departments are being created and

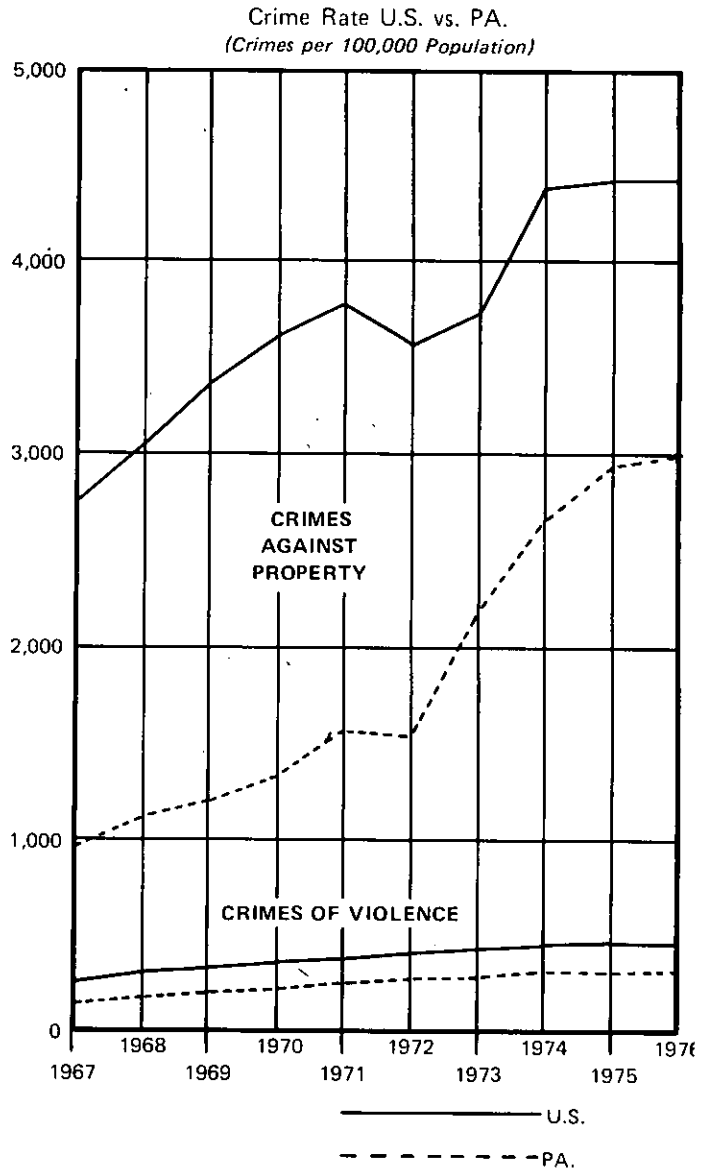
Criminal Law Enforcement (continued)

Program Analysis: (continued)

are assuming responsibility for police services in ever growing areas of the Commonwealth. There seems to be general agreement that local police familiarity with local social conditions makes them more effective in certain aspects of crime prevention, detection and apprehension, thereby heightening the deterrent value of police efforts. This has further served to enhance the State Police role of providing technical expertise and support, rather than the traditional enforcement role. The State Police have traditionally provided training courses to municipal police. They maintain criminal identification records, fingerprint records and gun registration records. Local police have access to the Commonwealth Law Enforcement Assistance Network (CLEAN) and the expanded laboratory facilities of the State Police. These requests for assistance have been increasing sharply. Requests for technical assistance from municipal police agencies increased from 1,028 in 1968-69 to 11,824 in 1976-77 and are expected to reach 14,500 in 1978-79. This represents a decrease in the level of service from the previous year's estimates which is due principally to the unexpected decrease in the crime rate through the first part of 1977-78, as shown in the measures above. The State Police have found no reason for this sudden decrease and, therefore, are projecting crimes to resume increasing again next year.

In addition, the State Police perform routine criminal law enforcement activities related to those previously mentioned. Such routine activities include background investigations for police applicants as well as other departments of State Government, expert witness testimony in courts, report writing and investigative assistance in the areas of missing persons, and the correlation of investigative information.

Pennsylvania has always shown a level of crime less than might be expected. The graph shows a comparison, by type of crime, for Pennsylvania and the United States.



Program Costs by Appropriation:

	1976-77	1977-78	(Dollar Amounts in Thousands)				
			1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$25,266	\$27,023	\$31,617	\$33,567	\$35,780	\$38,117	\$40,603
Municipal Police Training	857	1,000	1,300	1,409	1,515	1,620	1,725
GENERAL FUND TOTAL	<u>\$26,123</u>	<u>\$28,023</u>	<u>\$32,917</u>	<u>\$34,976</u>	<u>\$37,295</u>	<u>\$39,737</u>	<u>\$42,328</u>

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$658</u>	<u>\$735</u>	<u>\$758</u>	<u>\$790</u>	<u>\$823</u>	<u>\$858</u>	<u>\$894</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Civil disorders requiring State Police response	142	100	100	100	100	100	100
Arrests by State Police stemming from disorders	24	8	20	20	20	20	20
Intelligence man-hours spent on disorders	5,621	5,000	5,000	5,000	5,000	5,000	5,000
Total man-hours spent on disorders	9,149	14,000	15,000	15,000	15,000	15,000	15,000

Program Analysis:

This program provides a preventive and control capability which supposedly reflects the readiness of the State Police to anticipate and handle civil disorders. The fluctuations shown in the measures for the actual and available years illustrate some of the difficulty 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 broad groupings: labor, youth, minority and subversive. The actual determination of whether a civil disturbance exists is left up to the discretion of the policeman on the scene. Thus, many minor incidents involving only a few individuals, are arbitrarily classified as civil disorders. This tends to distort the

program measures. For example, the measures show an inordinately high number of incidents classified as civil disorders requiring State Police response during 1976-77, which, in effect, were visits by policemen to potential problem areas and not actual full-blown civil disorders.

Ordinarily, 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.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$658</u>	<u>\$735</u>	<u>\$758</u>	<u>\$790</u>	<u>\$823</u>	<u>\$858</u>	<u>\$894</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 a natural disaster situation.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$281</u>	<u>\$296</u>	<u>\$ 14</u>	<u>\$ 15</u>	<u>\$ 16</u>	<u>\$ 17</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 in

1977, to transfer the necessary manpower and technical assistance from other programs to meet the need. Some of the major incidents were: the Tower City mine disaster, the snow storms of January 28, 1977 and October 23, 1977, the Johnstown flood, plus numerous tornadoes. It must be pointed out, however, that any such disaster places a great strain on the manpower remaining at installations in areas not affected by the disaster.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	\$281	\$ 10	\$ 14	\$ 15	\$ 16	\$ 17	\$ 18
Emergency Flood Relief — Johnstown		286					
GENERAL FUND TOTAL	<u>\$281</u>	<u>\$296</u>	<u>\$ 14</u>	<u>\$ 15</u>	<u>\$ 16</u>	<u>\$ 17</u>	<u>\$ 18</u>

Fire Prevention

OBJECTIVE: To minimize fire hazards endangering persons or property.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						1982-83
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	
General Fund	<u>\$301</u>	<u>\$293</u>	<u>\$317</u>	<u>\$333</u>	<u>\$350</u>	<u>\$368</u>	<u>\$394</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Inspections of flammable liquid tank installations	2,805	2,400	2,450	2,450	2,450	2,450	2,450
Approvals of flammable liquid tank installations	1,904	2,200	2,200	2,200	2,200	2,200	2,200
Corrections formally ordered and made	20	15	25	25	25	25	25

Program Analysis:

The principal activity within this subcategory is the inspection of all proposed flammable tank installations, including modifications of existing ones. Applicants must obtain written approval before installing a flammable liquid storage facility. After approval has been granted, and the facility constructed, the State Police make a safety inspection of the facility. If unsafe conditions are found, corrections are ordered and the facility is then reinspected. The energy crisis has caused a reduction in the number of facilities being constructed and an increase in the number of instances in

which proposed facilities are cancelled after having been approved for construction. The number of corrections ordered fell off from previously estimated levels. This was due to the decreased number of installations made and to the increasing number of municipalities that have adopted Federally suggested fire codes. It is expected that the measures will level off in future years.

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)						1982-83
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	
GENERAL FUND							
General Government Operations	<u>\$301</u>	<u>\$293</u>	<u>\$317</u>	<u>\$333</u>	<u>\$350</u>	<u>\$368</u>	<u>\$394</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

	1976-77	(Dollar Amounts in Thousands) 1977-78	1978-79
	Actual	Available	Budget
General Fund			
General Government			
General Government Operations	\$789	\$789	\$847
GENERAL FUND TOTAL	<u>\$789</u>	<u>\$789</u>	<u>\$847</u>

General Government

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
General Government Operations			
State Funds	\$789	\$789	\$847

Determines the aggregate market value of assessed taxable real property in each political subdivision and school district in the Commonwealth for use in determining Commonwealth subsidies to school districts and public libraries and for determining certain tax limitations.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
General Government Operations	<u>\$789</u>	<u>\$789</u>	<u>\$847</u> ✓

TAX EQUALIZATION BOARD

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support	\$789	\$789	\$847	\$899	\$933	\$980	\$1,029
General Administration and Support	789	789	847	899	933	980	1,029
DEPARTMENT TOTAL	<u>\$789</u>	<u>\$789</u>	<u>\$847</u>	<u>\$899</u>	<u>\$933</u>	<u>\$980</u>	<u>\$1,029</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)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	<u>\$789</u>	<u>\$789</u>	<u>\$847</u>	<u>\$889</u>	<u>\$933</u>	<u>\$980</u>	<u>\$1,029</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:

(Dollar Amounts in Thousands)

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
General Government Operations	<u>\$789</u>	<u>\$789</u>	<u>\$847</u>	<u>\$889</u>	<u>\$933</u>	<u>\$980</u>	<u>\$1,029</u>

Department of Transportation

The responsibility of the Department of Transportation (PennDOT) 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

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
General Fund			
General Government			
Mass Transportation Operations	\$ 860	\$ 1,040	\$ 1,075
Purchase of Aircraft .....	.....	.....	1,000
Subtotal	\$ 860	\$ 1,040	\$ 2,075
Grants and Subsidies			
Mass Transportation Assistance	\$ 74,200	\$ 79,000	\$ 87,000
Intercity Rail and Rural Bus Transportation	177	1,625	3,299
Port of Philadelphia	1,000	1,000	1,000
Port of Erie	250	250	250
Civil Air Patrol	25	35	35
Subtotal	\$ 75,652	\$ 81,910	\$ 91,584
Capital Improvements			
Capital Improvements .....	.....	.....	\$ 32
Subtotal	\$ 76,512	\$ 82,950	\$ 93,691
Total State Funds			
Federal Funds	\$ 2,206	\$ 19,411	\$ 10,751
Other Funds	8,307	6,050	391
GENERAL FUND TOTAL	\$ 87,025	\$ 108,411	\$ 104,833
Motor License Fund			
General Government			
General Government Operations	\$ 22,168	\$ 19,935	\$ 18,744
Refunding Monies Collected Through the			
Department of Transportation	753	850	877
Highway and Safety Construction	45,994	50,000	45,356
Highway Maintenance	353,645	264,906	339,332
Secondary Roads — Maintenance and			
Resurfacing	55,743	56,930	58,976
Safety Administration and Licensing	37,104	37,042	34,188
Aviation Operations	3,871	4,407	4,528
Subtotal	\$ 519,278	\$ 434,070	\$ 502,001
Debt Service Requirements			
State Highway and Bridge Authority			
Rentals	\$ 35,301	\$ 35,500	\$ 33,150
Grants and Subsidies			
Local Road Maintenance and Construction			
Payments	\$ 85,200	\$ 88,570	\$ 89,811

DEPARTMENT OF TRANSPORTATION

Summary by Fund and Appropriation
(continued)

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Motor License Fund (continued)			
Grants and Subsidies (continued)			
Airport Development	877	1,511	3,000
Subtotal	<u>\$ 86,077</u>	<u>\$ 90,081</u>	<u>\$ 92,811</u>
Total State Funds	<u>\$ 640,656</u>	<u>\$ 559,651</u>	<u>\$ 627,962</u>
Federal Funds	\$ 291,042	\$ 319,481	\$ 160,904
Other Funds	38,264	34,909	15,876
MOTOR LICENSE FUND TOTAL	<u>\$ 969,962</u>	<u>\$ 914,041</u>	<u>\$ 804,742</u>
Boating Fund			
General Government			
Navigation Office for the Delaware River	<u>\$ 18</u>	.....	.....
State Lottery Fund			
Grants and Subsidies			
Free Transit for the Elderly	<u>\$ 12,859</u>	<u>\$ 14,939</u>	<u>\$ 15,387</u>
Department Total – All Funds			
General Fund	\$ 76,512	\$ 82,950	\$ 93,691
Special Funds	653,533	574,590	643,349
Federal Funds	293,248	338,892	171,655
Other Funds	46,571	40,959	16,267
TOTAL ALL FUNDS	<u>\$1,069,864</u>	<u>\$1,037,391</u>	<u>\$ 924,962</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Mass Transportation Operations			
State Funds	\$ 860	\$ 1,040	\$ 1,075
Federal Funds	190	1,778	\$1,179
Other Funds	17	73	121
TOTAL	\$ 1,067	\$ 2,891	\$ 2,375

Provides administrative coordination, planning and support for all urban, rural and intercity mass transportation as well as rail freight 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 and bus service between Pennsylvania's urbanized areas and bus service in rural areas include: preparing and coordinating needs studies; analyzing existing and proposed service levels; and evaluating the overall effectiveness of the program. 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.

Provides administrative direction, staff assistance and planning costs for the Rural Transportation Program, which was transferred from the Department of Agriculture to PennDOT on July 1, 1977.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Mass Transportation Operations	\$ 860	\$ 1,040	\$ 1,075 ✓
Federal Funds:			
Urban Mass Transportation Technical Studies Grants	138	620	524
Title IV Rail Assistance—Program Operations and Planning	46	1,097	512
Capital Assistance Elderly and Handicapped Programs—Administration	6	20	78
Rural Public Transportation Demonstration Program — Administration . . . . .	. . . . .	41	65
Other Funds:			
Reimbursements from Local Governments for Cost of Mass Transit Studies . . . . .	. . . . .	. . . . .	44
Reimbursements from Aviation Restricted Revenues	17	13	14
Reimbursement from PTAA . . . . .	. . . . .	60	63
TOTAL	\$ 1,067	\$ 2,891	\$ 2,375

GENERAL FUND

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Purchase of Aircraft			
State Funds			\$ 1,000

Provides for the purchase of an aircraft to be utilized for official state business.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Purchase of Aircraft			<u>\$ 1,000</u> ✓

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Mass Transportation Assistance			
State Funds	\$ 74,200	\$ 79,000	\$ 87,000

Assists in developing improved, coordinated, and efficient mass transportation systems in the Commonwealth's urban areas through subsidization of public carriers' operating losses.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Mass Transportation Assistance	<u>\$ 74,200</u>	<u>\$ 79,000</u>	<u>\$ 87,000</u> ✓

GENERAL FUND

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Intercity Rail and Rural Bus Transportation			
State Funds	\$ 177	\$ 1,625	\$ 3,299
Federal Funds	2,016	17,217	9,180
Other Funds	8,290	5,977	270
TOTAL	\$ 10,483	\$ 24,819	\$ 12,749

Ensures continuation of vital rail services by assisting financially in the purchase, rehabilitation and subsidization of rail lines that were not included in the Consolidated Rail Corporation (ConRail) system; and provides operating subsidies for passenger rail and bus service in small urban and rural areas and between urbanized areas that lack adequate public transportation. Also included in this appropriation is the project grant portion of the Rural Transportation Program, transferred from the Department of Agriculture to PennDOT effective July 1, 1977. Bond funds required to finance construction of a rail spur for the New Stanton Volkswagen plant and capital improvements to existing rail lines are shown below under "Other Funds" and are also summarized in the Capital Budget Section of this budget.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Intercity Rail and Rural Bus Transportation	\$ 177	\$ 1,625	\$ 3,299 ✓
Federal Funds:			
Title IV Rail Assistance—Operating Subsidy	2,016	8,571	4,560
Title IV Rail Assistance—Capital (Bond Projects .....	.....	8,346	4,320
Rural Public Transportation Projects .....	.....	300	300
Other Funds:			
Local Reimbursements—Intercity Rail and Bus Projects	10	177	.....
Reimbursement From Capital Facilities Fund— Rail Projects	8,280	5,800	270
TOTAL	\$ 10,483	\$ 24,819	\$ 12,749

GENERAL FUND

TRANSPORTATION

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
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.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
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>

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Civil Air Patrol			
State Funds	\$ 25	\$ 35	\$ 35

Pays for instructional aids and other equipment used in local civil air patrol programs.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Civil Air Patrol	<u>\$ 25</u>	<u>\$ 35</u>	<u>\$ 35</u> ✓

Capital Improvements

		(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available		1978-79 Budget
Capital Improvements				
State Funds		\$ 32
Federal Funds	416		392
		<u>416</u>		<u>392</u>
TOTAL	\$ 416		\$ 424

Provides for acquisition, rehabilitation and replacement of minor rail lines to be abandoned by the Consolidated Rail Corporation (ConRail).

		(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available		1978-79 Budget
Source of Funds				
Appropriation:				
Capital Improvements		\$ 32
Federal Funds:				
Title IV Rail Assistance—Capital (Current Revenue Projects)	416		392
		<u>416</u>		<u>392</u>
TOTAL	<u>\$ 416</u>		<u>\$ 424</u>

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Government Operations			
State Funds	\$ 22,921	\$ 20,785	\$ 19,621
Federal Funds	174	405	500
Other Funds	2,477	1,544	1,007
TOTAL	<u>\$ 25,572</u>	<u>\$ 22,734</u>	<u>\$ 21,128</u>

Develops basic policy guidelines for the highway program, while directing and coordinating specific construction, maintenance and safety and licensing activities. Among the various managerial responsibilities, support is provided in legal, budgetary, accounting, personnel, procurement, information systems and public relations matters. In addition to supervisory functions performed by departmental employees, the work of the State Transportation Commission and the Advisory Committee are included within this program. PennDOT also provides certain photographic and reproduction services to other State agencies on a reimbursable basis.

'Other Funds' include PennDOT's bond-funded operating costs; these consist of Departmental operating expenses chargeable to bond-funded highway capital projects. Bond expenditures, both direct capital project costs and those associated PennDOT costs shown here as 'Other Funds', are summarized in the Capital Budget section of this budget.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
General Government Operations	\$ 22,168	\$ 19,935	\$ 18,744
Executive Authorizations:			
Refunding Monies Collected Through Department of Transportation	753	850	877
Federal Funds:			
Highway Research, Planning and Construction	174	405	500
Other Funds:			
Reimbursements From Capital Facilities Fund -- Direct PennDOT Costs	2,017	1,050	500
Reimbursements From Aviation Restricted Revenues	77	76	67
Reimbursements From General Fund -- Mass Transportation	71	109	110
Reimbursements for Commonwealth Duplicating Services	188	209	225
Reimbursements for Photographic Services	86	100	105
Receipts from Other Agencies for Rental of Equipment	38	. . . . .	. . . . .
TOTAL	<u>\$ 25,572</u>	<u>\$ 22,734</u>	<u>\$ 21,128</u>

MOTOR LICENSE FUND

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Highway and Safety Construction			
State Funds	\$ 45,994	\$ 50,000	\$ 45,356
Federal Funds	272,154	243,325	107,315
Other Funds	33,785	31,151	12,622
TOTAL	\$351,933	\$324,476	\$165,293

Provides for the construction of highways that contribute to the economic growth of the Commonwealth and the mobility of our citizens, while fostering safety improvements that reduce personal injury and property damage. The scope of this program covers all 67 counties within the State and includes Federal Interstate, Primary, Secondary, Urban and Appalachia Roads as well as roads on the 100 percent State system. Within the limitations of funding available from Federal-aid, bond sales, local construction contributions and current revenues, PennDOT is charged with the responsibility of developing and executing a program that will correct the most critical construction and safety deficiencies on the State-administered system.

The highway building process begins with research: long range planning of construction needs and testing of materials and methods to improve the quality and safety 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. Technical matters involved in the acquisition of necessary rights-of-way are also handled. Finally, the construction, reconstruction and safety improvement of roads and bridges on the State highway system are supervised by PennDOT personnel who inspect these activities for adherence to established standards.

In addition to the costs shown, bond funds are used to finance direct capital project costs within this program. Bond expenditures, both direct capital project costs and those associated PennDOT costs shown here as 'Other Funds', are summarized in the Capital Budget section of this budget.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriations:			
Highway and Safety Construction	\$ 45,994	\$ 50,000	\$ 45,356
Federal Funds:			
Highway Research, Planning and Construction	249,808	220,563	89,140
Appalachia Development Highway System	21,632	17,617	14,055
Forest Highways	110	84	84
Appalachia Local Access Roads	604	700	720
Public Works Capital Development and Investment Act .....	.....	4,361	3,316
Other Funds:			
Reimbursements from Capital Facilities			
Fund — Direct PennDOT Costs	21,146	17,042	7,361
Highway Construction Contributions	10,872	12,176	5,000
Reimbursements from Aviation			
Restricted Revenues	75	70	156
Reimbursements from General Fund —			
Mass Transportation	1,692	1,863	105
TOTAL	\$351,933	\$324,476	\$165,293

MOTOR LICENSE FUND

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Highway Maintenance			
State Funds	\$409,388	\$321,836	\$398,308
Federal Funds	18,009	74,273	52,411
Other Funds	892	1,119	882
TOTAL	<u>\$428,289</u>	<u>\$397,228</u>	<u>\$451,601</u>

Performs maintenance activities necessary to keep roadway surfaces in a safe and usable condition. Work carried out by PennDOT forces or by contract includes patching, surface treatment, resurfacing, restabilization and minor betterment projects, plus repair of bridges, tunnels and minor storm damage. Snow and ice removal services are performed on all State-administered highways as well as on 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, manufacturing and repairing highway signs, repainting pavement markings, and repairing or replacing such safety features as traffic signals, guardrails, median barriers and right-of-way fences.

Repairs to flood-damaged highways are financed through this program, with most of these costs being reimbursed by the Federal Government. Federal assistance is now available for routine maintenance activities, but the current dollar availability of such grants is limited.

Separate authorization and accounting is provided under this program for the one cent secondary roads maintenance and resurfacing funds as required by Act 161 of the 1974 session of the Legislature.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Highway Maintenance	\$353,645	\$264,906	\$339,332
Executive Authorizations:			
Secondary Roads — Maintenance and Resurfacing ..	55,743	56,930	58,976
Federal Funds:			
Highway Research, Planning and Construction	617	30,406	42,011
State and Community Highway Safety	683	1,000	900
Highway Emergency Relief	10,259	41,604	7,400
CETA — Title VI .....	.....	1,263	2,100
Transfer from General Fund—Public Works			
Employment Act	6,450*	.....	.....
Other Funds:			
Highway Maintenance Contributions	725	955	725
Reimbursements from Aviation			
Restricted Revenues .....	.....	25	26
Sale of Automobiles	167	75	65
Sale of Equipment .....	.....	64	66
TOTAL	<u>\$428,289</u>	<u>\$397,228</u>	<u>\$451,601</u>

*This transfer from the General Fund is shown only in the Motor License Fund to avoid double accounting.

MOTOR LICENSE FUND

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Safety Administration and Licensing			
State Funds	\$ 37,104	\$ 37,042	\$ 34,188
Federal Funds	472	713	588
TOTAL	\$ 37,576	\$ 37,755	\$ 34,776

Provides for processing applications and collecting fees for all vehicle registration and operator licenses. Additional functions are: to enforce the driver point system, to keep records of State vehicle safety inspections, to maintain a public safety 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 to Commonwealth agencies, municipalities and nonprofit organizations; project development and implementation under provisions of the Federal Highway Safety Act; and regulating the transportation of hazardous substances on the highway.

Operates a data collection system for accident analysis. Location and cause of accident information is utilized to arrange a priority listing of dangerous road sections; actual safety improvement work is funded within the Highway and Safety Construction program.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Safety Administration and Licensing	\$ 37,104	\$ 37,042	\$ 34,188
Federal Funds:			
State and Community Highway Safety	472	713	588
TOTAL	\$ 37,576	\$ 37,755	\$ 34,776

MOTOR LICENSE FUND

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Aviation Operations			
State Funds	\$ 3,871	\$ 4,407	\$ 4,528
Federal Funds	233	765	90
Other Funds	1,110	1,095	1,365
TOTAL	<u>\$ 5,214</u>	<u>\$ 6,267</u>	<u>\$ 5,983</u>

Maintains and operates the Bureau of Aviation within the Department of Transportation, and all State-owned airports—primarily Harrisburg International (HIA) and Capital City. In addition to the costs shown, bond funds are used to finance direct capital project costs within this program. Bond expenditures are summarized in the Capital Budget section of this budget.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Aviation Operations	\$ 3,871	\$ 3,958	\$ 4,528
Aviation Operations — Deficiency .....	.....	449	.....
Federal Funds:			
Airport Development Aid Program	171	576	.....
Airport Planning Grant Program	62	189	90
Other Funds:			
Reimbursements for Cost of Utility			
Services — HIA	1,098	1,090	1,353
Reimbursements for Cost of Utility			
Services — Other	12	5	12
TOTAL	<u>\$ 5,214</u>	<u>\$ 6,267</u>	<u>\$ 5,983</u>

Debt Service Requirements

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Highway and Bridge Authority Rentals			
State Funds	\$ 35,301	\$ 35,500	\$ 33,150

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
State Highway and Bridge Authority Rentals	<u>\$ 35,301</u>	<u>\$ 35,500</u>	<u>\$ 33,150</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Local Road Maintenance and Construction Payments			
State Funds	\$ 85,200	\$ 88,570	\$ 89,811

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 presently equal to 1.6 cents per gallon of gasoline sold within the Commonwealth. Each fiscal year's payments are based on the prior fiscal year's fuels tax collections.

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)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Local Road Maintenance and Construction Payments	\$ 85,200	\$ 87,275	\$ 89,811
Local Road Maintenance and Construction Payments - Deficiency .....	.....	1,295	.....
TOTAL	<u>\$ 85,200</u>	<u>\$ 88,570</u>	<u>\$ 89,811</u>

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Airport Development			
State Funds	\$ 877	\$ 1,511	\$ 3,000

Provides assistance on a matching basis to local governments and authorities for development of aeronautical facilities.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Airport Development	<u>\$ 877</u>	<u>\$ 1,511</u>	<u>\$ 3,000</u>

Boating Fund

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Navigation Office for the Delaware River			
State Funds	\$ 18	. . . . .	. . . . .

Promotes watercraft safety and enforces boating laws and regulations on the tidal waters of Pennsylvania. The activities of the Navigation Office were transferred from PennDOT to the Fish Commission and the Department of Commerce on September 7, 1976 by Act 197 of the 1976 session of the Legislature.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Executive Authorizations:			
Navigation Office for the Delaware River	<u>\$ 18</u>	. . . . .	. . . . .

State Lottery Fund

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Free Transit for the Elderly			
State Funds	\$12,859	\$14,939	\$15,387

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.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Executive Authorizations:			
Free Transit for the Elderly	<u>\$12,859</u>	<u>\$14,939</u>	<u>\$15,387</u>

RESTRICTED RECEIPTS

TRANSPORTATION

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
General Fund			
FHWA Rural Highway Demonstration Program	\$ 216	\$ 300	\$ 231
Capital Assistance Elderly and Handicapped Programs	1,013	976	972
GENERAL FUND TOTAL	<u><u>\$ 1,229</u></u>	<u><u>\$ 1,276</u></u>	<u><u>\$ 1,203</u></u>
Motor License Fund			
Federal Reimbursements to Political Subdivisions - Highway Safety Program	\$ 1,984	\$ 2,400	\$ 2,400
Federal Reimbursements to Political Subdivisions—TOPICS	2,816	3,000	550
Cash Security Deposits—Motor Vehicle Safety Responsibility Act	10	. . . .	. . . .
Airport Development Aid Program	566	100	100
Federal Advances—Delaware Housing Authority . . . . .	. . . .	200	750
Federal Reimbursements for Flood Related Costs . . . . .	. . . .	10,000	3,000
Federal Reimbursements for Roads off the State System Costs	874	4,718	6,100
Reimbursements to Municipalities - Vehicle Code Fines and Penalties	5,812	. . . .	. . . .
MOTOR LICENSE FUND TOTAL	<u><u>\$12,062</u></u>	<u><u>\$20,418</u></u>	<u><u>\$12,900</u></u>
DEPARTMENT OF TRANSPORTATION TOTAL	<u><u>\$13,291</u></u>	<u><u>\$21,694</u></u>	<u><u>\$14,103</u></u>

DEPARTMENT OF TRANSPORTATION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Administration and Support . . .	\$ 25,181	\$ 22,655	\$ 22,587	\$ 22,667	\$ 23,801	\$ 24,990	\$ 26,240
Transportation Systems and Services . . .	\$648,347	\$578,204	\$655,337	\$687,819	\$730,806	\$765,989	\$800,670
State Highway Construction	74,752	80,689	68,862	66,212	67,763	66,696	69,079
State Highway Maintenance	406,882	319,837	396,213	418,545	438,018	458,446	479,825
Local Highway Assistance	85,565	88,934	90,177	92,014	94,455	96,918	99,474
Urban Mass Transportation	74,839	79,746	87,784	99,012	117,789	130,169	137,649
Intercity Rail and Rural Bus Transportation	259	1,790	3,481	4,490	4,997	5,726	6,346
Air Transportation	4,773	5,953	7,563	6,289	6,527	6,777	7,039
Water Transportation	1,277	1,255	1,257	1,257	1,257	1,257	1,258
Highway Safety	\$ 43,629	\$ 41,711	\$ 43,693	\$ 45,877	\$ 48,172	\$ 50,580	\$ 53,109
Highway Safety Projects	\$ 6,485	\$ 4,740	\$ 9,578	\$ 10,056	\$ 10,560	\$ 11,088	\$ 11,642
Safety Administration and Licensing .	37,144	36,971	34,115	35,821	37,612	39,492	41,467
Free Elderly Transit	\$ 12,888	\$ 14,970	\$ 15,423	\$ 15,872	\$ 16,334	\$ 16,810	\$ 17,300
Free Elderly Transit	12,888	14,970	15,423	15,872	16,334	16,810	17,300
DEPARTMENT TOTAL	<u>\$730,045</u>	<u>\$657,540</u>	<u>\$737,040</u>	<u>\$772,235</u>	<u>\$819,113</u>	<u>\$858,369</u>	<u>\$897,319</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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 101	\$ 93	\$ 1,098	\$ 103	\$ 108	\$ 114	\$ 120
Special Funds	25,080	22,562	21,489	22,564	23,693	24,876	26,120
Federal Funds	174	405	500	500	500	500	500
Other Funds	2,494	1,581	1,046	825	622	651	686
SUB-TOTAL	\$27,849	\$24,641	\$24,133	\$23,992	\$24,923	\$26,141	\$27,426
<i>Bond Funds†</i>	<i>385</i>	<i>33</i>	<i>12</i>	<i>59</i>	<i>47</i>	<i>112</i>	<i>172</i>
TOTAL	\$28,234	\$24,674	\$24,145	\$24,051	\$24,970	\$26,253	\$27,598

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.

"Other Funds" now include PennDOT's bond-funded operating costs; these consist of Departmental operating expenses chargeable to bond-funded highway capital projects. The bond-funded highway capital projects costs themselves continue to be shown as "Bond Funds" in later subcategories; "Bond Funds" shown in this subcategory are expenditures for highway buildings only.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Mass Transportation Operations	\$ 101	\$ 93	\$ 98	\$ 103	\$ 108	\$ 114	\$ 120
Purchase of Aircraft			1,000				
GENERAL FUND TOTAL	\$ 101	\$ 93	\$ 1,098	\$ 103	\$ 108	\$ 114	\$ 120
MOTOR LICENSE FUND							
General Government Operations	\$21,703	\$19,571	\$18,378	\$19,297	\$20,262	\$21,275	\$22,339
Highway and Safety Construction	58	71	66	69	73	76	80
Highway Maintenance	2,506	1,999	2,095	2,200	2,310	2,425	2,546
Safety Administration and Licensing	60	71	73	77	81	85	89
Refunding Monies Collected Through the Department of Transportation	753	850	877	921	967	1,015	1,066
MOTOR LICENSE FUND TOTAL	\$25,080	\$22,562	\$21,489	\$22,564	\$23,693	\$24,876	\$26,120

†Excluded from all summary presentations. These are direct capital costs for highway buildings only.

State Highway Construction

OBJECTIVE: To provide a highway system capable of meeting the more vital economic and recreational needs of the Commonwealth by affording a reasonably accessible means of transporting passengers and cargo.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Special Funds	\$ 74,752	\$ 80,689	\$ 68,862	\$ 66,212	\$ 67,763	\$ 66,696	\$ 69,079
Federal Funds	255,088	221,849	58,326	22,944	1,842	1,884	1,926
Other Funds	35,700	34,617	17,772	6,424	4,102	4,116	4,131
SUBTOTAL	\$365,540	\$337,155	\$144,960	\$ 95,580	\$ 73,707	\$ 72,696	\$ 75,136
<i>Bond Funds†</i>	<i>159,292</i>	<i>82,034</i>	<i>35,939</i>	<i>7,565</i>	<i>.....</i>	<i>.....</i>	<i>.....</i>
TOTAL	\$524,832	\$419,189	\$180,899	\$103,145	\$ 73,707	\$ 72,696	\$ 75,136

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Losses attributable to substandard highways (millions of dollars):							
Time:							
Passenger	\$508	\$520	\$532	\$543	\$555	\$567	\$579
Cargo	\$727	\$743	\$760	\$777	\$793	\$811	\$828
Operating costs:							
Passenger	\$68	\$69	\$71	\$73	\$74	\$76	\$77
Cargo	\$183	\$187	\$192	\$197	\$201	\$206	\$210
Accident costs:							
All vehicles	\$70	\$72	\$74	\$75	\$76	\$78	\$79
Vehicle miles of travel on highways (billions):*							
Passenger	38.4	39.3	40.2	41.1	41.9	42.9	43.8
Cargo	11.8	12.1	12.4	12.7	12.9	13.2	13.5
Vehicle miles of travel on substandard highways (billions):*							
Passenger	24.7	25.5	26.4	27.3	27.9	28.6	29.3
Cargo	7.0	7.2	7.5	7.7	7.9	8.1	8.3
Miles of highways:*							
Total	44,828	44,937	45,026	45,115	45,204	45,293	45,382
Substandard	26,163	26,514	26,878	27,232	27,410	27,588	27,766
Brought up to standard	49	25	11	2	.....	.....	.....
Highway share of passenger trips							
Percent of urban trips**	96.0%	95.8%	95.9%	95.9%	95.9%	96.0%	96.0%
Percent of urban work trips**	93.1%	92.7%	92.9%	92.9%	92.9%	93.0%	93.0%
Percent of rural and intercity trips***	96.4%	96.3%	96.3%	96.3%	96.2%	96.2%	96.2%

*State highways only, local roads excluded.

**Auto and transit trips only.

***Auto, transit and aviation trips.

† Excluded from all summary presentations. These are direct capital project costs only; associated PennDOT bond-funded operating costs are shown as "Other Funds".

State Highway Construction (continued)

Program Analysis:

In the mid-1960's, a rapidly expanding economy and cheap, plentiful energy were basic assumptions behind the initiation of Pennsylvania's aggressive road building program. Transportation planners anticipated that new and improved facilities would continue to encourage increased vehicle travel, creating an ever-expanding tax base from spiraling gasoline and diesel fuel consumption. Construction costs were to be spread between current and future generations of road users by issuing long-term bonds. It was believed that the Commonwealth's Motor License Fund revenues would experience sufficient growth in the future to maintain ongoing highway programs while paying the rising debt service.

Inflation, recession, and the creation of the Organization of Petroleum Exporting Countries (OPEC) have radically altered these traditional transportation concepts. Because of recurring periods of escalating price increases, the costs of construction have often outpaced the benefits imputed to be derived from highway projects. These higher costs, combined with the generally slow pace of business expansion, have limited the number of projects that can be deemed economically beneficial to the Commonwealth. Meanwhile, the restrained revenue growth of the past few years are a stark demonstration that energy problems and more fuel-efficient vehicles have undercut the ability of the Motor License Fund to support an expansive construction program. Particularly with the emergence of a national goal of fuel conservation to reduce our dependence on foreign energy sources, the policy of encouraging more vehicle travel had to be reassessed.

Considering all these new realities, the mid-1970's have become a period of reevaluation and policy change. In 1976, the Pennsylvania Transportation Commission developed a new 12 year program that would reduce State and Federal commitments for road building from \$5.4 billion to \$3.2 billion. With the entire \$2.2 billion cut occurring in State funding, the scheduled financial commitment from bonds was reduced from nearly \$300 million per year to \$100 million for the first five years of the program and \$125 million for each of the remaining seven years.

Yet, even this level of construction activity now appears unreachable. Despite two highway user tax hikes since 1974, debt service has risen to almost one-quarter of all Motor License Fund revenues while ongoing highway programs (particularly maintenance) have generally been underfunded. To achieve fiscal stability in the Motor License Fund, last

year's budget recommended the equivalent of a two-cent per gallon fuels tax increase, with the tax also being converted from a cents-per-gallon basis to a percent-of-selling price basis. Since no action on this proposal has been taken by the General Assembly, the Administration has little choice but to make highway decisions on the basis of revenues that can be provided by existing tax rates. This budget reflects that reluctant decision. It is not a budget that is satisfactory to anyone; it is, instead, one that reflects the best that can be done under existing tax rates.

In June of 1977, PennDOT announced that all new construction work requiring bond funding would be suspended. Further aggravating the situation, the General Assembly approved a 1977-78 Highway and Safety construction appropriation of only \$50 million, \$8.3 million below the recommended funding level. Thus, PennDOT has also been forced to curtail all new construction work (except for a few emergency projects) paid from current revenues. This has severely restricted the safety program, a long neglected area that had been receiving increasing attention by PennDOT in the past few years.

This budget proposes a \$45.4 million Highway and Safety Construction appropriation that assumes continued suspension of the bond-financed 12 year construction program, with only current revenue safety and interstate betterment projects to be funded. Such an austere funding level amounts to a virtual dismantling of PennDOT's large-scale construction capability. The more than 2,000 furloughs associated with the overall program reduction will save an estimated \$35 million that can be applied to maintenance and to priority current revenue construction projects. During the 1977-78 and 1978-79 fiscal years, the \$850 million worth of highway improvements previously scheduled in the 12 year program will not be accomplished. This cutback involves work on 525 miles of substandard roads, including more than 225 bridge replacement and rehabilitation projects. Despite the desirability of proceeding with these projects, fiscal responsibility dictates that resumption of the construction program must await an increase in highway-user revenues.

The changes in program measures from last year's budget reflect both the virtual cessation of the construction program and changes by PennDOT in the parameters used in deriving the data.

State Highway Construction (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
MOTOR LICENSE FUND							
Highway and Safety Construction . . .	\$ 39,451	\$ 45,189	\$ 35,712	\$ 33,012	\$ 34,663	\$ 36,396	\$ 38,579
State Highway and Bridge Authority							
Rentals	35,301	35,500	33,150	33,200	33,100	30,300	30,500
 MOTOR LICENSE FUND							
TOTAL	<u>\$ 74,752</u>	<u>\$ 80,689</u>	<u>\$ 68,862</u>	<u>\$ 66,212</u>	<u>\$ 67,763</u>	<u>\$ 66,696</u>	<u>\$ 69,079</u>

State Highway Maintenance

OBJECTIVE: To provide general routine maintenance necessary to preserve the quality of existing State-administered roads and to provide prompt snow removal service to enable the safe passage of vehicles.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Special Funds	\$406,882	\$319,837	\$396,213	\$418,545	\$438,018	\$458,446	\$479,825
Federal Funds	18,009	74,273	52,411	52,745	47,038	48,141	49,272
Other Funds	892	1,119	882	921	966	998	1,021
TOTAL	<u>\$425,783</u>	<u>\$395,229</u>	<u>\$449,506</u>	<u>\$472,211</u>	<u>\$486,022</u>	<u>\$507,585</u>	<u>\$530,118</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Miles of State-administered highways:							
Total maintained	44,828	44,937	45,026	45,115	45,204	45,293	45,382
Requiring short-term improvement . . .	13,899	13,163	15,576	16,100	16,624	17,148	17,672
Improved, but not up to standard . . .	7,534	4,398	6,300	6,300	6,300	6,300	6,300
Requiring resurfacing	8,580	7,199	8,615	8,911	9,207	9,503	9,799
Resurfaced	4,067	1,275	2,400	2,400	2,400	2,400	2,400
Requiring surface treatment	5,319	5,964	6,961	7,189	7,417	7,645	7,873
Surface treated	3,467	3,123	3,900	3,900	3,900	3,900	3,900

Program Analysis:

Pennsylvania, with the fourth largest State-administered highway system in the nation (and the largest among northern snow-belt states), has for years faced enormous and steadily increasing maintenance requirements. Yet, during the last two decades both the State and Federal governments have emphasized construction over maintenance. This has led to years of maintenance deferrals that have finally threatened to create the need for prohibitively expensive reconstruction expenditures on thousands of miles of structurally unsound roads.

A primary cause of today's maintenance problem is the level of debt service resulting from past construction decisions. Maintenance cannot be funded from bond sales; construction can and is, and debt service on past construction bonds has first entitlement on those tax monies from which maintenance must also be funded. The deleterious effects of the expansive road building program begun in the mid-1960's is evidenced by the fact that debt service payments in 1978-79 will be more than one half as large as the amount available for maintenance activities.

Compounding the underfunding of maintenance is the problem of inflation which has been seriously eroding PennDOT's buying power. According to the Federal Highway Administration's nationwide *Highway Maintenance and Operation Cost Trend Index*, the cost of highway maintenance has been increasing an average of nine percent a year. Since the oil embargo, liquid fuels tax revenues—which provide the majority of highway funds—have not kept pace with inflation. At current tax rates, revenues from gasoline and diesel fuels are now expected to grow by only 2.6 percent per year—or less than one-third the rate of recent maintenance cost increases. Future prospects could be even worse if the Federal Government takes aggressive measures to curtail motor vehicle fuel consumption, or if oil producing nations continue to raise prices or impose another embargo.

As a result of these factors, the maintenance program has not been receiving sufficient funds to prevent an accumulation of unmet needs. In fact, 1976-77 was the only year in the recent past in which the funding level permitted a reduction of maintenance deficiencies. But with the failure of the General

State Highway Maintenance (continued)

Program Analysis: (continued)

Assembly to pass the gas tax increase recommended in last year's budget, maintenance spending from State funds will drop to \$319.8 million in the 1977-78 fiscal year from \$406.9 million the year before. This cut has forced PennDOT to reevaluate the relative emphasis placed on surface treatment versus resurfacing. Surface treatment — a lower level of maintenance — not only permits more miles of work per dollar, but PennDOT also believes that arresting deterioration at an earlier stage results in greater long range savings. Therefore, increased emphasis has been placed on surface treatment, and this is reflected in the program measures.

To resolve the maintenance dilemma, the Fiscal Review Task Force's *New Directions for PennDOT* report recommended that funding be based on what was termed the "M₂" level. This program level is geared to eliminate the most critical maintenance deficiencies, including resurfacing and surface treatment, guard rail replacement, minor bridge upgrading and road widening within ten years and the total maintenance backlog within twenty-five years. While the

"M₂" level was achieved in the 1976-77 fiscal year, the precipitous drop in funding during 1977-78 eliminated the earlier success in reducing the maintenance backlog.

It is estimated that the cost of "M₂" for the 1978-79 fiscal year would be \$485 million. Thus, the recommended total of about \$450 million from State, Federal and other sources is \$35 million below an adequate funding level. The shortfall would have been much higher had it not been for personnel and other savings in the Highway and Safety Construction appropriation that resulted from the suspension of the 12 year construction program.

The distribution of the proposed \$450 million 1978-79 maintenance budget between major areas of expenditure will be \$314 million for routine maintenance (including resurfacing and betterments), \$47 million for snow and ice removal, \$58 million for purchase and maintenance of equipment and properties, and \$31 million for flood repairs and other special projects.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
MOTOR LICENSE FUND							
Highway Maintenance	\$351,139	\$262,907	\$337,237	\$358,008	\$375,908	\$394,704	\$414,439
Secondary Roads—Maintenance and Resurfacing	55,743	56,930	58,976	60,537	62,110	63,742	65,386
MOTOR LICENSE FUND							
TOTAL	<u>\$406,882</u>	<u>\$319,837</u>	<u>\$396,213</u>	<u>\$418,545</u>	<u>\$438,018</u>	<u>\$458,446</u>	<u>\$479,825</u>

Local Highway Assistance

OBJECTIVE: To assist local governments in the maintenance and construction of their portion of the total highway system.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Special Funds	\$ 85,565	\$ 88,934	\$ 90,177	\$ 92,014	\$ 94,455	\$ 96,918	\$ 99,474
Federal Funds	604	700	720	742	764	787	811
Other Funds	38,437	48,193	41,241	42,854	39,742	40,409	39,543
TOTAL	\$124,606	\$137,827	\$132,138	\$135,610	\$134,961	\$138,114	\$139,828

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Miles of locally administered highways:							
Total	65,224	65,424	65,624	65,824	66,024	66,224	66,424
Percent of all highways in							
Commonwealth	59.3%	59.3%	59.3%	59.3%	59.4%	59.4%	59.4%
Miles of local highway improved	2,501	2,520	2,500	2,475	2,450	2,425	2,400
Travel on locally administered highways:							
Billions of vehicle miles	19.3	19.7	20.1	20.5	21.1	21.5	22.4
Percent of vehicle miles	28%	28%	28%	28%	28%	28%	28%

Program Analysis:

Two mandated grant programs for county and municipal road work claim almost one-quarter of Pennsylvania's nine cents per gallon liquid fuels tax. The first one half cent of gasoline and diesel fuel tax receipts is paid directly into the Liquid Fuels Tax Fund and apportioned to the 67 counties. Of the remaining eight and one half cents fuels tax, one and six-tenth cents per gallon is distributed from the Motor License Fund to the 2,567 municipalities in the Commonwealth. Thus, a substantial portion of highway revenues is diverted by law from the Pennsylvania Department of Transportation (PennDOT) to local governments.

Besides these liquid fuels tax allocations, certain Federal highway funds are channeled through PennDOT to local governments. Local governments in Pennsylvania supplement State and Federal funds with about \$300 million annually from their own revenues (general revenues such as wage and property taxes, debt financing, and road-related receipts such as parking fees and traffic fines) and with about \$20 million from direct Federal assistance not shown above. Thus, in terms of dollars spent per volume and type of travel accommodated, our local roads appear to be better funded than our State-administered highways. In fact, the amount of State current revenues available to county and municipal governments since fiscal year 1970-71 has increased almost 50 percent while the amount available for PennDOT operations has risen by less than 20 percent.

It is particularly striking that thousands of miles of local roads, city streets and even back alleys were added to the State system over the past several decades. The Automotive Safety Council issued a report back in 1965 indicating that 13,000

miles of roads administered by the Commonwealth served no statewide function whatsoever. This is reflected in the fact that PennDOT is responsible for 40 percent of all roads in the Commonwealth, while the nationwide average for a state transportation department is only half that figure.

While this imbalance has served to help relieve local tax pressures, the severe financial difficulties of the Motor License Fund in recent years have made it difficult for PennDOT to adequately maintain even the Commonwealth's most heavily traveled highways — let alone lesser thoroughfares with primarily local significance. Believing that neither local governments nor the State are well served by the current unwieldy and irrational highway network, the State's Transportation Commission Advisory Committee has reintroduced the long standing proposal that many State roads should be returned to local jurisdiction. Although the Advisory Committee has already drafted a report specifically advocating the return of 12,700 miles of road to local governments, it is apparent that considerable political debate will be required to resolve such issues as: whether the program would be voluntary or mandatory; whether bridges would be included in the turn back plan; and the dollar amount per mile of transferred roads to be provided each year to local governments. Since the basic problem for both State and local governments has been the lack of adequate highway funds, additional tax revenue would have to be earmarked; first for PennDOT to repair these roads prior to transfer, and then for local governments to maintain them after assuming jurisdiction.

Local Highway Assistance (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
MOTOR LICENSE FUND							
General Government Operations	\$ 365	\$ 364	\$ 366	\$ 379	\$ 394	\$ 413	\$ 433
Local Road Maintenance and Construction Payments	85,200	88,570	89,811	91,635	94,061	96,505	99,041
	<u>85,565</u>	<u>88,934</u>	<u>90,177</u>	<u>92,014</u>	<u>94,455</u>	<u>96,918</u>	<u>99,474</u>
MOTOR LICENSE FUND	\$ 85,565	\$ 88,934	\$ 90,177	\$ 92,014	\$ 94,455	\$ 96,918	\$ 99,474

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$74,839	\$79,746	\$87,784	\$99,012	\$117,789	\$130,169	\$137,649
Federal Funds	138	661	637	359	363	367	372
Other Funds . . . . .	. . . . .	36	82	86	92	95	100
SUBTOTAL	\$74,977	\$80,443	\$88,503	\$99,457	\$118,244	\$130,631	\$138,121
<i>Bond Funds†</i>	<i>8,972</i>	<i>17,500</i>	<i>35,217</i>	<i>34,700</i>	<i>31,600</i>	<i>32,500</i>	<i>34,000</i>
TOTAL	\$83,949	\$97,943	\$123,720	\$134,157	\$149,844	\$163,131	\$172,121

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Urban mass transit person-trips:							
Millions annually	398.0	419.0	420.0	424.2	428.4	432.7	436.8
Percent of urban trips*	4.0%	4.2%	4.1%	4.1%	4.1%	4.0%	4.0%
Percent of urban work trips*	6.9%	7.3%	7.1%	7.1%	7.1%	7.0%	7.0%
Percent of Philadelphia and Pittsburgh work trips*	9.1%	9.6%	9.4%	9.4%	9.4%	9.2%	9.2%
Urban passengers carries by State-assisted carriers:							
Millions annually	380.0	400.9	401.2	405.2	409.2	413.3	417.5
Percent of all transit trips	95.5%	95.7%	95.7%	95.7%	95.7%	95.7%	95.7%
Cost of average urban mass transit trip:**							
To user (fare)	36.8¢	40.8¢	41.3¢	41.8¢	42.1¢	43.0¢	44.7¢
To Commonwealth (subsidy-including Lottery Fund)	22.8¢	23.3¢	25.1¢	27.7¢	32.0¢	34.9¢	36.3¢
To Federal Government (subsidy)	12.7¢	17.1¢	15.6¢	15.9¢	13.8¢	13.7¢	14.9¢
To local governments (subsidy)	13.9¢ ***	9.8¢	10.7¢	11.9¢	14.1¢	15.4¢	16.1¢
Total Cost	86.2¢	91.0¢	92.7¢	97.3¢	\$1.02	\$1.07	\$1.12

*Auto and transit trips only.

**State-assisted carriers only.

***Including deficits funded from working capital.

†Excluded from all summary presentations. These are direct capital project costs only.

Urban Mass Transportation (continued)

Program Analysis:

The Commonwealth's 1978-79 urban mass transportation subsidy will have to not only reflect normal increases in transit expenses without the aid of those abnormal Federal subsidy or fare increases that have occurred over the past few years, but will also have to help absorb a nearly \$6 million cutback in special Consolidated Rail Corporation (ConRail) funding and the wage increases granted as a result of the Southeastern Pennsylvania Transportation Authority contract signed last May. Therefore, this budget recommends a rather sizeable ten percent increase to \$87 million in the Mass Transportation Assistance appropriation. Furthermore, even sharper increases may be necessary in future years, as shown in the future year expenditure projections, because the ConRail funding ends completely on September 30, 1980.

Probably the only way to avert these increases are for the regular Federal subsidy program, weighted heavily in favor of smaller urban areas at the expense of the major cities, to be revised on a more equitable and realistic basis. The present formula funds 50 percent of transit losses in all urban areas of the Commonwealth except Philadelphia and Pittsburgh; those two transit systems, which carry 95 percent of the Commonwealth's riders and incur 95 percent of statewide

transit losses, have less than 20 percent of their losses subsidized by the Federal Government.

The encouraging thirteen percent increase in statewide ridership experienced from 1972-73 through 1975-76 came to an abrupt halt last year, but there were extenuating circumstances. The 1976-77 decrease was due to the 44 day SEPTA City Transit Division strike, which caused an overall 18 percent loss in SEPTA patronage. Resistance to the fare increase that accompanied the strike settlement, plus the traditional loss of ridership that results from prolonged strikes (transit riders forced to find other means of travel during transit stoppages and staying with their new travel arrangements even after transit service is restored) have combined to hold current year ridership to about 7.5 percent below pre-strike and fare increase levels. It is impossible to assess at this time how much of this loss is attributable to the strike and how much to the fare increase; in any event, the fact that both occurred at once unquestionably magnified the overall impact and caused the reductions in ridership figures from last year's budget. Ridership is expected to stabilize this year, then increase by one percent annually in the budget year and in future years.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Mass Transportation Operations	\$ 639	\$ 746	\$ 784	\$ 1,012	\$ 989	\$ 969	\$ 949
Mass Transportation Assistance	74,200	79,000	87,000	98,000	116,800	129,200	136,700
GENERAL FUND TOTAL	<u>\$74,839</u>	<u>\$79,746</u>	<u>\$87,784</u>	<u>\$99,012</u>	<u>\$117,789</u>	<u>\$130,169</u>	<u>\$137,649</u>

Intercity Rail and Rural Bus 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, and to provide bus service that will increase the mobility of those rural Pennsylvanians who lack access to an automobile.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 259	\$ 1,790	\$ 3,481	\$ 4,490	\$ 4,997	\$ 5,726	\$ 6,346
Federal Funds	2,062	18,730	10,084	7,499	7,036	. . . .	. . . .
Other Funds	9,519	7,253	1,473	1,403	1,326	2,414	2,560
SUBTOTAL	\$11,840	\$27,773	\$15,038	\$13,392	\$13,359	\$ 8,140	\$ 8,906
<i>Bond Funds † . . . . .</i>	. . . .	. . . .	1,083	. . . .	. . . .	. . . .	. . . .
TOTAL	\$11,840	\$27,773	\$16,121	\$13,392	\$13,359	\$ 8,140	\$ 8,906

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
State-assisted rural and intercity rail passenger trips (passenger miles) . . . . .	. . . .	2,300,000	25,000,000	26,000,000	27,000,000	28,000,000	29,000,000
State-assisted tons of freight shipped by rail	860,000	880,000	900,000	920,000	940,000	960,000	980,000

Program Analysis:

Financial support of rural and intercity rail services has been forced on the Commonwealth by the many service abandonments proposed throughout the State by the quasi-nationalized Amtrak passenger and Consolidated Rail Corporation (ConRail) freight networks. These Federally supported systems, which arose because of the bankruptcy of seven northeastern and midwestern railroad companies, brought about drastic reductions to rail service which was already less than adequate throughout the Commonwealth. Amtrak eliminated passenger service to northwestern and southwestern Pennsylvania entirely, discontinued service north from Harrisburg as well as the York stop on the Harrisburg—Baltimore—Washington line, and cut Philadelphia—Pittsburgh runs from thirteen daily runs to four. ConRail proposed abandonment of freight service on approximately 5,700 miles of light density track and 1,100 miles of out-of-service track.

To overcome the potentially devastating impact of these service eliminations, the Department of Transportation (PennDOT) is negotiating for funding of passenger service

during 1978 on the following lines: Altoona—Pittsburgh, Harrisburg—Erie, Philadelphia—Scranton, New York—Philadelphia, New York—Scranton—Syracuse and shorter runs in Beaver County, the Philadelphia area and the Bethlehem—Allentown area. The Altoona—Pittsburgh and Scranton—Bethlehem restorations are scheduled for April, the others for July or later; thus 1977-78 patronage as shown in the measures reflects only a small portion of the program impact, which will have its full effect in 1978-79. Most of these projects had been scheduled for 1977, but the lengthy negotiations involved in obtaining local financial participation has thus far caused a one year delay in their initiation.

Concurrently, the Commonwealth has provided for the continuation of rail freight service on 410 miles of lines, with 43 additional miles of track scheduled for restoration. The program includes rail services in 33 counties affecting 275 businesses; these businesses are generally contributing the local funding required. Commonwealth funding is provided for operating and lease agreements with the six railroad companies

† Excluded from all summary presentations. These are direct capital project costs only. Bond expenditures for the New Stanton Volkswagen plant are shown as "Other Funds".

Intercity Rail and Rural Bus Transportation (continued)

Program Analysis: (continued)

involved, for track maintenance, and through the Commonwealth's Capital Budget process for acquisition and rehabilitation of railroad properties to ensure preservation of essential lines.

Federal funding for both the passenger and rail programs declines gradually each year, and will be eliminated entirely for passenger service in the spring of 1980 and for rail service during the summer of 1981. After these dates all funding will have to be provided by State and/or local sources; since 1978-79 Federal participation will be 80 percent for both programs, this future termination of Federal funds poses a problem that will soon have to be faced.

The most recent efforts within this subcategory involve bus service in and between the Commonwealth's less densely populated areas. The 1978-79 recommendation includes transferring of nine small urban area bus projects totaling some \$800,000 to this subcategory from the Urban Mass

Transportation subcategory; reflects the transfer on July 1, 1977 of the Rural Highway Demonstration Program from the Department of Agriculture to PennDOT; and provides planning and initial operational funding for new or expanded bus services in nonurbanized areas and between small urbanized areas.

The program measures reflect only rail trips and freight cargo on State-assisted lines rather than on all Amtrak and ConRail lines, thus more accurately reflecting the effects of the funds spent by the Commonwealth. These State-assisted statistics do represent, however, an extremely small percentage of all rail passenger and freight activity in the Commonwealth. The bus and rural transit demonstration projects are in too nebulous a planning stage to accurately estimate potential ridership resulting from efforts in these areas. Preliminary estimates, however, project upwards of six million trips annually once this new program becomes fully operational.

Program Costs by Appropriation:

	1976-77	1977-78	(Dollar Amounts in Thousands)				1982-83
			1978-79	1979-80	1980-81	1981-82	
GENERAL FUND							
Mass Transportation Operations	\$ 82	\$ 165	\$ 150	\$ 83	\$ 143	\$ 323	\$ 398
Intercity Rail and Rural Bus Transportation	177	1,625	3,299	4,407	4,854	5,403	5,948
Capital Improvements . . . . .	.....	.....	32	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 259	\$ 1,790	\$ 3,481	\$ 4,490	\$ 4,997	\$ 5,726	\$ 6,346

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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 25	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35
Special Funds	4,748	5,918	7,528	6,254	6,492	6,742	7,004
Federal Funds	233	765	90	94	101	105	109
Other Funds	1,676	1,195	1,465	1,514	1,566	1,622	1,681
SUBTOTAL	\$ 6,682	\$ 7,913	\$ 9,118	\$ 7,897	\$ 8,194	\$ 8,504	\$ 8,829
<i>Bond Funds</i> †	258	.....	1,907	2,141	1,208	838	706
TOTAL	\$ 6,940	\$ 7,913	\$11,025	\$10,038	\$ 9,402	\$ 9,342	\$ 9,535

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Airports in Pennsylvania:							
Total	547	556	564	573	581	590	598
Substandard	93	92	90	88	86	84	82
Brought up to standard	1	2	2	2	2	2	2
Person-trips on scheduled airlines (millions)	17.7	18.8	19.9	21.1	22.3	23.7	25.1
General aviation person trips (millions)	7.0	8.4	10.1	12.1	14.5	17.4	18.2
Total flights handled—public airports (millions)	3.6	3.8	4.0	4.2	4.4	4.6	4.8
Tons of cargo handled	163,000	173,000	183,000	194,000	206,000	218,000	231,000
State-owned airports:							
Passengers handled	715,000	765,000	826,000	892,000	964,000	1,041,000	1,124,000
Flights handled	278,000	295,000	312,000	331,000	351,000	372,000	394,000
Tons of cargo handled	8,030	8,430	8,850	9,300	9,760	10,250	10,760

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 556 airports, Pennsylvania ranks fifth nationally in the number of airports and fourth in landing facilities 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

† Excluded from all summary presentations. Those are direct capital project costs only.

Air Transportation (continued)

Program Analysis: (Continued)

in the country with Pittsburgh ranking 15th and Philadelphia 17th nationally in terms of originating passengers. These two airports account for 90 percent of all airline enplanements in Pennsylvania. Four additional public airports provide scheduled passenger service with trunk and local airlines, while thirteen other public airports are served by commuter airlines. The other 149 public airports in the State are general aviation fields, and the approximately 390 remaining airports in Pennsylvania are privately-owned and operated for corporate, agricultural, recreational or experimental use.

The most serious aviation problem is the potential for a disastrous accident caused by our congested airways. 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 reduced service between cities of modest size. In fact, the heaviest concentration of air traffic in the country passes over Philadelphia, a problem further complicated by the proximity of New York and Washington.

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 has been upgrading the facilities at Harrisburg International Airport (HIA) which handle both foreign and domestic traffic. Discussions are currently underway to ascertain the willingness of local governments to assume the operation of HIA once the State has completed the massive reconstruction effort now contemplated.

While air cargo has received less public attention than

passenger service, airline freight tonnage showed consistent growth during the first half of this decade. Although the energy problem and a sluggish economy have caused tonnage figures to dip in 1975-76 and 1976-77, PennDOT predicts a still promising future for air cargo. Given the aviation industry's inherent time advantages and the increased capability in handling cargo containers, tonnage is expected to rise by six percent in the budget and future years.

Pennsylvania can accommodate an even greater share of this industry than its locational and population characteristics would indicate. Pennsylvania presently ranks eleventh in comparison with other states in percentage of air freight service handled. Philadelphia has constructed a portion of a \$100 million "Air Cargo City" in an attempt to provide adequate facilities and satisfy the containerization demand of shippers.

Under legislation passed in 1976, the Federal Government will permanently increase from 50 to 75 percent its share of the costs incurred on capital improvement projects at major hub airports (Pittsburgh and Philadelphia). All other non-State owned public airports will be eligible for Federal participation at a 90 percent level until October 1, 1978 when the Federal share will drop to 80 percent. This budget proposes an accelerated Airport Development Program for fiscal year 1978-79, particularly to take advantage of the additional participation temporarily available from Washington for nonhub airports.

The data shown in the program measures for general aviation person-trips and flights handled at public airports are imprecise estimates shown only to reflect anticipated trends.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Civil Air Patrol	\$ 25	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35
MOTOR LICENSE FUND							
Aviation Operations	\$ 3,871	\$ 4,407	\$ 4,528	\$ 4,754	\$ 4,992	\$ 5,242	\$ 5,504
Airport Development	877	1,511	3,000	1,500	1,500	1,500	1,500
MOTOR LICENSE FUND							
TOTAL	\$ 4,748	\$ 5,918	\$ 7,528	\$ 6,254	\$ 6,492	\$ 6,742	\$ 7,004

Water Transportation

OBJECTIVE: To promote the development of the Port of Philadelphia and Port of Erie while encouraging the utilization of these ports by domestic and international shippers.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$1,259	\$1,255	\$1,257	\$1,257	\$1,257	\$1,257	\$1,258
Special Funds	18	.....	.....	.....	.....	.....	.....
TOTAL	<u>\$1,277</u>	<u>\$1,255</u>	<u>\$1,257</u>	<u>\$1,257</u>	<u>\$1,257</u>	<u>\$1,257</u>	<u>\$1,258</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Value of cargo handled (millions):							
Port of Philadelphia	\$13,066	\$13,719	\$14,405	\$15,126	\$15,881	\$16,676	\$17,510
Port of Erie	\$50	\$53	\$55	\$57	\$65	\$67	\$69
Foreign exports (thousands of short tons):							
Port of Philadelphia	5,884	6,060	6,242	6,429	6,622	6,821	7,025
Port of Erie	196	220	250	290	300	310	320
Foreign imports (thousands of short tons):							
Port of Philadelphia	70,046	72,147	74,311	76,541	78,837	81,202	83,638
Port of Erie	649	675	700	740	750	770	780
Domestic trade (thousands of short tons):							
Port of Philadelphia	55,196	56,852	58,557	60,314	62,124	63,487	65,907
Port of Erie	992	1,040	1,100	1,180	2,250	2,285	2,320

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 increased dramatically in both volume and economic impact in the past ten years, and this trend is expected to continue in the future.

When the Philadelphia Port Corporation began its development program in 1965, Philadelphia ranked third nationally behind the port cities of New York and Baltimore in handling international waterborne commerce. With the construction of new shipping facilities and a vigorous promotion campaign, tons of import and export goods passing

through Philadelphia exceeded that of Baltimore in 1972. Only two years later, the Port Corporation announced that Philadelphia was transporting more international tonnage than any other port in the country. Presently, the Port of Philadelphia handles 28 percent more foreign trade than New York and more than twice as much as the Port of Baltimore.

The program measures reflect the expectation that the Port of Philadelphia will continue its historical growth pattern — though not at the level of the 1971 to 1974 boom years when international tonnage increased at an average annual rate of more than 13 percent. The lower export and import tonnage figures result from the lingering effects of the worldwide recession. Dollar values will continue to rise at a faster pace than tonnage due to the effects of inflation. The annual cargo values for future years have been increased by an estimated

Water Transportation (continued)

Program Analysis (continued)

five percent and the tons by three percent.

Bulk cargo, consisting primarily of grain, sugar, molasses, soybeans, iron ore, coal, coke and petroleum, accounts for 93 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 and has fallen off somewhat from previous years because of increased petroleum imports from foreign countries and increased pipeline movements from the southwest United States.

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 40 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 2½ times multiplier effect. Thus the 5.3 million tons of general cargo moving through the Port of Philadelphia, for instance, creates 130 million new dollars with a subsequent multiplier effect of \$330 million as the original dollars are spent and respent.

Philadelphia has been making its most important recent

gains in general cargo trade. 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. In 1970, only one shipping line offered regular container services to the Port of Philadelphia. Today, a multiplicity of container lines provide service to every major containerized port in the world. During the 1976-77. fiscal year, the total number of containers handled by the port's two container facilities rose to 100,000 compared to only 35,000 moved four years earlier. The tremendous growth in container traffic indicates that a third container facility will be needed, and the Port Corporation is actively pursuing the necessary planning studies for such a terminal.

The Port of Erie, operating on a much smaller scale and handling primarily domestic and Canadian bulk cargo, is expected to show current and future year increases of four percent per year for tonnage and nine percent for dollar value. Changes in import-export tonnage from past years is reflective of the varying mixes of commodities handled by the port. Should a new U.S. Steel plant be constructed in nearby Conneant, Ohio, a substantial change is estimated to take place in the year 1980 and thereafter. Niagara Mohawk Power Co. is constructing a fossil fuel plant in Dunkirk, N.Y. and the Port of Erie anticipates an influx of western low-sulfur coal in the early 1980's.

Program Costs by Appropriation:

	1976-77	1977-78	(Dollar Amounts in Thousands)				
			1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Mass Transportation Operations	\$ 9	\$ 5	\$ 7	\$ 7	\$ 7	\$ 7	\$ 8
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	\$1,259	\$1,255	\$1,257	\$1,257	\$1,257	\$1,257	\$1,258
BOATING FUND							
Navigation Office for the Delaware River	\$ 18						

Highway Safety Projects

OBJECTIVE: To decrease the incidence and severity of traffic accidents, injuries and fatalities on highways by improving highway design and traffic flow.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Special Funds	\$ 6,485	\$ 4,740	\$ 9,578	\$10,056	\$10,560	\$11,088	\$11,642
Federal Funds	16,462	20,776	48,269	50,000	51,250	53,325	56,039
Other Funds	24	625	.....	.....	.....	.....	.....
TOTAL	\$22,971	\$26,141	\$57,847	\$60,056	\$61,810	\$64,413	\$67,681

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Traffic fatalities:							
Total	2,006	2,033	2,054	2,068	2,075	2,085	2,096
Rate per 100 million vehicle miles	2.89	2.86	2.83	2.78	2.73	2.69	2.65
Attributable to roadway factors	58	59	60	60	60	61	62
Traffic injuries:							
Total	138,735	141,646	146,890	152,748	157,562	164,353	172,519
Rate per 100 million vehicle miles	200	200	202	205	207	212	218
Attributable to roadway factors	15,921	16,255	16,857	17,529	18,082	18,861	19,798
All traffic accidents:							
Total	302,142	229,145	238,507	248,556	259,161	272,464	288,948
Rate per 100 million vehicle miles	435	322	328	334	341	351	365
Attributable to roadway factors	25,380	19,248	20,035	20,879	21,770	22,887	24,272
Highway safety improvements:							
High hazard and congested sections improved	350	360	475	475	475	475	475
Traffic signs installed	250,000	295,000	280,000	280,000	250,000	250,000	250,000
Traffic signals installed or revised	720	780	690	600	560	520	520

Program Analysis:

Physical characteristics of a highway can contribute significantly to the probability of accidents. Poor alignment, visibility, curve grade and traffic flow as well as 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 disproportionally high numbers of accidents occur, the roadway itself is the prime causal factor. High hazard is

defined as any section of roadway on which the accident rate is greater than the statewide average for that type of road, while a congested section is one that carries markedly more traffic than it should handle. From the nearly 10,000 such hazardous and congested sections of roadway on the State-administered highway system, priority listings of both major and minor safety projects and traffic flow improvements are developed to be implemented as funds become available.

Such safety improvement projects have yielded a 30 percent reduction in accidents at the locations involved, and as such represent one of the highest potentials for success and

Highway Safety Projects (continued)

Program Analysis: (continued)

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 has been placed on improving the physical characteristics of our existing highways.

While fatalities, injuries and accidents dropped dramatically in the first two years after the oil embargo, the trend beginning in fiscal year 1975-76 has been marked by a modest increase in all three categories. The program measures reflect this gradual rise, with the exception of a 25 percent drop in traffic accidents during 1977-78 that resulted from a change in reporting requirements. Specifically, the new Motor Vehicle Code eliminated the \$200 property damage limit, and now an accident must be reported to PennDOT only if a vehicle is rendered inoperative or if a law enforcement officer performs an investigation.

Although the number of traffic deaths has risen slightly over the past two fiscal years, a larger percentage increase in vehicle miles of travel has caused fatality rates to fall. While PennDOT projects a continued decline in the traffic death rate, both injury and accident rates are now expected to show a slow but steady rise in future years. The worsening safety statistics can be attributed in large part to the growing

disregard for the 55 mile per hour speed limit. Based on surveys conducted in the first half of 1977, it is estimated that 46 percent of all Pennsylvania motorists are guilty of exceeding legal speed limits.

The number of high hazard and congested sections improved during the 1977-78 fiscal year is much lower than the 475 shown in last year's budget due to the Legislature's \$8.3 million reduction in the amount recommended for the Highway and Safety Construction appropriation. Despite the high priority now assigned to the safety program, the \$50 million appropriation level simply does not allow for funding of all safety projects programmed to be paid from current revenues. While the 1978-79 budget recommends the continued freeze of most new construction projects, sufficient funds have been provided (primarily through personnel cuts) to fully fund work on high hazard and congested sections.

Compared to previous budgets, bond fund expenditures no longer appear in this subcategory and the general level of current revenue expenditures is much lower for all fiscal years. Rather than assigning the safety portion of all construction costs to this subcategory as done in the past, now only projects specifically designated as safety work are shown as expenditures in this program.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
MOTOR LICENSE FUND							
Highway and Safety Construction . . .	<u>\$ 6,485</u>	<u>\$ 4,740</u>	<u>\$ 9,578</u>	<u>\$10,056</u>	<u>\$10,560</u>	<u>\$11,088</u>	<u>\$11,642</u>

Safety Administration and Licensing

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)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Special Funds	\$37,144	\$36,971	\$34,115	\$35,821	\$37,612	\$39,492	\$41,467
Federal Funds	472	713	588	617	648	681	715
Other Funds	10	.....	.....	.....	.....	.....	.....
TOTAL	<u>\$37,626</u>	<u>\$37,684</u>	<u>\$34,703</u>	<u>\$36,438</u>	<u>\$38,260</u>	<u>\$40,173</u>	<u>\$42,182</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
State motor vehicle registrations	8,553,000	8,895,000	9,251,000	9,621,000	10,006,000	10,406,000	10,822,000
Vehicles repaired through inspection system	1,450,000	1,523,000	1,599,000	1,679,000	1,763,000	1,851,000	1,944,000
Operators licenses in effect	8,318,000	8,443,000	8,570,000	8,699,000	8,829,000	8,961,000	9,095,000
Operators licenses revoked, suspended, re-examined or restricted	272,000	299,000	305,000	311,000	317,000	323,000	329,000

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 Projects subcategory.

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. The number of such actions related to the driver point system fell considerably during the 1976-77 fiscal year due to the amnesty provisions of the new Motor Vehicle Code (Act 81 of 1976).

In past years, the department has also conducted a driver improvement school for operators who had accumulated six or more points. However, under provisions of Act 81, PennDOT is exercising its option to handle these cases through the administration of examinations rather than through schools. For this reason, the program measure for driver seminar attendance has been eliminated from the budget.

PennDOT's registration and inspection programs permit the

Safety Administration and Licensing (continued)

Program Analysis: (continued)

monitoring of the Commonwealth's 8.9 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. Based on a random sample of inspection station reports, PennDOT estimates that over 1.5 million vehicles will be repaired during the current fiscal year as a result of the inspection system. Vehicle registrations are now expected by PennDOT to increase at a rate of four percent annually in future years, operators' licenses by one and one-half percent. Because of the multi-year phase-in of staggered automobile registrations, four-year operator licenses and colored photographs on operator licenses (all of which are now delayed until 1979-80), revenues from these sources will follow an erratic pattern.

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 nearly 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 Projects subcategory.

Program Costs by Appropriation:

	1976-77	1977-78	(Dollar Amounts in Thousands)				
			1978-79	1979-80	1980-81	1981-82	1982-83
MOTOR LICENSE FUND							
General Government Operations	\$ 100	.....	.....	.....	.....	.....	.....
Safety Administration and Licensing	37,044	\$36,971	\$34,115	\$35,821	\$37,612	\$39,492	\$41,467
 MOTOR LICENSE FUND							
TOTAL	<u>\$37,144</u>	<u>\$36,971</u>	<u>\$34,115</u>	<u>\$35,821</u>	<u>\$37,612</u>	<u>\$39,492</u>	<u>\$41,467</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$ 29	\$ 31	\$ 36	\$ 36	\$ 36	\$ 36	\$ 36
Special Funds	12,859	14,939	15,387	15,836	16,298	16,774	17,264
Federal Funds	6	20	30	34	38	42	46
TOTAL	<u>\$12,894</u>	<u>\$14,990</u>	<u>\$15,453</u>	<u>\$15,906</u>	<u>\$16,372</u>	<u>\$16,852</u>	<u>\$17,346</u>

Program Measures:

	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Persons over 65	1,460,000	1,490,000	1,520,000	1,550,000	1,570,000	1,590,000	1,610,000
Free transit trips by elderly during nonrush hours	57,378,000	61,200,000	61,200,000	61,200,000	61,200,000	61,200,000	61,200,000

Program Analysis:

This program recognizes the limited availability of private transportation for Pennsylvania's senior citizens and their heavy reliance upon public transportation facilities. It further recognizes that many retired persons must live within a fixed and limited income and cannot afford to use public transit as often as they would like. This program increases the mobility of citizens 65 years of age and older by providing free transit during off-peak hours on weekdays and at all times on holidays and weekends, and encourages the retention of adequate transit schedules during these times by subsidizing the increased ridership of the senior citizens.

The program officially began on July 1, 1973. Grants are made out of the State Lottery Fund to local transit agencies to pay their estimated transit losses resulting from granting free off-peak service to the elderly. Currently more than 70 participating transit agencies are under contract with the Commonwealth. The total cost of the program this fiscal year will be \$14.9 million. An average of 5.1 million free trips are being made by senior citizens every month. During the first year of this grant program mass transit usage by senior citizens increased by more than 50 percent over the prior fiscal year.

Ridership increased an additional 12.2 percent in fiscal year 1975 and 12.8 percent in fiscal year 1976. Senior citizen ridership was 57.4 million for fiscal year 1977, a drop of 3 million rides, which is due to a loss of 5 million senior citizen rides during the 44 day Southeastern Pennsylvania Transportation Authority (SEPTA) - City Transit Division strike. It appears, however, that the ridership level has rebounded to its previous level. Since those senior citizens able to avail themselves of this program are already doing so and because continuing escalating costs will cause transit agencies to prune off-peak schedules, it is estimated that ridership will remain relatively constant.

The request for fiscal year 1978-79 is \$15.4 million, an increase of \$400,000 (three percent) over the current authorization. The major cost increase during the current fiscal year is due to the recent fare increases on the SEPTA system. The allocation of the Free Transit Program for Senior Citizens in the future years will increase moderately as smaller transit operators increase fares. This rate of growth is expected to be approximately \$400,000 per year.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Mass Transportation Operations	\$ 29	\$ 31	\$ 36	\$ 36	\$ 36	\$ 36	\$ 36
STATE LOTTERY FUND							
Free Transit for the Elderly	\$12,859	\$14,939	\$15,387	\$15,836	\$16,298	\$16,774	\$17,264

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)	
	1976-77	1977-78	1978-79
	Actual	Available	Budget
General Fund			
General Government			
Senate	\$14,685	\$15,093	\$12,067
House of Representatives	21,886	26,299	22,553
Legislative Reference Bureau	1,851	2,033	2,152
Legislative Budget and Finance Committee	292	317	330
Legislative Data Processing Center	850	925	975
Legislative Miscellaneous and Commissions	1,557	1,527	1,551
Total State Funds	\$41,121	\$46,194	\$39,628
Other Funds	\$ 5	\$ 10	\$ 10
GENERAL FUND TOTAL	\$41,126	\$46,204	\$39,638

General Government

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Senate			
State Funds	\$14,685	\$15,093	\$12,067

Performs the duties and functions required of the Senate by Articles II and III of the Constitution of Pennsylvania.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Salaries			
Fifty Senators	\$ 1,400	\$ 1,425	\$ 1,318 ✓
Officers and Employees	797	797	431 ✓
Employes of Senate President	85	85	69 ✓
Senate Salaried Employees	3,650	3,650	2,187 ✓
Employes of Chief Clerk	500	500	458 ✓
Mileage			
Senators, Officers and Employees	120	120	110 ✓
Postage			
Chief Clerk and Legislative Journal	104	104	95 ✓
Lieutenant Governor	9	9	9 ✓
Librarian	9	9	9 ✓
Contingent Expenses			
Secretary	85	85	85 ✓
Librarian	18	18	18 ✓
President	28	28	20 ✓
President Pro Tempore	20	20	20 ✓
Chief Clerk	40	40	40 ✓
Majority Floor Leader	6	6	6 ✓
Minority Floor Leader	6	6	6 ✓
Majority Whip	3	3	3 ✓
Minority Whip	3	3	3 ✓
Chairman—Majority Caucus	3	3	3 ✓
Chairman—Minority Caucus	3	3	3 ✓
Secretary—Majority Caucus	3	3	3 ✓
Secretary—Minority Caucus	3	3	3 ✓
Chairman—Majority Appropriations Committee	6	6	6 ✓
Chairman—Minority Appropriations Committee	6	6	6 ✓
Chairman—Majority Policy Committee	2	2	2 ✓
Chairman—Minority Policy Committee	2	2	2 ✓

GENERAL FUND

LEGISLATURE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds (continued)			
Contingent Expenses (continued)			
Administrator—Minority Staff	\$ 17	.....	.....
Majority Caucus Administrator	2	\$ 2	\$ 2
Minority Caucus Administrator	2	2	2
Miscellaneous Expenses			
Incidental Expense	220	220	230
Committee on Appropriations(D)	360	360	375
Committee on Appropriations(R)	360	360	375
Expenses—Senators	375	375	375
Legislative Printing and Expenses	1,642	1,642	1,375
National Legislative Conference—Expenses	15	15	.....
Attending Meetings of the Council of State Governments—Expenses	6	6	6
Special Leadership Account(D)	850	850	875
Special Leadership Account(R)	850	850	875
Legislative Management Committee(D)	1,500	1,870	1,487
Legislative Management Committee(R)	1,500	1,530	1,100
Commonwealth Emergency Medical System	50	50	50
Commonwealth Compensation Commission	25	25	25
TOTAL	\$14,685	\$15,093	\$ 12,067

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
House of Representatives			
State Funds	\$21,886	\$26,299	\$22,553

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Salaries			
Members' Salaries, Speaker's Extra Compensation	\$ 4,300	\$ 5,350	\$ 5,350
Officers and Employees	2,800	2,912	2,000
House Salaried Employees	4,300	4,386	2,600
Employees of Chief Clerk	.....	625	500
Security Officers	.....	38	38

GENERAL FUND

LEGISLATURE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds (continued)			
Mileage			
Representatives, Officers and Employees	\$ 365	\$ 675	\$ 400
Postage			
Chief Clerk and Legislative Journal	200	225	225
Contingent Expenses			
Speaker	15	20	20
Chief Clerk	175	200	220
Secretary	55	65	70
Majority Floor Leader	6	6	6
Minority Floor Leader	6	6	6
Majority Whip	3	3	3
Minority Whip	3	3	3
Chairman—Majority Caucus	3	3	3
Chairman—Minority Caucus	3	3	3
Secretary—Majority Caucus	3	3	3
Secretary—Minority Caucus	3	3	3
Chairman—Majority Appropriations Committee	6	6	6
Chairman—Minority Appropriations Committee	6	6	6
Chairman—Minority Policy Committee	2	2	2
Administrator for Minority Staff	17	. . . . .	. . . . .
Chairman—Majority Policy Committee	2	2	2
Majority Caucus Administrator	2	2	2
Minority Caucus Administrator	2	2	2
Miscellaneous Expenses			
Incidental Expenses	500	1,000	750
Committee on Appropriations(D)	360	360	375
Committee on Appropriations(R)	360	360	375
Expenses—Representatives	1,522	1,523	1,523
Legislative Printing and Expenses	2,000	2,850	2,600
National Legislative Conference—Expenses	80	80	77
Meetings of the Council of State			
Governments—Expenses	5	5	5
Special Leadership Account(D)	850	950	950
Special Leadership Account(R)	850	950	950
Legislative Management Committee(D)	1,500	1,800	1,700
Legislative Management Committee(R)	1,500	1,800	1,700
Commonwealth Emergency Medical Services	50	50	50
Commonwealth Compensation Commission	25	25	25
Conference for New Members	7	. . . . .	. . . . .
TOTAL	<u>\$21,886</u>	<u>\$26,299</u>	<u>\$22,553</u>

GENERAL FUND

LEGISLATURE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Legislative Reference Bureau			
State Funds	\$ 1,851	\$ 2,033	\$ 2,152

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Salaries and Expenses	\$ 1,065	\$ 1,208	\$ 1,342 ✓
Contingent Expenses	10	10	10 ✓
Printing of Pamphlet Laws	141	120	153 ✓
Printing of Pennsylvania Bulletin and Pennsylvania Code	635	630	647 ✓
Special Legal Fees .....	.....	65	.....
TOTAL	<u>\$ 1,851</u>	<u>\$ 2,033</u>	<u>\$ 2,152</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Legislative Budget and Finance Committee			
State Funds	\$ 292	\$ 317	\$ 330

Performs duties and functions relating to the study of the revenues, expenditures and fiscal operations of the agencies, boards and commissions of the Commonwealth.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Legislative Budget and Finance Committee	<u>\$ 292</u>	<u>\$ 317</u>	<u>\$ 330</u> ✓

GENERAL FUND

LEGISLATURE

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Legislative Data Processing Center			
State Funds	\$ 850	\$ 925	\$ 975
Other Funds	5	10	10
TOTAL	<u>\$ 855</u>	<u>\$ 935</u>	<u>\$ 985</u>

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.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Legislative Data Processing Committee	\$ 850	\$ 925	\$ 975 ✓
Other Funds:			
Reimbursement for Data Processing Services	5	10	10
TOTAL	<u>\$ 855</u>	<u>\$ 935</u>	<u>\$ 985</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Legislative Miscellaneous and Commissions			
State Funds	\$ 1,557	\$ 1,527	\$ 1,551

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 and for the compilation and distribution of various municipal codes.

GENERAL FUND

LEGISLATURE

Source of Funds	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Appropriation:			
Joint State Government Commission	\$ 957	\$ 990	\$ 1,047 ✓
Local Government Commission	190	192	192 ✓
Local Government Codes . . . . .	.....	80	10 ✓
Joint Legislative Air and Water Pollution Control Committee	115	125	162 ✓
Purchase of Pennsylvania, National and Bicentennial Flags for State Residents	40	40	40 ✓
← Legislative Audit Advisory Commission	55	100	100 ✓
← Legislative Office for Research Liaison	200	.....	.....
TOTAL	<u>\$ 1,557</u>	<u>\$ 1,527</u>	<u>\$ 1,551</u>

LEGISLATURE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Legislative Process	\$41,121	\$46,194	\$39,628	\$41,611	\$43,691	\$45,874	\$48,168
Legislature	41,121	46,194	39,628	41,611	43,691	45,874	48,168
DEPARTMENT TOTAL	<u>\$41,121</u>	<u>\$46,194</u>	<u>\$39,628</u>	<u>\$41,611</u>	<u>\$43,691</u>	<u>\$45,874</u>	<u>\$48,168</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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$41,121	\$46,194	\$39,628	\$41,611	\$43,691	\$45,874	\$48,168
Other Funds	5	10	10	10	10	10	10
TOTAL.....	<u>\$41,126</u>	<u>\$46,204</u>	<u>\$39,638</u>	<u>\$41,621</u>	<u>\$43,701</u>	<u>\$45,884</u>	<u>\$48,178</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 appropriation 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:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND TOTAL	<u>\$41,121</u>	<u>\$46,194</u>	<u>\$39,628</u>	<u>\$41,611</u>	<u>\$43,691</u>	<u>\$45,874</u>	<u>\$48,168</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)		
	1976-77	1977-78	1978-79	
	Actual	Available	Budget	
General Fund				
General Government				
Supreme Court	\$ 2,595	\$ 2,675	\$ 2,958	
Court Administrator	1,198	1,098	1,644	
Superior Court	1,516	1,575	1,741	
Commonwealth Court	1,911	2,000	2,137	
Courts of Common Pleas	16,705	16,845	17,091	
Senior and Active Judges		500	500	
Community Courts—District Justices of the Peace	12,174	12,340	12,994	
Philadelphia Traffic Court	179	170	168	
Philadelphia Municipal Court	937	1,092	1,139	
Law Clerks	130	133	135	
Subtotal	<u>\$37,345</u>	<u>\$38,428</u>	<u>\$40,507</u>	
Grants and Subsidies				
Reimbursement of County Court Expenses		\$24,000		
Total State Funds	<u>\$37,345</u>	<u>\$62,428</u>	<u>\$40,507</u>	
Federal Funds	\$ 478	\$ 1,958	\$24,787	
Other Funds	354	250	415	
GENERAL FUND TOTAL	<u>\$38,177</u>	<u>\$64,636</u>	<u>\$65,709</u>	
Revenue Sharing Trust Fund				
Grants and Subsidies				
Reimbursement of County Court Expenses	\$24,000			
REVENUE SHARING TRUST FUND TOTAL	<u>\$24,000</u>			
Department Total — All Funds				
General Fund	\$37,345	\$62,428	\$40,507	
Special Funds	24,000			
Federal Funds	478	1,958	24,787	
Other Funds	354	250	415	
TOTAL ALL FUNDS	<u>\$62,177</u>	<u>\$64,636</u>	<u>\$65,709</u>	

General Government

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Supreme Court			
State Funds	\$ 3,793	\$ 3,773	\$ 4,602
Federal Funds	478	1,958	787
Other Funds	354	250	310
TOTAL	\$ 4,625	\$ 5,981	\$ 5,699

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 ten years.

	(Dollar Amounts in Thousands)		
	1976-77	1977-78	1978-79
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Supreme Court	\$ 2,560	\$ 2,675	\$ 2,958 ✓
Salary Increase for the Judges	35	. . . .	. . . . ✓
Court Administrator	1,198	1,098	1,644
Federal Funds:			
LEAA – Judicial Information System—Design and Development	80	400	200
LEAA – Judicial Information System – Implementation	62	334	150
LEAA – Court Opinion Circularization	9	14	. . . .
LEAA – Courts Statistical Program	48	50	25
LEAA – Training for Judges and Court Personnel	40	.51	25
LEAA – Standard Jury Instruction Project	12	19	. . . .
LEAA – Constable Evaluation Project	15	. . . .	. . . .
LEAA – Judicial Training Center	80	136	. . . .
LEAA – Court Planner/Coordinator	9	. . . .	. . . .
LEAA – Statistical Reporting Unit	17	. . . .	. . . .
LEAA – Comprehensive Court Planning	85	105	. . . .
LEAA – The Judicial Planning Committee . . . . .	. . . .	250	. . . .
LEAA – District Justice Office Procedures . . . . .	. . . .	59	. . . .
LEAA – Statewide Microfilming and Records Management . . . . .	. . . .	150	112
LEAA – Facilities Study . . . . .	. . . .	150	113
LEAA – Technical Assistance to the Courts . . . . .	. . . .	150	113
FHWA Training District Magistrates	21	65	. . . .
LEAA – Judicial Inspection of Detention Facilities . . . . .	. . . .	25	. . . .
LEAA – Constable Reform Program . . . . .	. . . .	. . . .	49

GENERAL FUND

JUDICIARY

Source of Funds (continued)	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Other Funds:			
Omnibus Crime Control and Safe Streets Act	\$ 114	.....	.....
Law Student Fees to State Board of Law Examiners	240	\$ 250	\$ 250
Filing Fees . . . . .	.....	.....	60
TOTAL	<u>\$ 4,625</u>	<u>\$ 5,981</u>	<u>\$ 5,699</u>

Superior Court	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Funds	\$ 1,516	\$ 1,575	\$ 1,741
Other Funds . . . . .	.....	.....	50
TOTAL	<u>\$ 1,516</u>	<u>\$ 1,575</u>	<u>\$ 1,791</u>

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 ten year terms.

Source of Funds	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Appropriation:			
Superior Court	\$ 1,481	\$ 1,575	\$ 1,741 ✓
Salary Increase for the Judges	35	.....	.....
Other Funds:			
Filing Fees . . . . .	.....	.....	50
TOTAL	<u>\$ 1,516</u>	<u>\$ 1,575</u>	<u>\$1,791</u>

Commonwealth Court	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
State Funds	\$ 1,911	\$ 2,000	\$ 2,137
Other Funds . . . . .	.....	.....	55
TOTAL	<u>\$ 1,911</u>	<u>\$ 2,000</u>	<u>\$ 2,192</u>

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 ten year terms.

GENERAL FUND

JUDICIARY

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Commonwealth Court	\$ 1,876	\$ 2,000	\$ 2,137 ✓
Salary Increase for the Judges	35	.....	.....
Other Funds:			
Filing Fees .....	.....	.....	55
TOTAL	<u>\$ 1,911</u>	<u>\$ 2,000</u>	<u>\$ 2,192</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Courts of Common Pleas			
State Funds	\$16,705	\$17,345	\$17,591

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)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Courts of Common Pleas	\$15,285	\$16,845	\$17,091 ✓
Salary Increase for the Judges	1,420	.....	.....
Senior and Active Judges .....	.....	500	500 ✓
TOTAL	<u>\$16,705</u>	<u>\$17,345</u>	<u>\$17,591</u>

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Community Courts—District Justices of the Peace			
State Funds	\$12,174	\$12,340	\$12,994

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 ten 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 six years.

GENERAL FUND

JUDICIARY

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Community Courts—District Justices of the Peace	<u>\$12,174</u>	<u>\$12,340</u>	<u>\$12,994</u> ✓

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Philadelphia Traffic Court and Philadelphia Municipal Court			
State Funds	\$ 1,246	\$ 1,395	\$ 1,442

These courts exist so long as a community court is not established. The number of judges is provided by law, for a term of six years.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Philadelphia Traffic Court	\$ 164	\$ 170	\$ 168 ✓
Salary Increase for the Judges	15	.....	..... ✓
Philadelphia Municipal Court	857	1,092	1,139 ✓
Salary Increase for the Judges	80	.....	..... ✓
Law Clerks	130	133	135 ✓
TOTAL	<u>\$ 1,246</u>	<u>\$ 1,395</u>	<u>\$ 1,442</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Reimbursement of County Court Costs			
State Funds	\$24,000	.....
Federal Funds	\$24,000
TOTAL	<u>\$24,000</u>	<u>\$24,000</u>

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. It is recommended that funding for this program for 1978-79 come from Federal Public Works Employment Act funds.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Reimbursement of County Court Costs	\$24,000	.....
Federal Funds:			
Public Works Employment Act	\$24,000
TOTAL	<u>\$24,000</u>	<u>\$24,000</u>

Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Reimbursement of County Court Costs			
State Funds	\$24,000	.....	.....

Provided 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. Funding for the available year was provided out of the General Fund, and for the budget year is recommended to come from Federal Public Works Employment Act funds.

	(Dollar Amounts in Thousands)		
	1976-77 Actual	1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Reimbursement of County Court Costs	<u>\$24,000</u>	.....	.....

JUDICIARY

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	1976-77	1977-78	(Dollar Amounts in Thousands)			1981-82	1982-83
			1978-79	1979-80	1980-81		
Adjudication of Defendents	\$61,345	\$62,428	\$40,507	\$66,503	\$68,597	\$70,887	\$73,107
State Judicial System	61,345	62,428	40,507	66,503	68,597	70,887	73,107
DEPARTMENT TOTAL	<u>\$61,345</u>	<u>\$62,428</u>	<u>\$40,507</u>	<u>\$66,503</u>	<u>\$68,597</u>	<u>\$70,887</u>	<u>\$73,107</u>

State Judicial System

OBJECTIVE: To provide Pennsylvania citizens with prompt and equitable justice under the law.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
General Fund	\$37,345	\$62,428	\$40,507	\$66,503	\$68,597	\$70,887	\$73,107
Special Funds	24,000	.....	24,000	24,000	24,000	24,000	24,000
Federal Funds	478	1,958	24,787	750	500	500	500
Other Funds	354	250	415	410	410	410	410
TOTAL	<u>\$62,177</u>	<u>\$64,636</u>	<u>\$65,709</u>	<u>\$91,663</u>	<u>\$93,507</u>	<u>\$95,797</u>	<u>\$98,017</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 administrator's 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.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
GENERAL FUND							
Judiciary (All Judiciary Appropriations)	<u>\$37,345</u>	<u>\$62,428</u>	<u>\$40,507</u>	<u>\$66,503</u>	<u>\$68,597</u>	<u>\$70,887</u>	<u>\$73,107</u>
REVENUE SHARING TRUST FUND							
Reimbursement of County Court Expenses	<u>\$24,000</u>	.....	.....	<u>\$24,000</u>	<u>\$24,000</u>	<u>\$24,000</u>	<u>\$24,000</u>

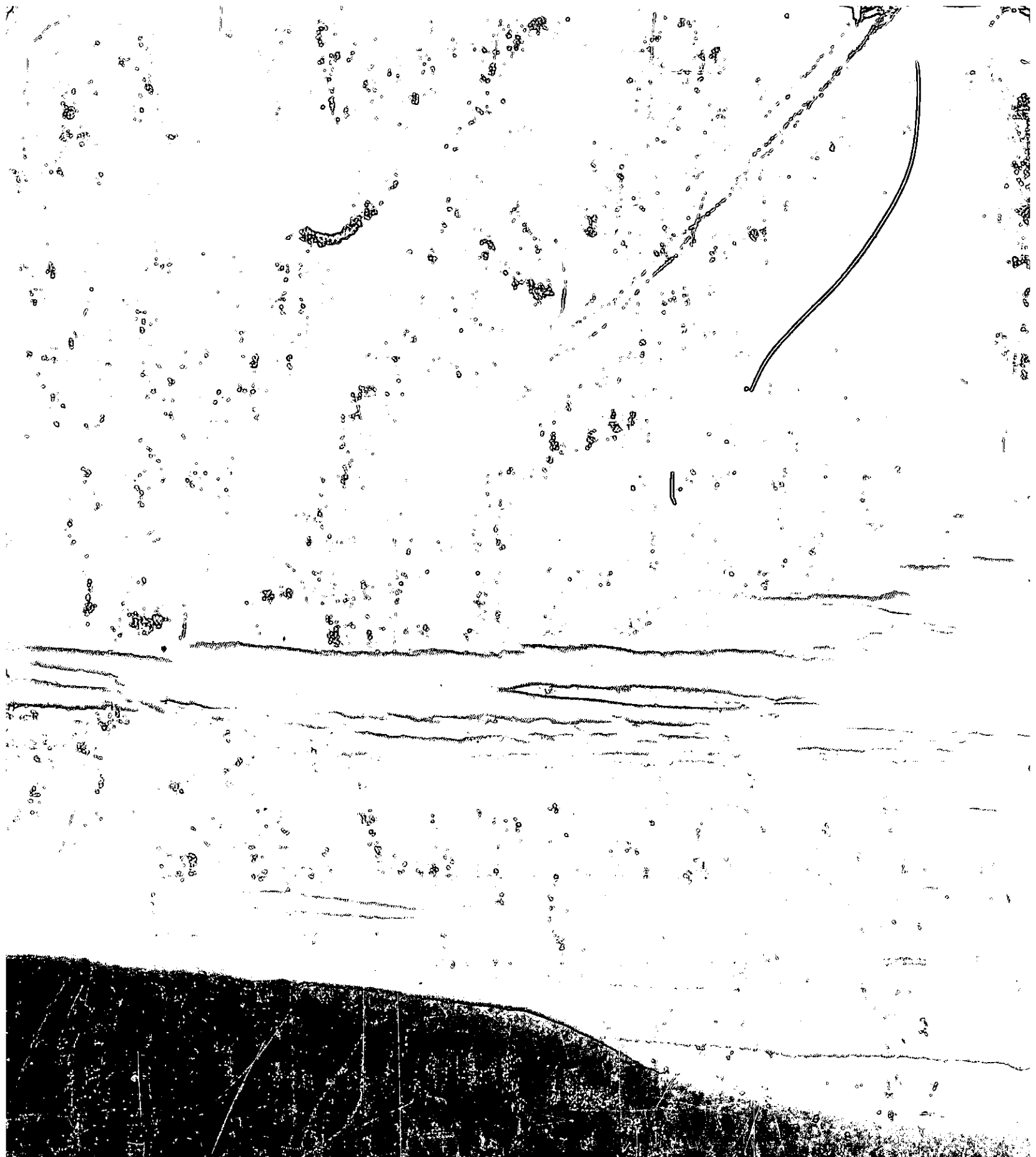
GENERAL FUND
Flood Relief and Recovery

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Flood Relief and Recovery			
State Funds	\$9,244	.....

Provided the Governor with funds to allocate to the various departments of the Commonwealth for their net amount of expenses in disaster relief and recovery activities after the flood in Johnstown, Pennsylvania, July, 1977. Of the \$12 million appropriated (\$14 million was appropriated but \$2 million was lapsed) for this purpose, the amount shown here remained unallocated on December 31, 1977.

The amounts which have been and will be made available from this appropriation to each agency and the specific programs initiated can be found in the summary section of Volume I.

	1976-77 Actual	(Dollar Amounts in Thousands) 1977-78 Available	1978-79 Budget
Source of Funds			
Appropriation:			
Flood Relief — Johnstown	\$5,244	.....
1977 Flood Relief — Johnstown	4,000	.....
TOTAL	<u>\$9,244</u>	.....



...from whence the air smelt as sweet as a
new blown garden."

William Penn comments on first sight of Pennsylvania, 1682

(Morning Scene, Schuylkill County)